

CITY OF DALY CITY, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2001



Prepared by
DEPARTMENT OF FINANCE

DONALD W. MCVEY
DIRECTOR OF FINANCE



CITY OF DALY CITY

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CITY COUNCIL

Carol L. Klatt, Mayor

Michael P. Guingona, Vice Mayor

Madolyn L. Agrimonti

Adrienne J. Tissier

Sal Torres

ADMINISTRATION AND DEPARTMENT HEADS

City Manager

Assistant City Manager

City Attorney

City Clerk

City Treasurer

Fire Chief

Police Chief

Library Director

Director of Finance

Acting Director of Public Works

Director of Human Resources

Director of Parks & Recreation

Director of Water & Wastewater Resources

Director of Economic & Community Development

John C. Martin

Patricia E. Martel

Stan Gustavson

Helen Flowerday

Anthony J. Zidich

Robert O'Donnell

Gary S. McLane

Susanna C. Gilden

Donald W. McVey

Patricia E. Martel

Diane L. Cronin

Michael F. Stallings

Patrick Sweetland

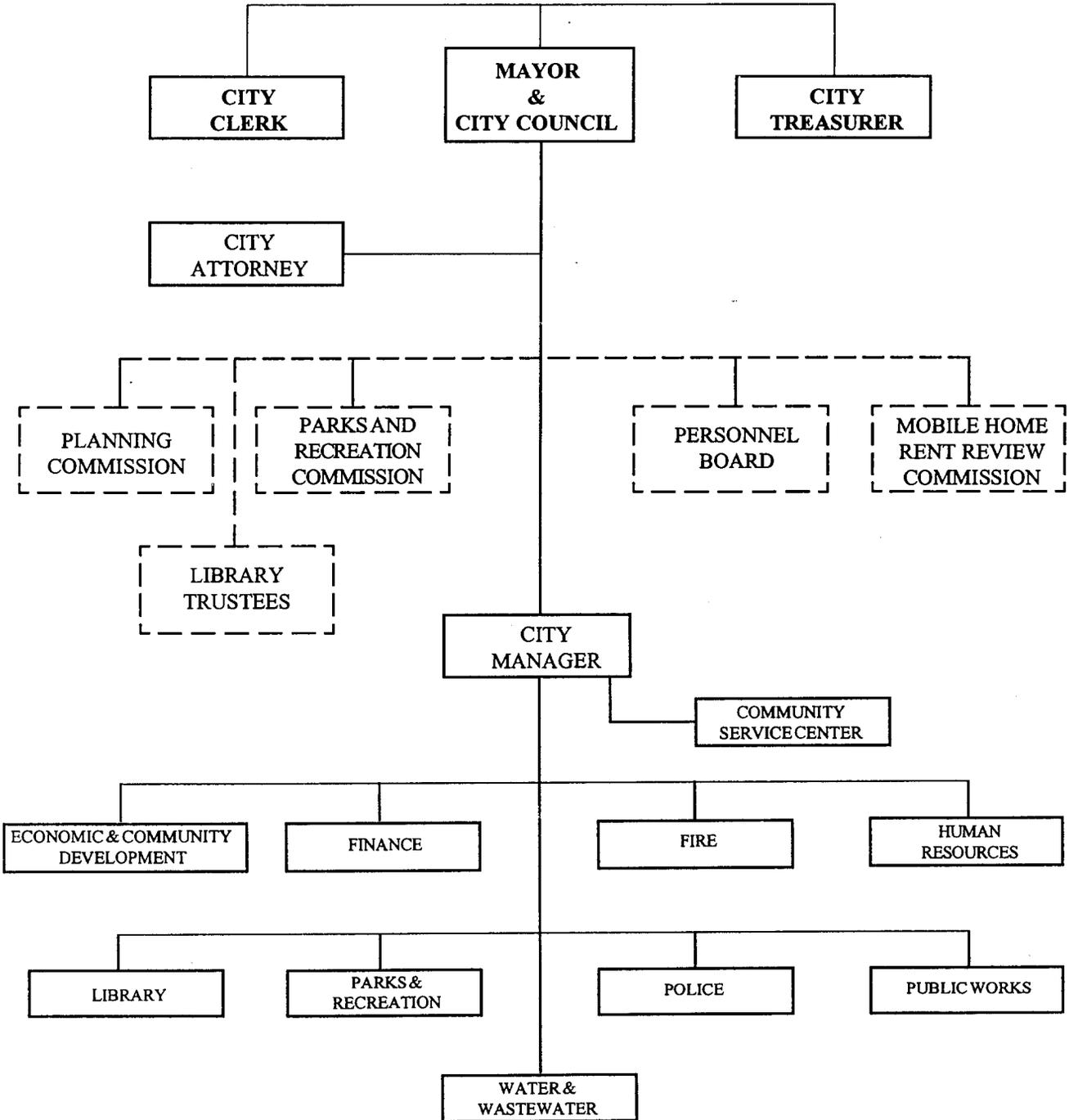
Terry Sedik



City of Daly City ORGANIZATION STRUCTURE

Fiscal Year 2000-2001

CITIZENS OF DALY CITY



----- ADVISORY BOARDS & COMMISSIONS



CITY OF DALY CITY

DEPARTMENT OF FINANCE

DONALD W. McVEY
DIRECTOR

November 2, 2001

Honorable Mayor
Members of City Council
Citizens of Daly City

We are pleased to submit the Comprehensive Annual Financial Report of the City of Daly City for the fiscal year ended June 30, 2001. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data presented is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity are included.

The comprehensive annual financial report is presented in three sections:

- 1) **Introductory Section** -- As the title indicates, this section introduces the reader to the report and includes the City organization chart, this transmittal letter, the Certificate of Achievement awarded to the City by the Government Finance Officers Association and the Certificate of Award for Outstanding Financial Reporting awarded to the City by the California Society of Municipal Finance Officers.
- 2) **Financial Section** -- Five combined financial statements, together with the notes to the financial statements, comprise the General Purpose Financial Statements (GPFS). The GPFS are the City's basic financial statements and provide an overview for users who require less detailed information about the City's finances than is contained in the balance of this report. The remainder of the financial section presents combining statements, individual fund statements and schedules focusing on individual funds rather than fund types, and supplementary financial information.
- 3) **Statistical Section** -- Although this section contains substantial financial information, these tables differ from financial statements in that they present some nonaccounting data, cover more than two fiscal years, and are designed to reflect social and economic data, financial trends, and the fiscal capacity of the City.

GENERAL INFORMATION - CITY OF DALY CITY

The City of Daly City is located in northern San Mateo County, adjacent to the southern boundary of the City and County of San Francisco. A population of 105,000 is contained within approximately 7.6 square miles of substantially developed land. The City is considered the "Gateway to the Peninsula", as it is strategically placed directly south of San Francisco.

The City has a Council-Manager form of government and was incorporated on March 22, 1911. There are five council members who serve overlapping terms of four years, and the Council, in turn, elects one of the council members to serve as Mayor each year. The City Council engages a City Manager and a City Attorney. The City Manager is the chief executive officer. It is the City Manager's responsibility to hire department heads for each of the City functions, to propose the annual budget, to coordinate and oversee all activities of the organization, and to implement the laws, policies, and budgets adopted by the City Council.

REPORTING ENTITY AND SERVICES PROVIDED

This report includes all funds and account groups of the City of Daly City. The financial statements include the financial activities of the City, the Daly City Redevelopment Agency, the North San Mateo County Sanitation District, and the Daly City Public Facilities Financing Corporation. The financial operations of the City and the other entities included in this financial report are closely related. City Council members serve as the governing board of the Redevelopment Agency, the North San Mateo County Sanitation District, and the Daly City Public Facilities Financing Corporation. The City Manager also serves as the Executive Director of the Redevelopment Agency and the General Manager of the Sanitation District. Financial activities of the Redevelopment Agency are included with the special revenue fund type and long-term debt account group. The Sanitation District is included in the proprietary fund types as an enterprise fund, and includes the activities of the Daly City Public Facilities Financing Corporation.

The City provides a full range of municipal services. These include police, fire, library, recreation and related social services, street construction and maintenance, traffic signalization and control, engineering, code enforcement, parks operations and maintenance, general administration, planning, and community development. The City also provides water services, sanitary sewer services, and a transfer station for solid waste under an enterprise fund system, with user fees covering the cost of providing the programs.

ECONOMIC CONDITION AND OUTLOOK

The past year ended the six-year trend of growth in the national, state, and local economies. The City's General Fund finished the year in excellent condition with adequate reserves to help weather the economic downturn we are now facing. As this is being written, we are doing our best to determine what it means to be in a post September 11th economy. The State of California is anticipating up to a \$14 billion shortfall in the coming fiscal year. The last time this occurred, in the early 1990's, local government suffered in the extreme so that the State could balance its budget. It is simply too soon to tell how much our local economy will be affected. Given the uncertainty of the times, all revenues will be closely monitored as we go forward into unknown territory.

Property Tax

The major revenue source available to the General Fund is property tax. Property tax is collected by the County and distributed to the City based upon a formula determined by State law. With the imposition of property tax limits through state Proposition 13, taxes were limited to \$1 per \$100 of assessed valuation. This \$1 is split among cities, schools, and counties in proportion to the taxes collected before the passage of Proposition 13, though the State's diversion of over 20 percent of our property taxes actually places the City's share below that allocation. Rather than collecting an average of 25.5 cents of each \$1, Daly City's split is presently closer to 20 cents. The City has no direct influence over the amount of property tax payments because that is dependent upon 1) property sales and revaluations at current sales prices, 2) periodic property devaluations and 3) the automatic two percent increase on assessed valuations on all other properties.

As expected, Daly City's Property Tax revenue increased slightly over seven percent in fiscal 2001, and will increase again in the coming year. Signs of the recession are everywhere, though, with vacancy rates increasing in both commercial and residential segments of the real estate market. This will undoubtedly affect the assessed values of future real estate sales, but hopefully will not result in large numbers of appeals for reductions in existing assessed values.

Sales Tax

Sales tax grew at a ten percent rate, higher than we expected following a slow growth rate of only 2 percent the previous year. Unfortunately, the results of the first quarter of fiscal 2002 showed a decrease of 3.4 percent over the same quarter in 2001. And that was before the impact of September 11th.

Motor Vehicle In-lieu

Motor Vehicle In-lieu tax was adopted in 1935 to consolidate locally assessed and collected property taxes on motor vehicles, and was equal to two percent of a motor vehicle's market value. However, under former Governor Wilson, the tax was decreased to 1.75 percent of a motor vehicle's market value. Due to intense pressure from cities and counties, the State agreed to backfill the difference in revenue from their available budget surplus as a continuing appropriation, and the cities and counties will remain whole. Because the state continued to enjoy a budget surplus further decreases were triggered, reducing the percentage to 0.66 percent of market value.

The tax is assessed on the purchase price in the first year, with the value declining for 11 years, thereafter remaining at 15 percent of original purchase price. Because this tax is assessed by the State and apportioned by population, Daly City receives the benefit of overall growth in vehicle registration, and generally has been boosted upwards by the State's population increases and more active economy. In fiscal 2001, Daly City's share increased by ten percent to \$5.5 million. We expect this revenue source to out pace inflation again in fiscal 2002, so long as the State does not go back on their promise to back-fill this local revenue source.

Utility Users Tax

Adopted in fiscal 1989 in lieu of a previously assessed lighting and landscaping district fee, the utility users tax (UUT) is a major revenue source for Daly City. Because the usage of gas, electricity, telephone, cellular, and cable television service is relatively stable and increases are mainly dependent on population and rate changes, this revenue source has been more predictable than most. However, due to rate reductions related to utility deregulation, we experienced a 1.5 percent decrease in UUT in fiscal 2000. When commodity prices were allowed to go to market rate, this changed. As predicted last year, with electricity deregulation and escalating rates, this revenue source has significantly increased in fiscal 2001 by 20 percent. Unfortunately, much of the revenue increase was offset in increased cost of energy to the City. Now that the price gouging and rate instability seems to have abated, the coming year is expected to be a more normal one.

Summary

Most of fiscal year 2001 was a strong year for our nation's economy. And our local economy mirrored that accordingly. But by March the handwriting of recession was on the wall. With a surplus of revenues over budget at the State level in fiscal 2001, no new State revenue diversions were imposed on cities and counties, but that could now change quickly with the State shortfall looming. For ten years we have been living with the challenges caused by the nearly \$4 million annually that is lost to State take-aways. We hope that history will not repeat its self. Even with all of this, Daly City is still striving to provide the highest possible service level to our residents and businesses.

MAJOR INITIATIVES

Current Year

- The City continued with its ambitious capital improvement program to upgrade or replace existing tot lots, parks, and community centers
- The Pacific Plaza Development, a project in the redevelopment area, to construct a hotel, office towers, theater, entertainment, and restaurant complex on Junipero Serra Boulevard, completed its first phase with the opening of the first office tower and parking structure. The summer of 2002 will see the theater complex complete.
- To foster continued public safety and security, the City Council approved the addition of three new Police Officer positions in the fiscal 2001 budget. A new Motorcycle Officer was added to assist with traffic enforcement activities; a new Crime Analyst to utilize technology improvements implemented in the Police Department within the last year to analyze crime trends and patterns to help reduce criminal activity; and an additional School Resource Officer to work with Daly City students in such areas as anti-gang, anti-drug and anti-graffiti education
- The Fire Department has two new positions authorized. An Assistant Fire Training Officer has been added to assist the Fire Training Officer with the substantial workload that has resulted from the implementation of the paramedic program. This position will assist with

the full range of training provided in-house and serve as back up for the Training Officer, in addition to providing a new career advancement opportunity for fire captains. The position of Assistant Fire Chief has been reinstated, replacing an Administrative Battalion Chief that was filled on a rotational cycle every two years. The requirements of the new paramedic program, coupled with the growing administrative and fiscal responsibilities in the Department underscore the need for continuity in this role.

- Another addition that directly benefits the community is the addition of a new Children's Librarian in the Daly City public library. This position will increase direct library services to children and families by 100%. The Library can now offer increased library orientation programs for visiting school classes, as well as expanding the number of annual classroom visits in the schools. Librarian visits to local daycare and Head Start programs will also become possible. Evening and Saturday story times have also been added with the services of the new children's librarian.
- Construction was nearly complete on the City's first hotel located at the former Serra Theater site on Junipero Serra Blvd. adjacent to the Civic Center. The 80-room hotel will include conference meeting space and event catering service.
- The City Clerk's office commenced with an important project to implement a records management system. The public records and documents maintained by the City Clerk's Office have outgrown the storage capacity available and increased volume has made information more difficult to retrieve efficiently. To reduce the storage problem, a new software program will allow for document imaging, electronic storage, and retrieval. The records management program will facilitate cross-indexing of documents for speedy and accurate retrieval of public information requests.

For the Future

- Continue to plan and implement strategies to market development opportunities within the Bayshore Redevelopment Project Area.
- In conjunction with San Mateo County, pursue redevelopment project area and expand economic development efforts adjacent to the Colma BART station to support the Colma Area Specific Plan to increase jobs and services within the community.
- Continue economic development strategies on Mission Street. Market and acquire quality development on the Landmark site.
- Implement Phases I and II of identified major capital improvements to address library services, community recreational needs, and aged infrastructure, including neighborhood park improvements city-wide.
- Information Services Division implementation and oversight of major information system expansion to integrate GIS with MuniBase attribute data and develop specialized

departmental technology enhancements involving the Internet, e-mail, reservations, scheduling and data processing.

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse, and to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.

Single Audit. As a recipient of Federal and State financial assistance, the City is also responsible for maintaining an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the City.

As part of the City's single audit, which is required in conformity with the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133 (Audits of State and Local Governments and Nonprofit Organizations), tests are made to determine the adequacy of the internal control structure. This includes all portions related to Federal financial assistance programs, as well as determinations that the City has complied with applicable laws and regulations.

Budgetary Controls. In addition, the City maintains budgetary controls to ensure compliance with provisions embodied in the annual appropriated budgets approved by the City Council. Activities of all funds are included in the annual operating and capital budget, on a generally accepted accounting principles basis. Moreover, project length financial plans are adopted in a separate capital projects budget. The legal level of budgeting control is at the total appropriations level, and the management level of budgetary control is established by function and activity within an individual fund. The City Manager has the discretion to transfer appropriations between functions and activities, but City Council approval is required for any overall increase in appropriation levels. An encumbrance system is also maintained to aid in budgetary control.

Encumbered amounts at year-end are reported as reservations of fund balance and are automatically reappropriated in the upcoming fiscal year. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

General Governmental Functions. The following schedule presents a summary of General Fund and special revenue funds revenues for the fiscal year ended June 30, 2001, and the amount and percentage of increases and decreases in relation to the prior fiscal year.

REVENUE (Dollars in thousands)	AMOUNT	PERCENT OF TOTAL	INCREASE (DECREASE) FROM 1999	PERCENT OF INCREASE (DECREASE)
Taxes	\$37,283	63%	\$3,679	11%
Licenses and Permits	1,718	3	457	36
Fines	1,953	3	210	12
Rents and Interest	4,309	7	488	13
Federal Programs	3,101	5	1,110	56
Intergovernmental	2,542	5	(1,633)	(39)
Charges for Services	7,512	13	768	11
Miscellaneous	752	1	(5,184)	(87)
TOTAL	\$59,170	100%	\$(105)	0%

Overall revenue are unchanged last year, but there are substantial changes within the categories. Significant fluctuations are explained as follows:

- General tax revenues increased at greater than the rate of inflation due to a strong Bay Area economy and increases in energy prices. Property Tax and Vehicle License Fees were strong in fiscal 2001, with other large sources such as Sales Tax, Utility Users Tax, Business License Tax and Franchise Fees also growing significantly.
- Licenses and Permits increased due to large development projects and to the high prices in the housing market that encourages people to remodel the homes they have instead of buying new ones.
- Fines increased 12 percent over the previous year because of substantial increases in the area of parking violations. The second year of a new contract for collection of parking citations has increased overall revenues.
- Rents and interest increased primarily due to increases in interest income. Average cash balances were higher, and average interest rates increased about one-half point over the prior year.
- The increase in Federal Programs revenues is due to an increase in public safety and transportation related grants. These outside sources went to pay for nonrecurring capital projects in fiscal 2001.
- Intergovernmental revenues are down because of the decrease in funds for the airport noise soundproofing project received in prior years which did not recur in fiscal 2001.
- Charges for Services increased due to an increase in charges from new development, primarily Pacific Plaza.

- Miscellaneous Revenues decrease 87 percent over the previous year due to the transfer for development of three properties to the Daly City Redevelopment Agency in the previous fiscal year.

The following schedule presents a summary of General Fund and special revenue funds expenditures for the fiscal year ended June 30, 2001, and the percentage of increases and decreases in relation to the prior fiscal year.

EXPENDITURES (Dollars in thousands)	AMOUNT	PERCENT OF TOTAL	INCREASE (DECREASE) FROM 1999	PERCENT OF INCREASE (DECREASE)
Current:				
General Government	\$ 3,221	6%	\$ (233)	(7)%
Public Safety	24,478	45	1,942	9
Public Works	4,345	8	377	10
Culture/Recreation	9,199	17	848	10
Community Development	5,712	10	(6,995)	(55)
Capital Projects:	5,156	9	3,414	196
Debt Service:	2,515	5	(317)	(11)
TOTAL	\$54,626	100%	\$ (964)	(2)%

Overall expenditures decreased two percent from last year. Significant fluctuations are explained as follows:

- General Government decreased due to vacancies in several positions.
- Public Safety, Public Works, and Culture and Recreation expenditures increased due to normal wage and benefits increases and the addition of several new positions to each department, as well as new federal grant revenues for Public Safety.
- Community Development expenditures decreased due to nonrecurring development-related costs incurred in the prior fiscal year.
- Capital Projects expenditures increased due to various large projects being substantially completed in fiscal 2001. Tot lot and park improvements, as well as substantial design work for new projects not yet under construction was accomplished as part of the major facilities capital plan.

Enterprise Operations

The Water Utility had a decrease in net income from \$2,074,000 last year to \$151,000 in fiscal year 2001. The substantial decrease is due to significant one-time maintenance costs for water meters, and will not recur.

The Sanitation District had a net income of \$1,784,000 this year versus a net income of \$2,236,000 last year. The decrease is attributable to increases in operating costs.

DEBT ADMINISTRATION

The City of Daly City has no outstanding general obligation bonds at June 30, 2001. Long-term debt consists of one capital lease obligation and one certificate of participation. Amortization schedules for these obligations are included in the notes to the General Purpose Financial Statements.

CASH MANAGEMENT

The City and its related entities had \$69,619,000 invested in time deposits and other allowable investments as of June 30, 2001. Interest income was \$3,566,000 compared to \$2,885,000 the previous year. The increase is due to higher average monthly cash balances during the year, as well as average interest rates being about one-half point higher than the previous year. The City strives to minimize uninsured or uncollateralized deposits. All deposits are normally insured or collateralized.

The City is allowed a wide range of investment opportunities under State law. Some of the options are U.S. Treasury securities, notes or bonds of other government agencies within the State, bankers acceptances and commercial paper, certificates of deposit, repurchase or reverse repurchase agreements, medium-term notes issued by U.S. Corporations, mutual funds which invest exclusively in otherwise allowed investments, the State Treasurer's Local Agency Investment Fund, and the County of San Mateo Investment Pool. Pooled investments at year-end consisted entirely of the State Treasurer's Local Agency Investment Fund, certificates of deposit, and the County of San Mateo Investment Pool. These were the primary investment vehicles throughout fiscal year 2001.

RISK MANAGEMENT

The City's self-insurance programs cover general, auto, property and specialty liability, unemployment benefits, and workers' compensation. Most recurring program costs are paid through annual charges assessed to every City department, with additional funding provided from reserve fund investment income. The City's Self-Insurance Reserve Fund cash balance decreased from \$3,615,000 last year to \$3,191,000 this year as a result of substantial costs from winter storm damage. It is anticipated that nearly all costs will be recovered in future years as a result of State and federal claims for emergency assistance.

INDEPENDENT AUDIT

The City Council contracts for an annual audit of the books of accounts, financial records and transactions of City departments, divisions and functions by the firm of Maze and Associates, Certified Public Accountants. The audit is complete and the accounting firm's unqualified report has been included in this document.

AWARDS

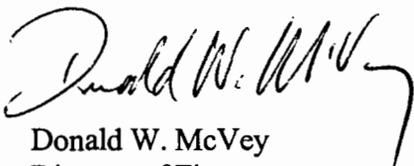
The Government Finance Officers Association awards a Certificate of Achievement for Excellence in Financial Reporting to those entities whose annual financial reports are judged to conform substantially with high standards of public financial reporting, including generally accepted accounting principles promulgated by the Governmental Accounting Standard Board and its predecessor, the National Council on Governmental Accounting. The City of Daly City was awarded a Certificate of Conformance for its annual report for the fiscal years 1982, 1983 and 1984, and the Certificate of Achievement for Excellence in Financial Reporting in 1985 through 2000. The 1982 and 1983 reports were also awarded the Certificate of Award for Meritorious Financial Reporting by the California Society of Municipal Finance Officers, and the 1984 through 2000 reports received the Outstanding award. It is our belief that the accompanying fiscal year 2001 financial report meets the same high program standards, and it will be submitted to both award programs for review.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its Comprehensive Operating and Capital Budget for the 1991 through 2002 fiscal years. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including policy documentation, financial planning, and organization.

ACKNOWLEDGMENT

The Department of Finance sincerely appreciates the support, cooperation, and assistance of the City Council and City staff in addressing the financial concerns of fiscal year 2001. Special acknowledgment is due to the staff of the Accounting and Central Services Divisions for their continued high level of performance, enabling the timely issuance of this report.

Respectfully submitted,



Donald W. McVey
Director of Finance



John C. Martin
City Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Daly City,
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

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



Anne Spray Kinney
President

Jeffrey L. Essler
Executive Director

California Society of Municipal Finance Officers

Certificate of Award

Outstanding Financial Reporting 1999-2000

Presented to the

City of Daly City

*This certificate is issued in recognition of meeting professional standards and criteria in reporting
which reflect a high level of quality in the annual financial statements
and in the underlying accounting system from which the reports were prepared.*

February 26, 2001


Chair, Professional & Technical Standards Committee

Dedicated to Excellence in Municipal Financial Management



ACCOUNTANCY CORPORATION
1931 San Miguel Drive - Suite 100
Walnut Creek, California 94596
(925) 930-0902 • FAX (925) 930-0135
E-Mail: maze@mazeassociates.com
Website: www.mazeassociates.com

INDEPENDENT AUDITORS' REPORT ON THE GENERAL PURPOSE FINANCIAL STATEMENTS

Honorable Mayor and Members of the
City Council of the City of Daly City, California

We have audited the general purpose financial statements of the City of Daly City as of and for the years ended June 30, 2001 and 2000 as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audits.

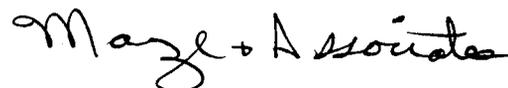
We conducted our audits in accordance with generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* (1994 Revision), issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly in all material respects the financial position of the City of Daly City at June 30, 2001 and 2000 and the results of its operations and the cash flows of its proprietary fund types for the years then ended, in conformity with generally accepted accounting principles.

The general purpose financial statements referred to above follow the requirements of the Government Accounting Standards Board's Statement 33, *Accounting and Financial Reporting for Nonexchange Transactions*, which was implemented for the year ended June 30, 2001.

Our audits were made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The Combining, Individual Fund, and Account Group Statements and Schedules and Supplementary Financial Information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and in our opinion is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The Statistical Section listed in the table of contents was not audited by us and, accordingly, we do not express an opinion on this information.



November 2, 2001





CITY OF DALY CITY
 COMBINED BALANCE SHEETS
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2001
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000

	GOVERNMENTAL FUND TYPES		
	General	Special Revenue	Capital Projects
ASSETS			
Cash and investments	\$9,846,648	\$11,713,026	\$15,988,016
Cash with fiscal agent			
Receivables - net	2,694,093	5,189,946	64,336
Due from other funds	176,717		
Inventories	138,193		
Prepays	405,116	2,089	
Deposits		100,000	
Advances to others	194,951		
Notes receivable	540,227	1,240,845	
Long-term interfund receivables	32,682,046		
Property held for development		11,574,765	
Fixed assets-net			
Amount to be provided for retirement of general long-term obligations			
Total Assets	<u>\$46,677,991</u>	<u>\$29,820,671</u>	<u>\$16,052,352</u>
LIABILITIES			
Accounts payable	\$656,170	\$1,050,019	\$684,036
Accrued liabilities	280,350		
Accrued payroll	637,556	29,132	
Due to other funds		176,717	
Accrued claims payable			
Deferred revenue	12,775,606	7,377,716	
Refundable deposits	26,676	71,100	
Due to bondholders			
Long-term interfund payables			
Compensated absences			
Certificates of Participation			
Line of Credit			
Lease purchase payable			
Total Liabilities	<u>14,376,358</u>	<u>8,704,684</u>	<u>684,036</u>

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS (Memorandum Only)	
Enterprise	Internal Service	Agency	General Fixed Assets	General Long- Term Obligations	2001	2000
\$20,111,200	\$7,534,733	\$2,493,055			\$67,686,678	\$58,031,937
1,932,389					1,932,389	1,934,342
2,761,329	159,720	832,118			11,701,542	7,884,750
					176,717	90,784
1,493,387	135,702				1,767,282	1,752,223
276,089					683,294	501,172
					100,000	1,514,960
44,597					239,548	44,597
					1,781,072	1,936,341
1,058,907					33,740,953	33,856,949
					11,574,765	11,662,283
64,818,996	5,614,996		\$44,856,669		115,290,661	110,096,087
				\$37,791,036	37,791,036	37,271,894
<u>\$92,496,894</u>	<u>\$13,445,151</u>	<u>\$3,325,173</u>	<u>\$44,856,669</u>	<u>\$37,791,036</u>	<u>\$284,465,937</u>	<u>\$266,578,319</u>
\$2,579,889	\$303,747	\$97,091			\$5,370,952	\$7,602,810
	974				281,324	18,705
458,369	340,315				1,465,372	1,334,923
					176,717	90,784
	1,300,931				1,300,931	1,098,063
					20,153,322	14,507,737
59,415	15,357	2,217,685			2,390,233	1,823,964
		1,010,397			1,010,397	1,030,415
1,058,907				\$32,682,046	33,740,953	33,856,949
144,335	149,675			4,989,093	5,283,103	4,698,325
12,125,000					12,125,000	13,315,000
				119,897	119,897	163,897
	42,774				42,774	97,031
<u>16,425,915</u>	<u>2,153,773</u>	<u>3,325,173</u>		<u>37,791,036</u>	<u>83,460,975</u>	<u>79,638,603</u>

(continued)

CITY OF DALY CITY
 COMBINED BALANCE SHEETS
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2001
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000

GOVERNMENTAL FUND TYPES

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
EQUITY AND OTHER CREDITS			
Investment in general fixed assets			
Contributed capital			
Retained earnings:			
Reserved for:			
Equipment replacement			
Fire apparatus			
Recycling			
Operating capital			
Possible future claims			
Capital projects			
Unreserved			
Fund balances			
Reserved for:			
Encumbrances	139,150	7,903,623	1,398,804
Inventories	138,193		
Prepays and condemnation deposits	405,116	102,089	
Notes receivable	540,227		
Advances to Redevelopment Agency	19,906,440		
Advances to others			
Property held for development		11,574,765	
Capital projects		7,225,014	
Restricted purposes		2,672,245	
Imprest cash funds	4,680	1,250	
Unreserved:			
Designated for:			
Capital projects	1,500,000		13,969,512
Operating capital	2,500,000		
Undesignated	7,167,827	(8,362,999)	
Total Retained Earnings/Fund Balance	<u>32,301,633</u>	<u>21,115,987</u>	<u>15,368,316</u>
Total Fund Equity and Other Credits	<u>32,301,633</u>	<u>21,115,987</u>	<u>15,368,316</u>
Total Liabilities, Equity and Other Credits	<u>\$46,677,991</u>	<u>\$29,820,671</u>	<u>\$16,052,352</u>

See accompanying notes to financial statements

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS (Memorandum Only)	
Enterprise	Internal Service	Agency	General Fixed Assets	General Long-Term Obligations	2001	2000
			\$44,856,669		44,856,669	41,342,756
10,977,963	88,737				11,066,700	11,515,817
6,545,845	2,354,437				8,900,282	7,434,821
	319,739				319,739	451,100
63,387					63,387	136,965
4,500,000					4,500,000	4,500,000
	2,461,744				2,461,744	2,981,534
12,352,421	1,012,543				13,364,964	10,396,862
41,631,363	5,054,178				46,685,541	47,467,950
					9,441,577	3,492,627
					138,193	111,774
					507,205	194,688
					540,227	640,533
					19,906,440	19,601,671
					11,574,765	11,662,283
					7,225,014	5,199,027
					2,672,245	2,122,813
					5,930	6,030
					15,469,512	10,239,942
					2,500,000	2,500,000
					(1,195,172)	4,940,523
65,093,016	11,202,641				145,081,593	134,081,143
76,070,979	11,291,378		44,856,669		201,004,962	186,939,716
\$92,496,894	\$13,445,151	\$3,325,173	\$44,856,669	\$37,791,036	\$284,465,937	\$266,578,319



CITY OF DALY CITY
 COMBINED STATEMENTS OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	GOVERNMENTAL FUND TYPES			TOTALS (Memorandum Only)	
	General	Special Revenue	Capital Projects	2001	2000
REVENUES					
Taxes	\$32,378,294	\$4,905,161		\$37,283,455	\$33,604,262
Licenses and permits	1,717,826			1,717,826	1,261,249
Fines and forfeitures	1,952,893			1,952,893	1,743,307
Rents and interest	3,798,745	509,892	\$930,703	5,239,340	4,398,826
Federal programs and grants		3,100,656		3,100,656	1,955,188
Receipts from other agencies	1,494,434	1,047,758	99,508	2,641,700	4,673,742
Charges and fees	5,892,406	1,619,752	972,781	8,484,939	8,124,716
Miscellaneous	304,550	447,692	164,776	917,018	5,989,814
Total Revenues	47,539,148	11,630,911	2,167,768	61,337,827	61,751,104
EXPENDITURES					
Current:					
General government	3,221,234			3,221,234	3,453,983
Public safety	24,126,623	351,112		24,477,735	22,536,109
Public works	4,329,719	14,998		4,344,717	3,967,831
Culture and recreation	8,030,422	1,168,501		9,198,923	8,351,000
Community development	2,205,214	3,507,102		5,712,316	12,707,618
Capital projects		5,156,402	6,444,275	11,600,677	7,361,191
Debt service:					
Principal retirements		527,813		527,813	1,197,207
Interest, fiscal charges and issuance costs	53,675	1,933,699		1,987,374	1,634,568
Total Expenditures	41,966,887	12,659,627	6,444,275	61,070,789	61,209,507
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,572,261	(1,028,716)	(4,276,507)	267,038	541,597
OTHER FINANCING SOURCES (USES)					
Sale of property		4,020,780		4,020,780	
Operating transfers in	5,080,151	1,949,385	7,575,701	14,605,237	17,410,215
Operating transfers out	(7,655,848)	(3,617,187)	(62,277)	(11,335,312)	(14,963,303)
Loan proceeds		516,282		516,282	4,818,097
Total Other Financing Sources (Uses)	(2,575,697)	2,869,260	7,513,424	7,806,987	7,265,009
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	2,996,564	1,840,544	3,236,917	8,074,025	7,806,606
Fund balances at beginning of year	29,305,069	19,275,443	12,131,399	60,711,911	52,905,305
Residual equity transfer in					135,969
Residual equity transfer (out)					(135,969)
FUND BALANCES AT END OF YEAR	\$32,301,633	\$21,115,987	\$15,368,316	\$68,785,936	\$60,711,911

See accompanying notes to financial statements

CITY OF DALY CITY
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 GENERAL, SPECIAL REVENUE, AND CAPITAL PROJECTS FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes	\$30,291,380	\$32,378,294	\$2,086,914	\$4,272,506	\$4,905,161	\$632,655
Licenses and permits	1,606,350	1,717,826	111,476			
Fines and forfeitures	1,975,353	1,952,893	(22,460)			
Rents and interest	4,846,719	3,798,745	(1,047,974)	341,502	509,892	168,390
Federal programs and grants				8,706,048	3,100,656	(5,605,392)
Receipts from other agencies	1,492,207	1,494,434	2,227	11,159,105	1,047,758	(10,111,347)
Charges and fees	5,983,296	5,892,406	(90,890)	2,180,615	1,619,752	(560,863)
Miscellaneous	205,960	304,550	98,590	303,175	447,692	144,517
Total Revenues	46,401,265	47,539,148	1,137,883	26,962,951	11,630,911	(15,332,040)
EXPENDITURES						
Current:						
General government	3,316,706	3,221,234	95,472			
Public safety	24,139,219	24,126,623	12,596	504,197	351,112	153,085
Public works	4,512,392	4,329,719	182,673	23,026	14,998	8,028
Culture and recreation	8,261,278	8,030,422	230,856	1,394,180	1,168,501	225,679
Community development	2,499,475	2,205,214	294,261	15,968,055	3,507,102	12,460,953
Capital projects				11,874,914	5,156,402	6,718,512
Debt service:						
Principal retirement					527,813	(527,813)
Interest and fiscal charges	55,473	53,675	1,798	3,962,383	1,933,699	2,028,684
Total Expenditures	42,784,543	41,966,887	817,656	33,726,755	12,659,627	21,067,128
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,616,722	5,572,261	1,955,539	(6,763,804)	(1,028,716)	5,735,088
OTHER FINANCING SOURCES (USES):						
Sale of property				7,281,010	4,020,780	(3,260,230)
Operating transfers in	5,115,344	5,080,151	(35,193)	1,749,983	1,949,385	199,402
Operating transfers (out)	(9,193,518)	(7,655,848)	1,537,670	(3,971,327)	(3,617,187)	354,140
Loan proceeds				179,092	516,282	337,190
Total Other Financing Sources (Uses)	(4,078,174)	(2,575,697)	1,502,477	5,238,758	2,869,260	(2,369,498)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(461,452)	2,996,564	3,458,016	(1,525,046)	1,840,544	3,365,590
Fund balances at beginning of year	29,305,069	29,305,069		19,275,443	19,275,443	
Residual equity transfer in						
Residual equity transfer (out)						
FUND BALANCES AT END OF YEAR	\$28,843,617	\$32,301,633	\$3,458,016	\$17,750,397	\$21,115,987	\$3,365,590

CAPITAL PROJECTS FUND			TOTALS (Memorandum Only)			
			2001		2000	
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Actual
			\$34,563,886	\$37,283,455	\$2,719,569	\$33,604,262
			1,606,350	1,717,826	111,476	1,261,249
			1,975,353	1,952,893	(22,460)	1,743,307
\$300,000	\$930,703	\$630,703	5,488,221	5,239,340	(248,881)	4,398,826
90,000		(90,000)	8,796,048	3,100,656	(5,695,392)	1,955,188
516,566	99,508	(417,058)	13,167,878	2,641,700	(10,526,178)	4,673,742
886,754	972,781	86,027	9,050,665	8,484,939	(565,726)	8,124,716
261,414	164,776	(96,638)	770,549	917,018	146,469	5,989,814
<u>2,054,734</u>	<u>2,167,768</u>	<u>113,034</u>	<u>75,418,950</u>	<u>61,337,827</u>	<u>(14,081,123)</u>	<u>61,751,104</u>
			3,316,706	3,221,234	95,472	3,453,983
			24,643,416	24,477,735	165,681	22,536,109
			4,535,418	4,344,717	190,701	3,967,831
			9,655,458	9,198,923	456,535	8,351,000
			18,467,530	5,712,316	12,755,214	12,707,618
15,010,933	6,444,275	8,566,658	26,885,847	11,600,677	15,285,170	7,361,191
				527,813	(527,813)	1,197,207
			4,017,856	1,987,374	2,030,482	1,634,568
<u>15,010,933</u>	<u>6,444,275</u>	<u>8,566,658</u>	<u>91,522,231</u>	<u>61,070,789</u>	<u>30,451,442</u>	<u>61,209,507</u>
<u>(12,956,199)</u>	<u>(4,276,507)</u>	<u>8,679,692</u>	<u>(16,103,281)</u>	<u>267,038</u>	<u>16,370,319</u>	<u>541,597</u>
			7,281,010	4,020,780	(3,260,230)	
9,080,869	7,575,701	(1,505,168)	15,946,196	14,605,237	(1,340,959)	17,410,215
(75,444)	(62,277)	13,167	(13,240,289)	(11,335,312)	1,904,977	(14,963,303)
2,550,000		(2,550,000)	2,729,092	516,282	(2,212,810)	4,818,097
<u>11,555,425</u>	<u>7,513,424</u>	<u>(4,042,001)</u>	<u>12,716,009</u>	<u>7,806,987</u>	<u>(4,909,022)</u>	<u>7,265,009</u>
(1,400,774)	3,236,917	4,637,691	(3,387,272)	8,074,025	11,461,297	7,806,606
12,131,399	12,131,399		60,711,911	60,711,911		52,905,305
						135,969
						(135,969)
<u>\$10,730,625</u>	<u>\$15,368,316</u>	<u>\$4,637,691</u>	<u>\$57,324,639</u>	<u>\$68,785,936</u>	<u>\$11,461,297</u>	<u>\$60,711,911</u>

CITY OF DALY CITY
 COMBINED STATEMENTS OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS
 ALL PROPRIETARY FUND TYPES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Enterprise	Internal Service	Totals (Memorandum Only)	
			2001	2000
OPERATING REVENUES				
Charges for services	\$24,026,169	\$8,316,792	\$32,342,961	\$31,180,081
Other revenues	515,535	556,419	1,071,954	643,612
Total Operating Revenues	24,541,704	8,873,211	33,414,915	31,823,693
OPERATING EXPENSES				
Salaries and benefits	4,781,765	2,881,162	7,662,927	7,387,121
Services and supplies	5,289,494	2,209,512	7,499,006	6,899,848
Water purchases	1,990,834		1,990,834	2,026,946
Transfer station charges	1,142,932		1,142,932	770,652
Utilities	1,703,765	456,580	2,160,345	1,696,741
Insurance	334,631	819,761	1,154,392	1,566,705
Claims and settlements		573,341	573,341	453,817
Depreciation	2,522,875	1,178,535	3,701,410	3,182,745
Other charges	2,746,211	279,553	3,025,764	1,272,865
Total Operating Expenses	20,512,507	8,398,444	28,910,951	25,257,440
Operating Income	4,029,197	474,767	4,503,964	6,566,253
NONOPERATING REVENUES (EXPENSES)				
Property taxes	831,017		831,017	775,904
Interest income	1,489,485	454,343	1,943,828	1,632,991
Interest expense	(801,368)	(4,423)	(805,791)	(914,805)
Gain on sale of land	269,770		269,770	
Grant reimbursement		2,870,688	2,870,688	1,361,827
Storm damage repair expenses		(3,866,243)	(3,866,243)	(3,167,050)
Net Nonoperating Revenues (Expenses)	1,788,904	(545,635)	1,243,269	(311,133)
Income (Loss) Before Operating Transfers	5,818,101	(70,868)	5,747,233	6,255,120
OPERATING TRANSFERS				
Operating transfers in	1,000,270	815,534	1,815,804	1,773,580
Operating transfers (out)	(5,084,312)	(1,417)	(5,085,729)	(4,220,492)
NET INCOME	1,734,059	743,249	2,477,308	3,808,208
ITEM AFFECTING CONTRIBUTED CAPITAL				
Depreciation of contributed assets	330,560	118,557	449,117	345,082
INCREASE IN RETAINED EARNINGS	2,064,619	861,806	2,926,425	4,153,290
Retained earnings at beginning of year	63,028,397	10,340,835	73,369,232	69,215,942
RETAINED EARNINGS AT END OF YEAR	\$65,093,016	\$11,202,641	\$76,295,657	\$73,369,232

See accompanying notes to financial statements

CITY OF DALY CITY
 COMBINED STATEMENTS OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Enterprise	Internal Service	Totals (Memorandum Only)	
			2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$4,029,197	\$474,767	\$4,503,964	\$6,566,253
Adjustments to reconcile operating income (loss) to cash flows from operating activities:				
Depreciation	2,522,875	1,178,535	3,701,410	3,182,745
Net effect of changes in:				
Receivables	(566,380)	(105,183)	(671,563)	(443,194)
Inventories	1,763	9,597	11,360	(141,929)
Prepays	30,395		30,395	30,396
Accounts payable and other liabilities	1,017,808	235,709	1,253,517	52,674
Cash Flows from Operating Activities	<u>7,035,658</u>	<u>1,793,425</u>	<u>8,829,083</u>	<u>9,246,945</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	<u>1,489,485</u>	<u>454,343</u>	<u>1,943,828</u>	<u>1,632,991</u>
Cash Flows from Investing Activities	<u>1,489,485</u>	<u>454,343</u>	<u>1,943,828</u>	<u>1,632,991</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interest expense	(57,125)		(57,125)	(104,960)
Operating transfers in	1,000,270	815,534	1,815,804	1,773,580
Operating transfers out	(5,084,312)	(1,417)	(5,085,729)	(4,220,492)
Grant proceeds		2,870,688	2,870,688	1,361,827
Storm damage repair		(3,866,243)	(3,866,243)	(3,167,050)
Receipt from long-term interfund receivable	104,464		104,464	56,629
Disbursement of long-term inter-fund payable	(104,464)		(104,464)	(56,629)
Property taxes	<u>831,017</u>		<u>831,017</u>	<u>775,904</u>
Cash Flows from Noncapital Financing Activities	<u>(3,310,150)</u>	<u>(181,438)</u>	<u>(3,491,588)</u>	<u>(3,581,191)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Sale of property	269,770		269,770	
Principal paid on debt	(1,190,000)	(54,257)	(1,244,257)	(1,186,246)
Interest paid on debt	(744,243)	(4,423)	(748,666)	(809,845)
Acquisition and construction of capital assets	<u>(3,777,512)</u>	<u>(1,604,559)</u>	<u>(5,382,071)</u>	<u>(6,555,029)</u>
Cash Flows from Capital and Related Financing Activities	<u>(5,441,985)</u>	<u>(1,663,239)</u>	<u>(7,105,224)</u>	<u>(8,551,120)</u>
NET CASH FLOWS	(226,992)	403,091	176,099	(1,252,375)
Cash and cash equivalents at beginning of year	<u>22,270,581</u>	<u>7,131,642</u>	<u>29,402,223</u>	<u>30,654,598</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$22,043,589</u>	<u>\$7,534,733</u>	<u>\$29,578,322</u>	<u>\$29,402,223</u>

See accompanying notes to financial statements



CITY OF DALY CITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
June 30, 2001

Note 1.

DESCRIPTION OF FUNDS AND SUMMARY OF ACCOUNTING POLICIES

The City of Daly City (City) was incorporated on March 22, 1911, and operates under a Council-Manager form of government. Daly City is a general law city, and provides the following services: public safety (police and fire), highways and streets, water, sanitary sewer, health and social services, culture and recreation, public improvements, planning and zoning and general administrative services.

The general purpose financial statements include financial information for entities of the City which are directly or indirectly governed by the City Council. The entities included are the City, the Daly City Redevelopment Agency, the North San Mateo County Sanitation District, and the Daly City Public Facilities Financing Corporation (see Note 2).

The accounting policies of the City conform with generally accepted accounting principles as they apply to governments. The following is a summary of the more significant policies.

A. FUND ACCOUNTING

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the general purpose financial statements into three broad fund categories and six generic fund types as follows:

GOVERNMENTAL FUND TYPES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes or for which separate accounting is required by administrative action.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

PROPRIETARY FUND TYPES

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments on a cost-reimbursement basis.

FIDUCIARY FUND TYPE

AGENCY FUNDS

Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds. The Agency Funds are custodial in nature and do not involve measurement of results of operations.

B. ACCOUNT GROUPS - GENERAL FIXED ASSETS AND GENERAL LONG-TERM OBLIGATIONS

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or financial flow measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of available spendable resources. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. All fixed assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated fixed assets are recorded at their estimated fair value on the date donated. No depreciation has been provided on general fixed assets.

Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since noncurrent liabilities do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or liabilities.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Obligations Account Group, not in the governmental funds. This includes Redevelopment Agency loans due to the General Fund.

The two account groups are not funds. They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

C. FIXED ASSETS AND LONG-TERM DEBT IN PROPRIETARY FUNDS

All Proprietary Funds are accounted for on a cost of services or capital maintenance measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets and are excluded from General Fixed Assets and General Long-Term Obligations Account Groups. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the assets' estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	20-50 years	Water Mains	50 years
Equipment	3-20 years	Sewage Collection Facilities	7-20 years
Wells and Pump Stations	40-50 years	Sewage Treatment Facilities	10-40 years
Water Reservoirs	40-99 years	Sewage Disposal Facilities	15-50 years
Sanitation Subsurface Lines	50 years		

The City capitalizes major asset purchases and improvements which increase the useful life of the related assets. Minor purchases and routine repair and maintenance costs are charged directly to expense.

D. PROPERTY HELD FOR INVESTMENT

Property held for investment is stated at the lower of historical cost or net realizable value (equal to agreed upon sales price if a disposition agreement has been reached with a developer).

E. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the general purpose financial statements. Basis of accounting relates to the measurements made, regardless of the measurement focus applied.

The modified accrual basis of accounting is followed in all governmental funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Property taxes and sales taxes are considered measurable and available when in the hands of intermediary collecting governments and are recognized as revenue at that time. The primary revenue sources which are susceptible to accrual include taxes, rents, licenses, interest, grants and contributions. Fines and penalties and other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Expenditures, other than interest on long-term obligations which is recorded when paid, are recognized under the modified accrual basis of accounting generally when the related fund liability is incurred.

Proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. The City follows Financial Accounting Standard Board Statements issued on or before November 30, 1989 which do not conflict with Governmental Accounting Standards Board Statements.

Non-exchange transactions, in which the Agency gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On an accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

F. BUDGETS, BUDGETARY ACCOUNTING AND ENCUMBRANCES

The City adopts an annual budget before June 30, for all funds and component units other than the Agency Funds. Budgets are subject to public hearing before they are adopted by the City Council. Budgets are prepared on the basis of generally accepted accounting principles (GAAP basis).

The City is not legally required to prepare budgets for any of its funds, but does so as a matter of managerial policy. Budgets submitted to the City Council include both proposed appropriations and the means of financing them. The City Council approves total appropriations on a fund by fund basis.

The City Manager is authorized and directed to make any changes or transfers of appropriations within any Department of the City and from one Department to another if he deems necessary or feasible under circumstances existing, as long as the total appropriations of the funds are not exceeded. Additional appropriations not included in the original budget resolutions require approval by the City Council. Budgeted amounts shown are as adopted and amended by the City Council. Individual amendments were not material in relation to the original appropriations. Budgets for the City's proprietary funds are considered as memorandum budgets used for the purpose of management control. These nonappropriated budgets are not included in the general purpose financial statements.

The City uses an encumbrance system as an extension of normal budgetary accounting for the General Fund, Special Revenue Funds and Capital Projects Fund. Under this system purchase orders, contracts and other commitments for the expenditure of monies are recorded to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as reservations of fund balance since they do not constitute expenditures or liabilities. Outstanding encumbrances at year end are automatically reappropriated the following year. Unencumbered and unexpended appropriations for other than capital outlay lapse at year end. However, the Capital Projects Fund is not budgeted on a project-length basis. Only the budget estimated to be spent in the current fiscal year is appropriated, even if the project will continue into future fiscal years. The City prepares a five year capital plan, and each project year budget (GAAP Basis) is appropriated separately on an on-going basis.

G. INTERFUND TRANSACTIONS

A description of the three basic types of the City's interfund transactions during the year and the related accounting policies is set forth as follows:

1. Transactions related directly to services rendered or facilities provided are recorded as revenues in the fund providing the service or facility and expenditures (or expenses) in the fund receiving them.
2. Transactions to allocate resources from one fund to another not contingent on the specific expenditures occurring in the receiving fund are recorded as operating transfers in and transfers out in the respective funds.

3. Transactions recording equity contributions between funds are recorded as residual equity transfers in the governmental funds. In proprietary funds, they are recorded as contributed capital in the fund equity section.

H. CASH AND INVESTMENTS

At June 30, 2001, the carrying amount of the City's deposits and certificates of deposit was \$6,320,620 and the bank balance was \$8,204,007. Of the bank balance \$1,433,041 was insured by federal depository insurance or covered by collateral held by the City's agent in the City's name, and \$6,770,966 was covered by collateral held in the pledging financial institutions' trust department or agent in the City's name, in accordance with Section 53652 of the California Government Code.

The City's investments of \$58,167,179 at June 30, 2001 (excluding certificates of deposit and mortgage backed securities) consist of funds on deposit with the Local Agency Investment Fund (State Treasurer's Pool) and the San Mateo County Investment Pool. The investment pools are not subject to risk categorization because they are not evidenced by securities that exist in physical or book entry form.

The City has invested in mortgage backed securities issued by the Government National Mortgage Association which are evidenced by specific identifiable securities instruments. The City categorizes securities instruments in ascending order to reflect the relative risk of loss on these instruments. This risk is called Credit Risk. The lower the number, the lower the risk. Of the three levels of risk prescribed by generally accepted accounting principles, the City's securities instruments are considered Category 1, because the City has possession of these securities instruments and they are in the City's name. The fair value of these securities instruments at June 30, 2001 was \$3,198,879. Two of these securities instruments have original maturity terms greater than five years and subsequent to their purchase, City Council approved them. For fiscal 2000-2001, the City Council adopted an investment policy which included authorization for the City Treasurer to invest up to the lesser of \$3 mil or 10% of the City's portfolio in securities which, at the time of investment, have terms remaining to maturity in excess of 5 years. As of June 30, 2001, the City's holdings exceeded this limit by \$198,879.

The City's cash with fiscal agent of \$1,932,389 at June 30, 2001 consists of money market funds investing in United States Treasury securities. The money market funds were purchased and are held by a fiscal agent in the name of the fiscal agent.

The City's cash with fiscal agent, as well as cash and investments recorded in the City's Agency funds, are required to be expended for the payment of certificates of participation or assessment bonds. The expenditure of these cash and investments is governed by indenture agreements and other agency agreements. The California Government Code requires these monies to be invested in accordance with any applicable City ordinance, resolution or bond indenture, unless there are specific State statutes governing their investment. All these funds have been invested only as permitted by either the above Code or applicable City ordinance.

Investments are stated at fair value.

Proprietary funds' portion of the City Treasury is reported on the accompanying financial statements as Cash and Investments, similar to a demand deposit account, and is considered a cash equivalent used in the preparation of the statement of cash flows.

The City of Daly City operates its investment activities under the prudent investor rule (Civil Code Sec. 2261, et seq.). This affords the City a broad spectrum of investment opportunities as long as the investment is deemed prudent and is allowable under current statutes of the State of California (Government Code Sec. 53600, et seq.).

Investments are allowed in the following media:

- Collateralized Certificates of Deposit
- United States Treasury notes, bonds, bills or certificates of indebtedness.
- Registered state warrants or treasury notes or bonds of the State of California.
- Bonds, notes, warrants or other evidences of indebtedness of any local agency within the State of California, including those of the City or of any agency or authority of the City.
- Obligations issued by banks and guaranteed by a federal agency or United States government-sponsored enterprise.
- Bankers acceptances.
- Commercial paper.
- Negotiable certificates of deposit or time deposits placed with commercial banks and/or savings and loan companies.
- Mutual Funds.
- Local Agency Investment Fund (State Treasurer's Pool).
- Repurchase or reverse repurchase agreements.
- San Mateo County Treasurer's Pool

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligation, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations.

I. INVENTORY

Inventory is valued at cost, using the first-in, first-out method. For the General Fund, inventories consist of consumable supplies held for consumption, and do not constitute "available spendable resources", even though they are a component of net current assets. Such amounts are equally offset by a reservation of fund balance. For proprietary funds, inventories represent materials and supplies for operations. The consumption method of accounting is applied to inventories.

J. WATER UTILITY ACCOUNTS RECEIVABLE

The City bills usage to water utility customers on a bimonthly basis. Each day's meter readings are usually billed on the next business day. At any given time, an average of one month's usage is unread and unbilled. These unbilled estimated usages have been recognized as revenue and receivables in the financial statements of the enterprise funds.

K. ADVANCES TO OTHER FUNDS AND AGENCIES

In governmental funds, noncurrent portions of long-term interfund loans receivable (reported in "advances to" asset accounts) are equally offset by a reservation of fund balance which indicates that they do not constitute available spendable resources since they are not a component of net current assets. These advances accumulate interest annually and because interest revenue is not expected to be collected within the next year, the accumulated interest has been reflected as deferred revenue in the General Fund. Current portions of long-term interfund loans receivable (reported in "due from" asset accounts) are considered available spendable resources.

L. ACCUMULATED UNPAID VACATION, COMPENSATORY AND SICK LEAVE

Accumulated unpaid employee benefits are accrued at year-end. If vacation or compensatory leave is not taken by employees during their employment, the City is obligated to make cash payments to them on termination or retirement at the salary rates then in effect. City employees receive from thirteen to twenty-eight days vacation each year. With permission, vacation can be accumulated for up to two years.

Full time City employees receive one working day of sick leave for each month of employment. Employees who terminate for reasons other than death, retirement or abolishment of position lose all accumulated sick leave. Upon death, retirement after the age of 50 and 5 years of service or abolishment of position the City is obligated to pay 50% of unused sick leave, up to 800 hours, at the salary rate then in effect. The value of vested sick leave liability for all employees qualified for retirement on June 30 of each year is accrued.

Liabilities for proprietary funds totaling \$294,010 are included on the balance sheets of the respective funds. Liabilities for governmental funds in the total amount of \$4,989,093 are included in the General Long-Term Obligations Account Group because they will not require the use of current available spendable resources for liquidation.

Changes in the Compensated Absences recorded in the General Long-Term Obligations Account Group for the fiscal year ended June 30, 2001, is as follows:

	<u>Compensated Absences</u>
Balance July 1, 2000	\$4,414,419
Additions	<u>574,674</u>
Balance June 30, 2001	<u><u>\$4,989,093</u></u>

M. CLAIMS AND JUDGMENTS

The City has recognized a liability for workers' compensation and general liability claims in the Self-Insurance Internal Service Fund. This liability reflects the costs of claims determined to be probable of assertion and measurable in amount.

N. PROPERTY TAX LEVY, COLLECTION, MAXIMUM RATES

Article 13 of the California State Constitution provides for a maximum general property tax rate statewide of \$1.00 per \$100 of assessed value, and may be adjusted by no more than two percent per year unless the property is sold or transferred, in which case it is then assessed at market value. Assessed value is calculated at 100% of market value as defined by the above referenced Article 13.

The State Legislature has determined the method of distribution of receipts from the \$1.00 tax levy among the county, cities, school districts and other districts. Counties, cities and school districts may levy such additional tax rate as is necessary to provide for voter approved debt service. San Mateo County assesses properties, bills for, and collects property taxes on the following schedule.

	<u>SECURED</u>	<u>UNSECURED</u>
Valuation dates	March 1	March 1
Lien/levy dates	January 1	January 1
Due Dates	50% on November 1 50% on February 1	July 1
Delinquent as of	December 10 April 10	August 31

The term "Unsecured" refers to taxes on property not secured by liens on real property. Property taxes levied are recorded as revenue and receivables, net of estimated uncollectible amounts, in the fiscal year of levy. Property taxes which cannot be recorded as current year revenues, in accordance with the modified accrual basis of accounting, have been recorded as deferred revenues.

O. RESERVATIONS AND DESIGNATIONS OF FUND EQUITY

The term "reserve" is used to indicate that a portion of reported fund equity is (1) legally restricted to a specific use or (2) not available for appropriation or expenditure. The City Council or the City Manager will sometimes designate portions of unreserved fund equity based on tentative future spending plans. Such plans are subject to change, have not been legally authorized and may not result in expenditures. Unreserved undesignated portions of fund equity represent financial resources legally available for uses other than those tentatively planned.

The City has reserved fund equity as follows:

Reserved for Encumbrances - to reflect outstanding contractual obligations for which goods and services have not been received.

Reserved for Prepaids, Inventories, Notes Receivable, Long-term Interfund Receivables, Advances to Others and Property Held for Development - to reflect that prepaid expenditures, inventories, long-term notes receivable and land held for investment do not constitute available spendable resources in the governmental funds.

Reserved for Capital Projects - to account for developer in-lieu fees and other monies restricted by statute to the development and maintenance of City capital projects.

Reserved for Restricted Purposes - the City receives grants and other revenues legally restricted for certain functions.

Reserved for Imprest Cash Funds - these amounts represent revolving petty cash funds maintained in various City departments to facilitate small, nonroutine, purchases of goods.

Reserved for Equipment Replacement - these monies are set aside according to the depreciation schedule for a specific piece of equipment. The reserve for equipment replacement increases in the same amount as depreciation charged in each of the internal service and enterprise funds and decreases when monies are used to buy replacement equipment.

Reserved for Fire Apparatus - these monies are set aside specifically for the replacement of fire equipment. Because fire equipment is a very expensive capital item, the City has chosen to reserve the amount determined by the depreciation schedule for fire equipment for future needs.

Reserved for Recycling - these monies are set aside to reduce the amount of refuse by encouraging recycling of reusable materials

Reserved for Possible Future Claims - the City has a self-insurance fund that is explained in Note 10. Monies have been set aside in this reserve in the event that the City will be found liable for future claims for personal injury or accident or other significant damage within the City.

Designated for Capital Projects - these funds represent amounts budgeted in the General fund for the upcoming fiscal year which will be transferred to the Capital projects Fund.

Designated for Operating Capital - these amounts represent estimates of the cash required for expenditures in various funds which are necessary to bridge the time period between year-end and the receipt of major revenues, such as property taxes and sewer service fees billed with property taxes.

P. "TOTALS (MEMORANDUM ONLY)" INFORMATION

Columns on the accompanying general purpose financial statements are captioned "Totals (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Note 2.

REPORTING ENTITY

The City's general purpose financial statements include the financial activities of the City, the Daly City Redevelopment Agency (Redevelopment Agency), the North San Mateo County Sanitation District, and the Daly City Public Facilities Financing Corporation. These entities are controlled by governing boards consisting of members of the City Council. Council members are financially accountable for these entities' operations and approve fees, debt issues and adopt budgets. Component unit reports for the Redevelopment Agency can be obtained from the City of Daly City, 333 - 90th Street, Daly City, California 94015-1895.

The Redevelopment Agency was established in 1971 for the purpose of developing certain portions of the City's older business areas, and is overseen by and dependent upon the City. While the Redevelopment Agency is a separate legal entity and technically an administrative arm of the State, exercising State powers, it is governed and effectively controlled by the City Council. The activities of the Redevelopment Agency are included with the Special revenue Funds, General Fixed Asset Account Group and General Long-Term Obligations Account Group.

Effective July 1, 1985, the North San Mateo County Sanitation District became a subsidiary district of the City. The City set up an enterprise fund to account for the District's operations.

The activity of the Daly City Public Facilities Financing Corporation (the Corporation) is included in the general purpose financial statements within the North San Mateo County Sanitation District Enterprise Fund because the City Council sits as the Board for this entity. The City established the Corporation to facilitate the issuance of \$21,500,000 of Certificates of Participation to complete an expansion project for the North San Mateo County Sanitation District. The Corporation acts as a conduit for the leasing of the facilities of the Sanitation District (See Note 12).

Note 3.**COMMITMENTS AND CONTINGENCIES**

At June 30, 2001, the City had made commitments of approximately \$11.4 million for construction work, legal and consulting fees, and purchases of supplies and equipment.

Note 4.**FIXED ASSETS**

Changes in the General Fixed Assets Account Group for the fiscal year ended June 30, 2001 are as follows:

	<u>Balance</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2001</u>
Land	\$15,664,512			\$15,664,512
Buildings	18,628,932	\$2,079,622		20,708,554
Equipment, Furniture & Fixtures	2,630,698	294,699	(\$128,188)	2,797,209
Construction in Progress	4,418,614	1,267,780		5,686,394
Total	<u>\$41,342,756</u>	<u>\$3,642,101</u>	<u>(\$128,188)</u>	<u>\$44,856,669</u>

A summary of proprietary fund type fixed assets at June 30, 2001 follows:

	<u>Enterprise</u> <u>Funds</u>	<u>Internal Service</u> <u>Funds</u>
Land	\$2,879,013	\$333,343
Buildings	6,892,232	194,494
Leasehold Improvements	491,827	
Wells and Pump Stations	3,721,192	
Water Reservoirs	7,051,427	
Water Mains	6,846,640	
Sanitation Subsurface Lines	11,290,936	
Sewage Collection Facilities	1,924,943	
Sewage Treatment Facilities	41,142,423	
Sewage Disposal Facilities	3,606,385	
Equipment	5,352,350	12,567,059
Furniture and Fixtures	99,506	17,695
Construction in Progress	6,255,604	
Total	<u>97,554,478</u>	<u>13,112,591</u>
Less Accumulated Depreciation	<u>(32,735,482)</u>	<u>(7,497,595)</u>
Fixed Assets, net	<u>\$64,818,996</u>	<u>\$5,614,996</u>

Note 5**LONG-TERM DEBT**

Changes in the General Long-Term Obligations Account Group for the fiscal year ended June 30, 2001, are as follows:

	Loans Payable from Redevelopment		Total
	Agency	Line of Credit	
Balance July 1, 2000	\$32,693,578	\$163,897	\$32,857,475
Additions	2,238,468		2,238,468
Payments	(2,250,000)	(44,000)	(2,294,000)
Balance June 30, 2001	<u>\$32,682,046</u>	<u>\$119,897</u>	<u>\$32,801,943</u>

Loans payable from the Redevelopment Agency to the General fund have no scheduled repayment date. Loans bear interest at 5.812 percent. Of the 2001 additions to loans payable shown above, \$1,933,698 represents interest as the terms of the agreement stipulate that any unpaid interest shall be added to the principal. The remaining \$304,770 of additions represents borrowings for properties sold by the City to the Agency.

As of June 30, 2001 the City had a bank line of credit bearing interest at 5.70 percent. Monthly interest installments of \$570 are due until October 3, 2005 when the principal balance and any unpaid interest is due. The initial \$164,000 draw down on the line was used to finance improvements to office space used in the City's Small Business Incubator Program. Under this Program, the City, the Chamber of Commerce and a third party consultant assist startup companies by providing office space and secretarial and administrative services for a fee. Debt service is payable from rents collected from small businesses participating in the Program.

Note 6.**SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The City maintains four Enterprise Funds which provide water, sanitary sewer, solid waste transfer station services and real property rental. Segment information for the fiscal year ended June 30, 2001 is as follows:

	<u>Water Utility</u>	<u>Civic Center</u>	<u>Transfer Station</u>	<u>Sanitation District</u>	<u>Total</u>
Operating Revenue	\$10,296,189	\$862,069	\$1,520,965	\$11,862,481	\$24,541,704
Depreciation	661,259	305,642	43,703	1,512,271	2,522,875
Operating Income	1,948,019	214,519	327,687	1,538,972	4,029,197
Nonoperating Revenues					
(Expenses)	592,638	(41,777)		1,238,043	1,788,904
Property Taxes				831,017	831,017
Operating Transfers In				1,000,270	1,000,270
Operating Transfers (Out)	(2,390,038)	(307,517)	(393,486)	(1,993,271)	(5,084,312)
Net Income (Loss)	150,619	(134,775)	(65,799)	1,784,014	1,734,059
Fixed Asset Additions - Net	1,724,776			1,966,804	3,691,580
Net Working Capital	5,522,200	271,752	499,506	17,183,263	23,476,721
Total Assets	25,642,044	6,776,261	1,734,916	58,343,673	92,496,894
Long-Term Obligations	24,972	1,058,907		12,244,363	13,328,242
Total Equity	24,529,646	5,679,793	1,364,129	44,497,411	76,070,979

Note 7.**INTERFUND BALANCES**

At June 30, 2001, the following Special Revenue Funds owed the General fund combined \$176,717: Doelger Senior Center Fund owed \$21,154, and the Community Block Grant Fund owed \$155,563, which are expected to be repaid within the next fiscal year.

The Sanitation Enterprise Fund loaned \$1.2 million, (\$1,058,907 at June 30, 2001), to the Civic Center Enterprise Fund to finance construction of Civic Center North remodeling costs. This long term interfund advance bears interest at 5.119 percent and is due in monthly installments including interest commencing July 30, 1999 with a final payment due on June 30, 2009. The payments are being made from Civic Center operating revenues.

See Note 5 for a discussion of the Redevelopment Agency loan payable to the General fund.

Note 8.

RETIREMENT PLAN

CALPERS Safety and Miscellaneous Employees Plans

Substantially all City employees are eligible to participate in pension plans offered by California Public Employees Retirement System (CALPERS) an agent multiple employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. CALPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. The City's employees participate in the separate Safety (police and fire) and Miscellaneous (all other) Employee Plans. Benefit provisions under all Plans are established by State statute and City resolution. Benefits are based on years of credited service, equal to one year of full-time employment and final compensation as defined in each Plan. Benefits for Safety Plan members may not exceed 75% of final compensation. Funding contributions for these Plans are determined annually on an actuarial basis as of June 30 by CALPERS; the City must contribute these amounts. The Plans' provisions and benefits in effect at June 30, 2001, are summarized below:

	<u>Safety</u>	<u>Miscellaneous</u>	Redevelopment Agency <u>Miscellaneous</u>
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50	50
Benefits, as a % of annual salary for each credited service year	2% - 2.7%	1.426% - 2.418%	1.092% - 2.418%
Required employee contribution rates	9%	7%	7%
Required employer contribution rates	0%	0%	0%

CALPERS determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, the City's total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost. Normal benefit cost under this Method is the level amount the employer must pay annually to fund an employee's projected retirement benefit. This level percentage of payroll method is used to amortize any unfunded actuarial liabilities. The actuarial assumptions used to compute contribution requirements are also used to compute the actuarial accrued liability. The City does not have a net pension obligation since it pays these actuarially required contributions monthly.

CALPERS uses the market related value method of valuing the Plan's assets. An investment rate of return of 8.25% is assumed, including inflation at 3.50%. Annual salary increases are assumed to vary by duration of service. Changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methods are amortized as a level percentage of payroll on a closed basis over twenty years. Investment gains and losses are accumulated as they are realized and ten percent of the net balance is amortized annually.

The net assets of the City's Plans are commingled with the net assets of all CALPERS plans for investment purposes. The fair value of the net assets in the Plans changed as follows during the year ended June 30, 1999:

	<u>Safety</u>	<u>Miscellaneous</u>	Redevelopment Agency <u>Miscellaneous</u>
Beginning Balance 6/30/98	\$100,320,317	\$73,635,167	\$333,990
Contributions received	2,536,571	2,145,810	
Benefits and Refunds Paid	(3,291,412)	(2,212,533)	(567)
Expected Investment Earnings Credited	<u>8,245,906</u>	<u>6,072,203</u>	<u>27,531</u>
Expected Actuarial Value of Assets as of June 30, 1999	<u>\$107,811,382</u>	<u>\$79,640,647</u>	<u>\$360,954</u>
Fair Value of Assets as of June 30, 1999	<u>\$125,120,580</u>	<u>\$92,479,980</u>	<u>\$416,513</u>
Actuarial Value of Assets as of June 30, 1999	<u>\$113,581,115</u>	<u>\$83,920,425</u>	<u>\$379,474</u>

The NSMCSD Miscellaneous Plan merged with the City's Miscellaneous Plan effective with the June 30, 1997 and 1998 actuarial valuation. Accordingly, the assets of the NSMCSD Plan have been added to the City's Miscellaneous Plan.

Annual pension costs, representing the payment of contributions required by CALPERS, for the three fiscal years ended June 30, 2001, 2000 and 1999 amount to \$2,566,241, \$2,463,153 and \$2,686,164, respectively. The City made these contributions as required, together with certain immaterial amounts required as the result of the payment of overtime and other additional employee compensation.

The Plans' actuarial value (which differs from fair value) and funding progress over the most recent three years available is set forth below at their actuarial valuation date of June 30:

Safety Plan:

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
1997	\$74,671,091	\$84,315,135	(\$9,644,044)	112.9%	\$10,858,395	(88.8%)
1998	85,603,207	100,320,317	(14,717,110)	117.2%	11,697,967	(125.8%)
1999	93,356,891	113,581,115	(20,224,224)	121.7%	12,178,312	(166.1%)

Miscellaneous Plan:

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
1997	\$50,649,424	\$61,263,938	(\$10,614,514)	121.0%	\$15,165,768	(70.0%)
1998	54,146,028	73,635,167	(19,489,139)	136.0%	15,997,628	(121.8%)
1999	58,693,353	83,920,425	(25,227,072)	143.0%	17,282,333	(146.0%)

Miscellaneous (Redevelopment Agency) Plan:

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
1997	\$81,897	\$281,286	(\$199,389)	343.5%	-	N/A
1998	86,950	333,990	(247,040)	384.1%	-	N/A
1999	95,291	379,474	(284,183)	398.2%	-	N/A

Audited annual financial statements and ten year trend information are available from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

Note 9.**DEFERRED COMPENSATION PLAN**

City employees may defer a portion of their compensation under a City sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. Under this plan, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the City's property and are not subject to City control, they have been excluded from these financial statements.

Note 10.**SELF-INSURANCE**

The Self-Insurance Internal Service Fund was established as of January 1, 1979, to provide for payment of workers' compensation claims. At July 1, 1979, the Fund was expanded to consolidate essentially all of the City's risk management programs. Fund revenues consist of interest earnings, reimbursements of claims paid by the fund and charges to other funds. The latter are intended to match the charges for insurance premiums for coverage in excess of self-insured amounts, estimated payments resulting from self-insurance programs, operating expenses and the provision of reserves for pending and possible future claims.

The City has deductibles for the first \$100,000 for general and automobile liability claims and the first \$250,000 for workers' compensation claims. It maintains a \$10,000 deductible for property losses. Between January 1, 1997 and December 31, 1999, the City purchased commercial workers' compensation insurance coverage up to statutory limits with no deductibles. Losses in excess of the deductible, up to the California Statutory limit on workers' compensation losses and up to \$19,900,000 on general and automobile liability are covered by purchased excess insurance. The City purchases combined property, boiler and machinery and automobile comprehensive insurance covering all but the deductible on to the full value of City property. The City charges to expense the incurred liabilities for claims in cases where such amounts are reasonably determinable and where the likelihood of liability exists. Included are estimates for incurred but not reported claims, which are calculated based on claims experience. In addition, the City has reserved remaining retained earnings (which provision is not charged to expense) for possible future claims. During the past three years there have been no significant reductions in any of the City's insurance coverage and no settlement amounts have exceeded insurance coverage.

The City's liability for uninsured claims including a provision for claims incurred but not reported was computed as follows based on claims experience for the years ended June 30, 2001 and 2000:

	2001	2000
Beginning balance of claims payable	\$1,098,063	\$1,191,953
Increase in estimated claims liability	776,209	601,084
Claims paid	(573,341)	(694,974)
Ending balance of claims payable	<u>\$1,300,931</u>	<u>\$1,098,063</u>

Note 11.

CAPITAL LEASE

In 1997, the Motor Vehicle Internal Service Fund entered into a long-term capital lease for two vacuum street sweepers. The cost of the street equipment was \$253,422. As of June 30, 2001, this equipment had a net book value of \$145,706. Payments totaling \$58,680 were made on the lease during fiscal year 2000-2001. In fiscal 2001-2002, final payments are due totaling \$44,010 including interest of \$1,236 and principal of \$42,774.

Note 12.

LONG TERM-DEBT - PROPRIETARY FUNDS

Certificates of Participation in the amount of \$21,500,000 were issued in June 1987 (proceeds, net of issuance costs and underwriter's discount, \$21,166,082). The certificates were initially issued by the Daly City Public Facilities Financing Corporation (Corporation) which used the proceeds to fund expansion construction of the North San Mateo County Sanitation District's (District) sewage treatment system. The system is being leased to the City, which is subleasing it to the District. Both leases are long term capital lease agreements. At the conclusion of the lease the system will become property of the District. The District's obligation under the sublease and the City's obligation under the lease provide payments of principal and interest which are sufficient in amount and timing to meet debt service payments on the Certificates of Participation. As the Corporation and the District are component units of the City, the lease transactions have been eliminated and the liability for the certificates is shown as that of the District.

On August 19, 1992, the City issued \$20,980,000 of Refunding Certificates of Participation bearing interest at 5 percent to 5.375 percent to advance refund \$18,910,000 of outstanding 1987 Certificates of Participation bearing interest at 6.5 percent to 8.15 percent. As a result, the 1987 Certificates of Participation are considered legally defeased and, as of August 19, 1992, were no longer an obligation of the City.

Debt activity for fiscal year 2001 was as follows:

	<u>Principal</u>	<u>Unamortized Issuance Costs & Underwriter's Discount</u>
Balance July 1, 2000	\$13,315,000	\$306,484
Amortization of Issuance Costs & Underwriter's Discount		(30,395)
Payment	<u>(1,190,000)</u>	
Balance June 30, 2001	<u>\$12,125,000</u>	<u>\$276,089</u>

Debt service requirements of the 1992 Refunding Certificates of Participation, including interest of \$3,109,842 are as follows:

<u>Year ending June 30</u>	<u>Debt Service</u>
2002	\$1,905,778
2003	1,904,263
2004	1,903,313
2005	1,903,600
2006	1,904,856
Thereafter	<u>5,713,032</u>
Total	<u>\$15,234,842</u>

Principal is due annually on June 1. Interest is due semiannually on each June 1 and December 1, until June 1, 2009.

Note 13.**CHANGES IN CONTRIBUTED CAPITAL - ALL PROPRIETARY FUND TYPES**

A combined statement of changes in contributed capital for all proprietary fund types for the year ended June 30, 2001 is as follows:

	Enterprise Funds	Internal Service Funds	Totals (Memorandum Only)	
			2001	2000
Depreciation on Fixed Assets acquired with contributed capital	(\$330,560)	(\$118,557)	(\$449,117)	(\$345,082)
Contributed Capital - July 1	11,308,523	207,294	11,515,817	11,860,899
Contributed Capital - June 30	<u>\$10,977,963</u>	<u>\$88,737</u>	<u>\$11,066,700</u>	<u>\$11,515,817</u>

Note 14.**CARTER/MARTIN SPECIAL ASSESSMENT DISTRICT**

In fiscal 1985 the City authorized assessments for improvements of streets and water facilities, forming the Carter/Martin Special Assessments District (the District). The District issued \$4,365,000 principal amount special assessment bonds in July 1985, and subsequently performed refinancing and reassessments of the district in July 1987 and again in December 1993. Principal amount of the December 1993 refunding improvement bonds, issued under the 1915 Improvement Act, was \$1,960,000 at June 30, 2001.

The City is not obligated in any manner for the special assessment debt, in that the bonds are not the general obligations of the City, nor is the credit or taxing power of the City pledged for payment of the bonds, and the City is under no obligation to advance funds in the event of default by a property owner. Therefore, the bonds are not included in the financial statements of the City. The City acts only as an agent for the District, receiving the special assessment payments affected by the County and forwarding the funds to the District's bond paying agent, and this fiduciary responsibility is recorded in the City's Agency Fund.

Note 15.

REDEVELOPMENT AGENCY INVESTMENT

The City, through its component unit the Daly City Redevelopment Agency (Agency), had a 51% undivided interest in a seven story office building in the City's redevelopment area which had been acquired from the original owner, J.S. Properties. In November 2000, the building was sold and the Agency received \$4,333,930 representing its share of proceeds and recorded a gain on sale of \$4,020,780.

From July 1 through the date of sale, the Agency's share of net revenues of building operations amounted to \$120,698.

Note 16.

LOANS AND NOTES RECEIVABLE

The City administers a housing rehabilitation program using Housing and Community Development Block Grants which is accounted for in the Block Grant Special Revenue Fund. Under this program, individuals with incomes below a certain level are eligible to receive low interest loans, secured by deeds of trust, for construction work on their homes. Although these loans and notes are expected to be repaid in full, their balance has been offset by deferred revenue as they are not expected to be repaid during fiscal year 2000.

During the year ended June 30, 2001, the City made loans to six participants under this program and shows the following activity:

Beginning Balance	\$1,295,808
New loans	82,618
Loan repayments	<u>(137,581)</u>
Ending Balance	<u>\$1,240,845</u>

The City has a note receivable (\$437,728 at June 30, 2001) due from the San Mateo Pre-Hospital Emergency Services Providers Group, a jointly governed organization established to provide paramedic services to constituents of member jurisdictions. The Group used proceeds of the loan to finance the acquisition and installation of communications equipment and has agreed to repay the note in monthly installments over a six-year term with the last installment due January 1, 2005. The balance outstanding on the note bears interest at the rate earned on the City's investments in the Local Agency Investment Fund for the prior year, plus one-half of one percent (6.128 percent at June 30, 2001). The interest rate is adjusted each July 1 based on the prior year LAIF rate. The Group has pledged all assets purchased with proceeds of the note as security.

Note 17.

DEVELOPMENT AGREEMENT

The Agency has a Disposition and Development Agreement with a developer under which the developer will construct a three phase, \$200 million project composed of a nine-story office and retail use building, an eight-story office building, a ten-story hotel, a three-story theater complex and an eight-story parking garage. The project will be constructed on a site composed of land owned by the Agency, a parcel sold by the City to the Agency in fiscal 1998-99, and parcels to be acquired from third parties. The Agency is required to purchase the parcels it does not own and sell them along with Agency-owned parcels to the developer for sales prices specified in the Agreement.

The developer has obtained a \$350,000 irrevocable letter of credit in favor of the Agency to act as the performance deposit required under the Agreement and paid the Agency \$150,000 to defray the costs of a final environmental impact report for the project.

As of June 30, 2001, the Agency had sold Phase I parcels and a substantial portion of Phase II parcels to the developer. The developer had commenced construction on Phase I and begun renting space to tenants. The remaining Phase II parcels and Phase III parcels were still owned by the Agency as of June 30, 2001.

Note 18.

FUND DEFICIT

The Building Maintenance Internal Service Fund had a deficit amounting to \$50,759 at June 30, 2001. The deficit will be eliminated by future revenues.



CITY OF DALY CITY

GENERAL FUND

The General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with governments which are not required to be accounted for in a separate fund.

CITY OF DALY CITY
GENERAL FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Cash and investments	\$9,846,648	\$7,099,722
Receivables - net	2,694,093	2,861,770
Due from other funds	176,717	90,784
Inventories	138,193	111,774
Prepays	405,116	194,688
Advances to others	194,951	
Notes receivable	540,227	640,533
Advances to Redevelopment Agency	32,682,046	32,693,578
	\$46,677,991	\$43,692,849
Total Assets		
Accounts payable	\$656,170	\$574,533
Accrued payroll	637,556	610,050
Accrued liabilities	280,350	86,798
Deposits payable	26,676	24,492
Deferred revenue	12,775,606	13,091,907
	14,376,358	14,387,780
Total Liabilities		
FUND BALANCE		
Reserved for:		
Encumbrances	139,150	227,558
Inventories	138,193	111,774
Prepays	405,116	194,688
Notes receivable	540,227	640,533
Advances to Redevelopment Agency	19,906,440	19,601,671
Imprest cash funds	4,680	4,780
Unreserved:		
Designated for:		
Capital projects	1,500,000	500,000
Operating capital	2,500,000	2,500,000
Undesignated	7,167,827	5,524,065
	32,301,633	29,305,069
Total Fund Balance		
Total Liabilities and Fund Balance		
	\$46,677,991	\$43,692,849

CITY OF DALY CITY
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Property tax	\$8,762,859	\$9,403,570	\$640,711	\$8,758,108
Sales tax	7,564,835	8,281,981	717,146	7,505,750
Utility users tax	4,714,835	5,276,878	562,043	4,384,658
Franchise fees	2,067,883	2,067,508	(375)	1,952,925
Other taxes	7,180,968	7,348,357	167,389	6,809,473
Licenses and permits	1,606,350	1,717,826	111,476	1,261,249
Fines and forfeitures	1,975,353	1,952,893	(22,460)	1,743,307
Rents and interest	4,846,719	3,798,745	(1,047,974)	3,354,624
Receipts from other agencies	1,492,207	1,494,434	2,227	1,520,419
Charges and fees	5,983,296	5,892,406	(90,890)	4,827,637
Miscellaneous	205,960	304,550	98,590	5,190,098
Total Revenues	46,401,265	47,539,148	1,137,883	47,308,248
EXPENDITURES				
Current operations:				
General government	3,316,706	3,221,234	95,472	3,453,983
Public safety	24,139,219	24,126,623	12,596	22,375,447
Public works	4,512,392	4,329,719	182,673	3,947,451
Culture and recreation	8,261,278	8,030,422	230,856	7,441,981
Community development	2,499,475	2,205,214	294,261	2,008,948
Debt service:				
Interest and fiscal charges	55,473	53,675	1,798	9,368
Total Expenditures	42,784,543	41,966,887	817,656	39,237,178
EXCESS OF REVENUES OVER EXPENDITURES	3,616,722	5,572,261	1,955,539	8,071,070
OTHER FINANCING SOURCES (USES)				
Operating transfers in	5,115,344	5,080,151	(35,193)	4,504,860
Operating transfers (out)	(9,193,518)	(7,655,848)	1,537,670	(9,424,513)
Total Other Financing Sources (Uses)	(4,078,174)	(2,575,697)	1,502,477	(4,919,653)
EXCESS (DEFICIENCY) OF REVENUES OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(461,452)	2,996,564	3,458,016	3,151,417
Fund balances at beginning of year	29,305,069	29,305,069		26,289,621
Residual equity transfer (out)				(135,969)
FUND BALANCES AT END OF YEAR	\$28,843,617	\$32,301,633	\$3,458,016	\$29,305,069

CITY OF DALY CITY
GENERAL FUND
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET (GAAP BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
GENERAL GOVERNMENT				
Legislative:				
Personnel services	\$103,223	\$102,839	\$384	\$99,390
Other services	56,399	56,206	193	53,126
Other charges	13,400	12,746	654	15,035
Total Legislative	<u>173,022</u>	<u>171,791</u>	<u>1,231</u>	<u>167,551</u>
Legal:				
Personnel services	469,697	469,298	399	381,693
Other services	105,858	103,639	2,219	91,419
Capital outlay	1,020	920	100	757
Other charges	5,057	4,949	108	1,784
Total Legal	<u>581,632</u>	<u>578,806</u>	<u>2,826</u>	<u>475,653</u>
Executive:				
Personnel services	1,017,343	1,000,032	17,311	1,097,608
Other services	1,164,513	1,162,640	1,873	910,480
Capital outlay	27,265	27,060	205	575,308
Other charges	352,931	280,905	72,026	227,383
Total Executive	<u>2,562,052</u>	<u>2,470,637</u>	<u>91,415</u>	<u>2,810,779</u>
Total General Government	<u>3,316,706</u>	<u>3,221,234</u>	<u>95,472</u>	<u>3,453,983</u>
PUBLIC SAFETY				
Police:				
Personnel services	11,379,430	11,378,949	481	10,348,756
Other services	2,164,867	2,163,764	1,103	1,660,246
Capital outlay	71,789	69,967	1,822	178,987
Other charges	737,347	737,121	226	637,198
Total Police	<u>14,353,433</u>	<u>14,349,801</u>	<u>3,632</u>	<u>12,825,187</u>
Fire:				
Personnel services	7,646,086	7,640,100	5,986	7,575,562
Other services	836,704	835,600	1,104	702,828
Capital outlay	31,954	31,633	321	27,398
Other charges	58,728	58,539	189	63,443
Total Fire	<u>8,573,472</u>	<u>8,565,872</u>	<u>7,600</u>	<u>8,369,231</u>
Public Safety Communications:				
Personnel services	905,236	904,815	421	932,570
Other services	304,886	304,399	487	241,945
Capital outlay	1,030	900	130	2,604
Other charges	1,162	836	326	3,910
Total Public Safety Communications	<u>1,212,314</u>	<u>1,210,950</u>	<u>1,364</u>	<u>1,181,029</u>
Total Public Safety	<u>24,139,219</u>	<u>24,126,623</u>	<u>12,596</u>	<u>22,375,447</u>

CITY OF DALY CITY
GENERAL FUND
SCHEDULE OF EXPENDITURES, COMPARED TO BUDGET (GAAP BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
PUBLIC WORKS				
Personnel services	3,316,063	3,234,361	81,702	2,876,153
Other services	1,120,875	1,080,051	40,824	1,036,382
Capital outlay	56,789	2,617	54,172	1,345
Other charges	18,665	12,690	5,975	33,571
Total Public Works	4,512,392	4,329,719	182,673	3,947,451
CULTURE AND RECREATION				
Library:				
Personnel services	1,390,868	1,329,606	61,262	1,262,095
Other services	750,722	744,151	6,571	736,990
Capital outlay	7,138	7,049	89	29,472
Other charges	5,810	5,594	216	3,130
Total Library	2,154,538	2,086,400	68,138	2,031,687
Parks and Recreation:				
Personnel services	3,435,648	3,434,035	1,613	3,138,760
Other services	2,632,894	2,473,226	159,668	2,238,458
Capital outlay	7,677	7,212	465	8,344
Other charges	30,521	29,549	972	24,732
Total Parks and Recreation	6,106,740	5,944,022	162,718	5,410,294
Total Culture and Recreation	8,261,278	8,030,422	230,856	7,441,981
ECONOMIC & COMMUNITY DEVELOPMENT				
Personnel services	1,598,322	1,462,944	135,378	1,372,435
Other services	848,103	698,994	149,109	614,146
Capital outlay	21,044	16,085	4,959	
Other charges	32,006	27,191	4,815	22,367
Total Economic & Community Development	2,499,475	2,205,214	294,261	2,008,948
DEBT SERVICE				
Interest and fiscal charges	55,473	53,675	1,798	9,368
Total Debt Service	55,473	53,675	1,798	9,368
TOTAL EXPENDITURES	\$42,784,543	\$41,966,887	\$817,656	\$39,237,178



CITY OF DALY CITY

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes or for which separate accounting is required by administrative action.

The City's Special Revenue Funds are as follows:

- Doelger Senior Center - to account for the operations of the Doelger Senior Center program.
- Gas Tax - to account for gas tax monies allocated to the City for the streets and roads program.
- Community Block Grant - to account for monies received by the City as a participant in the federal Community Development Block Grant (CDBG) program.
- Linda Vista Benefit Assessment - to account for the charges and for the costs of maintenance of storm drains in the Linda Vista Subdivision.
- AB 1600 Public Facility Fees - to account for the revenues derived from developer fees required, under AB 1600, to be expended for infrastructure expansion caused by new development.
- Traffic Safety – to account for grant funds and vehicle impound fees authorized by State law specifically to provide traffic safety programs.
- Federal Grants - to account for miscellaneous federal grant monies, such as aircraft noise mitigation and rental property rehabilitation.
- Peninsula Partnership – to account for the combined efforts of the City, the County of San Mateo, and local school districts to provide a multifaceted after school program for prekindergartners through third grades.
- Mission JS and Bayshore Redevelopment Agency Administration - to account for monies restricted for the purpose of eliminating blight in designated redevelopment project areas. The Redevelopment Agency was established in 1971 for the purpose of developing certain portions of the City's older business areas. While the Redevelopment Agency is technically an administrative arm of the State, exercising State powers, it is governed and effectively controlled by the City Council.
- Mission JS and Bayshore Redevelopment Agency Tax Increment (DCRA Tax Increment) - to account for incremental revenues generated through the increased value of developed property.

CITY OF DALY CITY
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000

	Doelger Senior Center	Gas Tax	Community Block Grant	Linda Vista Benefit Assessment	AB 1600 Public Facility Fees	Traffic Safety
ASSETS						
Cash and investments	\$1,250	\$3,714,559		\$113,852	\$2,004,098	\$60,683
Accounts receivable	62,115	4,705,079	\$279,498		437	1,000
Prepays	2,089					
Notes receivable			1,240,845			
Condemnation deposits and other deposits						
Property held for development						
Total Assets	\$65,454	\$8,419,638	\$1,520,343	\$113,852	\$2,004,535	\$61,683
LIABILITIES						
Accounts payable	\$27,983	\$732,194	\$113,695	\$813	\$7,475	\$3,620
Accrued payroll	7,397		10,240			
Due to other funds	21,154		155,563			
Deposits payable						
Deferred revenue		3,729,378	1,240,845			
Total Liabilities	56,534	4,461,572	1,520,343	813	7,475	3,620
FUND EQUITY						
Reserved for:						
Encumbrances		3,034,103	735,462			
Property held for development						
Capital projects		6,386,363	838,651			
Prepays and condemnation deposits	2,089					
Restricted purposes				102,618	1,997,060	58,063
Imprest cash	1,250					
Unreserved:						
Undesignated	5,581	(5,462,400)	(1,574,113)	10,421		
Total fund equity	8,920	3,958,066		113,039	1,997,060	58,063
Total Liabilities and Fund Equity	\$65,454	\$8,419,638	\$1,520,343	\$113,852	\$2,004,535	\$61,683

Federal Grants	Peninsula Partnership	Mission JS Redevelopment Agency Administration	Mission JS DCRA Tax Increment	Bayshore Redevelopment Agency Administration	Bayshore DCRA Tax Increment	Total	
						2001	2000
\$2,607,546 53,994	\$151,846 87,783	\$2,387,861 40	\$444,005	\$156,827	\$70,499	\$11,713,026 5,189,946 2,089 1,240,845 100,000 11,574,765	\$8,397,859 2,142,823
<u>\$2,661,540</u>	<u>\$239,629</u>	<u>\$10,627,666</u>	<u>\$444,005</u>	<u>\$3,591,827</u>	<u>\$70,499</u>	<u>\$29,820,671</u>	<u>\$25,013,733</u>
\$106,073 404	\$13,198 7,654	\$44,630 3,437		\$338		\$1,050,019 29,132 176,717 71,100 7,377,716	\$4,254,618 26,157 90,784 19,415 1,347,316
<u>2,407,493</u>		<u>71,100</u>					
<u>2,513,970</u>	<u>20,852</u>	<u>119,167</u>		<u>338</u>		<u>8,704,684</u>	<u>5,738,290</u>
4,095,726		36,842 8,139,765 100,000	\$444,005	1,490 3,435,000	\$70,499	7,903,623 11,574,765 7,225,014 102,089 2,672,245 1,250	873,612 11,662,283 5,199,027 2,122,813 1,250
<u>(3,948,156)</u>	<u>218,777</u>	<u>2,231,892</u>		<u>154,999</u>		<u>(8,362,999)</u>	<u>(583,542)</u>
<u>147,570</u>	<u>218,777</u>	<u>10,508,499</u>	<u>444,005</u>	<u>3,591,489</u>	<u>70,499</u>	<u>21,115,987</u>	<u>19,275,443</u>
<u>\$2,661,540</u>	<u>\$239,629</u>	<u>\$10,627,666</u>	<u>\$444,005</u>	<u>\$3,591,827</u>	<u>\$70,499</u>	<u>\$29,820,671</u>	<u>\$25,013,733</u>

CITY OF DALY CITY
SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Doelger Senior Center	Gas Tax	Community Block Grant	Linda Vista Benefit Assessment	AB 1600 Public Facility Fees	Traffic Safety
REVENUES						
Property tax						
Gas tax		\$2,049,448				
Sales tax		1,424,742				
Rents and interest		267,307		\$5,210	\$138,058	
Federal programs and grants	\$109,426	621,867	\$1,614,667			
Receipts from other agencies		180,339				\$134
Charges and fees	221,922			23,838	1,337,372	36,620
Miscellaneous	126,486	67,242	172,881			14,455
Total Revenues	457,834	4,610,945	1,787,548	29,048	1,475,430	51,209
EXPENDITURES						
Public works				14,998		
Culture / Recreation	844,078					
Community development			1,787,548			
Public Safety						28,961
Capital projects		5,156,402				
Developer assistance						
Debt service:						
Principal retirement						
Interest and fiscal charges						
Total Expenditures	844,078	5,156,402	1,787,548	14,998		28,961
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(386,244)	(545,457)		14,050	1,475,430	22,248
OTHER FINANCING SOURCES (USES)						
Sale of property						
Operating transfers in	390,283	380,000				
Operating transfers (out)	(4,039)	(1,265,161)			(1,228,177)	
Loan proceeds						
Total Other Financing Sources (Uses)	386,244	(885,161)			(1,228,177)	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES		(1,430,618)		14,050	247,253	22,248
Fund Balance at beginning of the year	8,920	5,388,684		98,989	1,749,807	35,815
Residual equity transfer in						
FUND BALANCE AT END OF THE YEAR	\$8,920	\$3,958,066		\$113,039	\$1,997,060	\$58,063

Federal Grants	Peninsula Partnership	Mission JS Redevelopment Agency Administration	Mission JS DCRA Tax Increment	Bayshore Redevelopment Agency Administration	Bayshore DCRA Tax Increment	Total	
						2001	2000
			\$1,073,042		\$357,929	\$1,430,971	\$926,097
						2,049,448	2,005,544
						1,424,742	1,261,707
\$76,329		\$10,988		\$12,000		509,892	466,627
674,784	\$79,912					3,100,656	1,880,759
636,515	230,770					1,047,758	2,729,252
						1,619,752	1,957,107
1,800	26,875	37,953				447,692	741,258
<u>1,389,428</u>	<u>337,557</u>	<u>48,941</u>	<u>1,073,042</u>	<u>12,000</u>	<u>357,929</u>	<u>11,630,911</u>	<u>11,968,351</u>
						14,998	20,380
	324,423					1,168,501	909,019
877,621		683,282	15,710	55,230	87,711	3,507,102	4,834,289
322,151						351,112	160,662
						5,156,402	1,741,884
							5,864,381
		527,813				527,813	1,197,207
		1,722,187		211,512		1,933,699	1,625,200
<u>1,199,772</u>	<u>324,423</u>	<u>2,933,282</u>	<u>15,710</u>	<u>266,742</u>	<u>87,711</u>	<u>12,659,627</u>	<u>16,353,022</u>
189,656	13,134	(2,884,341)	1,057,332	(254,742)	270,218	(1,028,716)	(4,384,671)
		4,020,780				4,020,780	
14,684	98,868	865,831		199,719		1,949,385	979,936
(52,341)	(1,919)		(865,831)		(199,719)	(3,617,187)	(2,628,417)
		304,770		211,512		516,282	4,818,097
<u>(37,657)</u>	<u>96,949</u>	<u>5,191,381</u>	<u>(865,831)</u>	<u>411,231</u>	<u>(199,719)</u>	<u>2,869,260</u>	<u>3,169,616</u>
151,999	110,083	2,307,040	191,501	156,489	70,499	1,840,544	(1,215,055)
(4,429)	108,694	8,201,459	252,504	3,435,000		19,275,443	20,354,529
							135,969
<u>\$147,570</u>	<u>\$218,777</u>	<u>\$10,508,499</u>	<u>\$444,005</u>	<u>\$3,591,489</u>	<u>\$70,499</u>	<u>\$21,115,987</u>	<u>\$19,275,443</u>

CITY OF DALY CITY
DOELGER SENIOR CENTER
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Cash and investments	\$1,250	\$1,250
Accounts receivable	62,115	35,314
Prepays	2,089	
Total Assets	\$65,454	\$36,564
LIABILITIES		
Accounts payable	\$27,983	\$13,265
Accrued payroll	7,397	8,965
Due to other funds	21,154	5,414
Total Liabilities	56,534	27,644
FUND EQUITY		
Reserved for encumbrances		5,215
Reserved for imprest cash	1,250	1,250
Reserved for prepaids	2,089	
Unreserved, undesignated	5,581	2,455
Total Fund Equity	8,920	8,920
Total Liabilities and Fund Equity	\$65,454	\$36,564

CITY OF DALY CITY
DOELGER SENIOR CENTER SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Federal programs and grants	\$137,337	\$109,426	(\$27,911)	\$51,413
Charges and fees	235,320	221,922	(13,398)	222,466
Miscellaneous	123,000	126,486	3,486	125,163
Total Revenues	495,657	457,834	(37,823)	399,042
Culture / Recreation:				
Salaries and benefits	421,131	382,160	38,971	340,486
Services and supplies	437,785	436,726	1,059	349,788
Other charges	26,025	25,192	833	8,763
Total Expenditures	884,941	844,078	40,863	699,037
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(389,284)	(386,244)	3,040	(299,995)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	384,786	390,283	5,497	310,010
Operating transfers (out)	(7,539)	(4,039)	3,500	(10,015)
Total Other Financing Sources (Uses)	377,247	386,244	8,997	299,995
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(12,037)		12,037	
Fund balances at beginning of year	8,920	8,920		8,920
FUND BALANCE AT END OF YEAR	(\$3,117)	\$8,920	\$12,037	\$8,920

CITY OF DALY CITY
GAS TAX
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash and investments	\$3,714,559	\$3,649,262
Accounts receivable	<u>4,705,079</u>	<u>1,826,845</u>
Total Assets	<u><u>\$8,419,638</u></u>	<u><u>\$5,476,107</u></u>
LIABILITIES		
Accounts payable	\$732,194	\$87,423
Deferred revenue	<u>3,729,378</u>	<u> </u>
Total Liabilities	<u><u>4,461,572</u></u>	<u><u>87,423</u></u>
FUND EQUITY		
Reserved for encumbrances	3,034,103	487,883
Reserved for capital projects	6,386,363	4,635,866
Unreserved, undesignated	<u>(5,462,400)</u>	<u>264,935</u>
Total Fund Equity	<u><u>3,958,066</u></u>	<u><u>5,388,684</u></u>
Total Liabilities and Fund Equity	<u><u>\$8,419,638</u></u>	<u><u>\$5,476,107</u></u>

CITY OF DALY CITY
GAS TAX SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Gas tax	\$1,960,572	\$2,049,448	\$88,876	\$2,005,544
Sales tax	1,095,545	1,424,742	329,197	1,261,707
Interest	120,000	267,307	147,307	161,802
Federal programs and grants	4,338,505	621,867	(3,716,638)	
Receipts from other agencies	2,145,438	180,339	(1,965,099)	152,220
Charges and fees	600,000		(600,000)	
Miscellaneous	86,640	67,242	(19,398)	
Total Revenues	10,346,700	4,610,945	(5,735,755)	3,581,273
EXPENDITURES				
Capital projects	11,874,914	5,156,402	6,718,512	1,741,884
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(1,528,214)	(545,457)	982,757	1,839,389
OTHER FINANCING SOURCES (USES)				
Operating transfers in		380,000	380,000	
Operating transfers (out)	(1,287,695)	(1,265,161)	22,534	(1,211,915)
Total other financing sources (uses)	(1,287,695)	(885,161)	402,534	(1,211,915)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES				
	(2,815,909)	(1,430,618)	1,385,291	627,474
Fund balances at beginning of year	5,388,684	5,388,684		4,761,210
FUND BALANCES AT END OF YEAR	\$2,572,775	\$3,958,066	\$1,385,291	\$5,388,684

CITY OF DALY CITY
COMMUNITY BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Accounts receivable	\$279,498	\$109,087
Notes receivable	<u>1,240,845</u>	<u>1,295,808</u>
Total Assets	<u><u>\$1,520,343</u></u>	<u><u>\$1,404,895</u></u>
LIABILITIES		
Accounts payable	\$113,695	\$73,074
Accrued payroll	10,240	9,078
Due to other funds	155,563	24,370
Deposits payable		2,565
Deferred revenue	<u>1,240,845</u>	<u>1,295,808</u>
Total Liabilities	<u><u>1,520,343</u></u>	<u><u>1,404,895</u></u>
FUND EQUITY		
Reserved for encumbrances	735,462	149,591
Reserved for capital projects	838,651	563,161
Unreserved, undesignated	<u>(1,574,113)</u>	<u>(712,752)</u>
Total Fund Equity	<u> </u>	<u> </u>
Total Liabilities and Fund Equity	<u><u>\$1,520,343</u></u>	<u><u>\$1,404,895</u></u>

CITY OF DALY CITY
COMMUNITY BLOCK GRANT SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Federal programs and grants	\$2,984,261	\$1,614,667	(\$1,369,594)	\$1,653,651
Miscellaneous	72,000	172,881	100,881	228,209
Total Revenues	3,056,261	1,787,548	(1,268,713)	1,881,860
EXPENDITURES				
Community development:				
Salaries and benefits	607,157	519,894	87,263	440,593
Services and supplies	769,383	697,770	71,613	430,179
Capital outlay	1,218,822	411,777	807,045	753,326
Other charges	460,899	158,107	302,792	257,762
Total Expenditures	3,056,261	1,787,548	1,268,713	1,881,860
EXCESS OF REVENUES OVER EXPENDITURES				
OTHER FINANCING SOURCES (USES)				
Operating transfers (out)				
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES				
Fund balances at beginning of year				
FUND BALANCE AT END OF YEAR				

CITY OF DALY CITY
LINDA VISTA BENEFIT ASSESSMENT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash and investments	<u>\$113,852</u>	<u>\$107,055</u>
Total Assets	<u><u>\$113,852</u></u>	<u><u>\$107,055</u></u>
LIABILITIES		
Accounts payable	<u>\$813</u>	<u>\$8,066</u>
FUND EQUITY		
Reserved for encumbrances		2,386
Reserved for sinking fund	102,618	84,687
Unreserved, undesignated	<u>10,421</u>	<u>11,916</u>
Total Fund Equity	<u>113,039</u>	<u>98,989</u>
Total Liabilities and Fund Equity	<u><u>\$113,852</u></u>	<u><u>\$107,055</u></u>

CITY OF DALY CITY
LINDA VISTA BENEFIT ASSESSMENT SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Charges and fees	\$22,301	\$23,838	\$1,537	\$29,671
Rents and interest	4,378	5,210	832	4,164
Total Revenues	<u>26,679</u>	<u>29,048</u>	<u>2,369</u>	<u>33,835</u>
Public Works:				
Services and supplies	21,876	14,450	7,426	19,660
Capital outlay	900	401	499	581
Other charges	250	147	103	139
Total Expenditures	<u>23,026</u>	<u>14,998</u>	<u>8,028</u>	<u>20,380</u>
EXCESS OF REVENUES OVER EXPENDITURES	3,653	14,050	10,397	13,455
Fund balances at beginning of year	<u>98,989</u>	<u>98,989</u>		<u>85,534</u>
FUND BALANCE AT END OF YEAR	<u><u>\$102,642</u></u>	<u><u>\$113,039</u></u>	<u><u>\$10,397</u></u>	<u><u>\$98,989</u></u>

CITY OF DALY CITY
 AB 1600 PUBLIC FACILITY FEES
 SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEETS
 JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Cash and investments	\$2,004,098	\$1,749,370
Accounts receivable	437	437
Total Assets	\$2,004,535	\$1,749,807
LIABILITIES		
Accounts payable	\$7,475	
FUND EQUITY		
Reserved for restricted purposes	1,997,060	\$1,749,807
Total Liabilities and Fund Equity	\$2,004,535	\$1,749,807

CITY OF DALY CITY
 AB 1600 PUBLIC FACILITY FEES SPECIAL REVENUE FUND
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Interest		\$138,058	\$138,058	\$64,196
Charges and fees	\$1,293,001	1,337,372	44,371	1,669,155
Total Revenues	1,293,001	1,475,430	182,429	1,733,351
OTHER FINANCING SOURCES (USES)				
Operating transfers (out)	(1,228,177)	(1,228,177)		(620,800)
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES				
	64,824	247,253	182,429	1,112,551
Fund balances at beginning of year	1,749,807	1,749,807		637,256
FUND BALANCE AT END OF YEAR	\$1,814,631	\$1,997,060	\$182,429	\$1,749,807

CITY OF DALY CITY
 TRAFFIC SAFETY
 SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Cash and investments	\$60,683	\$35,815
Accounts receivable	1,000	
Total Assets	\$61,683	\$35,815
LIABILITIES		
Accounts payable	\$3,620	
FUND EQUITY		
Reserved for restricted purposes	58,063	\$35,815
Total Liabilities and Fund Equity	\$61,683	\$35,815

CITY OF DALY CITY
TRAFFIC SAFETY
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Receipts from other agencies		\$134	\$134	
Charges and fees	\$29,993	36,620	6,627	\$35,815
Miscellaneous	13,135	14,455	1,320	
Total Revenues	43,128	51,209	8,081	35,815
Police department:				
Salaries and benefits	31,315		31,315	
Services and supplies	43,135	28,211	14,924	
Other charges	1,000	750	250	
Capital outlay	3,493		3,493	
Total Expenditures	78,943	28,961	49,982	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(35,815)	22,248	58,063	35,815
Fund balances at beginning of year	35,815	35,815		
FUND BALANCE AT END OF YEAR	\$58,063	\$58,063	\$58,063	\$35,815

CITY OF DALY CITY
 FEDERAL GRANTS
 SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEETS
 JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash and investments	\$2,607,546	
Accounts receivable	<u>53,994</u>	<u>\$108,448</u>
Total Assets	<u><u>\$2,661,540</u></u>	<u><u>\$108,448</u></u>
LIABILITIES		
Accounts payable	\$106,073	
Accrued payroll	404	\$369
Due to other funds		61,000
Deferred revenue	<u>2,407,493</u>	<u>51,508</u>
Total Liabilities	<u><u>2,513,970</u></u>	<u><u>112,877</u></u>
FUND EQUITY		
Reserved for encumbrances	4,095,726	159,679
Unreserved and undesignated	<u>(3,948,156)</u>	<u>(164,108)</u>
Total Fund Equity	<u><u>147,570</u></u>	<u><u>(4,429)</u></u>
Total Liabilities and Fund Equity	<u><u>\$2,661,540</u></u>	<u><u>\$108,448</u></u>

CITY OF DALY CITY
 FEDERAL GRANTS SPECIAL REVENUE FUND
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Federal programs and grants	\$1,173,292	\$674,784	(\$498,508)	\$121,556
Rents and interest	200,000	76,329	(123,671)	27,499
Receipts from other agencies	8,792,127	636,515	(8,155,612)	2,448,464
Miscellaneous		1,800	1,800	10
Total Revenues	10,165,419	1,389,428	(8,775,991)	2,597,529
EXPENDITURES				
Community development:				
Salaries and benefits	22,162	20,390	1,772	20,270
Services and supplies	1,402,388	670,252	732,136	170,829
Capital outlay	50,000	28,594	21,406	23,685
Other charges	8,105,402	158,385	7,947,017	2,402,544
Community development expenditures	9,579,952	877,621	8,702,331	2,617,328
Police department:				
Salaries and benefits	145,933	115,787	30,146	6,216
Services and supplies	23,848	19,442	4,406	
Other charges	9,830	9,754	76	
Capital outlay	245,643	177,168	68,475	154,446
Police department expenditures	425,254	322,151	103,103	160,662
Total Expenditures	10,005,206	1,199,772	8,805,434	2,777,990
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	160,213	189,656	29,443	(180,461)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	57,536	14,684	(42,852)	9,047
Operating transfers (out)	(232,791)	(52,341)	180,450	(64,237)
Total Other Financing Sources (Uses)	(175,255)	(37,657)	137,598	(55,190)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(15,042)	151,999	167,041	(235,651)
Fund balances at beginning of year	(4,429)	(4,429)		231,222
FUND BALANCE AT END OF YEAR	(\$19,471)	\$147,570	\$167,041	(\$4,429)

CITY OF DALY CITY
PENINSULA PARTNERSHIP
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash and investments	\$151,846	\$118,616
Accounts receivable	<u>87,783</u>	<u> </u>
Total Assets	<u><u>239,629</u></u>	<u><u>118,616</u></u>
LIABILITIES		
Accounts payable	\$13,198	\$5,574
Accrued payroll	<u>7,654</u>	<u>4,348</u>
Total Liabilities	<u><u>20,852</u></u>	<u><u>9,922</u></u>
FUND EQUITY		
Unreserved and undesignated	<u>218,777</u>	<u>108,694</u>
Total Fund Equity	<u><u>218,777</u></u>	<u><u>108,694</u></u>
Total Liabilities and Fund Equity	<u><u>\$239,629</u></u>	<u><u>\$118,616</u></u>

CITY OF DALY CITY
PENINSULA PARTNERSHIP SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Federal programs and grants	\$72,653	\$79,912	\$7,259	\$54,139
Receipts from other agencies	221,540	230,770	9,230	128,568
Miscellaneous	8,000	26,875	18,875	
Total Revenues	302,193	337,557	35,364	182,707
Culture and Recreation:				
Salaries and benefits	206,897	153,395	53,502	98,620
Services and supplies	298,342	169,734	128,608	110,136
Other charges	4,000	1,294	2,706	1,226
Total Expenditures	509,239	324,423	184,816	209,982
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(207,046)	13,134	220,180	(27,275)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	98,868	98,868		
Operating transfers (out)	(6,332)	(1,919)	4,413	
Total Other Financing Sources (Uses)	92,536	96,949	4,413	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(114,510)	110,083	224,593	(27,275)
Fund balances at beginning of year	108,694	108,694		
Residual equity transfer in				135,969
FUND BALANCE AT END OF YEAR	(\$5,816)	\$218,777	\$224,593	\$108,694

CITY OF DALY CITY
MISSION JS REDEVELOPMENT AGENCY ADMINISTRATION
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Cash and investments	\$2,387,861	\$2,483,987
Accounts receivable	40	62,692
Condemnation and other deposits	100,000	1,514,960
Property held for development	8,139,765	8,227,283
Total Assets	\$10,627,666	\$12,288,922
Accounts payable	\$44,630	\$4,067,216
Accrued payroll	3,437	3,397
Deposits payable	71,100	16,850
Total Liabilities	119,167	4,087,463
FUND EQUITY		
Reserved for encumbrances	36,842	68,858
Reserved for property held for development	8,139,765	8,227,283
Reserved for condemnation deposits	100,000	
Unreserved and undesignated	2,231,892	(94,682)
Total Fund Equity	10,508,499	8,201,459
Total Liabilities and Fund Equity	\$10,627,666	\$12,288,922

CITY OF DALY CITY
MISSION JS REDEVELOPMENT AGENCY ADMINISTRATION
SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Rents and interest	\$5,124	\$10,988	\$5,864	\$199,966
Miscellaneous	400	37,953	37,553	387,876
 Total Revenues	5,524	48,941	43,417	587,842
 Community Development:				
Salaries and benefits	217,569	183,014	34,555	164,666
Services and supplies	410,753	351,853	58,900	103,673
Other charges	2,458,536	148,415	2,310,121	8,568
Developer assistance				5,864,381
Debt Service:				
Principal retirement		527,813	(527,813)	1,197,207
Interest and fiscal charges	3,750,000	1,722,187	2,027,813	1,528,583
 Total Expenditures	6,836,858	2,933,282	3,903,576	8,867,078
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,831,334)	(2,884,341)	3,946,993	(8,279,236)
 OTHER FINANCING SOURCES				
Sale of property	7,281,010	4,020,780	(3,260,230)	
Operating transfers in	1,008,702	865,831	(142,871)	660,879
Operating transfers (out)				(60,571)
Loan proceeds		304,770	304,770	1,250,000
 Total Other Financing Sources	8,289,712	5,191,381	(3,098,331)	1,850,308
 EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	1,458,378	2,307,040	848,662	(6,428,928)
 Fund balances at beginning of year	8,201,459	8,201,459		14,630,387
 FUND BALANCE AT END OF YEAR	\$9,659,837	\$10,508,499	\$848,662	\$8,201,459

CITY OF DALY CITY
MISSION JS DCRA TAX INCREMENT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Cash and Investments	\$444,005	\$252,504
Total Assets	\$444,005	\$252,504
FUND EQUITY		
Reserve for:		
Low and moderate income housing	\$444,005	\$252,504
Total Fund Equity	444,005	252,504
Total Liabilities and Fund Equity	\$444,005	\$252,504

CITY OF DALY CITY
MISSION JS DCRA TAX INCREMENT SPECIAL REVENUE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Property taxes	\$1,024,925	\$1,073,042	\$48,117	\$926,097
EXPENDITURES				
Community development:				
Other charges	16,223	15,710	513	12,714
EXCESS OF REVENUES OVER EXPENDITURES	1,008,702	1,057,332	48,630	913,383
OTHER FINANCING SOURCES (USES)				
Operating transfers (out)	(1,008,702)	(865,831)	142,871	(660,879)
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES		191,501	191,501	252,504
Fund balance at beginning of year	252,504	252,504		
FUND BALANCE AT END OF YEAR	<u>\$252,504</u>	<u>\$444,005</u>	<u>\$191,501</u>	<u>\$252,504</u>

CITY OF DALY CITY
 BAYSHORE REDEVELOPMENT AGENCY ADMINISTRATION
 SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEETS
 JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash and investments	\$156,827	
Property held for development	<u>3,435,000</u>	<u>\$3,435,000</u>
Total Assets	<u><u>\$3,591,827</u></u>	<u><u>\$3,435,000</u></u>
LIABILITIES		
Accounts payable	<u>\$338</u>	
Total Liabilities	<u>338</u>	
FUND EQUITY		
Reserved for property held for development	3,435,000	\$3,435,000
Reserved for encumbrances	1,490	
Unreserved and undesignated	<u>154,999</u>	
Total Fund Equity	<u>3,591,489</u>	<u>3,435,000</u>
Total Liabilities and Fund Equity	<u><u>\$3,591,827</u></u>	<u><u>\$3,435,000</u></u>

CITY OF DALY CITY
 BAYSHORE REDEVELOPMENT AGENCY ADMINISTRATION
 SPECIAL REVENUE FUND
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Rents and interest	\$12,000	\$12,000		\$9,000
EXPENDITURES				
Community Development:				
Services and supplies	80,200	55,230	\$24,970	45,480
Other charges	60,000		60,000	
Debt Service:				
Interest and fiscal charges	212,383	211,512	871	96,617
Total Expenditures	352,583	266,742	85,841	142,097
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(340,583)	(254,742)	85,841	(133,097)
OTHER FINANCING SOURCES				
Operating transfers in	200,091	199,719	(372)	
Loan proceeds	179,092	211,512	32,420	3,568,097
Total Other Financing Sources	379,183	411,231	32,048	3,568,097
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	38,600	156,489	117,889	3,435,000
Fund balance at beginning of year	3,435,000	3,435,000		
FUND BALANCE AT END OF YEAR	<u>\$3,473,600</u>	<u>\$3,591,489</u>	<u>\$117,889</u>	<u>\$3,435,000</u>

CITY OF DALY CITY
BAYSHORE DCRA TAX INCREMENT
SPECIAL REVENUE FUND
BALANCE SHEET
JUNE 30, 2001

	<u>2001</u>
ASSETS	
Cash and Investments	<u>\$70,499</u>
Total Assets	<u><u>\$70,499</u></u>

FUND EQUITY	
Reserve for:	
Low and moderate income housing	<u>\$70,499</u>
Total Fund Equity	<u>70,499</u>
Total Liabilities and Fund Equity	<u><u>\$70,499</u></u>

CITY OF DALY CITY
 BAYSHORE DCRA TAX INCREMENT SPECIAL REVENUE FUND
 STATEMENTS OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	2001		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Property taxes	\$191,464	\$357,929	\$166,465
EXPENDITURES			
Community development:			
Other charges	88,561	87,711	850
EXCESS OF REVENUES OVER EXPENDITURES	102,903	270,218	167,315
OTHER FINANCING SOURCES (USES)			
Operating transfers (out)	(200,091)	(199,719)	372
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(97,188)	70,499	167,687
Fund balance at beginning of year			
FUND BALANCE(DEFICIT) AT END OF YEAR	(\$97,188)	\$70,499	\$167,687



CITY OF DALY CITY

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

CITY OF DALY CITY
 CAPITAL PROJECTS FUND
 COMPARATIVE BALANCE SHEETS
 JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash and investments	\$15,988,016	\$12,712,437
Receivables - Net	<u>64,336</u>	<u>163,464</u>
Total Assets	<u>\$16,052,352</u>	<u>\$12,875,901</u>
LIABILITIES		
Accounts payable	<u>\$684,036</u>	<u>\$744,502</u>
Reserved for encumbrances	1,398,804	2,391,457
Unreserved, designated for capital projects	<u>13,969,512</u>	<u>9,739,942</u>
Total Fund Equity	<u>15,368,316</u>	<u>12,131,399</u>
Total Liabilities and Fund Equity	<u>\$16,052,352</u>	<u>\$12,875,901</u>

CITY OF DALY CITY
 CAPITAL PROJECTS FUND
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Rents and interest	\$300,000	\$930,703	\$630,703	\$577,575
Federal program grants	90,000		(90,000)	
Receipts from other agencies	516,566	99,508	(417,058)	498,500
Charges and fees	886,754	972,781	86,027	1,344,972
Miscellaneous	261,414	164,776	(96,638)	53,458
Total Revenues	2,054,734	2,167,768	113,034	2,474,505
EXPENDITURES				
Capital projects	15,010,933	6,444,275	8,566,658	5,619,307
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,956,199)	(4,276,507)	8,679,692	(3,144,802)
OTHER FINANCING SOURCES (USES)				
Interfund loan proceeds	2,550,000		(2,550,000)	
Operating transfers in	9,080,869	7,575,701	(1,505,168)	11,925,419
Operating transfers (out)	(75,444)	(62,277)	13,167	(2,910,373)
Total Other Financing Sources (Uses)	11,555,425	7,513,424	(4,042,001)	9,015,046
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(1,400,774)	3,236,917	4,637,691	5,870,244
Fund balances at beginning of year	12,131,399	12,131,399		6,261,155
FUND BALANCE AT END OF YEAR	\$10,730,625	\$15,368,316	\$4,637,691	\$12,131,399



CITY OF DALY CITY

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City maintains the following enterprise funds:

- Water Utility - to account for activity related to providing residents with water service and billing for service provided by Browning-Ferris Industries of California.
- Civic Center - to account for rental activity of real property owned by the City in the Civic Center area.
- Transfer Station - to account for the activity of the Mussel Rock garbage transfer station.
- Sanitation District - to account for the services of the collection, treatment and administration of the City's sanitary sewer system.

CITY OF DALY CITY
ENTERPRISE FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000

	Water Utility	Civic Center	Transfer Station
ASSETS			
Current Assets:			
Cash and investments	\$4,289,728	\$261,185	\$741,070
Cash with fiscal agent			
Accounts receivable	1,899,388	48,128	129,223
Inventories	420,510		
Prepays			
Total Current Assets	6,609,626	309,313	870,293
Long-Term Assets			
Advances to others			44,597
Long-term interfund receivable			
Total Long-Term Assets			44,597
Utility Plant:			
Land	870,662	1,695,762	93,384
Buildings	502,661	5,568,727	1,184,278
Sewage facilities			
Wells and pump stations	3,721,192		
Water reservoir	7,051,427		
Mains & subsurface treatment lines	6,846,640		
Equipment	3,111,579	443,801	232,367
Furniture and fixtures	19,324		
Construction in progress	2,782,439		
Total Utility Plant	24,905,924	7,708,290	1,510,029
Less Accumulated Depreciation	5,873,506	1,241,342	690,003
Net Utility Plant	19,032,418	6,466,948	820,026
Total Assets	\$25,642,044	\$6,776,261	\$1,734,916
LIABILITIES			
Current Liabilities:			
Accounts payable	\$834,348	\$37,561	\$370,787
Retentions payable	37,295		
Accrued payroll	156,368		
Deposits payable	59,415		
Total Current Liabilities	1,087,426	37,561	370,787
Long-Term Liabilities:			
Compensated absences	24,972		
Long-term interfund payable		1,058,907	
Certificates of Participation			
Total Long-Term Liabilities	24,972	1,058,907	
Total Liabilities	1,112,398	1,096,468	370,787
FUND EQUITY			
Contributed capital		3,976,246	
Retained earnings			
Reserved for:			
Equipment replacement	984,967	271,752	732,640
Recycling			63,387
Operating capital			
Capital Projects	3,006,999		
Unreserved	20,537,680	1,431,795	568,102
Total retained earnings	24,529,646	1,703,547	1,364,129
Total Fund Equity	24,529,646	5,679,793	1,364,129
Total Liabilities and Fund Equity	\$25,642,044	\$6,776,261	\$1,734,916

Sanitation District	Totals	
	2001	2000
\$14,819,217	\$20,111,200	\$20,336,239
1,932,389	1,932,389	1,934,342
684,590	2,761,329	2,194,949
1,072,877	1,493,387	1,495,150
276,089	276,089	306,484
18,785,162	26,574,394	26,267,164
	44,597	44,597
1,058,907	1,058,907	1,163,371
1,058,907	1,103,504	1,207,968
219,205	2,879,013	2,914,013
128,393	7,384,059	7,384,059
46,673,753	46,673,753	46,687,022
	3,721,192	3,467,127
	7,051,427	7,051,427
11,290,936	18,137,576	16,604,610
1,564,603	5,352,350	3,320,952
80,182	99,506	102,682
3,473,163	6,255,602	6,331,006
63,430,235	97,554,478	93,862,898
24,930,631	32,735,482	30,298,539
38,499,604	64,818,996	63,564,359
<u>\$58,343,673</u>	<u>\$92,496,894</u>	<u>\$91,039,491</u>
\$1,254,529	\$2,497,225	\$1,444,135
45,369	82,664	173,516
302,001	458,369	402,299
	59,415	59,265
1,601,899	3,097,673	2,079,215
119,363	144,335	144,985
	1,058,907	1,163,371
12,125,000	12,125,000	13,315,000
12,244,363	13,328,242	14,623,356
13,846,262	16,425,915	16,702,571
7,001,717	10,977,963	11,308,523
4,556,486	6,545,845	5,647,655
	63,387	136,965
4,500,000	4,500,000	4,500,000
9,345,422	12,352,421	9,606,287
19,093,786	41,631,363	43,137,490
37,495,694	65,093,016	63,028,397
44,497,411	76,070,979	74,336,920
<u>\$58,343,673</u>	<u>\$92,496,894</u>	<u>\$91,039,491</u>

CITY OF DALY CITY
ENTERPRISE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Water Utility	Civic Center	Transfer Station
OPERATING REVENUES			
Water sales	\$10,096,097		
Sewer service charges			
Connection charges	35,786		
Rental income		\$784,232	
Lease revenue			\$375,000
Recycling revenue			1,100,034
Other revenues	164,306	77,837	45,931
Total Operating Revenues	10,296,189	862,069	1,520,965
OPERATING EXPENSES			
Salaries and benefits	1,529,476		
Services and supplies	1,151,698	208,229	
Water purchases	1,990,834		
Transfer station charges			1,142,932
Utilities	1,130,824	101,155	
Insurance	94,097	10,329	3,213
Depreciation	661,259	305,642	43,703
Other charges	1,789,982	22,195	3,430
Total Operating Expenses	8,348,170	647,550	1,193,278
Operating Income	1,948,019	214,519	327,687
NONOPERATING REVENUES (EXPENSES)			
Property taxes			
Gain on sale of property	269,770		
Interest income	322,868	15,348	
Interest expense		(57,125)	
Net Nonoperating Income (Expenses)	592,638	(41,777)	
Income Before Operating Transfers	2,540,657	172,742	327,687
OPERATING TRANSFERS			
Operating transfers in			
Operating transfers (out)	(2,390,038)	(307,517)	(393,486)
Net Income	150,619	(134,775)	(65,799)
ITEM AFFECTING CONTRIBUTED CAPITAL			
Depreciation of contributed assets		73,740	
Increase in retained earnings	150,619	(61,035)	(65,799)
Retained earnings at beginning of year	24,379,027	1,764,582	1,429,928
Retained earnings at end of year	<u>\$24,529,646</u>	<u>\$1,703,547</u>	<u>\$1,364,129</u>

Sanitation District	Totals	
	2001	2000
	\$10,096,097	\$10,000,708
\$11,454,580	11,454,580	11,329,976
180,440	216,226	524,984
	784,232	732,244
	375,000	375,000
	1,100,034	724,919
227,461	515,535	271,335
<u>11,862,481</u>	<u>24,541,704</u>	<u>23,959,166</u>
3,252,289	4,781,765	4,612,674
3,929,567	5,289,494	5,043,330
	1,990,834	2,026,946
	1,142,932	770,652
471,786	1,703,765	1,277,582
226,992	334,631	332,742
1,512,271	2,522,875	2,122,905
930,604	2,746,211	1,079,655
<u>10,323,509</u>	<u>20,512,507</u>	<u>17,266,486</u>
<u>1,538,972</u>	<u>4,029,197</u>	<u>6,692,680</u>
831,017	831,017	775,904
	269,770	
1,151,269	1,489,485	1,229,223
(744,243)	(801,368)	(907,371)
<u>1,238,043</u>	<u>1,788,904</u>	<u>1,097,756</u>
2,777,015	5,818,101	7,790,436
1,000,270	1,000,270	659,318
(1,993,271)	(5,084,312)	(4,169,862)
1,784,014	1,734,059	4,279,892
<u>256,820</u>	<u>330,560</u>	<u>330,559</u>
2,040,834	2,064,619	4,610,451
<u>35,454,860</u>	<u>63,028,397</u>	<u>58,417,946</u>
<u>\$37,495,694</u>	<u>\$65,093,016</u>	<u>\$63,028,397</u>



CITY OF DALY CITY
 ALL ENTERPRISE FUNDS
 COMBINING SCHEDULE OF CHANGES IN CONTRIBUTED CAPITAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2000

	Civic Center	Sanitation District	Totals	
			2001	2000
Depreciation on Fixed Assets acquired with Contributed Capital	(\$73,740)	(\$256,820)	(\$330,560)	(\$330,559)
Contributed Capital at beginning of the year	<u>4,049,986</u>	<u>7,258,537</u>	<u>11,308,523</u>	<u>11,639,082</u>
Contributed Capital at end of the year	<u><u>\$3,976,246</u></u>	<u><u>\$7,001,717</u></u>	<u><u>\$10,977,963</u></u>	<u><u>\$11,308,523</u></u>

CITY OF DALY CITY
ENTERPRISE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Water Utility	Civic Center	Transfer Station
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income	\$1,948,019	\$214,519	\$327,687
Adjustments to reconcile operating income to cash flows from operating activities:			
Depreciation	661,259	305,642	43,703
Net effect of changes in:			
Receivables	(340,382)	(26,296)	(39,755)
Inventories	57,431		
Prepays			
Accounts payable and other liabilities	431,720	27,991	103,051
Cash Flows from Operating Activities	<u>2,758,047</u>	<u>521,856</u>	<u>434,686</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	<u>322,868</u>	<u>15,348</u>	
Cash Flows from Investing Activities	<u>322,868</u>	<u>15,348</u>	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interest expense		(57,125)	
Operating transfers in			
Operating transfers (out)	(2,390,038)	(307,517)	(393,486)
Receipt from long-term interfund receivable			
Disbursement of long-term inter-fund payable		(104,464)	
Property taxes			
Cash Flows from Noncapital Financing Activities	<u>(2,390,038)</u>	<u>(469,106)</u>	<u>(393,486)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Sale of land	269,770		
Principal paid on debt			
Interest paid on debt			
Acquisition and construction of capital assets	<u>(1,759,785)</u>		
Cash Flows from Capital and Related Financing Activities	<u>(1,490,015)</u>		
NET CASH FLOWS	<u>(799,138)</u>	<u>68,098</u>	<u>41,200</u>
Cash and cash equivalents at beginning of year	<u>5,088,866</u>	<u>193,087</u>	<u>699,870</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$4,289,728</u></u>	<u><u>\$261,185</u></u>	<u><u>\$741,070</u></u>

Sanitation District	Totals	
	2001	2000
\$1,538,972	\$4,029,197	\$6,692,680
1,512,271	2,522,875	2,122,905
(159,947)	(566,380)	(402,439)
(55,668)	1,763	(131,416)
30,395	30,395	30,396
455,046	1,017,808	505,652
<u>3,321,069</u>	<u>7,035,658</u>	<u>8,817,778</u>
<u>1,151,269</u>	<u>1,489,485</u>	<u>1,229,223</u>
<u>1,151,269</u>	<u>1,489,485</u>	<u>1,229,223</u>
	(57,125)	(104,960)
1,000,270	1,000,270	659,318
(1,993,271)	(5,084,312)	(4,169,862)
104,464	104,464	56,629
	(104,464)	(56,629)
831,017	831,017	775,904
<u>(57,520)</u>	<u>(3,310,150)</u>	<u>(2,839,600)</u>
	269,770	
(1,190,000)	(1,190,000)	(1,135,000)
(744,243)	(744,243)	(802,411)
<u>(2,017,727)</u>	<u>(3,777,512)</u>	<u>(4,923,461)</u>
<u>(3,951,970)</u>	<u>(5,441,985)</u>	<u>(6,860,872)</u>
462,848	(226,992)	346,529
<u>16,288,758</u>	<u>22,270,581</u>	<u>21,924,052</u>
<u>\$16,751,606</u>	<u>\$22,043,589</u>	<u>\$22,270,581</u>

CITY OF DALY CITY
WATER UTILITY ENTERPRISE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Current Assets:		
Cash and investments	\$4,289,728	\$5,088,866
Accounts receivable:		
Water billings	1,060,848	735,151
Unbilled water accounts	839,953	823,289
Miscellaneous	587	2,566
Estimated uncollectibles	(2,000)	(2,000)
Total accounts receivable	1,899,388	1,559,006
Inventories	420,510	477,941
Total Current Assets	<u>6,609,626</u>	<u>7,125,813</u>
Land	870,662	905,662
Buildings	502,661	502,661
Wells and pump stations	3,721,192	3,467,127
Water reservoirs	7,051,427	7,051,427
Mains	6,846,640	6,625,454
Equipment	3,111,579	1,752,974
Furniture and fixtures	19,324	9,837
Construction in progress	2,782,439	2,866,006
Total Utility Plant	24,905,924	23,181,148
Less: Accumulated Depreciation	<u>5,873,506</u>	<u>5,247,256</u>
Net Utility Plant	<u>19,032,418</u>	<u>17,933,892</u>
Total Assets	<u><u>\$25,642,044</u></u>	<u><u>\$25,059,705</u></u>
LIABILITIES		
Current Liabilities:		
Accounts payable	\$834,348	\$369,900
Retentions payable	37,295	95,412
Accrued payroll	156,368	132,320
Deposits payable	59,415	59,265
Total Current Liabilities	1,087,426	656,897
Long-Term Liabilities:		
Compensated absences	24,972	23,781
Total Liabilities	<u>1,112,398</u>	<u>680,678</u>
FUND EQUITY		
Retained earnings:		
Reserved for:		
Equipment replacement	984,967	2,451,783
Capital projects	3,006,999	2,715,452
Unreserved	20,537,680	19,211,792
Total Fund Equity	<u>24,529,646</u>	<u>24,379,027</u>
Total Liabilities and Fund Equity	<u><u>\$25,642,044</u></u>	<u><u>\$25,059,705</u></u>

CITY OF DALY CITY
WATER UTILITY ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
OPERATING REVENUES		
Water sales	\$10,096,097	\$10,000,708
Connection charges	35,786	10,521
Other revenues	<u>164,306</u>	<u>160,142</u>
Total Operating Revenues	<u>10,296,189</u>	<u>10,171,371</u>
OPERATING EXPENSES		
Salaries and benefits	1,529,476	1,476,348
Services and supplies	1,151,698	893,250
Water purchases	1,990,834	2,026,946
Utilities	1,130,824	704,598
Insurance	94,097	93,597
Depreciation	661,259	521,599
Other charges	<u>1,789,982</u>	<u>559,450</u>
Total Operating Expenses	<u>8,348,170</u>	<u>6,275,788</u>
Operating Income	1,948,019	3,895,583
NONOPERATING REVENUES		
Gain on sale of property	269,770	
Interest income	<u>322,868</u>	<u>271,950</u>
Income Before Operating Transfers	2,540,657	4,167,533
OPERATING TRANSFERS		
Operating transfers (out)	<u>(2,390,038)</u>	<u>(2,093,365)</u>
NET INCOME	150,619	2,074,168
Retained earnings at beginning of year	<u>24,379,027</u>	<u>22,304,859</u>
RETAINED EARNINGS AT END OF YEAR	<u><u>\$24,529,646</u></u>	<u><u>\$24,379,027</u></u>

CITY OF DALY CITY
WATER UTILITY ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$1,948,019	\$3,895,583
Adjustments to reconcile operating income to cash flows from operating activities:		
Depreciation	661,259	521,599
Net effect of changes in:		
Receivables	(340,382)	(307,702)
Inventories	57,431	(67,029)
Accounts payable and other liabilities	431,720	(178,502)
	<u>2,758,047</u>	<u>3,863,949</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>322,868</u>	<u>271,950</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating transfers (out)	<u>(2,390,038)</u>	<u>(2,093,365)</u>
Net cash (used for) noncapital and financing activities	<u>(2,390,038)</u>	<u>(2,093,365)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Sale of land	269,770	
Acquisition and construction of capital assets	<u>(1,759,785)</u>	<u>(2,504,158)</u>
NET CASH FLOWS	(799,138)	(461,624)
Cash and cash equivalents at beginning of year	<u>5,088,866</u>	<u>5,550,490</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$4,289,728</u></u>	<u><u>\$5,088,866</u></u>

CITY OF DALY CITY
 CIVIC CENTER ENTERPRISE FUND
 COMPARATIVE BALANCE SHEETS
 JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Current Assets:		
Cash and investments	\$261,185	\$193,087
Accounts receivable	<u>48,128</u>	<u>21,832</u>
Total Current Assets	<u>309,313</u>	<u>214,919</u>
Utility Plant:		
Land	1,695,762	1,695,762
Tools and Equipment	443,801	443,801
Buildings	<u>5,568,727</u>	<u>5,568,727</u>
	7,708,290	7,708,290
Less Accumulated Depreciation	<u>1,241,342</u>	<u>935,700</u>
Net Utility Plant	<u>6,466,948</u>	<u>6,772,590</u>
Total Assets	<u><u>\$6,776,261</u></u>	<u><u>\$6,987,509</u></u>
LIABILITIES		
Current Liabilities:		
Accounts payable	<u>\$37,561</u>	<u>\$9,570</u>
Total Current Liabilities	<u>37,561</u>	<u>9,570</u>
Long-term Liability:		
Interfund payable	<u>1,058,907</u>	<u>1,163,371</u>
Total Liabilities	<u>1,096,468</u>	<u>1,172,941</u>
FUND EQUITY		
Contributed capital	<u>3,976,246</u>	<u>4,049,986</u>
Retained earnings:		
Reserved for:		
Equipment replacement	271,752	206,247
Unreserved	<u>1,431,795</u>	<u>1,558,335</u>
Total Retained Earnings	<u>1,703,547</u>	<u>1,764,582</u>
Total Fund Equity	<u>5,679,793</u>	<u>5,814,568</u>
Total Liabilities and Fund Equity	<u><u>\$6,776,261</u></u>	<u><u>\$6,987,509</u></u>

CITY OF DALY CITY
CIVIC CENTER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
OPERATING REVENUES		
Rental income	\$784,232	\$732,244
Other revenues	<u>77,837</u>	<u>37,662</u>
Total Operating Revenues	<u>862,069</u>	<u>769,906</u>
OPERATING EXPENSES		
Services and supplies	208,229	146,922
Utilities	101,155	87,651
Insurance	10,329	10,321
Depreciation	305,642	127,249
Other charges	<u>22,195</u>	<u>6,915</u>
Total Operating Expenses	<u>647,550</u>	<u>379,058</u>
Operating Income	<u>214,519</u>	<u>390,848</u>
NONOPERATING REVENUES (EXPENSES)		
Interest expense	(57,125)	(104,960)
Interest income	<u>15,348</u>	<u>13,746</u>
Net Nonoperating Revenues (Expenses)	<u>(41,777)</u>	<u>(91,214)</u>
Income Before Operating Transfers	<u>172,742</u>	<u>299,634</u>
OPERATING TRANSFERS		
Operating transfers (out)	<u>(307,517)</u>	<u>(250,000)</u>
NET INCOME	(134,775)	49,634
ITEM AFFECTING CONTRIBUTED CAPITAL		
Depreciation of contributed assets	<u>73,740</u>	<u>73,740</u>
Increase (Decrease) in retained earnings	(61,035)	123,374
Retained earnings at beginning of year	<u>1,764,582</u>	<u>1,641,208</u>
RETAINED EARNINGS AT END OF YEAR	<u><u>\$1,703,547</u></u>	<u><u>\$1,764,582</u></u>

CITY OF DALY CITY
CIVIC CENTER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$214,519	\$390,848
Adjustments to reconcile operating income to cash flows from operating activities:		
Depreciation	305,642	127,249
Net effect of changes in:		
Receivables	(26,296)	6,688
Accounts payable and other liabilities	<u>27,991</u>	<u>7,949</u>
Net cash provided by operating activities	<u>521,856</u>	<u>532,734</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>15,348</u>	<u>13,746</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Interest expense	(57,125)	(104,960)
Interfund payable	(104,464)	(56,629)
Operating transfer out	<u>(307,517)</u>	<u>(250,000)</u>
Cash flow from noncapital financing activities	<u>(469,106)</u>	<u>(411,589)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	<u> </u>	<u>(4,300)</u>
Cash Flows from Capital and and Related Financing Activities	<u> </u>	<u>(4,300)</u>
NET CASH FLOWS	68,098	130,591
Cash and cash equivalents at beginning of year	<u>193,087</u>	<u>62,496</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$261,185</u></u>	<u><u>\$193,087</u></u>

CITY OF DALY CITY
TRANSFER STATION ENTERPRISE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Current Assets:		
Cash and investments	\$741,070	\$699,870
Accounts receivable	<u>129,223</u>	<u>89,468</u>
Total Current Assets	<u>870,293</u>	<u>789,338</u>
Long-Term Assets:		
Advances to others	<u>44,597</u>	<u>44,597</u>
Utility Plant:		
Land	93,384	93,384
Buildings	1,184,278	1,184,278
Equipment	<u>232,367</u>	<u>232,367</u>
	1,510,029	1,510,029
Less Accumulated Depreciation	<u>690,003</u>	<u>646,300</u>
Net Utility Plant	<u>820,026</u>	<u>863,729</u>
Total Assets	<u><u>\$1,734,916</u></u>	<u><u>\$1,697,664</u></u>
LIABILITIES		
Current liabilities:		
Accounts payable	<u>\$370,787</u>	<u>\$267,736</u>
FUND EQUITY		
Retained earnings:		
Reserved for:		
Equipment replacement	732,640	647,317
Recycling	63,387	136,965
Unreserved	<u>568,102</u>	<u>645,646</u>
Total Fund Equity	<u>1,364,129</u>	<u>1,429,928</u>
Total Liabilities and Fund Equity	<u><u>\$1,734,916</u></u>	<u><u>\$1,697,664</u></u>

CITY OF DALY CITY
TRANSFER STATION ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
OPERATING REVENUES		
Lease revenue	\$375,000	\$375,000
Recycling revenue	1,100,034	724,919
Other revenues	<u>45,931</u>	<u>45,649</u>
Total Operating Revenues	<u>1,520,965</u>	<u>1,145,568</u>
OPERATING EXPENSES		
Recycling charges	1,142,932	770,652
Insurance	3,213	3,204
Depreciation	43,703	30,782
Other charges	<u>3,430</u>	<u>35,291</u>
Total Operating Expenses	<u>1,193,278</u>	<u>839,929</u>
Operating Income	327,687	305,639
OPERATING TRANSFERS		
Operating transfers (out)	<u>(393,486)</u>	<u>(385,278)</u>
NET INCOME (LOSS)	(65,799)	(79,639)
Retained earnings at beginning of year	<u>1,429,928</u>	<u>1,509,567</u>
RETAINED EARNINGS AT END OF YEAR	<u><u>\$1,364,129</u></u>	<u><u>\$1,429,928</u></u>

CITY OF DALY CITY
TRANSFER STATION ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$327,687	\$305,639
Adjustments to reconcile operating income to cash flows from operating activities:		
Depreciation	43,703	30,782
Net effect of changes in:		
Payables	103,051	186,217
Receivables	<u>(39,755)</u>	<u>(52,627)</u>
Net cash provided by operating activities	<u>434,686</u>	<u>470,011</u>
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating transfers (out)	<u>(393,486)</u>	<u>(385,278)</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	<u> </u>	<u>(36,067)</u>
 NET CASH FLOWS	41,200	48,666
 Cash and cash equivalents at beginning of year	<u>699,870</u>	<u>651,204</u>
 CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$741,070</u></u>	<u><u>\$699,870</u></u>

CITY OF DALY CITY
SANITATION DISTRICT ENTERPRISE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Current Assets:		
Cash and investments	\$14,819,217	\$14,354,416
Cash with fiscal agent	1,932,389	1,934,342
Accounts receivable	684,590	524,643
Inventories	1,072,877	1,017,209
Prepays	276,089	306,484
Total Current Assets	18,785,162	18,137,094
Long-Term Assets:		
Long-term interfund receivable	1,058,907	1,163,371
Utility Plant:		
Land	219,205	219,205
Buildings	128,393	128,393
Sewage facilities	46,673,753	46,687,022
Subsurface treatment lines	11,290,936	9,979,156
Equipment	1,564,603	891,810
Furniture and fixtures	80,182	92,845
Construction in progress	3,473,163	3,465,000
	63,430,235	61,463,431
Less Accumulated Depreciation	24,930,631	23,469,283
Net Utility Plant	38,499,604	37,994,148
Total Assets	\$58,343,673	\$57,294,613
LIABILITIES		
Current Liabilities:		
Accounts payable	\$1,254,529	\$796,929
Retentions payable	45,369	78,104
Accrued payroll	302,001	269,979
Total Current Liabilities	1,601,899	1,145,012
Long-Term Liabilities:		
Compensated absences	119,363	121,204
Certificates of Participation	12,125,000	13,315,000
Total Long-Term Liabilities	12,244,363	13,436,204
Total Liabilities	13,846,262	14,581,216
FUND EQUITY		
Contributed capital	7,001,717	7,258,537
Retained earnings:		
Reserved for:		
Equipment replacement	4,556,486	2,342,308
Operating capital	4,500,000	4,500,000
Capital projects	9,345,422	6,890,835
Unreserved	19,093,786	21,721,717
Total Retained Earnings	37,495,694	35,454,860
Total Fund Equity	44,497,411	42,713,397
Total Liabilities and Fund Equity	\$58,343,673	\$57,294,613

CITY OF DALY CITY
SANITATION DISTRICT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
OPERATING REVENUES		
Sewer service charges	\$11,454,580	\$11,329,976
Connection charges	180,440	514,463
Other revenues	<u>227,461</u>	<u>27,882</u>
 Total Operating Revenues	 <u>11,862,481</u>	 <u>11,872,321</u>
 OPERATING EXPENSES		
Salaries and benefits	3,252,289	3,136,326
Services and supplies	3,929,567	4,003,158
Utilities	471,786	485,333
Insurance	226,992	225,620
Depreciation	1,512,271	1,443,275
Other charges	<u>930,604</u>	<u>477,999</u>
 Total Operating Expenses	 <u>10,323,509</u>	 <u>9,771,711</u>
 Operating Income	 <u>1,538,972</u>	 <u>2,100,610</u>
 NONOPERATING REVENUES (EXPENSES)		
Property taxes	831,017	775,904
Interest income	1,151,269	943,527
Interest expense	<u>(744,243)</u>	<u>(802,411)</u>
 Net Nonoperating Revenues (Expenses)	 <u>1,238,043</u>	 <u>917,020</u>
 Income Before Operating Transfers	 2,777,015	 3,017,630
 OPERATING TRANSFERS		
Operating transfers in	1,000,270	659,318
Operating transfers (out)	<u>(1,993,271)</u>	<u>(1,441,219)</u>
 NET INCOME	 1,784,014	 2,235,729
 ITEM AFFECTING CONTRIBUTED CAPITAL		
Depreciation of contributed assets	<u>256,820</u>	<u>256,820</u>
 Increase in retained earnings	 2,040,834	 2,492,549
Retained earnings at beginning of year	<u>35,454,860</u>	<u>32,962,311</u>
 RETAINED EARNINGS AT END OF YEAR	 <u><u>\$37,495,694</u></u>	 <u><u>\$35,454,860</u></u>

CITY OF DALY CITY
SANITATION DISTRICT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$1,538,972	\$2,100,610
Adjustments to reconcile operating income to cash flows from operating activities:		
Depreciation	1,512,271	1,443,275
Net effect of changes in:		
Accounts receivable	(159,947)	(48,798)
Inventories	(55,668)	(64,387)
Prepays and deposits	30,395	30,396
Accounts payable and other liabilities	455,046	489,988
	<u>3,321,069</u>	<u>3,951,084</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>1,151,269</u>	<u>943,527</u>
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Long-term interfund receivable	104,464	56,629
Operating transfers in	1,000,270	659,318
Operating transfers (out)	(1,993,271)	(1,441,219)
Property taxes	<u>831,017</u>	<u>775,904</u>
	<u>(57,520)</u>	<u>50,632</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on debt	(1,190,000)	(1,135,000)
Interest paid on debt	(744,243)	(802,411)
Acquisition and construction of capital assets	<u>(2,017,727)</u>	<u>(2,378,936)</u>
	<u>(3,951,970)</u>	<u>(4,316,347)</u>
 NET CASH FLOWS	462,848	628,896
Cash and cash equivalents at beginning of year	<u>16,288,758</u>	<u>15,659,862</u>
 CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$16,751,606</u></u>	<u><u>\$16,288,758</u></u>



CITY OF DALY CITY

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments on a cost-reimbursement basis.

The City's Internal Service Funds are:

- Motor Vehicles - to account for the purchase and maintenance of all motor vehicles provided as a service to City departments.
- Central Services - to account for and allocate costs related to purchasing and maintaining supplies inventory and providing printing services for City departments.
- PBX - to account for services provided for the operation and maintenance of the City's telecommunication system.
- Building Maintenance - to account for services provided for the maintenance of City facilities.
- Information Services - to account for the distribution of computer operating costs to various City departments.
- Self-Insurance - to account for the payment of workers compensation, automotive, and general liability claims against the City.

CITY OF DALY CITY
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2001

WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000

ASSETS	Motor Vehicles	Central Services	PBX	Building Maintenance
Current Assets:				
Cash and investments	\$1,841,004	\$163,653	\$410,168	\$234,572
Accounts receivable	16,491	76		15,441
Inventories	60,215	38,761		36,726
Total Current Assets	1,917,710	202,490	410,168	286,739
Fixed Assets				
Land				
Equipment	9,126,315	329,472	406,030	38,289
Furniture and fixtures				6,093
Buildings	14,494			
	9,140,809	329,472	406,030	44,382
Less Accumulated Depreciation	5,217,310	235,228	378,862	38,462
Fixed Assets - Net	3,923,499	94,244	27,168	5,920
Total Assets	\$5,841,209	\$296,734	\$437,336	\$292,659
LIABILITIES				
Current Liabilities:				
Accounts payable	\$44,580	\$59,620	\$14,190	\$57,263
Accrued payroll	73,005	28,640		210,949
Accrued liabilities				
Deposits payable				
Accrued claims payable				
Total Current Liabilities	117,585	88,260	14,190	268,212
Long-Term Liabilities:				
Compensated absences	39,823	20,953		75,206
Lease-purchase payable	42,774			
Total Long-Term Liabilities	82,597	20,953		75,206
Total Liabilities	200,182	109,213	14,190	343,418
FUND EQUITY				
Contributed capital	88,737			
Retained earnings				
Reserved for:				
Equipment replacement	1,120,395	75,469	289,522	
Fire apparatus	319,739			
Possible future claims				
Capital Projects	299,775			
Unreserved	3,812,381	112,052	133,624	(50,759)
Total retained earnings	5,552,290	187,521	423,146	(50,759)
Total Fund Equity	5,641,027	187,521	423,146	(50,759)
Total Liabilities and Fund Equity	\$5,841,209	\$296,734	\$437,336	\$292,659

Information Services	Self - Insurance	Total	
		2001	2000
\$1,693,495	\$3,191,841	\$7,534,733	\$7,131,642
1,850	125,862	159,720	54,537
		135,702	145,299
<u>1,695,345</u>	<u>3,317,703</u>	<u>7,830,155</u>	<u>7,331,478</u>
	333,343	333,343	333,343
2,666,953		12,567,059	12,651,118
11,602		17,695	11,475
	<u>180,000</u>	<u>194,494</u>	<u>194,494</u>
<u>2,678,555</u>	<u>513,343</u>	<u>13,112,591</u>	<u>13,190,430</u>
<u>1,617,983</u>	<u>9,750</u>	<u>7,497,595</u>	<u>8,001,458</u>
<u>1,060,572</u>	<u>503,593</u>	<u>5,614,996</u>	<u>5,188,972</u>
<u>\$2,755,917</u>	<u>\$3,821,296</u>	<u>\$13,445,151</u>	<u>\$12,520,450</u>
\$86,424	\$41,670	\$303,747	\$326,111
27,101	620	340,315	296,417
	974	974	421
	15,357	15,357	15,357
	<u>1,300,931</u>	<u>1,300,931</u>	<u>1,098,063</u>
<u>113,525</u>	<u>1,359,552</u>	<u>1,961,324</u>	<u>1,736,369</u>
13,693		149,675	138,921
		42,774	97,031
<u>13,693</u>		<u>192,449</u>	<u>235,952</u>
<u>127,218</u>	<u>1,359,552</u>	<u>2,153,773</u>	<u>1,972,321</u>
		88,737	207,294
869,051		2,354,437	1,787,166
		319,739	451,100
	2,461,744	2,461,744	2,981,534
712,768		1,012,543	790,575
<u>1,046,880</u>		<u>5,054,178</u>	<u>4,330,460</u>
<u>2,628,699</u>	<u>2,461,744</u>	<u>11,202,641</u>	<u>10,340,835</u>
<u>2,628,699</u>	<u>2,461,744</u>	<u>11,291,378</u>	<u>10,548,129</u>
<u>\$2,755,917</u>	<u>\$3,821,296</u>	<u>\$13,445,151</u>	<u>\$12,520,450</u>

CITY OF DALY CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Motor Vehicles	Central Services	PBX	Building Maintenance
OPERATING REVENUES				
Charges to City departments	\$2,371,207	\$436,914	\$296,271	\$1,935,001
Other revenues	125,088	116,091	692	254,160
Total Operating Revenues	2,496,295	553,005	296,963	2,189,161
OPERATING EXPENSES				
Salaries and benefits	652,508	191,312	12,392	1,508,139
Services and supplies	758,487	267,040	17,410	475,194
Utilities	21,581	1,501	186,206	221,137
Insurance	303,706	667		2,820
Claims / settlements				
Depreciation	728,469	35,516	8,150	4,846
Other charges	39,972	50,760	11,127	17,690
Total Operating Expenses	2,504,723	546,796	235,285	2,229,826
Operating Income (Loss)	(8,428)	6,209	61,678	(40,665)
NONOPERATING REVENUES (EXPENSES)				
Interest income	151,384	8,875	25,565	10,575
Interest expense	(4,423)			
Grant reimbursement				
Storm damage repair (expenses)				
Total Nonoperating Income (Expenses)	146,961	8,875	25,565	10,575
Income (Loss) Before Operating Transfers	138,533	15,084	87,243	(30,090)
OPERATING TRANSFERS				
Operating transfers in	331,785	1,510		57,517
Operating transfers (out)				(1,417)
NET INCOME (LOSS)	470,318	16,594	87,243	26,010
ITEM AFFECTING CONTRIBUTED CAPITAL				
Depreciation of contributed assets	13,520		90,778	
Increase (decrease) in retained earnings	483,838	16,594	178,021	26,010
Retained earnings (deficit) at beginning of year	5,068,452	170,927	245,125	(76,769)
RETAINED (DEFICIT) EARNINGS AT END OF YEAR	\$5,552,290	\$187,521	\$423,146	(\$50,759)

Information Services	Self - Insurance	Total	
		2001	2000
\$1,414,708	\$1,862,691	\$8,316,792	\$7,492,250
1,800	58,588	556,419	372,277
<u>1,416,508</u>	<u>1,921,279</u>	<u>8,873,211</u>	<u>7,864,527</u>
442,595	74,216	2,881,162	2,774,447
250,724	440,657	2,209,512	1,856,518
25,451	704	456,580	419,159
1,734	510,834	819,761	1,233,963
	573,341	573,341	453,817
391,804	9,750	1,178,535	1,059,840
157,730	2,274	279,553	193,210
<u>1,270,038</u>	<u>1,611,776</u>	<u>8,398,444</u>	<u>7,990,954</u>
<u>146,470</u>	<u>309,503</u>	<u>474,767</u>	<u>(126,427)</u>
91,682	166,262	454,343	403,768
		(4,423)	(7,434)
	2,870,688	2,870,688	1,361,827
	(3,866,243)	(3,866,243)	(3,167,050)
<u>91,682</u>	<u>(829,293)</u>	<u>(545,635)</u>	<u>(1,408,889)</u>
238,152	(519,790)	(70,868)	(1,535,316)
424,722		815,534	1,114,262
		(1,417)	(50,630)
<u>662,874</u>	<u>(519,790)</u>	<u>743,249</u>	<u>(471,684)</u>
<u>14,259</u>		<u>118,557</u>	<u>14,523</u>
677,133	(519,790)	861,806	(457,161)
<u>1,951,566</u>	<u>2,981,534</u>	<u>10,340,835</u>	<u>10,797,996</u>
<u>\$2,628,699</u>	<u>\$2,461,744</u>	<u>\$11,202,641</u>	<u>\$10,340,835</u>



CITY OF DALY CITY
 ALL INTERNAL SERVICES FUNDS
 COMBINING SCHEDULE OF CHANGES IN CONTRIBUTED CAPITAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2000

	Motor Vehicle	PBX	Information Services	Total	
				2001	2000
Depreciation on Fixed Assets					
Assets acquired with Contributed Capital	(\$13,520)	(\$90,778)	(\$14,259)	(\$118,557)	(\$14,523)
Contributed Capital at beginning of the year	102,257	90,778	14,259	207,294	221,817
Contributed Capital at end of the year	<u>\$88,737</u>	<u></u>	<u></u>	<u>\$88,737</u>	<u>\$207,294</u>

CITY OF DALY CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Motor Vehicles	Central Services	PBX	Building Maintenance
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	(\$8,428)	\$6,209	\$61,678	(\$40,665)
Adjustments to reconcile operating income (loss) to cash flows from operating activities:				
Depreciation	728,469	35,516	8,150	4,846
Net effect of changes in:				
Receivables	(16,184)	(76)	78	9,745
Inventories	15,979	917		(7,299)
Accounts payable and other liabilities	23,931	(831)	(151)	86,241
Cash Flows from Operating Activities	<u>743,767</u>	<u>41,735</u>	<u>69,755</u>	<u>52,868</u>
Interest income	151,384	8,875	25,565	10,575
Cash Flows from Investing Activities	<u>151,384</u>	<u>8,875</u>	<u>25,565</u>	<u>10,575</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating transfers in	331,785	1,510		57,517
Operating transfers (out)				(1,417)
Grant proceeds				
Storm damage repair (expenses)				
Cash Flows from Noncapital Financing Activities	<u>331,785</u>	<u>1,510</u>		<u>56,100</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal paid on debt	(54,257)			
Interest paid on debt	(4,423)			
Acquisition and construction of capital assets	(1,237,809)	(35,765)		692
Cash Flows from Capital and Related Financing Activities	<u>(1,296,489)</u>	<u>(35,765)</u>		<u>692</u>
NET CASH FLOWS	(69,553)	16,355	95,320	120,235
Cash and cash equivalents at beginning of year	1,910,557	147,298	314,848	114,337
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$1,841,004</u>	<u>\$163,653</u>	<u>\$410,168</u>	<u>\$234,572</u>

Information Services	Self - Insurance	Totals	
		2001	2000
\$146,470	\$309,503	\$474,767	(\$126,427)
391,804	9,750	1,178,535	1,059,840
(1,850)	(96,896)	(105,183)	(40,755)
(57,055)	183,574	9,597	(10,513)
<u>479,369</u>	<u>405,931</u>	<u>1,793,425</u>	<u>429,167</u>
<u>91,682</u>	<u>166,262</u>	<u>454,343</u>	<u>403,768</u>
<u>91,682</u>	<u>166,262</u>	<u>454,343</u>	<u>403,768</u>
424,722		815,534	1,114,262
		(1,417)	(50,630)
	2,870,688	2,870,688	1,361,827
	<u>(3,866,243)</u>	<u>(3,866,243)</u>	<u>(3,167,050)</u>
<u>424,722</u>	<u>(995,555)</u>	<u>(181,438)</u>	<u>(741,591)</u>
		(54,257)	(51,246)
		(4,423)	(7,434)
<u>(331,677)</u>		<u>(1,604,559)</u>	<u>(1,631,568)</u>
<u>(331,677)</u>		<u>(1,663,239)</u>	<u>(1,690,248)</u>
664,096	(423,362)	403,091	(1,598,904)
<u>1,029,399</u>	<u>3,615,203</u>	<u>7,131,642</u>	<u>8,730,546</u>
<u>\$1,693,495</u>	<u>\$3,191,841</u>	<u>\$7,534,733</u>	<u>\$7,131,642</u>

CITY OF DALY CITY
MOTOR VEHICLES INTERNAL SERVICE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Current Assets:		
Cash and investments	\$1,841,004	\$1,910,557
Accounts receivable	16,491	307
Inventories	60,215	76,194
Total Current Assets	1,917,710	1,987,058
Fixed Assets:		
Equipment	9,126,315	8,152,051
Buildings	14,494	14,494
	9,140,809	8,166,545
Less Accumulated Depreciation	5,217,310	4,752,386
Fixed Assets - Net	3,923,499	3,414,159
Total Assets	\$5,841,209	\$5,401,217
LIABILITIES		
Current Liabilities:		
Accounts payable	\$44,580	\$40,563
Accrued payroll	73,005	58,185
Total Current Liabilities	117,585	98,748
Long-term Liabilities:		
Lease- purchase payable	42,774	97,031
Compensated absences	39,823	34,729
Total Long-term Liabilities	82,597	131,760
Total Liabilities	200,182	230,508
FUND EQUITY		
Contributed capital	88,737	102,257
Retained earnings:		
Reserved for:		
Equipment replacement	1,120,395	972,420
Fire apparatus	319,739	451,100
Capital projects	299,775	388,414
Unreserved	3,812,381	3,256,518
Total Retained Earnings	5,552,290	5,068,452
Total Fund Equity	5,641,027	5,170,709
Total Liabilities and Fund Equity	\$5,841,209	\$5,401,217

CITY OF DALY CITY
MOTOR VEHICLES INTERNAL SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	2001	2000
OPERATING REVENUES		
Charges to City departments	\$2,371,207	\$2,149,378
Other revenues	125,088	84,479
Total Operating Revenues	2,496,295	2,233,857
OPERATING EXPENSES		
Salaries and benefits	652,508	623,735
Services and supplies	758,487	627,458
Utilities	21,581	23,271
Insurance	303,706	343,629
Depreciation	728,469	656,635
Other charges	39,972	13,336
Total Operating Expenses	2,504,723	2,288,064
Operating loss	(8,428)	(54,207)
NONOPERATING REVENUES (EXPENSES)		
Interest income	151,384	110,290
Interest expense	(4,423)	(7,434)
Total Nonoperating Revenues (Expenses)	146,961	102,856
Income Before Operating Transfers	138,533	48,649
OPERATING TRANSFERS		
Operating transfers in	331,785	131,883
Net Income	470,318	180,532
ITEM AFFECTING CONTRIBUTED CAPITAL		
Depreciation of contributed assets	13,520	12,803
Increase in retained earnings	483,838	193,335
Retained earnings at beginning of year	5,068,452	4,875,117
RETAINED EARNINGS AT END OF YEAR	\$5,552,290	\$5,068,452

CITY OF DALY CITY
MOTOR VEHICLES INTERNAL SERVICE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating loss	(\$8,428)	(\$54,207)
Adjustments to reconcile operating loss to cash flows from operating activities:		
Depreciation	728,469	656,635
Net effect of changes in:		
Accounts receivable	(16,184)	(307)
Inventories	15,979	(27,892)
Accounts payable and other liabilities	23,931	44,386
	<u>743,767</u>	<u>618,615</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	<u>151,384</u>	<u>110,290</u>
CASH FLOWS FROM NONCAPITAL AND FINANCING ACTIVITIES		
Operating transfers in	<u>331,785</u>	<u>131,883</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Interest paid on debt	(4,423)	(7,434)
Principal paid on debt	(54,257)	(51,246)
Acquisition and construction of capital assets	<u>(1,237,809)</u>	<u>(1,015,610)</u>
Net cash provided by (used for) capital and related financing activities	<u>(1,296,489)</u>	<u>(1,074,290)</u>
NET CASH FLOWS	(69,553)	(213,502)
Cash and cash equivalents at beginning of year	<u>1,910,557</u>	<u>2,124,059</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$1,841,004</u></u>	<u><u>\$1,910,557</u></u>

CITY OF DALY CITY
CENTRAL SERVICES INTERNAL SERVICE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Current Assets:		
Cash and investments	\$163,653	\$147,298
Accounts receivable	76	
Inventories	<u>38,761</u>	<u>39,678</u>
Total Current Assets	<u>202,490</u>	<u>186,976</u>
Fixed Assets:		
Equipment	329,472	337,705
Less Accumulated Depreciation	<u>235,228</u>	<u>243,710</u>
Fixed Assets - Net	<u>94,244</u>	<u>93,995</u>
Total Assets	<u><u>\$296,734</u></u>	<u><u>\$280,971</u></u>
LIABILITIES		
Current Liabilities:		
Accounts payable	\$59,620	\$63,201
Accrued payroll	<u>28,640</u>	<u>27,921</u>
Total Current Liabilities	<u>88,260</u>	<u>91,122</u>
Long-term Liabilities:		
Compensated absences	<u>20,953</u>	<u>18,922</u>
Total Liabilities	<u>109,213</u>	<u>110,044</u>
FUND EQUITY		
Retained earnings:		
Reserved for:		
Equipment replacement	75,469	56,127
Unreserved	<u>112,052</u>	<u>114,800</u>
Total Fund Equity	<u>187,521</u>	<u>170,927</u>
Total Liabilities and Fund Equity	<u><u>\$296,734</u></u>	<u><u>\$280,971</u></u>

CITY OF DALY CITY
CENTRAL SERVICES INTERNAL SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
OPERATING REVENUES		
Charges to City departments	\$436,914	\$411,121
Other revenues	116,091	52
	<u>553,005</u>	<u>411,173</u>
OPERATING EXPENSES		
Salaries and benefits	191,312	185,832
Services and supplies	267,040	249,052
Utilities	1,501	1,449
Insurance	667	665
Depreciation	35,516	41,129
Other charges	50,760	98,021
	<u>546,796</u>	<u>576,148</u>
Operating Income (Loss)	6,209	(164,975)
NONOPERATING REVENUES		
Interest income	8,875	8,050
OPERATING TRANSFERS		
Operating transfers in	<u>1,510</u>	<u>73,656</u>
Net Income (Loss)	16,594	(83,269)
Retained earnings at beginning of year	<u>170,927</u>	<u>254,196</u>
RETAINED EARNINGS AT END OF YEAR	<u><u>\$187,521</u></u>	<u><u>\$170,927</u></u>

CITY OF DALY CITY
CENTRAL SERVICES INTERNAL SERVICE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$6,209	(\$164,975)
Adjustments to reconcile income (loss) to cash flows from operating activities:		
Depreciation	35,516	41,129
Net effect of changes in:		
Accounts receivable	(76)	
Inventories	917	12,793
Accounts payable and other liabilities	(831)	42,878
	<u>41,735</u>	<u>(68,175)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	<u>8,875</u>	<u>8,050</u>
CASH FLOWS FROM NONCAPITAL AND FINANCING ACTIVITIES		
Operating transfers in	<u>1,510</u>	<u>73,656</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	<u>(35,765)</u>	<u>(25,750)</u>
NET CASH FLOWS	16,355	(12,219)
Cash and cash equivalents at beginning of year	<u>147,298</u>	<u>159,517</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$163,653</u></u>	<u><u>\$147,298</u></u>

CITY OF DALY CITY
PBX INTERNAL SERVICE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Current Assets:		
Cash and investments	\$410,168	\$314,848
Accounts receivable		78
	410,168	314,926
Total Current Assets		
Fixed Assets:		
Equipment	406,030	406,030
Less Accumulated Depreciation	378,862	370,712
Fixed Assets - Net	27,168	35,318
Total Assets	\$437,336	\$350,244
LIABILITIES		
Current Liabilities:		
Accounts payable	\$14,190	\$12,260
Accrued payroll		2,081
	14,190	14,341
Total Current Liabilities		
FUND EQUITY		
Contributed capital		90,778
Retained earnings:		
Reserved for:		
Equipment replacement	289,522	281,372
Unreserved	133,624	(36,247)
Total retained earnings	423,146	245,125
Total Fund Equity	423,146	335,903
Total Liabilities and Fund Equity	\$437,336	\$350,244

CITY OF DALY CITY
PBX INTERNAL SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
OPERATING REVENUES		
Charges to City departments	\$296,271	\$284,873
Other revenues	692	3,183
	<u>296,963</u>	<u>288,056</u>
OPERATING EXPENSES		
Salaries and benefits	12,392	58,782
Services and supplies	17,410	4,586
Utilities	186,206	183,972
Depreciation	8,150	5,434
Other charges	11,127	8,289
	<u>235,285</u>	<u>261,063</u>
Operating Income	61,678	26,993
NONOPERATING REVENUES (EXPENSES)		
Interest income	25,565	17,064
	<u>87,243</u>	<u>44,057</u>
Net Income	87,243	44,057
ITEMS AFFECTING CONTRIBUTED CAPITAL		
Depreciation of contributed assets	90,778	
Retained earnings at beginning of year	<u>245,125</u>	<u>201,068</u>
RETAINED EARNINGS AT END OF YEAR	<u><u>\$423,146</u></u>	<u><u>\$245,125</u></u>

CITY OF DALY CITY
PBX INTERNAL SERVICE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$61,678	\$26,993
Adjustments to reconcile operating income to cash flows from operating activities:		
Depreciation	8,150	5,434
Net effect of changes in:		
Accounts receivable	78	(78)
Accounts payable and other liabilities	<u>(151)</u>	<u>(3,705)</u>
Net cash provided by operating activities	<u>69,755</u>	<u>28,644</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	<u>25,565</u>	<u>17,064</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	<u> </u>	<u>(40,752)</u>
Net Cash Flows	95,320	4,956
Cash and cash equivalents at beginning of year	<u>314,848</u>	<u>309,892</u>
Cash and cash equivalents at end of year	<u><u>\$410,168</u></u>	<u><u>\$314,848</u></u>

CITY OF DALY CITY
BUILDING MAINTENANCE INTERNAL SERVICE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Current Assets:		
Cash and investments	\$234,572	\$114,337
Accounts receivable	15,441	25,186
Inventories	36,726	29,427
Total Current Assets	286,739	168,950
Fixed Assets		
Equipment	38,289	54,483
Furniture & fixtures	6,093	6,603
	44,382	61,086
Less Accumulated Depreciation	38,462	49,628
Fixed Assets - Net	5,920	11,458
Total Assets	\$292,659	\$180,408
LIABILITIES		
Current Liabilities:		
Accounts payable	\$57,263	\$30,076
Accrued payroll	210,949	176,247
Total Current Liabilities	268,212	206,323
Long-term Liabilities:		
Compensated absences	75,206	50,854
Total Liabilities	343,418	257,177
FUND EQUITY		
Retained earnings (Deficit):		
Unreserved	(50,759)	(76,769)
Total Fund Equity	(50,759)	(76,769)
Total Liabilities and Fund Equity	\$292,659	\$180,408

CITY OF DALY CITY
 BUILDING MAINTENANCE INTERNAL SERVICE FUND
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS
 FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
OPERATING REVENUES		
Charges to City departments	\$1,935,001	\$1,847,416
Other revenues	<u>254,160</u>	<u>221,731</u>
Total Operating Revenues	<u>2,189,161</u>	<u>2,069,147</u>
OPERATING EXPENSES		
Salaries and benefits	1,508,139	1,395,191
Services and supplies	475,194	419,105
Utilities	221,137	190,633
Insurance	2,820	2,808
Depreciation	4,846	4,955
Other charges	<u>17,690</u>	<u>14,641</u>
Total Operating Expenses	<u>2,229,826</u>	<u>2,027,333</u>
Operating Income (loss)	(40,665)	41,814
NONOPERATING REVENUES		
Interest income	10,575	1,303
OPERATING TRANSFERS		
Operating transfers in	57,517	11,300
Operating transfers (out)	<u>(1,417)</u>	<u> </u>
Net Income	26,010	54,417
Retained earnings (deficit) at beginning of year	<u>(76,769)</u>	<u>(131,186)</u>
RETAINED EARNINGS (DEFICIT) AT END OF YEAR	<u><u>(\$50,759)</u></u>	<u><u>(\$76,769)</u></u>

CITY OF DALY CITY
 BUILDING MAINTENANCE INTERNAL SERVICE FUND
 COMPARATIVE STATEMENTS OF CASH FLOWS
 FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	(\$40,665)	\$41,814
Adjustments to reconcile operating income (loss) to cash flows from operating activities:		
Depreciation	4,846	4,955
Net effect of changes in:		
Receivables	9,745	(25,186)
Inventories	(7,299)	4,586
Accounts payable and other liabilities	86,241	46,265
Net cash provided by operating activities	52,868	72,434
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	10,575	1,303
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating transfers in	57,517	11,300
Operating transfers (out)	(1,417)	
Net cash provided by noncapital financing activities	56,100	11,300
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	692	(1,399)
NET CASH FLOWS	120,235	83,638
Cash and cash equivalents at beginning of year	114,337	30,699
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$234,572	\$114,337

CITY OF DALY CITY
 INFORMATION SERVICES INTERNAL SERVICE FUND
 COMPARATIVE BALANCE SHEETS
 JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Current Assets:		
Cash and investments	\$1,693,495	\$1,029,399
Accounts receivable	1,850	
	<u>1,695,345</u>	<u>1,029,399</u>
Total Current Assets		
Fixed Assets:		
Equipment	2,666,953	3,699,577
Furniture & fixtures	11,602	4,872
	<u>2,678,555</u>	<u>3,704,449</u>
Less Accumulated Depreciation	<u>1,617,983</u>	<u>2,583,750</u>
Fixed Assets - Net	<u>1,060,572</u>	<u>1,120,699</u>
Total Assets	<u><u>\$2,755,917</u></u>	<u><u>\$2,150,098</u></u>
LIABILITIES		
Current Liabilities:		
Accounts payable	\$86,424	\$119,308
Accrued payroll	27,101	30,549
	<u>113,525</u>	<u>149,857</u>
Total Current Liabilities		
Long-term Liabilities:		
Compensated absences	13,693	34,416
	<u>127,218</u>	<u>184,273</u>
Total Liabilities		
FUND EQUITY		
Contributed capital		<u>14,259</u>
Retained earnings:		
Reserved for:		
Equipment replacement	869,051	477,247
Capital projects	712,768	402,161
Unreserved	1,046,880	1,072,158
	<u>2,628,699</u>	<u>1,951,566</u>
Total retained earnings		
Total Fund Equity	<u>2,628,699</u>	<u>1,965,825</u>
Total Liabilities and Fund Equity	<u><u>\$2,755,917</u></u>	<u><u>\$2,150,098</u></u>

CITY OF DALY CITY
 INFORMATION SERVICES INTERNAL SERVICE FUND
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS
 FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	2001	2000
OPERATING REVENUES		
Charges to City departments	\$1,414,708	\$960,523
Other revenues	1,800	2,053
Total Operating Revenues	1,416,508	962,576
OPERATING EXPENSES		
Salaries and benefits	442,595	442,014
Services and supplies	250,724	324,945
Utilities	25,451	19,207
Insurance	1,734	1,734
Depreciation	391,804	351,687
Other charges	157,730	46,706
Total Operating Expenses	1,270,038	1,186,293
Operating Income (Loss)	146,470	(223,717)
NONOPERATING REVENUES		
Interest income	91,682	53,729
OPERATING TRANSFERS		
Operating transfers in	424,722	236,992
Net Income	662,874	67,004
ITEM AFFECTING CONTRIBUTED CAPITAL		
Depreciation of contributed assets	14,259	1,720
Increase in Retained Earnings	677,133	68,724
Retained earnings at beginning of year	1,951,566	1,882,842
RETAINED EARNINGS AT END OF YEAR	\$2,628,699	\$1,951,566

CITY OF DALY CITY
 INFORMATION SERVICES INTERNAL SERVICE FUND
 COMPARATIVE STATEMENTS OF CASH FLOWS
 FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Income (loss)	\$146,470	(\$223,717)
Adjustments to reconcile operating loss to cash flows from operating activities:		
Depreciation	391,804	351,687
Net effect of changes in:		
Accounts receivable	(1,850)	
Accounts payable and other liabilities	<u>(57,055)</u>	<u>119,746</u>
Net cash provided by operating activities	<u>479,369</u>	<u>247,716</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>91,682</u>	<u>53,729</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating transfers in	<u>424,722</u>	<u>236,992</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	<u>(331,677)</u>	<u>(548,057)</u>
NET CASH FLOWS	664,096	(9,620)
Cash and cash equivalents at beginning of year	<u>1,029,399</u>	<u>1,039,019</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$1,693,495</u></u>	<u><u>\$1,029,399</u></u>

CITY OF DALY CITY
 SELF-INSURANCE INTERNAL SERVICE FUND
 COMPARATIVE BALANCE SHEETS
 JUNE 30, 2001 AND 2000

	2001	2000
ASSETS		
Current Assets:		
Cash and investments	\$3,191,841	\$3,615,203
Accounts receivable	125,862	28,966
Total Current Assets	3,317,703	3,644,169
Fixed Assets		
Land	333,343	333,343
Building	180,000	180,000
Equipment		1,272
	513,343	514,615
Less Accumulated Depreciation	9,750	1,272
Fixed Assets - Net	503,593	513,343
Total Assets	\$3,821,296	\$4,157,512
LIABILITIES		
Current Liabilities:		
Accounts payable	\$41,670	\$60,703
Accrued payroll	620	1,434
Accrued liabilities	974	421
Deposits payable	15,357	15,357
Accrued claims payable	1,300,931	1,098,063
Total Liabilities	1,359,552	1,175,978
FUND EQUITY		
Retained earnings:		
Reserved for:		
Possible future claims	2,461,744	2,981,534
Total Retained Earnings	2,461,744	2,981,534
Total Liabilities and Fund Equity	\$3,821,296	\$4,157,512

CITY OF DALY CITY
 SELF-INSURANCE INTERNAL SERVICE FUND
 COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
 AND CHANGES IN RETAINED EARNINGS
 FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
OPERATING REVENUES		
Charges to City departments	\$1,862,691	\$1,838,939
Other revenues	<u>58,588</u>	<u>60,779</u>
Total Operating Revenues	<u>1,921,279</u>	<u>1,899,718</u>
OPERATING EXPENSES		
Salaries and benefits	74,216	68,893
Services and supplies	440,657	231,372
Utilities	704	627
Insurance	510,834	885,127
Claims/settlements	573,341	453,817
Depreciation	9,750	
Other charges	<u>2,274</u>	<u>12,217</u>
Total Operating Expenses	<u>1,611,776</u>	<u>1,652,053</u>
Operating Income	<u>309,503</u>	<u>247,665</u>
NONOPERATING REVENUES		
Interest income	166,262	213,332
Grant reimbursement	2,870,688	1,361,827
Storm damage repair (expenses)	<u>(3,866,243)</u>	<u>(3,167,050)</u>
Total Nonoperating Revenues (Expenses)	<u>(829,293)</u>	<u>(1,591,891)</u>
(Loss) Before Operating Transfers	(519,790)	(1,344,226)
OPERATING TRANSFERS		
Operating transfers in		660,431
Operating transfers (out)		<u>(50,630)</u>
Net Loss	(519,790)	(734,425)
Retained earnings at beginning of year	<u>2,981,534</u>	<u>3,715,959</u>
RETAINED EARNINGS AT END OF YEAR	<u><u>\$2,461,744</u></u>	<u><u>\$2,981,534</u></u>

CITY OF DALY CITY
 SELF-INSURANCE INTERNAL SERVICE FUND
 COMPARATIVE STATEMENTS OF CASH FLOWS
 FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Income	\$309,503	\$247,665
Adjustments to reconcile operating income to cash flows from operating activities:		
Depreciation	9,750	
Net effect of changes in:		
Receivables	(96,896)	(15,184)
Accounts payable and other liabilities	<u>183,574</u>	<u>(702,548)</u>
Net cash provided by (used for) operating activities	<u>405,931</u>	<u>(470,067)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>166,262</u>	<u>213,332</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating transfers in		660,431
Operating transfers (out)		(50,630)
Grant proceeds	2,870,688	1,361,827
Storm damage repair (expenses)	<u>(3,866,243)</u>	<u>(3,167,050)</u>
Net cash (used for) investing activities	<u>(995,555)</u>	<u>(1,195,422)</u>
NET CASH FLOWS	(423,362)	(1,452,157)
Cash and cash equivalents at beginning of year	<u>3,615,203</u>	<u>5,067,360</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$3,191,841</u>	<u>\$3,615,203</u>



CITY OF DALY CITY

FIDUCIARY FUND TYPE

Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

The City accounts for the following agency funds:

- Special Deposits - an agency fund to account for deposits made for maintenance or use of City facilities and services, and for contributions received for designated purposes.
- Peninsula Traffic Congestion Relief Alliance (PTCRA) - an agency fund to reflect cash held by the City in its role as Fiscal Agent for this agency. The PTCRA works with San Mateo County Cities to encourage use of public transportation.
- San Mateo Pre-Hospital Emergency Services Group (SMPHESG) - an agency fund to reflect cash held by the City in its role as Fiscal Agent for this agency. SMPHESG was established to provide paramedic first responder service as part of fire agencies response to medical calls.
- Carter Martin Debt Service - an agency fund to account for the retirement of debt on assessment bonds for the widening and extension of Carter and Martin Streets.

CITY OF DALY CITY
 AGENCY FUNDS
 COMBINING BALANCE SHEETS
 JUNE 30, 2001
 WITH COMPARATIVE TOTALS AS OF JUNE 30, 2000

	Special Deposits	MTSMA	PTCRA	SMPHESG	Carter Martin	TOTALS	
						2001	2000
ASSETS							
Cash and investments	\$1,393,421			\$89,237	\$1,010,397	\$2,493,055	\$2,354,038
Receivables	832,118					832,118	467,207
Total Assets	\$2,225,539			\$89,237	\$1,010,397	\$3,325,173	\$2,821,245
LIABILITIES							
Accounts payable	\$7,854			\$89,237		\$97,091	\$22,936
Due to bondholders					\$1,010,397	1,010,397	1,030,415
Deposits payable	2,217,685					2,217,685	1,767,894
Total Liabilities	\$2,225,539			\$89,237	\$1,010,397	\$3,325,173	\$2,821,245

CITY OF DALY CITY
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Deductions	Balance June 30, 2001
<u>Special Deposits</u>				
<u>Assets</u>				
Cash and investments	\$1,247,242	\$147,316	\$1,137	\$1,393,421
Receivables	467,207	832,118	467,207	832,118
Total Assets	<u>\$1,714,449</u>	<u>\$979,434</u>	<u>\$468,344</u>	<u>\$2,225,539</u>
<u>Liabilities</u>				
Accounts payable	\$9,014	\$7,854	\$9,014	\$7,854
Deposits payable	1,705,435	971,580	459,330	2,217,685
Total Liabilities	<u>\$1,714,449</u>	<u>\$979,434</u>	<u>\$468,344</u>	<u>\$2,225,539</u>
<u>MTSMA</u>				
<u>Assets</u>				
Cash and investments	<u>\$62,459</u>		<u>\$62,459</u>	
<u>Liabilities</u>				
Accounts payable	<u>\$62,459</u>		<u>\$62,459</u>	
<u>PTCRA</u>				
<u>Assets</u>				
Cash and investments		<u>\$658,137</u>	<u>\$658,137</u>	
<u>Liabilities</u>				
Deposits payable		<u>\$658,137</u>	<u>\$658,137</u>	
<u>SMPHESG</u>				
<u>Assets</u>				
Cash and investments	<u>\$13,922</u>	<u>\$3,873,714</u>	<u>\$3,798,399</u>	<u>\$89,237</u>
<u>Liabilities</u>				
Accounts payable	<u>\$13,922</u>	<u>\$3,873,714</u>	<u>\$3,798,399</u>	<u>\$89,237</u>
<u>Carter/Martin</u>				
<u>Assets</u>				
Cash and investments	<u>\$1,030,415</u>	<u>\$442,609</u>	<u>\$462,627</u>	<u>\$1,010,397</u>
<u>Liabilities</u>				
Due to bondholders	<u>\$1,030,415</u>	<u>\$442,609</u>	<u>\$462,627</u>	<u>\$1,010,397</u>
<u>TOTAL - ALL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$2,354,038	\$5,121,776	\$4,982,759	\$2,493,055
Receivables	467,207	832,118	467,207	832,118
Total Assets	<u>\$2,821,245</u>	<u>\$5,953,894</u>	<u>\$5,449,966</u>	<u>\$3,325,173</u>
<u>Liabilities</u>				
Accounts payable	\$85,395	\$3,881,568	\$3,869,872	\$97,091
Deposits payable	1,705,435	1,629,717	1,117,467	2,217,685
Due to bondholders	1,030,415	442,609	462,627	1,010,397
Total Liabilities	<u>\$2,821,245</u>	<u>\$5,953,894</u>	<u>\$5,449,966</u>	<u>\$3,325,173</u>

CITY OF DALY CITY
 SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
 JUNE 30, 2001

GENERAL FIXED ASSETS:

Land and Land Improvements	\$15,664,512
Buildings	20,708,554
Equipment, Furniture and Fixtures	2,797,209
Construction in Progress	<u>5,686,394</u>

TOTAL GENERAL FIXED ASSETS	<u><u>\$44,856,669</u></u>
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INVESTMENT IN GENERAL FIXED ASSETS FROM:

Investment in Assets Acquired Prior to July 1, 1974	\$11,337,916
Investment in Assets Acquired After July 1, 1974:	
Current Revenues	30,260,976
Federal and State Grants	2,197,297
Donations from Nongovernmental Sources	<u>1,060,480</u>

TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u><u>\$44,856,669</u></u>
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CITY OF DALY CITY
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
JUNE 30, 2001

	<u>Land</u>	<u>Buildings and Structures</u>	<u>Furniture, Fixtures & Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
FUNCTION AND ACTIVITY					
General Government					
City Council			\$66,692		\$66,692
City Manager			52,080		52,080
City Treasurer			1,510		1,510
Finance			29,295		29,295
City Clerk			8,401		8,401
City Attorney			908		908
Planning and Zoning			85,998		85,998
Personnel Administration			8,641		8,641
General Government Buildings	\$3,186,735	\$9,808,867	728,472		13,724,074
Total General Government	<u>3,186,735</u>	<u>9,808,867</u>	<u>981,997</u>		<u>13,977,599</u>
Public Safety					
Police Protection			854,726		854,726
Fire Protection	335,720	3,108,102	403,543	68,460	3,915,825
Total Public Safety	<u>335,720</u>	<u>3,108,102</u>	<u>1,258,269</u>	<u>68,460</u>	<u>4,770,551</u>
Other					
Community Service Center	1,392,602	312,120	1,507		1,706,229
Libraries	158,818	3,295,250	176,270		3,630,338
Parks & Recreation	9,574,584	3,861,165	191,185	1,618,197	15,245,131
Public Works	1,016,053	323,050	187,981	3,999,737	5,526,821
Total Other	<u>12,142,057</u>	<u>7,791,585</u>	<u>556,943</u>	<u>5,617,934</u>	<u>26,108,519</u>
Total General Fixed Assets	<u>\$15,664,512</u>	<u>\$20,708,554</u>	<u>\$2,797,209</u>	<u>\$5,686,394</u>	<u>\$44,856,669</u>

CITY OF DALY CITY
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Balance</u> <u>June 30, 2000</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2001</u>
FUNCTION AND ACTIVITY				
General Government				
City Council	\$67,492		\$800	\$66,692
City Manager	57,898		5,818	52,080
City Treasurer	2,019		509	1,510
Finance	16,039	\$19,083	5,827	29,295
City Clerk	7,270	1,640	509	8,401
City Attorney	2,068		1,160	908
Planning and Zoning	74,782	16,140	4,924	85,998
Personnel Administration	6,533	4,068	1,960	8,641
General Government Buildings	13,706,352	20,065	2,343	13,724,074
Total General Government	<u>13,940,453</u>	<u>60,996</u>	<u>23,850</u>	<u>13,977,599</u>
Public Safety				
Police Protection	687,902	192,148	25,324	854,726
Fire Protection	3,843,170	90,545	17,890	3,915,825
Total Public Safety	<u>4,531,072</u>	<u>282,693</u>	<u>43,214</u>	<u>4,770,551</u>
Other				
Community Service Center	1,705,288	1,507	566	1,706,229
Libraries	3,643,139		12,801	3,630,338
Parks & Recreation	13,863,606	1,403,254	21,729	15,245,131
Public Works	3,659,198	1,893,651	26,028	5,526,821
Total Other	<u>22,871,231</u>	<u>3,298,412</u>	<u>61,124</u>	<u>26,108,519</u>
Total General Fixed Assets	<u>\$41,342,756</u>	<u>\$3,642,101</u>	<u>\$128,188</u>	<u>\$44,856,669</u>

CITY OF DALY CITY
 COMBINED SCHEDULE OF CASH AND INVESTMENTS
 JUNE 30, 2001

CASH:	
Cash in Bank	\$125,290
Change and Imprest Funds	6,330
	131,620
INVESTMENTS:	
Local Agency Investment Fund	35,736,484
County of San Mateo Investment Pool	22,430,695
Certificates of Deposit	6,189,000
Government National Mortgage Association	3,198,879
	67,555,058
Investments held by others:	
Fiscal Agents:	
Mutual Funds	1,932,389
	1,932,389
TOTAL CASH & INVESTMENTS:	\$69,619,067
DISTRIBUTION BY TYPE OF FUND	
General	\$9,846,648
Special Revenue	11,713,026
Capital Projects	15,988,016
Enterprise	22,043,589
Internal Service	7,534,733
Trust and Agency	2,493,055
	2,493,055
TOTAL CASH & INVESTMENTS:	\$69,619,067

CITY OF DALY CITY
 COMBINED SCHEDULE OF FIXED ASSETS
 ALL PROPRIETARY FUND TYPES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Deductions	Transfers	Balance June 30, 2001
ENTERPRISE FUNDS					
Water Utility					
Land	\$905,662			(\$35,000)	\$870,662
Buildings	502,661				502,661
Wells & Pump Stations	3,467,127	\$222,137		31,928	3,721,192
Water Reservoirs	7,051,427				7,051,427
Water Mains	6,625,454	1,678		219,508	6,846,640
Tools & Equipment	335,335	248,194	15,796	1,126,999	1,694,732
Telemetry Equipment	1,400,106	13,879			1,413,985
Communications Equipment	17,533		14,671		2,862
Furniture & Fixtures	9,837	14,029	4,542		19,324
Construction in Progress	2,866,006	1,259,868		(1,343,435)	2,782,439
	<u>23,181,148</u>	<u>1,759,785</u>	<u>35,009</u>		<u>24,905,924</u>
Civic Center					
Land	1,695,762				1,695,762
Building	5,076,900				5,076,900
Leasehold Improvements	491,827				491,827
Tools & Equipment	443,801				443,801
	<u>7,708,290</u>				<u>7,708,290</u>
Transfer Station					
Land	93,384				93,384
Building	1,184,278				1,184,278
Tools & Equipment	232,367				232,367
	<u>1,510,029</u>				<u>1,510,029</u>
Sanitation District					
Land	219,205				219,205
Building	128,393				128,393
Sewage Collection Facilities	1,927,294		2,352		1,924,942
Sewage Treatment Facilities	41,153,343		10,917		41,142,426
Sewage Disposal Facilities	3,606,385				3,606,385
Subsurface Lines	9,979,156	452,795		858,985	11,290,936
Tools & Equipment	708,187	23,165	14,387	668,222	1,385,187
Laboratory Equipment	34,962		8,437		26,525
Communication Equipment	22,142				22,142
Computer Equipment		2,917			2,917
Telemetry/SCADA Equipment	126,519	1,313			127,832
Furniture & Fixtures	92,845	2,167	14,830		80,182
Construction in Progress	3,465,000	1,535,370		(1,527,207)	3,473,163
	<u>61,463,431</u>	<u>2,017,727</u>	<u>50,923</u>		<u>63,430,235</u>
TOTAL ENTERPRISE FUNDS	<u>\$93,862,898</u>	<u>\$3,777,512</u>	<u>\$85,932</u>		<u>\$97,554,478</u>

Accumulated Depreciation

<u>Balance</u> <u>June 30, 2000</u>	<u>Current</u> <u>Depreciation</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2001</u>
\$122,693	\$16,416			\$139,109
1,335,301	121,423			1,456,724
1,884,838	177,566			2,062,404
616,804	174,399			791,203
202,019	51,317	\$15,798		237,538
1,058,466	119,334			1,177,800
17,532		14,670		2,862
9,603	805	4,542		5,866
<u>5,247,256</u>	<u>661,260</u>	<u>35,010</u>		<u>5,873,506</u>
497,073	185,076			682,149
423,457	37,292			460,749
15,170	83,274			98,444
<u>935,700</u>	<u>305,642</u>			<u>1,241,342</u>
624,213	29,606			653,819
22,087	14,097			36,184
<u>646,300</u>	<u>43,703</u>			<u>690,003</u>
535	6,420			6,955
791,090	33,641	2,352		822,379
18,258,913	1,101,311	10,917		19,349,307
1,598,786	68,169			1,666,955
2,288,945	228,172			2,517,117
394,067	43,201	14,387		422,881
32,600	465	8,437		24,628
15,815	1,071			16,886
	49			49
11,054	24,165			35,219
77,478	5,607	14,830		68,255
<u>23,469,283</u>	<u>1,512,271</u>	<u>50,923</u>		<u>24,930,631</u>
<u>\$30,298,539</u>	<u>\$2,522,876</u>	<u>\$85,933</u>		<u>\$32,735,482</u>

(Continued)

CITY OF DALY CITY
 COMBINED SCHEDULE OF FIXED ASSETS
 ALL PROPRIETARY FUND TYPES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Deductions	Transfers	Balance June 30, 2001
INTERNAL SERVICE FUND TYPES					
Motor Vehicles					
Vehicles	\$7,703,711	\$1,166,698	\$271,442		\$8,598,967
Tools & Equipment	341,076	143,836	64,191		420,721
Communications Equipment	107,264		637		106,627
Building	14,494				14,494
Construction in Progress					
	<u>8,166,545</u>	<u>1,310,534</u>	<u>336,270</u>		<u>9,140,809</u>
Central Services					
Tools & Equipment	337,705	36,222	44,455		329,472
	<u>337,705</u>	<u>36,222</u>	<u>44,455</u>		<u>329,472</u>
PBX					
Tools & Equipment	61,927				61,927
Communications Equipment	344,103				344,103
	<u>406,030</u>				<u>406,030</u>
Building Maintenance					
Tools & Equipment	54,483		16,194		38,289
Furniture & Fixtures	6,603		510		6,093
	<u>61,086</u>		<u>16,704</u>		<u>44,382</u>
Information Services					
Tools & Equipment	16,740	1,140			17,880
Computer Equipment	3,682,837	324,514	1,358,278		2,649,073
Furniture & Fixtures	4,872	8,337	1,607		11,602
	<u>3,704,449</u>	<u>333,991</u>	<u>1,359,885</u>		<u>2,678,555</u>
Self-Insurance					
Land	333,343				333,343
Building	180,000				180,000
Tools & Equipment	1,272		1,272		
	<u>514,615</u>		<u>1,272</u>		<u>513,343</u>
TOTAL INTERNAL SERVICE FUNDS	<u>\$13,190,430</u>	<u>\$1,680,747</u>	<u>\$1,758,586</u>		<u>\$13,112,591</u>

Accumulated Depreciation

<u>Balance June 30, 2000</u>	<u>Current Depreciation</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance June 30, 2001</u>
\$4,415,480	\$703,754	\$260,372		\$4,858,862
233,186	20,511	2,536		251,161
92,788	3,897	637		96,048
10,932	307			11,239
<u>4,752,386</u>	<u>728,469</u>	<u>263,545</u>		<u>5,217,310</u>
243,710	35,516	43,998		235,228
<u>243,710</u>	<u>35,516</u>	<u>43,998</u>		<u>235,228</u>
61,927				61,927
308,785	8,150			316,935
<u>370,712</u>	<u>8,150</u>			<u>378,862</u>
43,025	4,846	15,503		32,368
6,603		509		6,094
<u>49,628</u>	<u>4,846</u>	<u>16,012</u>		<u>38,462</u>
3,658	3,519			7,177
2,577,560	386,798	1,355,964		1,608,394
2,532	1,487	1,607		2,412
<u>2,583,750</u>	<u>391,804</u>	<u>1,357,571</u>		<u>1,617,983</u>
	\$9,750			9,750
1,272		1,272		
<u>1,272</u>	<u>9,750</u>	<u>1,272</u>		<u>9,750</u>
<u>\$8,001,458</u>	<u>\$1,178,535</u>	<u>\$1,682,398</u>		<u>\$7,497,595</u>

CITY OF DALY CITY
 SCHEDULE OF CHANGES IN AGENCY SPECIAL DEPOSITS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Balance</u> <u>June 30, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2001</u>
Emergency Housing Assistance - Peninsula Community Foundation Grant	\$3,654			\$3,654
Emergency Family Needs	22,639	\$3,160	\$343	25,456
Anti-Graffiti Program	1,633	25		1,658
Library Copier	<u>20,055</u>	<u>8,330</u>	<u>794</u>	<u>27,591</u>
TOTALS	<u><u>\$47,981</u></u>	<u><u>\$11,515</u></u>	<u><u>\$1,137</u></u>	<u><u>\$58,359</u></u>

CITY OF DALY CITY
SCHEDULE OF MEASURE A FUNDS
FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	2001	2000
COMPARATIVE BALANCE SHEETS		
Assets - Cash	\$2,786,760	\$1,672,947
Fund Balance - Reserved for Restricted Purposes	\$2,786,760	\$1,672,947

SCHEDULE OF CHANGES IN FUND BALANCE		
Fund Balance - July 1	\$1,672,947	\$1,325,021
Revenues	1,424,742	1,261,707
Expenditures:		
Traffic Signal Upgrade		11,054
Storm Drain System Mapping		6,574
Beachwood Storm Drain		2,767
Street Resurfacing		571,422
Street Slurry Seal	439	278,934
John Daly/Lake Merced/Park Plaza Improvements		43,030
Serramonte Blvd. Resurfacing	101,754	
John Daly Blvd. Resurfacing	18,736	
John Daly/Dorchester Improvements	190,000	
Total Expenditures	310,929	913,781
Fund Balance - June 30	\$2,786,760	\$1,672,947

City of Daly City
 Schedule of Expenditures of Federal Financial Awards
 For the Fiscal Year Ended June 30, 2001

Federal Department/ Program Name	Catalog of Federal Domestic Assistance Number	Program Expenditures
U. S. Department of Health & Human Services Special Program for the Aging (Passed through the County of San Mateo)	93.044	\$ 28,889
Peninsula Partnership for Children, Youth and Families (PSSF) (Passed through the County of San Mateo)	93.556	53,343
Peninsula Partnership for Children, Youth and Families (TANF) (Passed through the County of San Mateo)	93.558	19,310
U. S. Department of Agriculture California Nutrition Network for Healthy Active Families Grant (Passed through the State of California)	10.570	42,711
Summer Food Program	10.558	13,334
U. S. Department of Justice COPS in School (2000-SH-WX-0535)	16.710	50,000
CA Business, Transportation, & Housing Agency Office of Traffic Safety - DUICE/STOP Program		307,896
U. S. Department of Transportation - ISTEA J Daly/I-280 Bridge Widening	20.205	1,139,779
Hickey Blvd Resurfacing		439,363
Serramonte Blvd Resurfacing		390,000
Junipero Serra Blvd Resurfacing		14,118
Junipero Serra Pedestrian Improvements		350,593
U. S. Department of Housing & Urban Development Community Development Block Grant	14.218	1,614,667
Home Program (Passed Through County of San Mateo)	14.239	<u>169,055</u>
Total Expenditures of Federal Financial Awards		<u>\$ 4,633,059</u>

CITY OF DALY CITY

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

For the Last Ten Fiscal Years

(Dollars in thousands)

<u>Year Ended June 30</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Community Development</u>	<u>Public Works</u>	<u>Culture/ Recreation</u>	<u>Total</u>
1992	\$3,827	\$15,553	\$3,058	\$3,246	\$5,769	\$31,453
1993	3,772	16,021	3,166	3,128	5,784	31,871
1994	3,755	16,428	3,435	3,278	6,228	33,124
1995	4,077	17,370	4,949	3,333	6,209	35,938
1996	4,303	17,905	6,806	3,585	6,462	39,061
1997	4,212	19,049	12,805	3,625	7,049	46,740
1998	4,383	19,944	11,936	3,822	7,417	47,502
1999	4,693	21,291	8,222	3,636	7,906	45,748
2000	3,454	22,536	12,707	3,968	8,351	51,016
2001	3,221	24,478	5,712	4,345	9,199	46,955

Note: The figures above combine the General and Special Revenue Funds expenditures, excluding capital outlay, debt service, and interfund transfers.

Source: Department of Finance

CITY OF DALY CITY

GENERAL GOVERNMENTAL REVENUES BY SOURCE

For the Last Ten Fiscal Years

(Dollars in thousands)

<u>Year Ended June 30</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Gas Tax</u>	<u>Utility Users Tax</u>	<u>Franchise Fees</u>	<u>Other Taxes</u>
1992	\$8,767	\$6,152	\$1,696	\$3,216	\$1,117	\$4,536
1993	8,287	6,282	1,695	3,403	1,239	4,707
1994	8,094	6,652	1,827	3,640	1,260	4,859
1995	7,802	6,812	1,840	3,792	1,342	4,816
1996	8,050	7,393	1,857	4,079	1,581	5,017
1997	8,390	7,852	2,018	4,303	1,671	5,411
1998	8,535	8,302	1,955	4,288	1,723	5,828
1999	8,908	8,472	2,019	4,452	1,825	6,238
2000	9,684	8,767	2,006	4,385	1,953	6,809
2001	10,834	9,707	2,049	5,277	2,068	7,348

The figures above include all General and Special Revenue Funds revenues, excluding all interfund transfers.

Source: Department of Finance

CITY OF DALY CITY

<u>Licenses & Permits</u>	<u>Fines & Forfeitures</u>	<u>Rents & Interests</u>	<u>Inter- Governmental</u>	<u>Charges & Fees</u>	<u>Miscellaneous</u>	<u>Total</u>
\$659	\$865	\$1,637	\$3,099	\$3,138	\$4,048	\$38,930
718	659	833	5,114	2,884	3,359	39,180
1,033	610	1,077	1,997	4,334	2,544	37,927
1,072	696	1,288	3,551	4,379	1,304	38,694
1,166	859	1,563	6,334	4,228	1,375	43,502
1,206	1,093	1,388	13,525	5,309	795	52,961
1,022	1,077	2,004	11,898	5,622	918	53,172
1,237	1,361	1,245	10,587	5,628	1,915	53,887
1,261	1,743	3,821	6,166	6,744	5,936	59,275
1,718	1,953	4,309	5,643	7,512	752	59,170

CITY OF DALY CITY

PROPERTY TAX ASSESSED VALUES,
LEVIES AND COLLECTIONS

For the Last Ten Fiscal Years

(Dollars in thousands)

Year Ended June 30	Assessed Value (1)	Tax Rate Per \$100 (2)	Total Tax Levy (3)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections (4)	Total Tax Collection	
							Amount	Percent of Levy
1992	\$3,109,503	.255	\$7,929	\$7,994	100.1	\$221	\$8,215	103.6
1993	3,261,755	.255	7,578	7,516	100.8	192	7,708	101.7
1994	3,384,463	.255	6,918	7,070	102.2	428	7,498	108.4
1995	3,536,752	.255	7,182	7,182 (4)	100.0		7,182	100.0
1996	3,577,880	.255	7,406	7,406 (4)	100.0		7,406	100.0
1997	3,707,944	.255	7,697	7,697 (4)	100.0		7,697	100.0
1998	3,819,223	.255	7,861	7,861 (4)	100.0		7,861	100.0
1999	3,979,648	.255	8,206	8,206 (4)	100.0		8,206	100.0
2000	4,203,781	.255	8,756	8,756 (4)	100.0		8,756	100.0
2001	4,526,329	.255	9,387	9,387 (4)	100.0		9,387	100.0

- (1) Assessed valuation represents "full market value" in accordance with the adoption of State Proposition 13 for secured and unsecured property, but does not include Redevelopment Agency tax increment and Homeowners Property Tax Exemptions. Beginning in fiscal 1989 assessed valuations exclude "unitary property", now assessed by the State in total.
- (2) As apportioned by the County in accordance with State law.
- (3) For 1993 forward, tax levies are adjusted for ERAF shifts to the State.
- (4) Beginning in 1995, San Mateo County changed to the "Teeter Plan", whereby the County remits the full amount of assessments to local agencies and is responsible for actual collections. The County, in turn, receives all penalties and interest.

Source: Office of the County Assessor

CITY OF DALY CITY

PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS

For the Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Basic Levy (1)</u>	<u>All School Districts (2)</u>	<u>Total</u>
1992	1.00	0.0738	1.0738
1993	1.00	0.0896	1.0896
1994	1.00	0.0658	1.0658
1995	1.00	0.0631	1.0631
1996	1.00	0.0698	1.0698
1997	1.00	0.0701	1.0701
1998	1.00	0.0854	1.0854
1999	1.00	0.0825	1.0825
2000	1.00	0.0851	1.0851
2001	1.00	0.0977	1.0977

- (1) In 1979, State Proposition 13 amended the constitution to provide that the general tax rate be limited to one percent of market value, distributed among all tax agencies. Assessed valuation is set at 100 percent of market value at transfer of title and the tax rate is \$1 per \$100 of assessed value.
- (2) The City of Daly City has 41 tax code areas, many with different rates because of differing school district boundaries. The highest tax rate is shown here.

Source: San Mateo County Controller, Annual Publication: "Tax Rates and Valuation of Taxable Property".

CITY OF DALY CITY

DEMOGRAPHIC STATISTICS

For the Last Ten Fiscal Years

Year	City Size Square Miles (1)	City Population (2)	Change in Population	Population Change in Percent	Population per Household (2)	Unemployment Rate (3)
1992	7.50	96,653	2,577	2.74	3.256	6.4
1993	7.50	98,316	1,663	1.72	3.292	6.7
1994	7.50	99,179	863	.88	3.309	6.7
1995	7.50	99,803	624	.63	3.307	5.5
1996	7.50	99,530	(273)	(.28)	3.268	4.8
1997	7.50	101,349	1,819	1.83	3.298	3.7
1998	7.50	103,374	2,025	2.00	3.348	3.4
1999	7.60	104,186	812	0.79	3.221	2.4
2000	7.60	104,571	385	0.36	3.373	2.0
2001	7.60	105,400	829	0.79	3.420	1.6

Sources:

- (1) Daly City Department of Public Works
- (2) Bureau of the Census and State Department of Finance
- (3) State Employment Development Office

CITY OF DALY CITY

CONSTRUCTION ACTIVITY & BANK DEPOSITS

Last Ten Fiscal Years

CONSTRUCTION ACTIVITY (1)

<u>Year</u>	<u>New Industrial</u>		<u>New Commercial and Office</u>		<u>New Residential</u>		<u>All Other**</u>		<u>Bank Deposits (2) 06/30</u>
	<u>Permits</u>	<u>Value</u>	<u>Permits</u>	<u>Value</u>	<u>Permits</u>	<u>Value</u>	<u>Permits</u>	<u>Value</u>	
1992	-	-	3	\$1,481,899	28	\$8,002,234	2,319	\$18,459,541	N/A
1993	-	-	-	-	16	3,799,143	3,023	20,302,801	N/A
1994	-	-	3	120,531	72	15,337,419	4,448	16,300,035	1,057,395
1995	-	-	2	2,161,975	144	24,740,123	5,921	16,777,568	1,078,263
1996	-	-	4	1,009,153	104	19,864,419	5,903	21,739,443	1,040,158
1997	-	-	6	8,677,398	89	24,679,521	5,890	29,665,400	1,115,489
1998	-	-	7	6,559,147	71	14,325,522	5,543	26,899,626	1,161,914
1999	-	-	6	4,826,098	10	2,796,112	5,180	40,287,574	1,214,178
2000	-	-	3	33,408	36	8,354,742	4,753	34,957,270	1,266,192
2001	1	610,240	6	62,136,658	93	22,208,488	5,437	50,043,327	1,406,591

Note: See schedule of Property Tax Assessed Values, Levies and Collections for property value information.

** Includes electrical, mechanical, plumbing, demolition, alterations of residential and commercial, roofing, homesafe, sanitation and mobile homes.

Sources: (1) Daly City Department of Economic and Community Development
(2) FDIC

CITY OF DALY CITY

COMPUTATION OF LEGAL DEBT MARGIN

JUNE 30, 2001
(Dollars in thousands)

TOTAL ASSESSED VALUATION	<u>\$4,526,329</u>
Debt Limit - 15 percent of Total Assessed Value	<u>678,949</u>
Amount of Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>\$678,949</u>

Sources: San Mateo County Controller Report of Assessed Valuation,
Daly City Department of Finance

CITY OF DALY CITY

SCHEDULE OF DIRECT AND OVERLAPPING
BONDED DEBT

JUNE 30, 2001

2000-01 Assessed Valuation:	\$4,771,375,690
Redevelopment Incremental Valuation:	135,812,926
Adjusted Assessed Valuation:	<u>\$4,635,562,764</u>

OVERLAPPING TAX & ASSESSMENT DEBT:

	<u>% Applicable</u>	<u>Debt 6/30/01</u>
Jefferson Union High School District	50.880	\$13,694,352
South San Francisco Unified School District	11.330	4,269,705
City of Daly City 1915 Act Bonds	100.000	<u>1,960,000</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		\$19,924,057

DIRECT AND OVERLAPPING GENERAL FUND
OBLIGATION DEBT:

San Mateo County General Fund Obligations	6.264	\$15,703,257
San Mateo County Board of Education Certificates of Participation	6.264	332,932
San Mateo County Flood Control District Certificates of Participation	32.146	4,945,662
South San Francisco Unified School District Certificates of Participation	11.330	318,940
City of Daly City Certificates of Participation	100.000	<u>12,125,000</u>
TOTAL DIRECT & OVERLAPPING GENERAL FUND OBLIGATION DEBT		\$33,425,791

COMBINED TOTAL DEBT \$53,349,848(1)

- (1) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations

Ratios to 2000-01 Assessed Valuation:

Total Overlapping Tax and Assessment Debt 0.42%

Ratios to Adjusted Assessed Valuation:

Combined Direct Debt (\$12,125,000) 0.26%

Combined Total Debt 1.15%

STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/01: \$0

Source: California Municipal Statistics, Inc.

CITY OF DALY CITY

PRINCIPAL PROPERTY TAXPAYERS

June 30, 2001

TAXPAYER	TYPE OF PROPERTY	ASSESSED VALUATION (LAND + IMPROV)	PERCENT OF TOTAL ASSESSED VALUATION
Seton Medical Center	Medical Facility	\$163,834,759	3.62%
Gelsar, Inc.	Commercial	94,752,669	2.09
Serramonte Plaza	Commercial-Retail	54,282,360	1.20
John Daly Blvd Associates LP	Apartments	37,708,985	0.83
Skyline Heights Apartments LLC	Apartments	31,940,250	0.71
Lavaca Portfolio Investors	Apartments	28,537,013	0.63
Daly City Partners	Commercial	26,998,744	0.60
Montgomery Ward; Co Lessee	Commercial	17,422,961	0.38
Westlake Development Co. Inc.	Commercial	16,265,093	0.36
Bay Area Apartment Communities, Inc.	Apartments	14,706,217	0.32
Serramonte Medical Lessee	Medical Office	14,565,600	0.32
American Stores Properties, Inc.	Commercial	12,484,800	0.28
Mercy Housing California	Apartments	12,455,491	0.28
Cypress Abbey Co.	Commercial	11,142,958	0.25
First American Tax Valuation	Apartments	9,431,136	0.21
Amberwood Housing Investors, LP	Senior Housing	8,877,832	0.20
California Automobile Association	Commercial	8,594,301	0.19
Shurgard Inc.	Commercial	7,946,699	0.18
Bayshore Blvd. Associates	Commercial	7,398,434	0.16
Thomas J Culligan III	Apartments	7,210,718	0.16
TOTAL DALY CITY ASSESSED VALUATION		\$4,526,329,217	

Source: Metroscan, Department of Economic & Community Development

CITY OF DALY CITY

PRINCIPAL EMPLOYERS

2001

	PART TIME EMPLOYEES	FULL TIME EMPLOYEES	TOTAL EMPLOYEES
Seton Medical Center	593	917	1,510
City of Daly City	230	535	765
Jefferson Elementary School District	474	211	685
Jefferson High School District	401	249	650
U.S. Postal Service- International Mail Facility	NA	NA	611
St. Francis Convalescent Pavilion/Heights	216	139	355
Cow Palace*	27	301	328
Macy's*	163	160	323
Digidesign	NA	NA	300
McDonald's	96	144	240
California State Automobile Association	217	3	220
Albertsons/Saveon	115	85	200
Mervyn's*	155	40	195
Safeway	55	100	155
Walgreen's	130	17	147
Daly City Post Office	111	23	134
Pacific Gas & Electric	135	0	135
Joe's of Westlake	49	69	118
Starbucks Coffee	5	92	97
Westlake Village Apartments	90	6	96

* Subject to seasonal fluctuations.

Source: Department of Economic & Community Development

CITY OF DALY CITY

INSURANCE IN FORCE

June 30, 2001

Types and Details of Coverage	Coverage Limits
1. MUNICIPAL (GENERAL) AND AUTOMOBILE LIABILITY	
a. Self-insured bodily injury, property damage, errors & omissions	\$100,000
b. Liability excess bodily injury, property damage, errors and omissions, excess of \$100,000 self-insured retention	19,900,000
2. AUTO PHYSICAL DAMAGE	
Comprehensive coverage \$5,000 deductible per occurrence.	Fleet
Loss Limit Total Insured Values	Replacement Value
3. PROPERTY COVERAGE	
Blanket coverage on all owned buildings and contents at replacement cost for all risks including fire, lightning, windstorm, theft, riot, vandalism, etc. Also includes boiler & machinery coverage. Total Insured Values	104,035,000
Loss of rental income	5,000,000
Valuable Papers	1,000,000
4. PUBLIC OFFICIAL BONDS	
Surety bonds for:	
City Clerk	50,000
City Treasurer	200,000
Finance Director	100,000
5. WORKERS' COMPENSATION	
a. Self-insured retention on-the-job injuries	250,000
b. Workers' compensation excess on-the-job injuries	(CA Statutory)
6. OTHER	
a. Employees dishonesty and faithful performance coverage per loss	1,000,000
b. Travel accident bodily injuries of Class I employees traveling	100,000/500,000
c. Special events general liability for tenants and permittees	1,000,000
d. Volunteer worker coverage	
Accidental death/Dismemberment/ Medical	25,000

Source: City of Daly City Risk Management

CITY OF DALY CITY

MISCELLANEOUS STATISTICAL INFORMATION

As of June 30, 2001

City Type	General Law, founded March 22, 1911
Form of Government	Council - Manager
Population	105,400 as of January 1, 2001 per State Department of Finance
Land Area	7.60 Square Miles
Municipal Water System	11 Reservoirs with 23,000,000 Gallons Storage Capacity 7,300,000 Gallons Daily Average Distribution 187.0 Miles of Mains 22,000 Services Connections
Police Protection	1 Station 119 Officers 20 Crossing Guards 28 Patrol Vehicles 36 Civilians
Fire Protection	5 Stations 77 Firefighters 12 Fire Apparatus 1,417 Fire Hydrants
Assessed Valuation	\$4,526,329 "Full Market Value" as defined in the State Constitution at March 2001
Parks and Recreation	1 Performing Art Center 5 Community Centers 6 Clubhouses 2 Gymnasiums 14 Parks 2 Pools (with School District) 11 Tot Lots 14 Tennis Courts 80+ Acres of Parklands 1 Gymnastics Center 1 Senior Center

Source: City of Daly City

