

Town of Yucca Valley, California



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2008

Town of Yucca Valley

Yucca Valley, California

Comprehensive Annual Financial Report

Year ended June 30, 2008



Administrative Services Department

Curtis Yakimow
Director of Administrative Services

Kathy Ainsworth
Accountant

**Town of Yucca Valley, California
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2008**

Table of Contents

	PAGE
<i>INTRODUCTORY SECTION:</i>	
Letter of Transmittal	i
Table of Elected and Appointed Officials	v
Organizational Chart	vi
GFOA Award of Financial Reporting Achievement	vii
<i>FINANCIAL SECTION:</i>	
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	9
Statement of Activities	10
Fund Financial Statements	
Governmental Funds	
Balance Sheet	11
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	13
Statement of Revenues, Expenditures, and Changes in Fund Balances	14
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	16
Proprietary Funds	
Statement of Fund Net Assets	17
Statement of Revenues, Expenses, and Changes in Fund Net Assets	18
Statement of Cash Flows	19
Agency Funds	
Statement of Fiduciary Assets and Liabilities	20
Notes to the Basic Financial Statements	21
Required Supplementary Information	
Notes to Required Supplementary Information	43
Budgetary Comparison Schedule - General Fund	44

**Town of Yucca Valley, California
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2008**

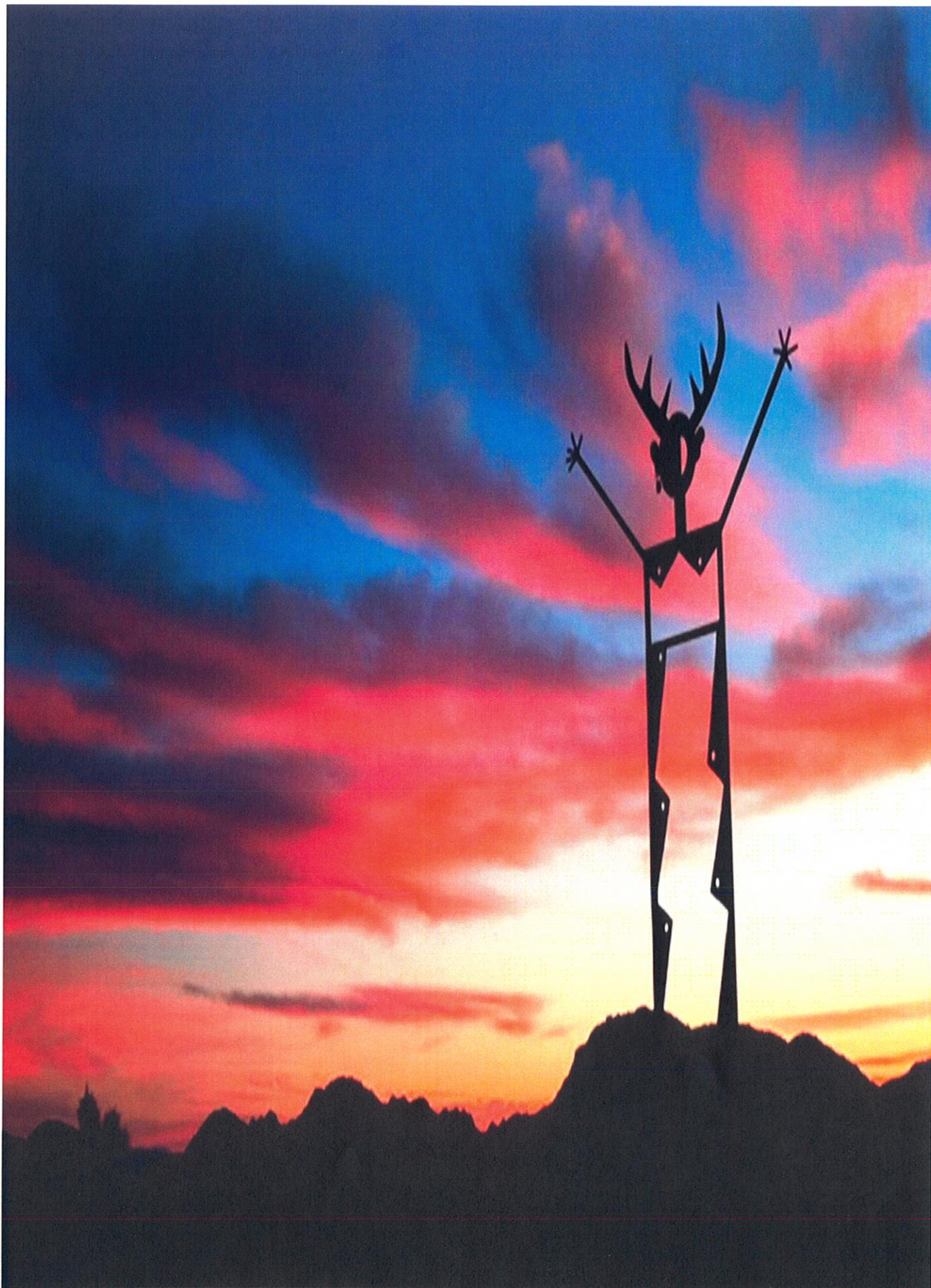
Table of Contents

	PAGE
Supplemental Schedules	
Nonmajor Governmental Funds	
Combining Balance Sheet	46
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	47
Nonmajor Special Revenue Funds	
Fund Descriptions	48
Combining Balance Sheet	52
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	60
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Quimby Fees Special Revenue Fund	68
Development Impact Fees Special Revenue Fund	69
CLEEPS - 02/03 Special Revenue Fund	70
CLEEPS - High Tech Special Revenue Fund	71
COPS - SLESF 04/05 Special Revenue Fund	72
Traffic Safety Special Revenue Fund	73
Asset Seizure Special Revenue Fund	74
AB2928 - State Construction Grant Special Revenue Fund	75
AB2928 TCRP Special Revenue Fund	76
Gas Tax Special Revenue Fund	77
Local Transportation Fund Special Revenue Fund	78
Measure I - 5% Transit Special Revenue Fund	79
Measure I - 65% Arterial Special Revenue Fund	80
Measure I - 30% Local Roads Special Revenue Fund	81
CalTrans Outer Highway Relinquishment Special Revenue Fund	82
Prop 1b Special Revenue Fund	83
Flood Control Special Revenue Fund	84
CA Energy Commission Special Revenue Fund	85
AB 2766 Air Pollution Special Revenue Fund	86
FEMA Special Revenue Fund	87
HUD - Jerry Lewis Park Special Revenue Fund	88
Prop 40 Parks Projects Special Revenue Fund	89
CDBG Special Revenue Fund	90
Recycling Activities Grant Special Revenue Fund	91
Permanent Flood Reimb/State Special Revenue Fund	92
Landscape and Lighting Maintenance Special Revenue Fund	93
Street and Drainage District Special Revenue Fund	94
RDA - Low/Mod Housing Special Revenue Fund	95
Public Lands Federal Grant Special Revenue Fund	96

**Town of Yucca Valley, California
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2008**

Table of Contents

	PAGE
Non-major Debt Service Fund:	
Fund Description	97
Balance Sheet - Community Center Authority	98
Statement of Revenues, Expenditures and Changes in Fund Balance - Community Center Authority	99
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Community Center Authority	100
Major Debt Service Fund:	
Fund Description	101
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Redevelopment Agency	102
Non-major Capital Projects Fund	
Fund Description	103
Balance Sheet - Capital Projects Reserve	104
Statement of Revenues, Expenditures and Changes in Fund Balance - Capital Projects Reserve	105
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects Reserve	106
Fiduciary Funds	
Statement of Changes in Fiduciary Assets and Liabilities	107
STATISTICAL SECTION:	
Overview of Statistical Section	108
Net Assets by Component	109
Change in Net Assets	110
Fund Balances of Governmental Funds	112
Changes in Fund Balances of Governmental Funds	113
Assessed Value and Estimated Actual Value of Taxable Property	114
Direct and Overlapping Property Tax Rates	115
Principal Property Tax Payers	117
Property Tax Levies and Collections	118
Ratios of Outstanding Debt by Type	119
Ratio of General Bonded Debt Outstanding	120
Legal Debt Margin Information	121
Pledged-Revenue Coverage	122
Demographic and Economic Statistics	123
Principal Employers	124
Employment Trends and Other Miscellaneous Information	125
Operating Indicators by Function	126
Capital Asset Statistics by Function	127



INTRODUCTORY SECTION



December 17, 2008

Citizens of the Town of Yucca Valley
Honorable Mayor
Members of the Town Council

The comprehensive annual financial report of the Town of Yucca Valley (the “Town”) for the year ended June 30, 2008, is hereby submitted as required by both local ordinances and state statutes. These ordinances and statues mandate that the Town of Yucca Valley issue annually, a report on its financial position and activity, and that an independent firm of certified public accountants audit this report. The management of the Town is responsible for the contents of the information contained in this report.

The financial reporting entity (the Town) includes all the funds of the primary government (i.e., the Town of Yucca Valley as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The Town provides a wide range of services including public safety, code enforcement, animal control, construction and maintenance of streets and infrastructure, recreational activities and cultural events. The Town provides public safety through a contract with the San Bernardino County Sheriff. Fire protection is provided to the Town and surrounding areas directly by San Bernardino County’s Yucca Valley Fire District.

Blended component units, although legally separate entities, are, in substance, part of the primary government’s operations and are included as part of the primary government. Accordingly, the Redevelopment Agency is shown as a Special Revenue Fund, a Debt Service Fund, and a Capital Projects Fund. The Community Center Authority is reported as a Debt Service Fund.

Governmental Structure, Local Economic Condition and Outlook

The Town, incorporated in 1991, is located in the southeastern part of the state, in the Morongo Basin just north of the Coachella Valley. The Town of Yucca Valley currently has a land area of 39 square miles and a population of approximately 21,400. The Town is empowered to levy a property tax on both real and personal property located within its boundaries. The Town also has the power by state statute to extend its corporate limits by annexation, when deemed appropriate by the governing council.

The Town has operated under the council-manager form of government since incorporation. Policymaking and legislative authority is vested in the Town Council, which consists of a mayor and a four-member council. The Town Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the Town’s manager and attorney. The Town manager is responsible for carrying out the policies and ordinances of the



The Town of
Yucca Valley

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Town Council, for overseeing the day-to-day operations of the Town, and for appointing the heads of the Town's departments. The council is elected on a non-partisan basis. Council members are elected to four-year staggered terms with two council members elected every two years and three council members elected on alternate election years. The mayor is selected from among the council members.

Located in San Bernardino County, Yucca Valley is considered to be the economic hub of the Morongo Basin. With several major financial institutions and a broad base of retail operations, the community serves the needs of the Morongo Basin. Over the past few years, the Town has seen a steady increase in its retail sales base, as additional retail providers enter the Yucca Valley market to serve the increasing population, including the new opening of a major home improvement retailer. Recently however, the slowing housing market has had a significant impact on local consumer spending, particularly auto sales. It is likely that this trend will continue over the next few years, and will have an impact on the Town.

The Marine Corps Air Ground Combat Center, the largest Marine Corps base in the world (932 square miles), is located just 25 miles to the east of Yucca Valley. The base is home to more than 17,000 service members and dependants.

Joshua Tree National Park, a stunning backdrop on Yucca Valley's southern border, attracts more than one million visitors each year. Yucca Valley is rich with history and invites the exploration of local sites that served as a hub of Southern California's mining activity during the states' gold rush days. Yucca Valley is assured of an ample supply of high quality water now and in future years by its participation in the California State Water Project as provided by the Hi-Desert Water District, subject to broader state water issues. Consistently clear night skies have made Yucca Valley a favorite location of amateur astronomers, and is home of the annual Starry Nights Festival.

Significant Activities

Strategic Planning. The Town Council continues to actively engage in strategic planning activities in an effort to identify the overarching goals for both the Town and the community at large. Through this process, prioritization of goals occurs with respect to planning, financing, staffing and other needed resources. Examples of current identified priorities include public safety enhancements, the transformation of the Old Town area, the development of the Public Facilities Masterplan, the evaluation of the long-term vision for community, and the development of the Parks Masterplan. The Town is pleased to report that these planning documents were completed in fiscal year 2008, and are now ready for the initial implementation phase.

Public Safety Enhancement. As one of the Town of Yucca Valley's strategic priorities, public safety within the Town is consistently reviewed and analyzed for potential changes that would have a positive impact on public safety within the Town. Over the past three years, the Town has added the equivalent of two deputy positions. Accordingly, while the Town will continue to assess its capacity to enhance public safety within the Town when economically feasible, no changes are anticipated in the near future.

Community Development Block Grants. Annually, the Town partners with the County of San Bernardino in funding various programs of specific interest to the citizens in and around the Town of Yucca Valley, particularly those of low to moderate income. This funding is provided through the Federal Housing and Community Development Act, and is disbursed annually through appropriations authorized by the Town Council. One of the highlights of the CDBG projects was

the recent completion of the Tri-Valley ball field lighting, and the monument electronic sign at the Yucca Valley Community Center.

Building Activity. The Building & Safety department is an integral segment of the Community Development/Public Works Department. Responsible for all new construction within the Town of Yucca Valley, the Building and Safety staff play a critical role in ensuring not just health and safety components of building construction, but also in coordinating the additional construction requirements of other divisions and sections, including engineering, planning, and public works.

Over the past few years, building activity in the Town has increased steadily, peaking in fiscal year 2005. Since then, single family building has slowed considerably as shown in the table below. Within the Town, the lack of a regionalized sewer treatment system continues to hamper some areas of commercial growth, and coupled with a sluggish regional economy, overall commercial activity has slowed considerably.

Recent SFR Permit History

1999-2000	54	2003-2004	351
2000-2001	82	2004-2005	384
2001-2002	118	2005-2006	244
2002-2003	188	2006-2007	99
		2007-2008	36

Annual permit valuation has also been increasing since fiscal year 1996, when total permit valuation was \$3,938,000. For the fiscal year ending June 30, 2008, permit valuation totaled \$16,691,302.

Financial Information

Management of the Town is responsible for establishing and maintaining a system of internal control designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements that conform to generally accepted accounting principles. The system of internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met.

As a recipient of federal, state and local financial assistance, the Town is also responsible for ensuring that an adequate system of internal control is in place to maintain and document compliance with applicable laws and regulations related to these programs. This system is subject to periodic evaluation by the Town’s management.

In addition, the Town maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town’s council. Activities of the general fund, certain special revenue funds and debt service funds are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level.

Cash Management Policies and Practices

The Town Council annually adopts an investment policy that conforms to California State law, Town ordinance and resolutions, prudent money management, and the “prudent person” standards. The ordered objectives of the Town’s investment policy are safety, liquidity, and yield. While recognizing the importance of a competitive yield, the safety of principle remains the Town’s

primary investment objective. The Town of Yucca Valley utilizes the Local Agency Investment Fund (LAIF) as the primary investment vehicle for idle cash. LAIF is a pooled investment fund administered by the State of California Treasurer's Office.

Risk Management

As in previous fiscal years, the Town of Yucca Valley is a member of the Public Agency Risk Sharing Authority of California (PARSAC). PARSAC is a self – insured public entity formed by a number of cities in California (currently 37) to pool their insurance risk and help lower the overall cost of providing insurance coverage for general liability claims. The coverage amount is \$10 million which is subject to a \$5,000 deductible per claim. The Town Manager, Town Attorney and Risk Manager work closely with PARSAC to coordinate the Town's insurance policies, maintain insurance records and represent the Town in claims filed against it.

Debt Administration

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the town's debt position. As of June 30, 2008, the Town General Fund had no outstanding General Obligation Debt.

Independent Audit

State statutes and Town ordinance require an annual audit by independent certified public accountants. The firm of Rogers, Anderson, Malody and Scott, LLP was appointed as the Town's auditors in the spring of 2008. Generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, were used by the auditors in conducting the engagement. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Other References

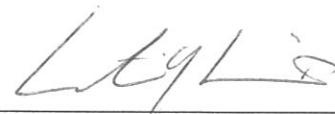
Additional information and detail is contained in the Management's Discussion and Analysis and the Notes to the Basic Financial Statements found in the Financial Section of the report.

Acknowledgments. Preparation of this report was accomplished by the combined efforts of the Administrative Services Department, and other members of Town staff. We appreciate the dedicated efforts and professionalism that our staff members bring to the Town. We would like to thank the members of the Town Council for their continued support in the planning and implementation of the Town of Yucca Valley's fiscal policies. Finally, we would also like to recognize the substantial contribution of Rogers, Anderson, Malody and Scott, LLP for their assistance in the preparation of this report.

Respectfully submitted,



Andrew J. Takata
Town Manager



Curtis Yakimow
Administrative Services Director

Town of Yucca Valley

Elected and Appointed Officials

June 30, 2008

Elected Officials

Mayor
Mayor Pro Tem
Council Member
Council Member
Council Member

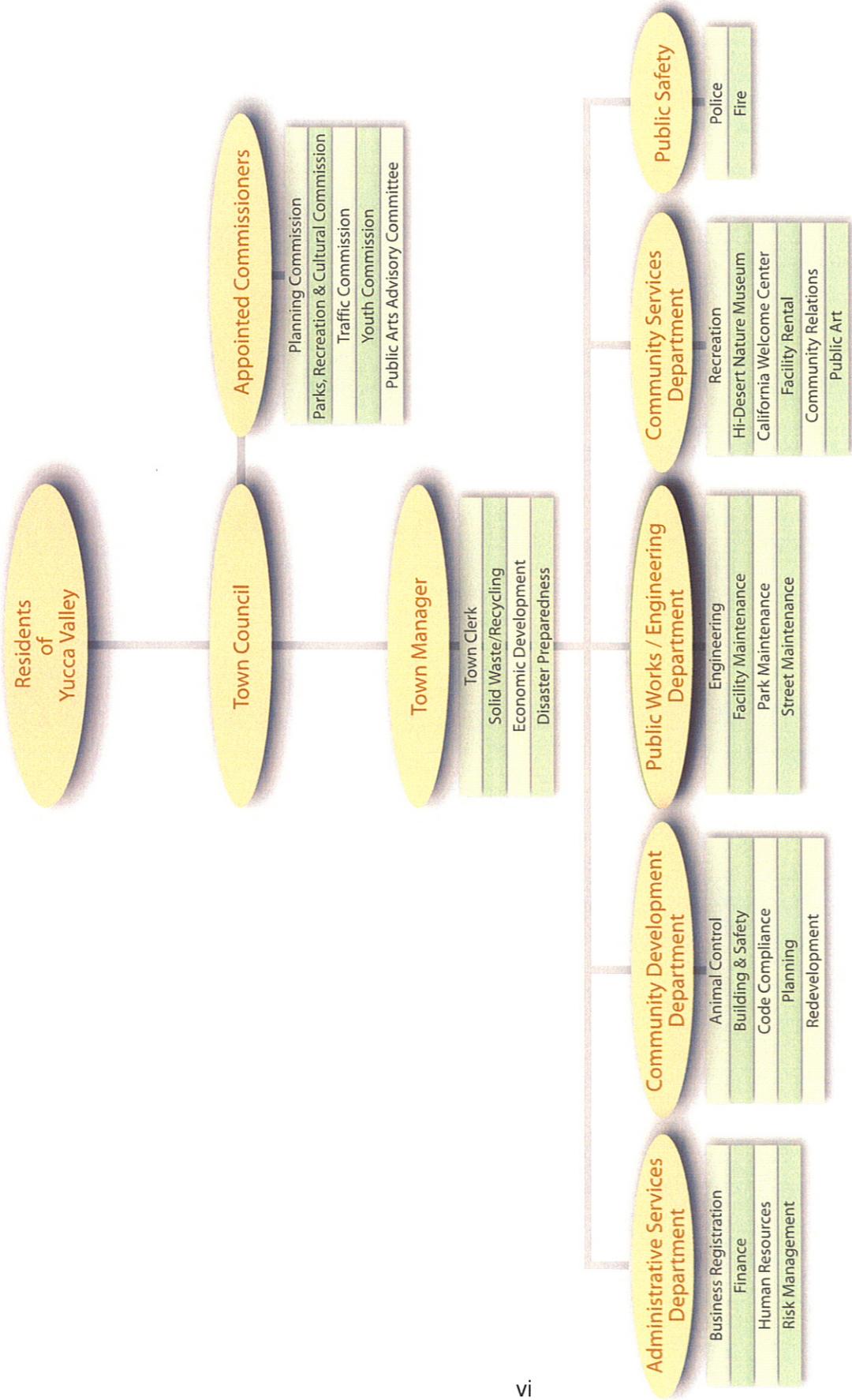
Robert Leone
Frank Luckino
Chad Mayes
Lori Herbel
William Neeb

Appointed Officials

Town Manager
Town Attorney
Town Clerk
Deputy Town Manager
Director of Administrative Services
Director of Community Services
Director of Public Works
Human Resources and Risk Manager

Andy Takata
Naomi Silvergleid
Jamie Anderson
Shane Stueckle
Curtis Yakimow
Jim Schooler
Artur da Rosa
Dani Lassetter







The Government Finance Officers Association
of the United States and Canada

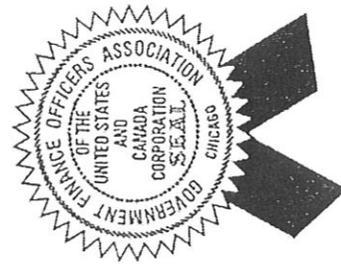
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AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Administrative Services Department

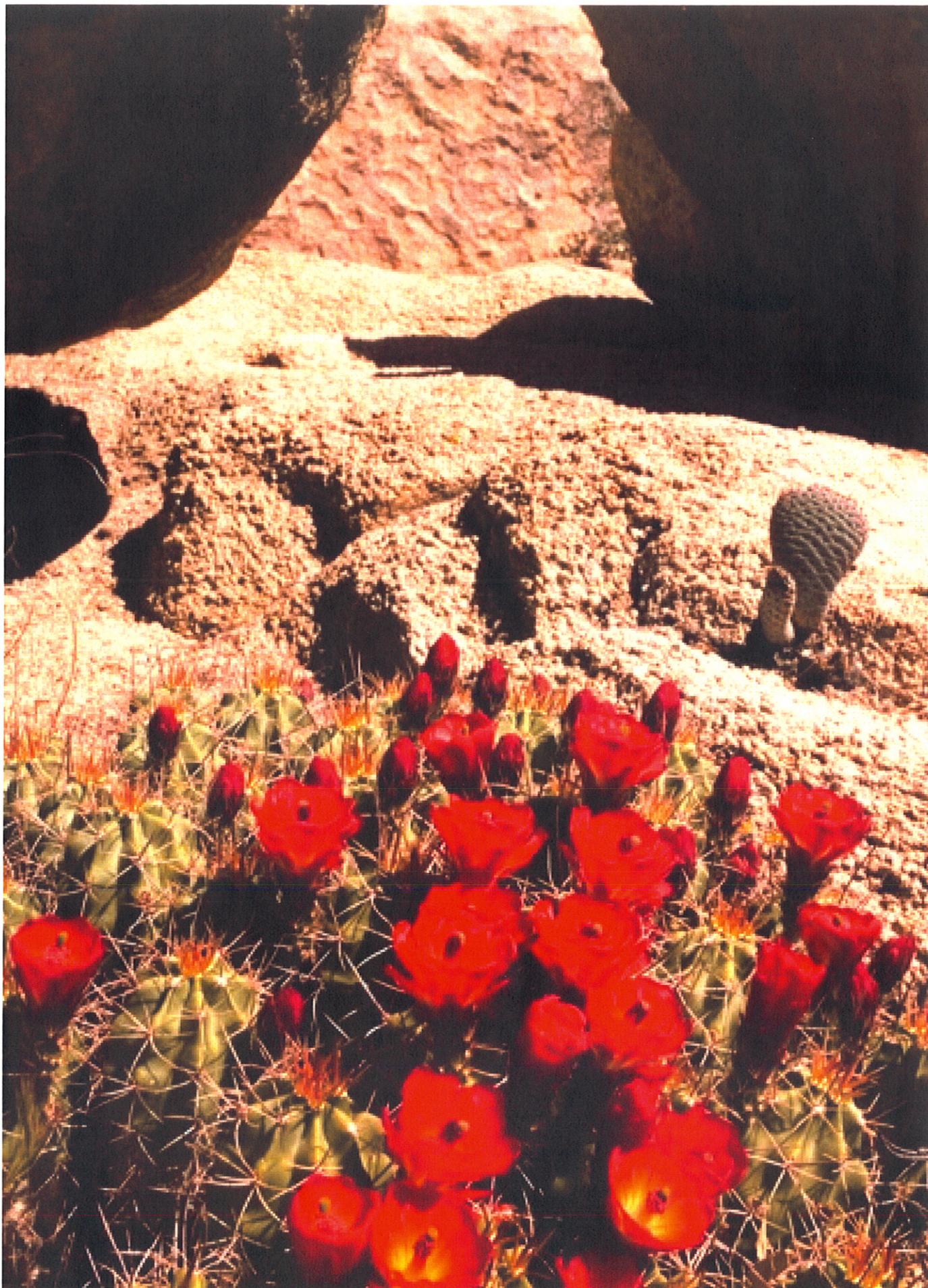
Town of Yucca Valley, California



The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Date June 4, 2007



FINANCIAL SECTION



ROGERS, ANDERSON, MALODY & SCOTT, LLP

CERTIFIED PUBLIC ACCOUNTANTS

JAY H. ZERCHER, C.P.A.
ROBERT B. MEMORY, C.P.A.
PHILLIP H. WALLER, C.P.A.
BRENDA L. ODLE, C.P.A.
TERRY P. SHEA, C.P.A.
KIRK A. FRANKS, C.P.A.
MATTHEW B. WILSON, C.P.A.
SCOTT W. MANNO, C.P.A.
LEENA SHANBHAG, C.P.A.

NANCY O'RAFFERTY, C.P.A.
BRAD A. WELEBIR, C.P.A.
MARION M. HABERKORN, C.P.A.
TIMOTHY P. HORN, C.P.A.
KATIE L. MILLSOM, C.P.A.
JOHN J. BADIA, C.P.A.

Honorable Mayor and Town Council
Town of Yucca Valley, California

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Yucca Valley California, as of and for the year ended June 30, 2008, which collectively comprise the town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Yucca Valley, California's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Yucca Valley, California, as of June 30, 2008, and the respective changes in financial position, and cash flows, where applicable, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2008 on our consideration of the Town of Yucca Valley, California's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

MEMBERS

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

PCPS THE AICPA ALLIANCE FOR CPA FIRMS

CALIFORNIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

The management's discussion and analysis and budgetary comparison information and the schedule of funding progress are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Yucca Valley, California's basic financial statements. The introductory section, combining nonmajor fund financial statements, the nonmajor individual budgetary comparison information, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements and the nonmajor individual budgetary comparison information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Rogus Anderson Melendez, CPA

November 12, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis provides an overview of the financial activities of the Town of Yucca Valley for the fiscal year ended June 30, 2008. Please read it in conjunction with the financial statements identified in the accompanying table of contents.

Using the Accompanying Financial Statements

This report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Also included in the accompanying report are the fund financial statements. The fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual report consists of four parts – *management's discussion and analysis* (this section), the *basic financial statements, required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the Town:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the Town's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the Town government, reporting the Town's operations in *more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that provides additional financial and budgetary information.

Reporting the Town as a Whole

The accompanying **government-wide financial statements** include two statements that present financial data for the Town as a whole. One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net assets and changes in them. You can think of the Town's net assets – the difference between assets and liabilities – as one way to measure the Town's financial health, or *financial position*. Over time, *increases and decreases* in the Town's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Town's tax base and the condition of the Town's roads, to assess the *overall health* of the Town.

Reporting the Town's Major Funds

The **fund financial statements** provide detailed information about the Town's most significant funds, rather than the Town as a whole. Some funds are required to be established by State law or by debt covenants. However, Town management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting administrative responsibilities for using certain taxes, grants, or other money (like grants received). The Town's two kinds of funds – *governmental* and *proprietary* – use different accounting approaches.

- *Governmental funds* – Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *current financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Town's general government operations and the basic services it provides. Governmental fund information help the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship or differences between *governmental activities* (reported in the Statement of Net Assets and the Statement of Activities) and *governmental funds* in a reconciliation at the bottom of the fund financial statements.
- *Proprietary funds* –The Town uses internal service funds (a component of proprietary funds) to report activities that provide supplies and services for the various programs and activities of the Town. Proprietary funds are reported in the same way that activities are reported in the Statement of Net Assets and the Statement of Activities.

Reporting the Town's Fiduciary Responsibilities

The Town is an agent for certain assets held for, and under the control of, other organizations and individuals. All of the Town's fiduciary activities are reported in a separate Statement of Fiduciary Assets. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

A summary of the government-wide *statement of net assets* follows:

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Current and other assets	\$25,932,022	16,440,560	9,491,462
Capital assets	<u>19,871,583</u>	<u>36,554,276</u>	<u>(16,682,693)</u>
Total assets	<u>45,803,605</u>	<u>52,994,836</u>	<u>(7,191,231)</u>
Long-term debt	10,998,111	4,636,536	6,361,575
Other liabilities	<u>1,347,270</u>	<u>1,119,676</u>	<u>227,594</u>
Total liabilities	<u>12,345,381</u>	<u>5,756,212</u>	<u>6,589,169</u>
Net assets:			
Invested in capital assets	15,486,748	32,093,731	(16,606,983)
Restricted	10,364,881	3,701,001	6,663,880
Unrestricted	<u>7,606,595</u>	<u>11,443,892</u>	<u>(3,837,297)</u>
Total net assets	<u>\$33,458,224</u>	<u>47,238,624</u>	<u>(13,780,400)</u>

A summary of the government-wide *statement of activities* follows:

Revenues:

Program revenues:			
Charges for services	\$ 899,854	966,144	(66,290)
Operating contributions and grants	2,465,909	3,369,479	(903,570)
Capital contributions and grants	<u>1,831,563</u>	<u>342,216</u>	<u>1,489,347</u>
Total program revenues	<u>5,197,326</u>	<u>4,677,839</u>	<u>519,487</u>
General revenues:			
Property taxes	7,161,622	4,185,302	2,976,320
Sales taxes	3,170,306	3,290,412	(120,106)
Transient occupancy taxes	164,056	133,612	30,444
Franchise taxes	793,740	779,957	13,783
Investment income	571,218	463,536	107,682
State motor vehicle in lieu	93,324	1,669,034	(1,575,710)
Other revenue	<u>124,199</u>	<u>215,245</u>	<u>(91,046)</u>
Total general revenues	<u>12,078,465</u>	<u>10,737,098</u>	<u>1,341,367</u>
Total revenues	<u>17,275,791</u>	<u>15,414,937</u>	<u>1,860,854</u>
Program expenses:			
General government	2,366,009	1,700,382	665,627
Public safety	4,036,107	3,711,665	324,442
Parks and recreation	1,295,429	1,235,369	60,060
Public works	3,326,374	4,387,109	(1,060,735)
Community development	2,813,886	1,561,046	1,252,840
Interest expense and other charges	<u>488,468</u>	<u>333,449</u>	<u>155,019</u>
Total expenses	<u>14,326,273</u>	<u>12,929,020</u>	<u>1,397,253</u>
Increase (decrease) in net assets	2,949,518	2,485,917	463,601
Beginning net assets, as restated	<u>30,508,706</u>	<u>44,752,707</u>	<u>(14,244,001)</u>
Ending net assets	<u>\$33,458,224</u>	<u>47,238,624</u>	<u>(13,780,400)</u>

The increase or decrease in net assets can provide an indication as to whether the overall financial position of the Town improved or deteriorated during the year. An analysis of the Town's operations reveals the following:

- Net assets of the Town increased by 9.6 percent, from \$30.5 million to \$33.4 million.
- Much of this net increase resulted from a general increase in the Town's tax revenue categories. Total revenues earned by the Town for the year ended June 30, 2008 exceeded the total costs incurred to provide government services by \$2,949,518.
- Property tax revenue increased significantly as a result of increases in assessed valuation and reflects the addition of new homes and businesses recently completed. It is likely that this increase in property tax will be flat or negative in the upcoming years as assessment values are adjusted to true market conditions. In addition, the County tax assessor has indicated that broad downward adjustments are occurring reflecting the challenges facing the housing market countywide, including Yucca Valley.
- Sales taxes remained flat year over year, reflecting a decrease in the retail sector, particularly auto sales. The decrease was offset by the mid-year opening of a new home improvement retail store. Sales taxes are expected to remain soft throughout the next two fiscal years.
- State Vehicle License Fee (VLF) revenue continued at anticipated levels due to the receipt of revenues associated with the State's VLF backfill program. Beginning with the year end June 30, 2008, VLF revenues are reflected as property tax revenues due to the arrangement with the state for property tax in lieu of VLF.
- The Town's investment income increased from \$463,536 to \$571,218 due to increases in the Town's investment balance.
- The above was partially off-set by a 39% increase in general government expenses as additional expenses were realized from full staffing, the completion of the Town's Parks and Facilities Masterplans, and updated depreciation expense.

MAJOR FUNDS

As noted earlier, the Town uses fund accounting to provide proper financial management of the Town's resources and to demonstrate compliance with finance-related legal requirements.

The **General Fund** is the primary operating fund of the Town. At the end of the current fiscal year, unreserved fund balance of the general fund was \$5,929,393, equaling total fund balance of \$5,929,393. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 58 percent of total general fund expenditures, while total fund balance represents 58 percent of that same amount. General fund revenues exceeded expenditures by a moderate amount.

The **Redevelopment Agency Capital Projects Fund** reflects a fund balance of \$6,800,443 and is related to the revenue received from bond proceeds related to the recently issued 2004 and 2008 tax allocation bonds. This balance is restricted for use on qualified redevelopment agency projects within the redevelopment project area.

The **Redevelopment Debt Service Fund** has a total fund balance of \$3,671,649, all of which is legally restricted by law and debt covenants for redevelopment debt service transactions of the Town's Redevelopment Agency.

GENERAL FUND BUDGET

Differences between the original budget and the final amended budget of the General Fund were relatively minor.

These deviations did not significantly affect the Town's liquidity or ability to provide future government services.

CAPITAL ASSETS

Capital assets, net of accumulated depreciation at year end are as follows:

	<u>2008</u>	<u>2007</u> (as restated)
Land	\$ 4,113,951	\$ 5,724,594
Land improvements	2,658,578	1,112,332
Structures and improvements	4,896,645	2,639,224
Vehicles	615,127	646,611
Furniture and equipment	1,327,740	324,912
Infrastructure – street network	5,679,928	5,825,639
Construction in progress	<u>669,614</u>	<u>28,810</u>
 Total	 <u>\$19,871,583</u>	 <u>\$19,785,662</u>

The major changes to capital assets during the year ended June 30, 2008 were as follows:

- A restatement of capital assets including land and property. During the fiscal year, the Town engaged a professional assessor to complete a physical inventory of all Town assets, and provide an accurate valuation in accordance with the applicable accounting standards. While the number of physical assets changed moderately, the value of infrastructure changed materially to reflect an accurate book value. Moving forward, Town management expects the future value of the capital assets to remain relatively consistent year over year. See Note 15 for additional information on these adjustments. Increases in construction in progress include work on the Town's solar project at Community Development.

Total unexpended construction commitments as of year end were \$662,075 related to the Town's current Camino Del Cielo Signalization Project, located within the Town's maintained road system. Additional information on the Town's capital assets can be found in Note 6 to the financial statements.

LONG-TERM DEBT

At the end of the current fiscal year, the Town had bonded debt and loans (excluding compensated absences and any deferred charges) outstanding of \$11,129,835.

	<u>Outstanding Debt</u>	
	<u>2008</u>	<u>2007</u>
Tax Allocation Revenue Bonds	\$10,625,000	\$3,880,000
General Obligation Bonds	318,043	464,454
CA Energy Commission Loan	<u>186,792</u>	<u>116,091</u>
Total	<u>\$11,129,835</u>	<u>\$4,460,545</u>

In April 2008, the Yucca Valley Redevelopment Agency closed on the 2008 \$10,625,000 Tax Allocation Bond. These funds were used to retire two outstanding tax allocation issues, and provide \$5.5 million in new money for the Redevelopment Agency's capital projects plan. Additional information on the Town's long-term debt can be found in the Notes 7, 8 and 9 of the accompanying financial statements.

Contacting Town Management

This financial report is designed to provide citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, you may contact the Administrative Services Department, at the Town of Yucca Valley, 57090 Twentynine Palms Highway, Yucca Valley, California 92284.

BASIC FINANCIAL STATEMENTS

**Town of Yucca Valley
Statement of Net Assets
June 30, 2008**

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 22,665,101
Cash with fiscal agent	753,179
Accounts receivable	165,677
Due from other governments	1,520,789
Interest receivable	150,878
Note receivable	350,000
Deferred charges	326,398
Capital assets, not being depreciated	4,783,565
Capital assets, depreciated, net	<u>15,088,018</u>
Total assets	<u>45,803,605</u>
LIABILITIES	
Accounts payable and accrued liabilities	1,253,303
Interest payable	93,967
Noncurrent liabilities:	
Due within one year	371,529
Due in more than one year	<u>10,626,582</u>
Total liabilities	<u>12,345,381</u>
NET ASSETS	
Invested in capital assets, net of related debt	15,486,748
Restricted:	
Public safety	314,495
Public works	4,401,091
Community development	5,649,295
Unrestricted	<u>7,606,595</u>
Total net assets	<u><u>\$ 33,458,224</u></u>

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

**Town of Yucca Valley
Statement of Activities
For the year ended June 30, 2008**

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net Governmental Activities</u>
Governmental activities:					
General government	\$ 2,366,009	\$ 39,273	\$ 33,416	\$ -	\$ (2,293,320)
Public safety	4,036,107	130,496	520,825	-	(3,384,786)
Parks and recreation	1,295,429	223,666	2,078	-	(1,069,685)
Public works	3,326,374	156,967	1,665,802	1,831,563	327,958
Community development	2,813,886	349,452	243,788	-	(2,220,646)
Interest on long-term debt	488,468	-	-	-	(488,468)
Total governmental activities	<u>\$14,326,273</u>	<u>\$ 899,854</u>	<u>\$ 2,465,909</u>	<u>\$ 1,831,563</u>	<u>(9,128,947)</u>
General revenues:					
Taxes					
Property tax, levied for general purpose					7,161,622
Sales tax					3,170,306
Transient occupancy tax					164,056
Franchise tax					793,740
Motor vehicle in lieu tax – unrestricted					93,324
Unrestricted investment earnings					571,218
Other					<u>124,199</u>
Total general revenues					<u>12,078,465</u>
Changes in net assets					2,949,518
Net assets, beginning of year, restated					<u>30,508,706</u>
Net assets, end of year					<u>\$ 33,458,224</u>

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

**Town of Yucca Valley
Balance Sheet
Governmental Funds
June 30, 2008**

	General	Debt Service Redevelopment Agency	Capital Projects Redevelopment Agency
ASSETS			
Cash and investments	\$ 5,359,415	\$ 3,180,074	\$ 6,759,584
Cash with fiscal agent	-	753,179	-
Accounts receivable	81,565	-	1,440
Due from other governments	518,454	222,401	-
Interest receivable	48,361	20,787	44,185
Note receivable	-	-	-
Due from other funds	502,906	-	-
Total assets	\$ 6,510,701	\$ 4,176,441	\$ 6,805,209
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 377,760	\$ 504,792	\$ 1,575
Accrued payroll	203,548	-	3,191
Retentions payable	-	-	-
Due to other funds	-	-	-
Total liabilities	581,308	504,792	4,766
Fund balances:			
Reserved for:			
Low and moderate income housing	-	-	-
Note receivable	-	-	-
Debt service	-	3,671,649	-
Unreserved:			
Designated, reported in:			
Capital projects fund	-	-	6,800,443
Undesignated, reported in:			
General fund	5,929,393	-	-
Special revenue funds	-	-	-
Total fund balances	5,929,393	3,671,649	6,800,443
Total liabilities and fund balances	\$ 6,510,701	\$ 4,176,441	\$ 6,805,209

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

Total Non-major Governmental Funds	Total Governmental Funds
\$ 6,897,535	\$ 22,196,608
-	753,179
82,672	165,677
779,934	1,520,789
37,545	150,878
350,000	350,000
-	502,906
<u>\$ 8,147,686</u>	<u>\$ 25,640,037</u>
\$ 104,244	\$ 988,371
14,432	221,171
39,824	39,824
502,906	502,906
<u>661,406</u>	<u>1,752,272</u>
1,346,897	1,346,897
350,000	350,000
67,452	3,739,101
1,079,377	7,879,820
-	5,929,393
4,642,554	4,642,554
<u>7,486,280</u>	<u>23,887,765</u>
<u>\$ 8,147,686</u>	<u>\$ 25,640,037</u>



**Town of Yucca Valley
Reconciliation of the Balance Sheet of
Governmental Funds to the Statement of Net Assets
June 30, 2008**

Fund balances of governmental funds \$ 23,887,765

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

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

Capital assets	42,494,501
Accumulated depreciation	(22,622,918)

Long-term liabilities are not due and payable in the current period and therefore are not reported in funds.

2008 Tax allocation bonds	(10,625,000)
2001 Series B bonds	(318,043)
California Energy Commission loans	(186,792)
Cost of issuance – deferred	326,398
Deferred charges	317,263
Compensated absences	(185,539)

Accrued interest payable for the current portion of interest due on bonds payable has not been reported in the governmental funds.	(93,967)
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Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the statement of net assets.

464,556

Net assets of governmental activities \$ 33,458,224

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

Town of Yucca Valley
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2008

	General	Debt Service Redevelopment Agency	Capital Projects Redevelopment Agency
REVENUES			
Taxes	\$ 8,778,154	\$ 2,523,287	\$ -
Licenses and permits	71,575	-	-
Intergovernmental	559,144	22,561	-
Charges for services	639,810	-	-
Fines, fees and forfeitures	29,739	-	-
Investment earnings	270,715	128,305	92,761
Miscellaneous	90,710	-	-
Total revenues	<u>10,439,847</u>	<u>2,674,153</u>	<u>92,761</u>
EXPENDITURES			
Current:			
General government	2,125,109	19,579	-
Public safety	3,884,997	-	-
Parks and recreation	1,286,589	-	-
Public works	1,407,991	-	-
Community development	1,439,843	-	148,867
Debt service:			
Principal	6,099	150,745	-
Interest	5,170	395,919	-
Bond issuance costs	-	-	326,398
Pass-through payments	-	826,797	-
Total expenditures	<u>10,155,798</u>	<u>1,393,040</u>	<u>475,265</u>
Excess (deficiency) of revenues over expenditures	<u>284,049</u>	<u>1,281,113</u>	<u>(382,504)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	77,447	4,785,978	-
Transfers out	(135,000)	(509,158)	(4,676,645)
Proceeds of loan	-	-	-
Refunded bond issuance	-	-	10,625,000
Bond discount	-	-	(121,957)
Payment to refunded bond escrow agent	-	(3,924,561)	-
Total other financing sources (uses)	<u>(57,553)</u>	<u>352,259</u>	<u>5,826,398</u>
Net change in fund balances	226,496	1,633,372	5,443,894
Fund balances, beginning of year, restated	<u>5,702,897</u>	<u>2,038,277</u>	<u>1,356,549</u>
Fund balances, end of year	<u>\$ 5,929,393</u>	<u>\$ 3,671,649</u>	<u>\$ 6,800,443</u>

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

Total Non-major Governmental Funds	Total Governmental Funds
\$ 29,527	\$ 11,330,968
-	71,575
3,329,329	3,911,034
-	639,810
364,554	394,293
208,496	700,277
142,533	233,243
<u>4,074,439</u>	<u>17,281,200</u>
-	2,144,688
181,652	4,066,649
-	1,286,589
2,194,897	3,602,888
404,379	1,993,089
146,411	303,255
19,965	421,054
-	326,398
-	826,797
<u>2,947,304</u>	<u>14,971,407</u>
<u>1,127,135</u>	<u>2,309,793</u>
947,352	5,810,777
(446,833)	(5,767,636)
76,800	76,800
-	10,625,000
-	(121,957)
-	(3,924,561)
<u>577,319</u>	<u>6,698,423</u>
1,704,454	9,008,216
<u>5,781,826</u>	<u>14,879,549</u>
<u>\$ 7,486,280</u>	<u>\$ 23,887,765</u>

**Town of Yucca Valley
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended June 30, 2008**

Net change in fund balances – total governmental funds \$ 9,008,216

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:

Cost of assets capitalized	1,077,129
Depreciation expense	(991,208)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of principal consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.

Bond proceeds – refunded bond issuance	(10,625,000)
Loan proceeds	(76,800)
Principal payments on debt	303,255
Bond issuance costs	326,398
Bond discount	121,957
Payment to escrow agent for refunding	3,924,561

Accrued interest expense related to long-term debt. This amount is the difference between the amount of interest paid and the amount of interest incurred on long-term debt. (67,414)

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. (9,546)

Revenues that are measurable but not available are recorded as deferred revenue under the modified accrual basis of accounting. (5,409)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenues/(expenses) of the internal service fund are reported on the statement of net activities. (36,621)

Change in net assets of governmental activities \$ 2,949,518

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

**Town of Yucca Valley
Statement of Fund Net Assets
Proprietary Fund
June 30, 2008**

	Governmental Activities
	Internal Service Fund
ASSETS	
Current assets:	
Cash and investments	\$ 468,493
Total assets	468,493
LIABILITIES	
Current liabilities:	
Accounts payable	3,937
Total liabilities	3,937
NET ASSETS	
Unrestricted	464,556
Total net assets	\$ 464,556

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

Town of Yucca Valley
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Fund
For the year ended June 30, 2008

	Governmental Activities
	Internal Service Fund
OPERATING REVENUES	
Charges for services	\$ 50,166
Total operating revenues	50,166
OPERATING EXPENSES	
Operations	43,646
Total operating expenses	43,646
Operating income	6,520
Transfers in	135,000
Transfers out	(178,141)
Change in net assets	(36,621)
Net assets, beginning of year	501,177
Net assets, end of year	\$ 464,556

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

**Town of Yucca Valley
Statement of Cash Flows
Proprietary Fund
For the year ended June 30, 2008**

	Governmental Activities
	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from user departments	\$ 50,166
Cash payments to suppliers for goods and services	(41,282)
	8,884
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers to other funds	(178,141)
Transfers received from other funds	135,000
	(43,141)
Net cash (used) by noncapital financing activities	(43,141)
Net decrease in cash and cash equivalents	(34,257)
Cash and cash equivalents, beginning of year	502,750
Cash and cash equivalents, end of year	\$ 468,493
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 6,520
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts payable	2,364
	8,884
Net cash provided by operating activities	\$ 8,884
NONCASH CAPITAL, FINANCING AND INVESTING ACTIVITIES:	
There were no noncash capital, financing and investing activities for the year ended June 30, 2008.	

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

Town of Yucca Valley
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2008

ASSETS

Cash and investments	\$ 1,155,579
Accounts receivable	<u>2,566</u>
Total assets	<u>\$ 1,158,145</u>

LIABILITIES

Liabilities:	
Accounts payable	\$ 43,745
Deposits payable	<u>1,114,400</u>
Total liabilities	<u>\$ 1,158,145</u>

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

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 1: Summary of Significant Accounting Policies

The financial statements of the Town of Yucca Valley, California (Town) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

(a) Reporting Entity

The Town of Yucca Valley, California was incorporated November 27, 1991 under the general laws of the State of California. The Town operates under an elected Council/Town Manager form of government.

As required by generally accepted accounting principles in the United States of America, these financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. The Town is considered to be financially accountable for an organization if the Town appoints a voting majority of that organization's governing body and the Town is able to impose its will on that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the Town. The Town is also considered to be financially accountable for an organization if that organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the Town). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the Town are such that their exclusion would cause the Town's financial statements to be misleading or incomplete. All of the Town's component units are blended component units. Blended component units, although legally separate entities, are in substance, part of the Town's operations and so data from these units are reported with the interfund data of the primary government. A brief description of the Town's component units are as follows:

- The Yucca Valley Community Center Authority (Authority) entered into a Joint Powers agreement with the Yucca Valley Park and Recreation District (District) in order to lease certain facilities to the District. All rights to the facilities pass to the District at the end of the lease term. The District is obligated under the Agreement to pay lease payments to the Authority and all operating and maintenance expenses of the facilities. Inasmuch as the District was dissolved, the Town assumed the lease payment obligations and all rights to the facilities will pass to the Town at the end of the lease term. The Authority's activities are reflected in the accompanying financial statements of the Town and this component unit is considered to be a blended component unit.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 1: Summary of Significant Accounting Policies (continued)

(a) *Reporting Entity (continued)*

- The Yucca Valley Park and Recreation District (District) was dissolved pursuant to the Resolution No. 93-151 of the San Bernardino County Board of Supervisors dated June 15, 1993. The Local Agency Formation Commission (LAFCO) approved the dissolution on June 18, 1993.

The Town Council declared by ordinance that the Town Council would serve as the Board of Directors for the District. The District was formed to provide recreation facilities in the Yucca Valley area. The Town's Council members designate management and have full accountability for the District's fiscal matters. The District's activities are now reflected as a department of the Town's General Fund.

- The Yucca Valley Redevelopment Agency (Agency) was activated in September 1992, by the Town as a separate governing body. The Town Council declared by Ordinance that the Town Council will serve as the Board of Directors of the Agency. The primary purpose of the Agency is to eliminate blighted areas by encouraging development of residential, commercial, industrial, recreational and public facilities. The Town's Council-members designate management and have a full accountability of the Agency's fiscal matter. The Agency's activities are blended with those of the Town in these financial statements and this component unit is considered to be a blended component unit. The Agency issues separate component unit financial statements that may be obtained at 57090 Twenty-nine Palms Highway, Yucca Valley, California, 92284.
- The Yucca Valley Financing Authority (Financing Authority) was activated in November 1995, by a Joint Exercise of Powers Agreement between the Town and the Financing Authority. The Financing Authority was created for the purpose of assisting the financing or refinancing of certain public capital facilities within the Town. The Financing Authority's activities are blended with those of the Town in these financial statements. Separate component unit financial statements for the Financing Authority are not prepared.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 1: Summary of Significant Accounting Policies (continued)

(b) *Measurement Focus and Basis of Accounting*

The *basic financial statements* of the Town are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units), as well as its discretely presented component units. The Town has no discretely presented component units. Eliminations have been made in the Statement of Activities so that certain allocated expense are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the Town.

Government-wide financial statements are presented using the *economic resources measurement focus* and *accrual basis of accounting*. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. *Basis of accounting* refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the *accrual basis of accounting*, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from the nonexchange transactions are recognized in accordance with the requirements of GASB statement No. 33.

Program revenues include charges for services and payments made by parties outside the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as expenditures.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 1: Summary of Significant Accounting Policies (continued)

(b) *Measurement Focus and Basis of Accounting (continued)*

Fund Financial Statements

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

Fund financial statements for the primary government's governmental, proprietary, and fiduciary funds are represented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental funds. Fiduciary statements include financial information for fiduciary funds and similar component units. Fiduciary funds of the Town primarily represent assets held by the Town in a custodial capacity for other individuals or organizations.

Governmental Funds

In the fund financial statement, governmental funds are presented using the *modified-accrual basis of accounting*. Their revenues are recognized when they become *measurable* and *available* as net current assets. *Measurable* means that the amounts can be estimated, or otherwise determined. *Available* means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The Town used an availability period of 60 days.

Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle in lieu, transient occupancy taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent they are normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 1: Summary of Significant Accounting Policies (continued)

(b) *Measurement Focus and Basis of Accounting (continued)*

Revenue recognition is subject to the *measurable* and *availability* criteria for the governmental funds. *Exchange transactions* are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. *Imposed non-exchange transactions* are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. *Government-mandated* and *voluntary non-exchange transactions* are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the *current financial resources measurement focus*. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be 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.

Non-current portions of long-term receivables due to governmental funds are reported in their balance sheets in spite of their spending measurement focus. Special reporting treatment is used to indicate they should not be considered "available spendable resources", since they do not represent net current assets.

Recognition of governmental fund type revenue represented by non-current receivables are deferred until they become current receivables. Non-current portions of long-term receivables are offset by fund balance reserve accounts.

Due to the nature of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as *expenditures* in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as *other financing sources* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 1: Summary of Significant Accounting Policies (continued)

(b) *Measurement Focus and Basis of Accounting (continued)*

When both restricted and unrestricted sources are combined in a fund, expenses/expenditures are considered to be paid first from restricted resources, and then from unrestricted resources.

Proprietary and Fiduciary Funds

The Town's internal service fund is a proprietary fund. In the fund financial statements, proprietary funds and fiduciary funds are presented using the *accrual basis of accounting*. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the *economic resources measurement focus*. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net assets.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange transactions or ancillary activities. Operating expenses for internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating expenses. Agency funds are custodial in nature (assets equal liabilities) and do not involve the recording of Town revenues and expenses.

(c) *Fund Classifications*

The funds designated as major funds in the fund financial statements are determined by a mathematical calculation consistent with GASB statement No.34. The Town reports the following major governmental funds:

General Fund – The General Fund is used to account for resources traditionally associated with governments, which are not legally required or by sound financial management, to be accounted for in another fund.

Capital Projects – Redevelopment Agency – Established to implement the goals and objectives of the Redevelopment Project Area Plans as adopted by the Town Council and the Redevelopment Agency Board consistent with the California Community Redevelopment Law. Agency funds are used to fund operating expenditures and capital projects.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 1: Summary of Significant Accounting Policies (continued)

(c) *Fund Classifications (continued)*

Debt Service – Redevelopment Agency – Established to account for tax levies, rental and other revenues and payments of principal and interest on Yucca Valley Redevelopment loans and bonds.

The Town's fund structure also includes the following fund types:

Internal Service Fund. This fund has been established to finance and account for goods and services provided by one Town department to other Town departments or agencies. Such goods and services include: sale of photocopies and stationary supplies provided by the Central Supplies department of the Town. The Town of Yucca Valley has only one internal service fund.

Agency Funds. These funds are established to account for assets received and held by the Town while acting in the capacity as agents or custodians. Cash and deposits are maintained for activities associated with various associations and third party projects.

(d) *Appropriations Limit*

Under Article XIII B of the California Constitution (the GANN Spending Limitation Initiative), the Town is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund agreements. For the fiscal year ended June 30, 2008, proceeds of taxes did not exceed appropriations.

(e) *Cash and Investments*

For purposes of the statement of cash flows, cash and investments are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents have an original maturity date of three months or less from the date of purchase.

Investments are reported in the accompanying balance sheet at fair value, except for certain certificates of deposit and investment contracts that are reported at cost because they are not transferable and have terms that are not affected by changes in market interest rates.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 1: Summary of Significant Accounting Policies (continued)

(e) *Cash and Investments (continued)*

Changes in fair value that occur during a fiscal year are recognized as *investment earnings* reported for that fiscal year. *Investment earnings* includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The Town pools cash investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

(f) *Capital Assets*

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. Contributed capital assets are valued at their estimated fair market value at the date of the contribution. Generally, capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of three years or more.

Capital assets include additions to public domain (infrastructure) consisting of certain improvements including roads, streets, sidewalks, medians, and storm drains.

The following schedule summarizes capital asset useful lives:

Improvements	10-60 years
Buildings	20 years
Vehicles	5 years
Furniture and Equipment	3-25 years
Infrastructure	20-99 years

Depreciation has been provided using the straight-line method over the estimated useful life of the asset in the government-wide financial statements.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 1: Summary of Significant Accounting Policies (continued)

(g) Compensated Absences

In accordance with GASB statement No. 16, a liability is recorded in the government-wide financial statements, for compensated absences (unpaid vacation, sick leave and compensatory time) since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

Under GASB Statement No. 16, a liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. The Town does not pay unused sick leave to employees upon separation of service. Amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness), which is outside the control of the Town and the employee.

(h) Advances to Other funds

Long-term interfund advances are recorded as receivables and as reserved fund balance by the advancing governmental fund and as a liability in the receiving fund.

(i) Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas.

Accordingly, the Town accrues only those taxes, which are received from the county within 60 days after year-end:

Lien date	January 1
Levy date	March 1
Due dates	November 1 and February 1
Collection dates	December 10 and April 10

The County of San Bernardino bills and collects the property taxes and remits them to the Town in installments during the year.

(j) Use of Estimates

The financial statements have been prepared in accordance with generally accepted accounting principles and necessarily include amounts based on estimates and assumptions made by Management. Actual results could differ from those amounts.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 1: Summary of Significant Accounting Policies (continued)

(k) Inventories

Inventories are stated at average cost. Physical counts of inventory are taken on a cyclical basis during each fiscal year with perpetual records adjusted to actual at that time. The Town uses the consumption method of accounting for inventories.

(l) Claims and Judgments

The Town records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired or a liability has been incurred prior to year end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated.

Note 2: Cash and Investments

Cash and investments are reported as follows:

Statement of Net Assets:	
Cash and investments	\$ 22,665,101
Cash and investments with fiscal agent	753,179
Statement of Fiduciary Assets and Liabilities:	
Cash and investments	1,155,579
Total	\$ 24,573,859

Cash and investments held by the Town consist of the following:

Cash on hand	\$ 3,200
Cash with financial institutions	5,781
Investments	24,564,878
Total cash and investments held by Town	\$ 24,573,859

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 2: Cash and Investments (continued)

Investments Authorized by the California Government Code and the Agency's Investment Policy

The table below identifies the *investment types* that are authorized for the Town by the California Government Code and the Town's investment policy. The table also identifies certain provisions of the California Code (or the Town's investment policy, if more restrictive) that address *interest rate risk* and *concentration of credit risk*. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the Town, rather than the general provisions of the California Government Code or the Town's investment policy.

Investment Types Authorized by State Law	Authorized by Investment Policy	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment In One Issuer *
Local Agency Bonds	Yes	5 years	None	None
U.S. Treasury Obligations	Yes	2 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Baker's Acceptances	Yes	180 days	40%	30%
Commercial Paper	Yes	180 days	25%	10%
Negotiable Certificates of Deposits	Yes	2 years	30%	None
Repurchase Agreements	No	1 year	None	None
Reverse Repurchase Agreements	No	92 days	20% of base value	None
Medium-Term Notes	Yes	5 years	15%	None
Mutual Funds	Yes	N/A	20%	10%
Money Market Mutual Funds	Yes	N/A	15%	10%
Mortgage Pass-Through Securities	Yes	5 years	20%	None
County Pooled Investment Funds	Yes	N/A	None	None
Local Agency Investment Fund	Yes	N/A	None	None
JPA Pools (other investment pools)	Yes	N/A	None	None

* Based on state law requirements or investment policy requirements, whichever is more restrictive.

Investments Authorized by Debt Agreements

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment In One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None
Repurchase Agreements	270 days	None	None
Investment Contracts	30 years	None	None

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 2: Cash and Investments (continued)

Disclosure Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Town manages its exposure to interest rate risk is by diversifying its investment maturities evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

Investment Type		Remaining Maturity			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
State investment pool	\$ 23,666,616	\$ 23,666,616	\$ -	\$ -	\$ -
Money market funds	145,083	145,083	-	-	-
Held by bond trustees:					
Money market funds	<u>753,179</u>	<u>753,179</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 24,564,878</u>	<u>\$ 24,564,878</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Disclosures Relating to Credit Risk

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

Investment Type		Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End	
				Aa	Not Rated
State investment pool	\$ 23,666,616	N/A	\$ -	\$ -	\$ 23,666,616
Money market funds	145,083	A	-	145,083	-
Held by bond trustees:					
Money market funds	<u>753,179</u>	<u>A</u>	<u>-</u>	<u>753,179</u>	<u>-</u>
Total	<u>\$ 24,564,878</u>		<u>\$ -</u>	<u>\$898,262</u>	<u>\$ 23,666,616</u>

Concentration of Credit Risk

The investment policy of the Town contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There were no investments in any one issuer (other than U.S. Treasury securities, mutual funds and external investment pools) that represent 5% or more of *total Town investments* for the year ended June 30, 2008.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 2: Cash and Investments (continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Town's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provisions for deposits.

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Town deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

For investments identified as held by bond trustee, the bond trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

Investment in State Investment Pool

The Town is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the Town's investment in this pool is reported in the accompanying financial statements at amounts based upon the Town's pro-rata share of the fair value provided LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on an amortized costs basis. LAIF is not rated.

Note 3: Due From and To Other Funds

Interfund receivable and payable balances at June 30, 2008 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 502,906

These short term interfund borrowings were made to cover cash deficits at June 30, 2008.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 4: Transfers In and Out

Transfers in and out for the year ended June 30, 2008 were as follows:

Transfers from	Transfers to	Amount
General Fund	Internal Service Fund	\$ 135,000
Nonmajor Governmental Funds	Nonmajor Governmental Funds	337,500
Low and Moderate Housing Fund	Redevelopment Debt Service Fund	109,333
Redevelopment Debt Service Fund	Low and Moderate Housing Fund	509,158 (a)
Redevelopment Capital Projects	Redevelopment Debt Service Fund	<u>4,676,645 (b)</u>
		<u><u>\$ 5,767,636</u></u>

(a) A transfer of \$509,158 was made from the Redevelopment Debt Service Fund to the Low and Moderate Housing Fund, which represents an amount equal to the 20% set aside required to be recorded in the Low and Moderate Income Housing Fund.

(b) This transfer represents proceeds of the 2008 bond issuance.

Note 5: Due from Other Governments

The amounts due from other governments at June 30, 2008 consist of the following:

County of San Bernardino	\$ 636,181
State of California	618,022
Federal	229,472
Other	<u>37,114</u>
Total	<u><u>\$ 1,520,789</u></u>

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 6: Capital Assets

Capital asset activity for the year ended June 30, 2008 is as follows:

	Beginning * balance	Additions	Deletions	Ending balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 4,113,951	\$ -	\$ -	\$ 4,113,951
Construction in progress	28,809	640,805	-	669,614
Total capital assets not being depreciated	<u>4,142,760</u>	<u>640,805</u>	<u>-</u>	<u>4,783,565</u>
Capital assets, being depreciated:				
Building and improvements				
Land improvements	4,444,617	-	-	4,444,617
Construction	6,782,194	-	-	6,782,194
Infrastructure	23,110,065	258,182	-	23,368,247
Vehicle and Equipment				
Machinery and equipment	1,780,622	100,694	-	1,881,316
Licensed vehicles	1,157,113	77,448	-	1,234,561
Total capital assets, being depreciated	<u>37,274,611</u>	<u>436,324</u>	<u>-</u>	<u>37,710,935</u>
Less accumulated depreciation for:				
Building and improvements				
Land improvements	(1,580,710)	(205,329)	-	(1,786,039)
Construction	(1,742,387)	(143,162)	-	(1,885,549)
Infrastructure	(17,284,426)	(403,893)	-	(17,688,319)
Vehicle and Equipment				
Machinery and equipment	(523,022)	(120,554)	-	(643,576)
Licensed vehicles	(501,164)	(118,270)	-	(619,434)
Total accumulated depreciation	<u>(21,631,709)</u>	<u>(991,208)</u>	<u>-</u>	<u>(22,622,917)</u>
Total capital assets, being depreciated, net	<u>15,642,902</u>	<u>(554,884)</u>	<u>-</u>	<u>15,088,018</u>
Governmental activities capital assets, net	<u>\$19,785,662</u>	<u>\$ 85,921</u>	<u>\$ -</u>	<u>\$ 19,871,583</u>

* Balances have been restated for the fiscal year ended June 30, 2007 to include assets not previously recorded in prior years in land, structures and improvements and construction in progress.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 6: Capital Assets (continued)

Depreciation expense was charged in the following functions in the Statement of Activities:

General government	\$	226,259
Parks and recreation		7,889
Community development		36,482
Public works		720,578
Total depreciation expense	\$	991,208

Significant construction commitments as of June 30, 2008 are as follows:

Description	Project Budget	Cumulative Expenditures to Date	Unexpected Commitments
SR62 Apache to Palm Avenue Rehabilitation	\$ 1,498,200	\$ 836,125	\$ 662,075

Note 7: Changes in Long-Term Liabilities

Changes in long-term liabilities during the year ended June 30, 2008 were as follows:

Governmental activities:

	Beginning balance	Additions	Deletions	Ending balance	Due within one year
1995 Series A Bonds	\$ 1,415,000	\$ -	\$ (1,415,000)	\$ -	\$ -
2004 Bonds	2,465,000	-	(2,465,000)	-	-
2001 Series B Bonds	464,454	-	(146,411)	318,043	153,738
2008 Refunding TABS	-	10,625,000	-	10,625,000	165,000
Less deferred amounts:					
On refunding	-	(195,306)	-	(195,306)	-
For issuance discounts	-	(121,957)	-	(121,957)	-
Total bonds payable	4,344,454	10,307,737	(4,026,411)	10,625,780	318,738
CA energy commission	116,091	-	(6,099)	109,992	6,391
CA energy commission	-	76,800	-	76,800	-
Compensated absences*	175,991	54,077	(44,529)	185,539	46,400
Total long-term liabilities	\$ 4,636,536	\$ 10,438,614	\$ (4,077,039)	\$10,998,111	\$ 371,529

* This liability will be paid in future years from future resources from the General Fund.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 8: Bonds Payable

1995 Tax Allocation Revenue Bonds

In December 1995, the Yucca Valley Redevelopment agency issued a \$1,730,000 1995 Tax Allocation Revenue Bonds Series A.

The bonds are in denominations of \$5,000 each and bear interest at rates ranging from 5.00% and 7.25%. Principal is payable annually on June 1. Interest is payable semiannually on June 1 and December 1. The bonds mature between the time frames of June 1, 1997 and June 1, 2025 in amounts ranging from \$20,000 to \$135,000. At June 30, 2008, the amount of bonds outstanding was \$-0-. The Bonds were refunded with the 2008 Tax Allocation Bonds.

2004 Tax Allocation Revenue Bonds

On June 2, 2004, the Yucca Valley Redevelopment Agency issued a \$2,665,000 2004 Tax Allocation Revenue Bonds.

The bonds are in denominations of \$5,000 each and bear interest at rates ranging from 5.0% and 5.875%. Principal is payable annually on June 1 beginning on June 1, 2005. Interest is payable semiannually on June 1 and December 1. The bonds mature between the time frames on June 1, 2004 and June 1, 2034 in amounts ranging from \$15,000 to \$275,000. At June 30, 2008, the amount of bonds outstanding was \$-0-. The bonds were refunded with the 2008 Tax Allocation Bonds.

2001 Bonds – San Bernardino Associated Government

In July 1993, the San Bernardino Associated Governments (SANBAG) issued bonds for \$120,000,000. Of that, \$1,949,500 of the proceeds went to the Town. In April 2001, SANBAG issued \$47,020,000, 2001 Series B, to refinance a portion of the 1993 Series A Bonds. Of that, \$761,724 of the proceeds from refinancing went to the Town.

The 2001 bond proceeds were used for street costs in accordance with Measure "I". The repayment of these proceeds is secured by the future Measure "I" from the County of San Bernardino. The bonds are due in annual installments from March 1, 2002 to March 1, 2010. Interest is paid semiannually.

Pursuant to an administrative agreement with SANBAG, amounts representing debt service payments are being withheld from the Town's monthly Measure "I" apportionments. These payments are reflected in the Town's books and records as principal and interest expense at the time of withholding as appropriate.

At June 30, 2008, the amount of bonds outstanding was \$318,043.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 8: Bonds Payable (continued)

2008 Tax Allocation Bonds

In May 2008, the Agency issued Yucca Valley Redevelopment Project Area No. 1 Tax Allocation Bonds, Series of 2008, in the aggregate principal of \$10,652,000.

The bonds are dated May 1, 2008 and are in denominations of \$5,000 and bear interest at rates ranging from 3.10% to 5.75%. Principal is payable annually on June 1 beginning on June 1, 2009. Interest is payable semi-annually on June 1 and December 1. The bonds mature between the time frames of June 1, 2009 and June 1, 2038 in amounts ranging from \$165,000 to \$695,000. Per the bond indenture, a reserve of \$738,500 is required to be maintained. At June 30, 2008, the balance held in the reserve account was \$740,292 and the amount of bonds outstanding was \$10,625,000.

The bonds were issued to refund on a current basis the \$1,730,000 Yucca Valley Redevelopment Agency, 1995 Tax Allocation Bonds Series A and on an advanced basis \$2,665,000 Yucca Valley Redevelopment Agency, 2004 Tax Allocation Revenue Bonds. The bonds were also issued to fund redevelopment activities within and for the benefit of the Redevelopment Project. A portion of the bond proceeds from the sale were placed in an irrevocable trust to be used to service the future debt service requirements of the old debt.

The reacquisition price exceeded the net carrying amount of the old debt by \$195,306. This amount is being netted against the new debt and being amortized over the remaining life of the 1995 Tax Allocation Bonds Series A refunded debt. The advance refunding resulted in a decrease in debt service payments over the next 27 years of \$580,972 and in an economic gain of \$464,786.

The annual debt service requirements to maturity for all bonds are as follows:

Governmental activities:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 318,738	\$ 723,454
2010	334,305	575,507
2011	175,000	562,702
2012	180,000	555,702
2013	190,000	548,142
2014-2018	1,075,000	2,607,357
2019-2023	1,380,000	2,306,099
2024-2028	1,805,000	1,885,214
2029-2033	2,360,000	1,320,775
2034-2038	3,125,000	559,187
Totals	\$ 10,943,043	\$ 11,644,139

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 9: Loans Payable

The CA Energy Commission loan 006-04-ECC was issued in March 2006 in the amount of \$120,328 to be paid semi-annually on December 22 and June 22 commencing on December 22, 2006 through December 22, 2021. This loan bears an interest rate of 4.5% annually.

The CA Energy Commission loan 004-04-ECB was issued in January 2008 in the amount of \$76,800 to be paid semi-annually on December 22 and June 22 commencing on December 22, 2008 through December 22, 2025. This loan bears an interest rate of 3.95% annually.

The annual debt service requirement to maturity for the CA Energy Commission loans are as follows:

Year ending June 30,	Principal	Interest
2009	\$ 6,575	\$ 5,020
2010	6,875	4,721
2011	7,187	14,799
2012	11,218	7,622
2013	12,255	6,583
2014-2018	69,740	24,454
2019-2023	59,144	8,684
2024-2025	13,798	689
Totals	\$ 186,792	\$ 72,572

Note 10: Risk Management

The Town is a member of the Public Agency Risk Sharing Authority of California (PARSAC), a joint powers authority formed under Section 990 of the California Government Code for the purpose of providing joint-protection coverage and related risk management services. The Authority is currently comprised of 37 participating member cities.

The PARSAC's Liability Program offers a combination of pooled and commercially-purchased public auto and general liability coverages, plus errors and omissions coverage, above individual Member Entity self-insured retentions (similar to deductibles and ranging from \$0 to \$500,000) to an organizational retention of \$1 million. Beyond that \$1 million retention, there is \$4 million in jointly-purchased commercial excess coverage limits for most of the Liability Programs exposures, providing total coverage limits of \$5 million. However, for those exposures covered by the Liability Program's Memorandum of Coverage (self-funded coverage document), but not covered by the commercial excess liability insurance policy, there are full self-funded limits of \$5 million in per-occurrence coverage; thus, the Memorandum of Coverage wraps around the excess liability insurance policy and becomes, in essence, a "wrap-around document". The Town's General, Auto, Public Officials, and Employment Practices Liability Insurance carries a \$1,005,000 retention with amounts in excess of the retention covered up to \$8,995,000. All Risk Property is covered up to \$1,000,000 per occurrence.

**Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008**

Note 10: Risk Management (continued)

Claims are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

The PARSAC implemented a Worker's Compensation Program on July 1, 1990. The Workers' Compensation Program offers coverage consistent with that mandated by state law. The PARSAC provides coverage from \$0 to an organizational retention of \$250,000 per claim. Beyond that \$250,000 retention, there is a jointly-purchased commercial excess insurance with coverage up to statutory limits.

Separate financial statements of the Authority can be obtained from 1525 Response Road, Suite One, Sacramento, California 95815.

There was no significant reduction in insurance coverage by major categories of risk from fiscal 2006-2007 to fiscal year 2007-2008. Furthermore, there was no settlement, which exceeded the insurance coverage for the fiscal years 2005-2006, 2006-2007 and 2007-2008.

Note 11: Expenditures in Excess of Appropriations

Expenditures exceeded appropriations in the following funds for the year ended June 30, 2008:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Special Revenue Funds:			
Development Impact Fees	\$ 4,450	\$ 6,000	\$ (1,550)
CLEEPS – 02/03	-	6,044	(6,044)
Asset Seizure	284	409	(125)
AB2928 TCRP	-	50	(50)
Measure I – 5% Transit	50,750	60,504	(9,754)
Recycling Activities Grant	6,250	7,618	(1,368)
RDA – Low/Mod Housing	45,000	92,880	(47,880)
Debt Service Fund:			
RDA – Debt Service	780,000	1,393,040	(613,040)

Note 12: Retirement Plan

Plan Description

The Town contributes to the California Public Employees Retirements System (PERS), a cost sharing multi-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and Town ordinance. Copies of PERS' annual financial report may be obtained from their executive office: 400 "P" Street, Sacramento, California 95814.

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 12: Retirement Plan (continued)

Funding Policy

Participants are required to contribute 8% of their annual covered salary. The Town makes the contributions required of the employees on their behalf and for their account. The Town is required to contribute at an actuarially determined rate; the current rate 15.122% of annual covered payroll. The contribution requirements of plan members and the Town are established and may be amended by PERS.

Annual pension cost

For 2008, the Town's annual pension cost of \$321,927 for PERS was equal to the Town's required contributions. The required contribution was determined as part of the June 30, 2005, actuarial valuation using the entry age normal actuarial cost method.

THREE YEAR TREND INFORMATION FOR PERS

Fiscal year	Annual pension cost (APC)	Percentage of APC contributed	Net pension obligation
06/30/06	\$ 219,646	100%	\$ -
06/30/07	\$ 317,685	100%	\$ -
06/30/08	\$ 321,927	100%	\$ -

Note 13: Note receivable

On February 1, 2008, the Town executed a promissory note for \$350,000 with the Hi-Desert Water District in order to aid the District in the construction and operation of a wastewater treatment and collection system. The interest on the note accrues daily at a rate using the PMIA Average Monthly Effective Yield as published by the State Treasurers Office. The note is due in full on or before January 31, 2013 together with interest thereon from the date of issue of the note to the date of payment.

Note 14: Deficit Fund Balances

As of June 30, 2008, a deficit fund balance was recorded in the following funds:

Special Revenue Fund:	<u>Fund Deficit</u>
CDBG	\$ (89,065)

Town of Yucca Valley
Notes to the Basic Financial Statements
For the year ended June 30, 2008

Note 15: Prior Period Adjustments

The net assets in the government-wide financial statements have been restated due to the following:

- To include land and property not recorded in prior years and
- To properly accrue the July 2008 gas tax payment for the State of California.

The following table summarizes the effect of the restatement on net assets as of July 1, 2007:

<i>Government-wide financial statements</i>	
Net assets, beginning of year, as previously reported	\$ 47,238,624
To properly accrue July 2008 gas tax payments from State of California	38,698
To properly recognize land and property which had not been reported in prior years	<u>(16,768,616)</u>
Net assets, beginning of year, as restated	<u>\$ 30,508,706</u>

The fund balance of the Gas tax fund in the fund financial statements has been restated due to the following:

- To properly accrue the July 2008 gas tax payment for the state of California.

<i>Fund Financial Statements – Gas Tax Fund</i>	
Fund balance, beginning of year, as previously reported	\$ 269,073
To properly accrue July 2008 gas tax payments from State of California	<u>38,698</u>
Fund balance, beginning of year, as restated	<u>\$ 307,771</u>

REQUIRED SUPPLEMENTARY INFORMATION

Town of Yucca Valley
Notes to Required Supplementary Information
For the year Ended June 30, 2008

Note 1: Budgets and Budgetary Data

Before the beginning of the fiscal year, the Town Manager submits to the Town Council a proposed budget for the year commencing the following July 1. Public hearings are conducted to obtain taxpayer comments and the budget is subsequently adopted through passage of a resolution.

All appropriated amounts are as originally adopted or as amended by the Town Council and lapse at year-end. Encumbrances and continuing appropriations are re-budgeted on July 1 by Council Action. Budgetary control is exercised at the fund level. Original appropriations are modified by supplementary appropriations and transfers among budget categories. The Town Manager has the authority to approve budget transfers within funds as long as there is not net increase. Council approval is required for transfers between funds or for an increase in total appropriations. There were no significant budget amendments during the fiscal year.

Formal budgetary integration is employed as a management control device during the year for the general, special revenue, debt service and capital projects funds. Budgets for these funds are adopted on a basis consistent with generally accepted accounting principles. The Prop 12 – Paradise Park Fund and fiduciary fund does not have a formally adopted budget.

Required Supplementary Information
Town of Yucca Valley
Budgetary Comparison Schedule – General Fund
Revenues
For the year ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes:				
Property taxes	\$ 2,652,333	\$ 2,765,333	\$ 2,890,815	\$ 125,482
Property taxes in lieu	1,605,500	1,605,500	1,759,237	153,737
Sales tax	3,350,000	3,305,000	3,170,306	(134,694)
Transient occupancy tax	155,060	155,060	164,056	8,996
Franchise taxes	695,000	725,000	793,740	68,740
Total taxes	8,457,893	8,555,893	8,778,154	222,261
Licenses and permits	81,600	81,600	71,575	(10,025)
Fines and forfeitures	50,300	50,300	29,739	(20,561)
Use of money and property:				
Investment earnings	306,650	306,650	270,715	(35,935)
Charges for services:				
Planning, engineering and building fees	692,700	692,700	401,832	(290,868)
Recreation programs	185,000	185,000	170,476	(14,524)
Other	63,100	52,600	67,502	14,902
Total charges for services	940,800	930,300	639,810	(290,490)
Intergovernmental:				
Motor vehicle in lieu	84,500	84,500	93,324	8,824
HOPTR	36,000	36,000	36,690	690
Other	294,500	300,500	429,130	128,630
Total intergovernmental	415,000	421,000	559,144	138,144
Miscellaneous	18,250	18,250	90,710	72,460
Total revenues	<u>\$ 10,270,493</u>	<u>\$ 10,363,993</u>	<u>\$ 10,439,847</u>	<u>\$ 75,854</u>

Required Supplementary Information
Town of Yucca Valley
Budgetary Comparison Schedule – General Fund
Expenditures
For the year ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
EXPENDITURES				
General government:				
Council	\$ 126,614	\$ 683,732	\$ 372,304	\$ 311,428
Clerk/attorney	219,483	219,483	215,937	3,546
Interdepartmental	301,480	300,556	265,330	35,226
Administration	786,010	715,910	584,806	131,104
Management services	723,800	722,100	686,732	35,368
Total general government	<u>2,157,387</u>	<u>2,641,781</u>	<u>2,125,109</u>	<u>516,672</u>
Public works	<u>1,470,195</u>	<u>1,728,273</u>	<u>1,407,991</u>	<u>320,282</u>
Public safety:				
Police	3,191,964	3,218,670	3,290,133	(71,463)
Animal control	606,847	661,947	594,864	67,083
Total public safety	<u>3,798,811</u>	<u>3,880,617</u>	<u>3,884,997</u>	<u>(4,380)</u>
Parks and recreation	<u>1,349,567</u>	<u>1,409,167</u>	<u>1,286,589</u>	<u>122,578</u>
Community development	<u>1,482,976</u>	<u>1,657,026</u>	<u>1,439,843</u>	<u>217,183</u>
Debt service:				
Principal	-	6,031	6,099	(68)
Interest	-	5,238	5,170	68
Total debt service	<u>-</u>	<u>11,269</u>	<u>11,269</u>	<u>-</u>
Total expenditures	<u>\$ 10,258,936</u>	<u>\$ 11,328,133</u>	<u>\$ 10,155,798</u>	<u>\$ 1,172,335</u>
OTHER FINANCING SOURCES				
(USES)				
Transfers in	\$ -	\$ -	\$ 77,447	\$ (77,447)
Transfers out	-	-	(135,000)	135,000
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (57,553)</u>	<u>\$ 57,553</u>

SUPPLEMENTARY SCHEDULES

**Town of Yucca Valley
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals
ASSETS				
Cash and investments	\$ 5,750,706	\$ 67,452	\$ 1,079,377	\$ 6,897,535
Accounts receivable	82,672	-	-	82,672
Due from other governments	779,934	-	-	779,934
Interest receivable	37,545	-	-	37,545
Note receivable	-	-	350,000	350,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 6,650,857</u>	<u>\$ 67,452</u>	<u>\$ 1,429,377</u>	<u>\$ 8,147,686</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 104,244	\$ -	\$ -	\$ 104,244
Accrued payroll	14,432	-	-	14,432
Retentions payable	39,824	-	-	39,824
Due to other funds	502,906	-	-	502,906
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>661,406</u>	<u>-</u>	<u>-</u>	<u>661,406</u>
Fund balances:				
Reserved for:				
Low and moderate housing	1,346,897	-	-	1,346,897
Note receivable	-	-	350,000	350,000
Debt service	-	67,452	-	67,452
Unreserved:				
Designated for special projects	-	-	1,079,377	1,079,377
Undesignated	4,642,554	-	-	4,642,554
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>5,989,451</u>	<u>67,452</u>	<u>1,429,377</u>	<u>7,486,280</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 6,650,857</u>	<u>\$ 67,452</u>	<u>\$ 1,429,377</u>	<u>\$ 8,147,686</u>

Town of Yucca Valley
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2008

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals
REVENUES				
Taxes	\$ 29,527	\$ -	\$ -	\$ 29,527
Intergovernmental	3,329,329	-	-	3,329,329
Fines, fees and forfeitures	364,554	-	-	364,554
Investment earnings	208,496	-	-	208,496
Miscellaneous	81,145	-	61,388	142,533
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	4,013,051	-	61,388	4,074,439
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	181,652	-	-	181,652
Public works	2,194,897	-	-	2,194,897
Community development	404,379	-	-	404,379
Debt service:				
Principal	146,411	-	-	146,411
Interest	19,965	-	-	19,965
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	2,947,304	-	-	2,947,304
Excess (deficiency) of revenues over expenditures	<hr/>	<hr/>	<hr/>	<hr/>
	1,065,747	-	61,388	1,127,135
OTHER FINANCING SOURCES (USES)				
Transfers in	947,352	-	-	947,352
Transfers out	(319,333)	-	(127,500)	(446,833)
Proceeds of loan	76,800	-	-	76,800
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	704,819	-	(127,500)	577,319
Net change in fund balances	<hr/>	<hr/>	<hr/>	<hr/>
	1,770,566	-	(66,112)	1,704,454
Fund balances, beginning of year, restated	<hr/>	<hr/>	<hr/>	<hr/>
	4,218,885	67,452	1,495,489	5,781,826
Fund balances, end of year	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 5,989,451	\$ 67,452	\$ 1,429,377	\$ 7,486,280

**Town of Yucca Valley
Nonmajor Special Revenue Funds
Year Ended June 30, 2008**

Special Revenue Funds are used to account for the proceeds derived from specific revenue sources which are legally restricted to expenditures for specified purposes.

Quimby Fees - Established as a fund to account for monies received as payment-in-lieu funds pursuant to the requirements of the Town Ordinance relating to the dedication of land for parks and recreational purposes.

Development Impact Fees - Established as depository for development impact fees. The fees are levied against new development in the Town in order to pay for the construction or improvement of public facilities as a result of Town growth.

CLEEPS - 02/03 (California Law Enforcement Equipment Program) - Established to account for grant monies received to purchase equipment in compliance with the grant award. This equipment will be made available for special police and problem oriented police projects.

CLEEPS - High Tech (California Law Enforcement Equipment Program) - Established to account for grant monies received to purchase equipment in compliance with the grant award. This equipment will be made available for special police and problem oriented police projects.

COPS - SLESF - 04/05 (Supplemental Law Enforcement Special Fund) - Established to account for grant monies received as a result of AB3229 that created the Citizens Option for Public Safety Program (COPS). Expenditures for this fund are restricted to front line law enforcement services.

Traffic Safety - Established to account for expenditures financed by revenue generated from the enforcement of California vehicle codes and Town ordinances. These restricted funds may be used only for traffic signals, school crossing guards, and other related traffic safety expenditures.

Asset Seizure - Established for the purpose of accounting for funds received as proceeds from the sale of assets seized during drug raids.

AB2928 State Construction Grant - Established to account for construction grant monies received for street and highway pavement maintenance, rehabilitation and reconstruction of necessary associated facilities such as drainage and traffic control devices.

AB2928 - TCRP (Traffic Congestion Relief Program) - Established to account for maintenance grant monies received for street and highway pavement maintenance, rehabilitation and reconstruction of necessary associated facilities such as drainage and traffic control devices.

Gas Tax - Established to account for receipts and expenditures for money apportioned under Street and Highway Code Sections 2105, 2106, 2107 and 2107.5 of the State of California. These funds must be spent only for street maintenance, repairs or construction. A limited amount may be spent on related engineering costs.

**Town of Yucca Valley
Nonmajor Special Revenue Funds
(Continued)**

LTF (Local Transportation Act) – Established to account for financial transactions per Article No. 8 of the Transportation Development Act of 1971 (SB325) State of California Streets, Roads, Bicycle and Pedestrian Capital Facilities.

Measure I – 5% Transit – Established to account for revenues from a (1/2%) sales tax on all retail transactions within the County.

Measure I – 65% Major Arterial – Established to account for revenues from a (1/2%) sales tax on all retail transactions within the County.

Measure I – 30% Local Roads – Established to account for revenues from a (1/2%) sales tax on all retail transactions within the County.

Cal Trans Outer Highway/Relinquishment – Established to account for expenditures and reimbursements of grant funds received from the State of California (Caltrans) for development, design and construction of improvements around public school sites in the Town, including sidewalks, flashing lights and related safety improvements.

Proposition 1b – Established to account for monies received from the State through Prop 1b. This proposition provided \$19 billion in bond funds for a variety of transportation projects, including \$2 billion for cities and counties for maintenance and improvements of local transportation facilities. The Town expects to receive approximately \$650,000 for qualified local transportation projects.

Flood Control – Established to account for grant monies received from the State of California for flood control improvement programs and/or projects. These funds are restricted solely for flood control related projects.

CA Energy Commission – These funds are available through the California Energy Commission Renewable Energy Program. The Commission provides long-term, low interest loans to municipalities that construct solar, wind or other renewable energy projects that meet program eligibility requirements.

AB2766 – Air Pollution – Established to account for receipts and expenditures for the Air Pollution Fund.

FEMA (Federal Emergency Management Agency) – Established for the purpose of accounting for expenditures associated with projects that are the result of a recognized disaster or emergency. FEMA reimburses the Town at a rate of 75% of authorized expenditures. The State of California reimburses 75% of the remaining 25%. During some years there are no FEMA projects.

**Town of Yucca Valley
Nonmajor Special Revenue Funds
(Continued)**

HUD – Jerry Lewis Park – Federal funds made available through the US department of Housing and Urban Development. These expenditures were appropriated by Congress pursuant to the VA-HUD Independent Agencies (Economic Development Initiative) Appropriations Act of FY 2001 (Pubic Law 106-554). The funds are for the purposes of “creating community regional park improvements to provide recreational opportunities to the local community”. Funds provided through this program are 100% grants and require no local matching funds.

Prop 12 – Paradise Park – This fund is used to account for revenues from the State of California to be used for park improvement expenditures.

Prop 40 – Parks Projects – This fund is used to account for revenues received from the State of California to be used for park improvement expenditures.

CDBG (Community Development Block Grant) – Established to account for capital and noncapital projects funded by CDBG for the revitalization of low-to-moderate income areas within the Town.

Recycling Activities Grant – Established to account for grant money for eligible cities and counties, for beverage container recycling and liter cleanup activities.

Permanent Flood Reimbursement/State – Established to account for revenues received from the State of California as reimbursement, as a result of a declared state of emergency, for permanent repairs of damage caused to the Town’s roadways.

Landscape/Lighting Maintenance District – Established to provide regular maintenance, repair and replacement of all facilities within the public rights-of-ways or easement which shall include, but not be limited to, the landscaping, irrigation system, signage, perimeter wall, retaining walls, pedestrian path and erosion control plantings within or adjacent to the detention basins and drainage swale.

Street and Drainage District – Established to provide improvements and maintenance of streets, roads, and highways needed to keep the streets in safe condition and to preserve the street network. Also for maintenance and operation of drainage and flood control facilities, including but not limited to floodways, channels, percolation pond, storm drain systems including pipes and catch basins and appurtenant facilities.

RDA Low/Mod Housing – Established to account for 20% set-aside for low and moderate income projects. Expenditures in this fund are designated for increasing, preserving and improving the number of low income housing units.

Town of Yucca Valley
Nonmajor Special Revenue Funds
(Continued)

Public Lands Federal Grant – Public Lands Highway Discretionary Funds (PLHD) are administered by the Federal Highway Administration (FHWA) to implement the Safe, Accountable, Flexible, Efficient Transportation Equity Act; A Legacy for Users (SAFETEA-LU), Public Law 109-59. PLHD funds are allocated through San Bernardino Association of Governments (SANBAG) for highway transportation projects that are eligible and listed on the approved Regional Transportation Improvement Project (RTIP) List. Funds are administered by Caltrans.

**Town of Yucca Valley
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008**

	Quimby Fees	Development Impact Fees	CLEEPS – 02/03
ASSETS			
Cash and investments	\$ 115,321	\$ 596,339	\$ -
Accounts receivable	-	-	-
Due from other governments	-	-	-
Interest receivable	754	3,898	-
Total assets	\$ 116,075	\$ 600,237	\$ -
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	-	-
Retentions payable	-	-	-
Due to other funds	-	-	-
Total liabilities	-	-	-
Fund balances (deficit):			
Reserved for:			
Low and moderate housing	-	-	-
Unreserved:			
Undesignated	116,075	600,237	-
Total fund balances (deficit)	116,075	600,237	-
Total liabilities and fund balances	\$ 116,075	\$ 600,237	\$ -

CLEEPS – High Tech	COPS – SLESF 04/05	Traffic Safety	Asset Seizure	AB 2928 State Construction Grant
\$ 11,099	\$ 157,825	\$ 153,063	\$ 3,551	\$ -
-	-	-	-	-
-	-	7,513	-	184,261
73	1,032	1,001	23	-
<u>\$ 11,172</u>	<u>\$ 158,857</u>	<u>\$ 161,577</u>	<u>\$ 3,574</u>	<u>\$ 184,261</u>
\$ 422	\$ 20,263	\$ -	\$ -	\$ 2,840
-	-	-	-	-
-	-	-	-	-
-	-	-	-	132,080
<u>422</u>	<u>20,263</u>	<u>-</u>	<u>-</u>	<u>134,920</u>
-	-	-	-	-
10,750	138,594	161,577	3,574	49,341
<u>10,750</u>	<u>138,594</u>	<u>161,577</u>	<u>3,574</u>	<u>49,341</u>
<u>\$ 11,172</u>	<u>\$ 158,857</u>	<u>\$ 161,577</u>	<u>\$ 3,574</u>	<u>\$ 184,261</u>

**Town of Yucca Valley
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008
(continued)**

	AB2928 TCRP	Gas Tax	Local Transportation
ASSETS			
Cash and investments	\$ 25	\$ 178,154	\$ 615,471
Accounts receivable	-	3,309	-
Due from other governments	-	127,161	-
Interest receivable	-	1,165	4,023
Total assets	\$ 25	\$ 309,789	\$ 619,494
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 25	\$ 19,541	\$ 400
Accrued payroll	-	4,883	-
Retentions payable	-	-	-
Due to other funds	-	-	-
Total liabilities	25	24,424	400
Fund balances (deficit):			
Reserved for:			
Low and moderate housing	-	-	-
Unreserved:			
Undesignated	-	285,365	619,094
Total fund balances (deficit)	-	285,365	619,094
Total liabilities and fund balances	\$ 25	\$ 309,789	\$ 619,494

Measure I – 5% Transit	Measure I – 65% Major Arterial	Measure I – 30% Local Roads	CalTrans Outer Highway Relinquishment	Prop 1b Funds
\$ 33,379	\$ 1,113,973	\$ 545,554	\$ 137,449	\$ 403,619
-	-	-	-	-
2,202	21,698	13,214	-	-
218	7,282	3,566	898	2,638
<u>\$ 35,799</u>	<u>\$ 1,142,953</u>	<u>\$ 562,334</u>	<u>\$ 138,347</u>	<u>\$ 406,257</u>
\$ 35,381	\$ 1,135	\$ 17,109	\$ -	\$ 25
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>35,381</u>	<u>1,135</u>	<u>17,109</u>	<u>-</u>	<u>25</u>
-	-	-	-	-
418	1,141,818	545,225	138,347	406,232
418	1,141,818	545,225	138,347	406,232
<u>\$ 35,799</u>	<u>\$ 1,142,953</u>	<u>\$ 562,334</u>	<u>\$ 138,347</u>	<u>\$ 406,257</u>

**Town of Yucca Valley
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008
(continued)**

	<u>Flood Control</u>	<u>CA Energy Commission</u>	<u>AB 2766 Air Pollution</u>
ASSETS			
Cash and investments	\$ 67,782	\$ -	\$ 81,861
Accounts receivable	-	79,363	-
Due from other governments	-	169,717	-
Interest receivable	443	-	535
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 68,225</u>	<u>\$ 249,080</u>	<u>\$ 82,396</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 4,341	\$ -
Accrued payroll	-	-	-
Retentions payable	-	39,824	-
Due to other funds	-	161,789	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-</u>	<u>205,954</u>	<u>-</u>
Fund balances (deficit):			
Reserved for:			
Low and moderate housing	-	-	-
Unreserved:			
Undesignated	68,225	43,126	82,396
	<hr/>	<hr/>	<hr/>
Total fund balances (deficit)	<u>68,225</u>	<u>43,126</u>	<u>82,396</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 68,225</u>	<u>\$ 249,080</u>	<u>\$ 82,396</u>

<u>FEMA</u>	<u>HUD-Jerry Lewis Park</u>	<u>Prop 12 – Paradise Park</u>	<u>Prop 40 – Parks Projects</u>	<u>CDBG</u>
\$ 125,262	\$ 8,914	\$ 4,556	\$ 2,505	\$ -
-	-	-	-	-
-	-	-	-	48,069
819	58	-	-	-
<u>\$ 126,081</u>	<u>\$ 8,972</u>	<u>\$ 4,556</u>	<u>\$ 2,505</u>	<u>\$ 48,069</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,868
-	-	-	-	9,549
-	-	-	-	-
-	-	-	-	125,717
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,134</u>
-	-	-	-	-
126,081	8,972	4,556	2,505	(89,065)
<u>126,081</u>	<u>8,972</u>	<u>4,556</u>	<u>2,505</u>	<u>(89,065)</u>
<u>\$ 126,081</u>	<u>\$ 8,972</u>	<u>\$ 4,556</u>	<u>\$ 2,505</u>	<u>\$ 48,069</u>

**Town of Yucca Valley
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008
(continued)**

	Recycling Activities Grant	Permanent Flood Reimb/State	Landscape and Lighting Maintenance
ASSETS			
Cash and investments	\$ -	\$ -	\$ 10,714
Accounts receivable	-	-	-
Due from other governments	-	194,413	-
Interest receivable	-	-	70
Total assets	\$ -	\$ 194,413	\$ 10,784
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	-	-
Retentions payable	-	-	-
Due to other funds	-	73,587	-
Total liabilities	-	73,587	-
Fund balances (deficit):			
Reserved for:			
Low and moderate housing	-	-	-
Unreserved:			
Undesignated	-	120,826	10,784
Total fund balances (deficit)	-	120,826	10,784
Total liabilities and fund balances	\$ -	\$ 194,413	\$ 10,784

Street and Drainage District	RDA Low/ Mod Housing	Public Lands Federal Grant	Total
\$ 46,140	\$ 1,338,150	\$ -	\$ 5,750,706
-	-	-	82,672
-	-	11,686	779,934
302	8,747	-	37,545
<u>\$ 46,442</u>	<u>\$ 1,346,897</u>	<u>\$ 11,686</u>	<u>\$ 6,650,857</u>
\$ -	\$ -	\$ 894	\$ 104,244
-	-	-	14,432
-	-	-	39,824
-	-	9,733	502,906
<u>-</u>	<u>-</u>	<u>10,627</u>	<u>661,406</u>
-	1,346,897	-	1,346,897
46,442	-	1,059	4,642,554
<u>46,442</u>	<u>1,346,897</u>	<u>1,059</u>	<u>5,989,451</u>
<u>\$ 46,442</u>	<u>\$ 1,346,897</u>	<u>\$ 11,686</u>	<u>\$ 6,650,857</u>

Town of Yucca Valley
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended June 30, 2008

	<u>Quimby Fees</u>	<u>Development Impact Fees</u>	<u>CLEEPS – 02/03</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	5,409
Fines, fees and forfeitures	4,132	300,649	-
Investment earnings	4,830	19,852	140
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	8,962	320,501	5,549
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current:			
Public safety	-	-	6,044
Public works	-	6,000	-
Community development	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	-	6,000	6,044
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	8,962	314,501	(495)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds of loan	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
	<hr/>	<hr/>	<hr/>
Net change in fund balances	8,962	314,501	(495)
	<hr/>	<hr/>	<hr/>
Fund balances, beginning of year, restated	107,113	285,736	495
	<hr/>	<hr/>	<hr/>
Fund balances, end of year	<u>\$ 116,075</u>	<u>\$ 600,237</u>	<u>\$ -</u>

<u>CLEEPS - High Tech</u>	<u>COPS - SLESF 04/05</u>	<u>Traffic Safety</u>	<u>Asset Seizure</u>	<u>AB2928 State Construction Grant</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	101,502	-	-	184,261
-	-	59,773	-	-
706	6,843	5,308	115	-
-	-	-	1,362	-
<u>706</u>	<u>108,345</u>	<u>65,081</u>	<u>1,477</u>	<u>184,261</u>
6,867	166,832	1,500	409	-
-	-	-	-	134,920
-	-	-	-	-
-	-	-	-	-
<u>6,867</u>	<u>166,832</u>	<u>1,500</u>	<u>409</u>	<u>134,920</u>
<u>(6,161)</u>	<u>(58,487)</u>	<u>63,581</u>	<u>1,068</u>	<u>49,341</u>
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(6,161)</u>	<u>(58,487)</u>	<u>63,581</u>	<u>1,068</u>	<u>49,341</u>
<u>16,911</u>	<u>197,081</u>	<u>97,996</u>	<u>2,506</u>	<u>-</u>
<u>\$ 10,750</u>	<u>\$ 138,594</u>	<u>\$ 161,577</u>	<u>\$ 3,574</u>	<u>\$ 49,341</u>

Town of Yucca Valley
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended June 30, 2008
(continued)

	AB2928 TCRP	Gas Tax	Local Transportation
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	377,344	310,541
Fines, fees and forfeitures	-	-	-
Investment earnings	2,159	7,611	19,753
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	2,159	384,955	330,294
EXPENDITURES			
Current:			
Public safety	-	-	-
Public works	50	688,055	3,318
Community development	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	50	688,055	3,318
Excess (deficiency) of revenues over expenditures	<hr/>	<hr/>	<hr/>
	2,109	(303,100)	326,976
OTHER FINANCING SOURCES (USES)			
Transfers in	-	280,694	30,000
Transfers out	(60,000)	-	(150,000)
Proceeds of loan	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(60,000)	280,694	(120,000)
Net change in fund balances	(57,891)	(22,406)	206,976
Fund balances, beginning of year, restated	<hr/>	<hr/>	<hr/>
	57,891	307,771	412,118
Fund balances, end of year	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ -	\$ 285,365	\$ 619,094

Measure I – 5% Transit	Measure I – 65% Major Arterial	Measure I – 30% Local Roads	CalTrans Outer Highway Relinquishment	Prop 1b Funds
\$ -	\$ -	\$ -	\$ -	\$ -
59,697	776,064	358,183	-	400,000
-	-	-	-	-
848	40,138	22,330	5,858	6,857
-	-	-	-	-
<u>60,545</u>	<u>816,202</u>	<u>380,513</u>	<u>5,858</u>	<u>406,857</u>
-	-	-	-	-
60,504	191,548	428,058	-	625
-	-	-	-	-
-	146,411	-	-	-
-	19,965	-	-	-
<u>60,504</u>	<u>357,924</u>	<u>428,058</u>	<u>-</u>	<u>625</u>
41	458,278	(47,545)	5,858	406,232
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
41	458,278	(47,545)	5,858	406,232
377	683,540	592,770	132,489	-
<u>\$ 418</u>	<u>\$ 1,141,818</u>	<u>\$ 545,225</u>	<u>\$ 138,347</u>	<u>\$ 406,232</u>

Town of Yucca Valley
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended June 30, 2008
(continued)

	Flood Control	CA Energy Commission	AB 2766 Air Pollution
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	162,037	15,017
Fines, fees and forfeitures	-	-	-
Investment earnings	2,760	1,358	3,232
Miscellaneous	-	79,363	-
	<hr/>	<hr/>	<hr/>
Total revenues	2,760	242,758	18,249
EXPENDITURES			
Current:			
Public safety	-	-	-
Public works	-	440,144	-
Community development	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	-	440,144	-
Excess (deficiency) of revenues over expenditures	<hr/>	<hr/>	<hr/>
	2,760	(197,386)	18,249
OTHER FINANCING SOURCES (USES)			
Transfers in	-	127,500	-
Transfers out	-	-	-
Proceeds of loan	-	76,800	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	204,300	-
Net change in fund balances	2,760	6,914	18,249
Fund balances, beginning of year, restated	<hr/>	<hr/>	<hr/>
	65,465	36,212	64,147
Fund balances, end of year	<hr/>	<hr/>	<hr/>
	\$ 68,225	\$ 43,126	\$ 82,396

FEMA	HUD-Jerry Lewis Park	Prop 12 – Paradise Park	Prop 40 – Parks Projects	CDBG
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	237,703
-	-	-	-	-
5,341	379	-	-	-
-	-	-	-	-
<u>5,341</u>	<u>379</u>	<u>-</u>	<u>-</u>	<u>237,703</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	303,881
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>303,881</u>
5,341	379	-	-	(66,178)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5,341	379	-	-	(66,178)
120,740	8,593	4,556	2,505	(22,887)
<u>\$ 126,081</u>	<u>\$ 8,972</u>	<u>\$ 4,556</u>	<u>\$ 2,505</u>	<u>\$ (89,065)</u>

Town of Yucca Valley
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended June 30, 2008
(continued)

	Recycling Activities Grant	Permanent Flood Reimb/State	Landscape and Lighting Maintenance
REVENUES			
Taxes	\$ -	\$ -	\$ 6,551
Intergovernmental	5,458	289,374	-
Fines, fees and forfeitures	-	-	-
Investment earnings	207	-	287
Miscellaneous	420	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	6,085	289,374	6,838
EXPENDITURES			
Current:			
Public safety	-	-	-
Public works	-	199,874	1,000
Community development	7,618	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	7,618	199,874	1,000
Excess (deficiency) of revenues over expenditures			
	<hr/>	<hr/>	<hr/>
	(1,533)	89,500	5,838
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Proceeds of loan	-	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	-
Net change in fund balances			
	<hr/>	<hr/>	<hr/>
	(1,533)	89,500	5,838
Fund balances, beginning of year, restated			
	<hr/>	<hr/>	<hr/>
	1,533	31,326	4,946
Fund balances, end of year			
	<hr/>	<hr/>	<hr/>
	\$ -	\$ 120,826	\$ 10,784

Street and Drainage District	RDA Low/ Mod Housing	Public Lands Federal Grant	Total
\$ 22,976	\$ -	\$ -	\$ 29,527
-	-	46,739	3,329,329
-	-	-	364,554
1,295	50,289	-	208,496
-	-	-	81,145
<u>24,271</u>	<u>50,289</u>	<u>46,739</u>	<u>4,013,051</u>
-	-	-	181,652
1,000	-	39,801	2,194,897
-	92,880	-	404,379
-	-	-	146,411
-	-	-	19,965
<u>1,000</u>	<u>92,880</u>	<u>39,801</u>	<u>2,947,304</u>
<u>23,271</u>	<u>(42,591)</u>	<u>6,938</u>	<u>1,065,747</u>
-	509,158	-	947,352
-	(109,333)	-	(319,333)
-	-	-	76,800
<u>-</u>	<u>399,825</u>	<u>-</u>	<u>704,819</u>
23,271	357,234	6,938	1,770,566
<u>23,171</u>	<u>989,663</u>	<u>(5,879)</u>	<u>4,218,885</u>
<u>\$ 46,442</u>	<u>\$ 1,346,897</u>	<u>\$ 1,059</u>	<u>\$ 5,989,451</u>

Town of Yucca Valley
Quimby Fees Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Fines, fees and forfeitures	\$ -	\$ 4,132	\$ 4,132
Investment earnings	2,300	4,830	2,530
Total revenues	2,300	8,962	6,662
EXPENDITURES			
Parks and recreation	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	2,300	8,962	6,662
Fund balance, beginning of year	107,113	107,113	-
Fund balance, end of year	\$ 109,413	\$ 116,075	\$ 6,662

Town of Yucca Valley
Development Impact Fees Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Fines, fees and forfeitures	\$ 366,800	\$ 300,649	\$ (66,151)
Investment earnings	10,000	19,852	9,852
Total revenues	376,800	320,501	(56,299)
EXPENDITURES			
Current:			
Public works	4,450	6,000	(1,550)
Total expenditures	4,450	6,000	(1,550)
Net change in fund balance	372,350	314,501	(57,849)
Fund balance, beginning of year	285,736	285,736	-
Fund balance, end of year	<u>\$ 658,086</u>	<u>\$ 600,237</u>	<u>\$ (57,849)</u>

Town of Yucca Valley
CLEEPS – 02/03 Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ -	\$ 5,409	\$ 5,409
Investment earnings	100	140	40
Total revenues	<u>100</u>	<u>5,549</u>	<u>5,449</u>
EXPENDITURES			
Current:			
Public safety	<u>-</u>	<u>6,044</u>	<u>(6,044)</u>
Total expenditures	<u>-</u>	<u>6,044</u>	<u>(6,044)</u>
Net change in fund balance	100	(495)	(595)
Fund balance, beginning of year	<u>495</u>	<u>495</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 595</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (595)</u></u>

Town of Yucca Valley
CLEEPS – High Tech Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	\$ 500	\$ 706	\$ 206
Total revenues	500	706	206
EXPENDITURES			
Current:			
Public safety	10,000	6,867	3,133
Total expenditures	10,000	6,867	3,133
Net change in fund balance	(9,500)	(6,161)	3,339
Fund balance, beginning of year	16,911	16,911	-
Fund balance, end of year	\$ 7,411	\$ 10,750	\$ 3,339

Town of Yucca Valley
COPS – SLESF 04/05 Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 101,500	\$ 101,502	\$ 2
Investment earnings	5,000	6,843	1,843
Total revenues	106,500	108,345	1,845
EXPENDITURES			
Current:			
Public safety	182,000	166,832	15,168
Total expenditures	182,000	166,832	15,168
Net change in fund balance	(75,500)	(58,487)	17,013
Fund balance, beginning of year	197,081	197,081	-
Fund balance, end of year	\$ 121,581	\$ 138,594	\$ 17,013

Town of Yucca Valley
Traffic Safety Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Fines, fees and forfeitures	\$ 45,000	\$ 59,773	\$ 14,773
Investment earnings	2,000	5,308	3,308
Total revenues	47,000	65,081	18,081
EXPENDITURES			
Current:			
Public safety	26,500	1,500	25,000
Total expenditures	26,500	1,500	25,000
Net change in fund balance	20,500	63,581	43,081
Fund balance, beginning of year	97,996	97,996	-
Fund balance, end of year	\$ 118,496	\$ 161,577	\$ 43,081

Town of Yucca Valley
Asset Seizure Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	\$ -	\$ 115	\$ 115
Miscellaneous	100	1,362	1,262
Total revenues	100	1,477	1,377
EXPENDITURES			
Current:			
Public safety	284	409	(125)
Total expenditures	284	409	(125)
Net change in fund balance	(184)	1,068	1,252
Fund balance, beginning of year	2,506	2,506	-
Fund balance, end of year	\$ 2,322	\$ 3,574	\$ 1,252

Town of Yucca Valley
AB2928 – State Construction Grant Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 780,000	\$ 184,261	\$ (595,739)
Total revenues	780,000	184,261	(595,739)
EXPENDITURES			
Current:			
Public works	780,000	134,920	645,080
Total expenditures	780,000	134,920	645,080
Net change in fund balance	-	49,341	49,341
Fund balance, beginning of year	-	-	-
Fund balance, end of year	\$ -	\$ 49,341	\$ 49,341

Town of Yucca Valley
AB2928 TCRP Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	\$ 1,000	\$ 2,159	\$ 1,159
Total revenues	1,000	2,159	1,159
EXPENDITURES			
Current:			
Public works	-	50	(50)
Total expenditures	-	50	(50)
Excess (deficiency) of revenues over expenditures	1,000	2,109	1,109
OTHER FINANCING SOURCES (USES)			
Transfers out	(80,000)	(60,000)	20,000
Total other financing sources (uses)	(80,000)	(60,000)	20,000
Net change in fund balance	(79,000)	(57,891)	21,109
Fund balance, beginning of year	57,891	57,891	-
Fund balance, end of year	\$ (21,109)	\$ -	\$ 21,109

Town of Yucca Valley
Gas Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 376,100	\$ 377,344	\$ 1,244
Investment earnings	1,225	7,611	6,386
Total revenues	<u>377,325</u>	<u>384,955</u>	<u>7,630</u>
EXPENDITURES			
Current:			
Public works	<u>699,701</u>	<u>688,055</u>	<u>11,646</u>
Total expenditures	<u>699,701</u>	<u>688,055</u>	<u>11,646</u>
Excess (deficiency) of revenues over expenditures	<u>(322,376)</u>	<u>(303,100)</u>	<u>19,276</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>231,000</u>	<u>280,694</u>	<u>49,694</u>
Total other financing sources (uses)	<u>231,000</u>	<u>280,694</u>	<u>49,694</u>
Net change in fund balance	(91,376)	(22,406)	68,970
Fund balance, beginning of year, restated	<u>307,771</u>	<u>307,771</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 216,395</u></u>	<u><u>\$ 285,365</u></u>	<u><u>\$ 68,970</u></u>

Town of Yucca Valley
Local Transportation Fund Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 245,000	\$ 310,541	\$ 65,541
Investment earnings	12,000	19,753	7,753
Total revenues	<u>257,000</u>	<u>330,294</u>	<u>73,294</u>
EXPENDITURES			
Current:			
Public works	<u>180,000</u>	<u>3,318</u>	<u>176,682</u>
Total expenditures	<u>180,000</u>	<u>3,318</u>	<u>176,682</u>
Excess (deficiency) of revenues over expenditures	<u>77,000</u>	<u>326,976</u>	<u>249,976</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	30,000	30,000	-
Transfers out	<u>(231,000)</u>	<u>(150,000)</u>	<u>81,000</u>
Total other financing sources (uses)	<u>(201,000)</u>	<u>(120,000)</u>	<u>81,000</u>
Net change in fund balance	(124,000)	206,976	330,976
Fund balance, beginning of year	<u>412,118</u>	<u>412,118</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 288,118</u></u>	<u><u>\$ 619,094</u></u>	<u><u>\$ 330,976</u></u>

Town of Yucca Valley
Measure I – 5% Transit Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 50,000	\$ 59,697	\$ 9,697
Investment earnings	750	848	98
Total revenues	<u>50,750</u>	<u>60,545</u>	<u>9,795</u>
EXPENDITURES			
Current:			
Public works	<u>50,750</u>	<u>60,504</u>	<u>(9,754)</u>
Total expenditures	<u>50,750</u>	<u>60,504</u>	<u>(9,754)</u>
Net change in fund balance	-	41	41
Fund balance, beginning of year	<u>377</u>	<u>377</u>	<u>-</u>
Fund balance, end of year	<u>\$ 377</u>	<u>\$ 418</u>	<u>\$ 41</u>

Town of Yucca Valley
Measure I – 65% Local Roads Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 750,000	\$ 776,064	\$ 26,064
Investment earnings	20,000	40,138	20,138
	<hr/>	<hr/>	<hr/>
Total revenues	770,000	816,202	46,202
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current:			
Public works	1,118,500	191,548	926,952
Debt service:			
Principal	147,840	146,411	1,429
Interest	20,160	19,965	195
	<hr/>	<hr/>	<hr/>
Total expenditures	1,286,500	357,924	928,576
	<hr/>	<hr/>	<hr/>
Net change in fund balance	(516,500)	458,278	974,778
Fund balance, beginning of year	683,540	683,540	-
	<hr/>	<hr/>	<hr/>
Fund balance, end of year	<u>\$ 167,040</u>	<u>\$ 1,141,818</u>	<u>\$ 974,778</u>

Town of Yucca Valley
Measure I – 30% Local Roads Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 380,000	\$ 358,183	\$ (21,817)
Investment earnings	25,000	22,330	(2,670)
Total revenues	405,000	380,513	(24,487)
EXPENDITURES			
Current:			
Public works	659,721	428,058	231,663
Total expenditures	659,721	428,058	231,663
Net change in fund balance	(254,721)	(47,545)	207,176
Fund balance, beginning of year	592,770	592,770	-
Fund balance, end of year	\$ 338,049	\$ 545,225	\$ 207,176

Town of Yucca Valley
CalTrans Outer Highway/Relinquishment Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	\$ 5,000	\$ 5,858	\$ 858
Total revenues	5,000	5,858	858
EXPENDITURES			
Current:			
Public works	132,000	-	132,000
Total expenditures	132,000	-	132,000
Net change in fund balance	(127,000)	5,858	132,858
Fund balance, beginning of year	132,489	132,489	-
Fund balance, end of year	\$ 5,489	\$ 138,347	\$ 132,858

Town of Yucca Valley
Prop 1b Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 400,000	\$ 400,000	\$ -
Investment earnings	-	6,857	6,857
Total revenues	400,000	406,857	6,857
EXPENDITURES			
Current:			
Public works	400,000	625	399,375
Total expenditures	400,000	625	399,375
Net change in fund balance	-	406,232	406,232
Fund balance, beginning of year	-	-	-
Fund balance, end of year	\$ -	\$ 406,232	\$ 406,232

Town of Yucca Valley
Flood Control Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	\$ 2,200	\$ 2,760	\$ 560
Total revenues	2,200	2,760	560
EXPENDITURES			
Current:			
Public works	-	-	-
Total expenditures	-	-	-
Net change in fund balance	2,200	2,760	560
Fund balance, beginning of year	65,465	65,465	-
Fund balance, end of year	\$ 67,665	\$ 68,225	\$ 560

Town of Yucca Valley
CA Energy Commission Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 162,000	\$ 162,037	\$ 37
Investment earnings	1,500	1,358	(142)
Miscellaneous	79,360	79,363	3
Total revenues	242,860	242,758	(102)
EXPENDITURES			
Current:			
Public works	445,648	440,144	5,504
Total expenditures	445,648	440,144	5,504
Excess (deficiency) of revenues over expenditures	(202,788)	(197,386)	5,402
OTHER FINANCING SOURCES (USES)			
Transfers in	127,500	127,500	-
Proceeds of loan	76,800	76,800	-
Total other financing sources (uses)	204,300	204,300	-
Net change in fund balance	1,512	6,914	5,402
Fund balance, beginning of year	36,212	36,212	-
Fund balance, end of year	<u>\$ 37,724</u>	<u>\$ 43,126</u>	<u>\$ 5,402</u>

Town of Yucca Valley
AB 2766 Air Pollution Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 15,000	\$ 15,017	\$ 17
Investment earnings	2,200	3,232	1,032
Total revenues	17,200	18,249	1,049
EXPENDITURES			
Current:			
Public works	-	-	-
Total expenditures	-	-	-
Net change in fund balance	17,200	18,249	1,049
Fund balance, beginning of year	64,147	64,147	-
Fund balance, end of year	<u>\$ 81,347</u>	<u>\$ 82,396</u>	<u>\$ 1,049</u>

Town of Yucca Valley
FEMA Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	\$ 2,500	\$ 5,341	\$ 2,841
Total revenues	2,500	5,341	2,841
EXPENDITURES			
Current:			
Public works	-	-	-
Total expenditures	-	-	-
Net change in fund balance	2,500	5,341	2,841
Fund balance, beginning of year	120,740	120,740	-
Fund balance, end of year	<u>\$ 123,240</u>	<u>\$ 126,081</u>	<u>\$ 2,841</u>

Town of Yucca Valley
HUD – Jerry Lewis Park Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 350,000	\$ -	\$ (350,000)
Investment earnings	-	379	379
Total revenues	350,000	379	(349,621)
EXPENDITURES			
Current:			
Parks and recreation	350,000	-	350,000
Total expenditures	350,000	-	350,000
Net change in fund balance	-	379	379
Fund balance, beginning of year	8,593	8,593	-
Fund balance, end of year	\$ 8,593	\$ 8,972	\$ 379

Town of Yucca Valley
Prop 40 – Parks Projects Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES			
Current:			
Parks and recreation	2,505	-	2,505
Total expenditures	2,505	-	2,505
Net change in fund balance	(2,505)	-	2,505
Fund balance, beginning of year	2,505	2,505	-
Fund balance, end of year	\$ -	\$ 2,505	\$ 2,505

Town of Yucca Valley
CDBG Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 590,432	\$ 237,703	\$ (352,729)
Total revenues	590,432	237,703	(352,729)
EXPENDITURES			
Current:			
Community development	598,482	303,881	294,601
Total expenditures	598,482	303,881	294,601
Net change in fund balance	(8,050)	(66,178)	(58,128)
Fund balance, beginning of year	(22,887)	(22,887)	-
Fund balance, end of year	<u>\$ (30,937)</u>	<u>\$ (89,065)</u>	<u>\$ (58,128)</u>

Town of Yucca Valley
Recycling Activities Grant Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 5,290	\$ 5,458	\$ 168
Investment earnings	-	207	207
Miscellaneous	150	420	270
	<hr/>	<hr/>	<hr/>
Total revenues	5,440	6,085	645
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current:			
Community development	6,250	7,618	(1,368)
	<hr/>	<hr/>	<hr/>
Total expenditures	6,250	7,618	(1,368)
	<hr/>	<hr/>	<hr/>
Net change in fund balance	(810)	(1,533)	(723)
Fund balance, beginning of year	1,533	1,533	-
	<hr/>	<hr/>	<hr/>
Fund balance, end of year	\$ 723	\$ -	\$ (723)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Town of Yucca Valley
Permanent Flood Reimb/State Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 283,553	\$ 289,374	\$ 5,821
Total revenues	283,553	289,374	5,821
EXPENDITURES			
Current:			
Public works	202,552	199,874	2,678
Total expenditures	202,552	199,874	2,678
Net change in fund balance	81,001	89,500	8,499
Fund balance, beginning of year	31,326	31,326	-
Fund balance, end of year	<u>\$ 112,327</u>	<u>\$ 120,826</u>	<u>\$ 8,499</u>

Town of Yucca Valley
Landscape and Lighting Maintenance Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Taxes	\$ 6,000	\$ 6,551	\$ 551
Investment earnings	150	287	137
Total revenues	<u>6,150</u>	<u>6,838</u>	<u>688</u>
EXPENDITURES			
Current:			
Public works	<u>1,500</u>	<u>1,000</u>	<u>500</u>
Total expenditures	<u>1,500</u>	<u>1,000</u>	<u>500</u>
Net change in fund balance	4,650	5,838	1,188
Fund balance, beginning of year	<u>4,946</u>	<u>4,946</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 9,596</u></u>	<u><u>\$ 10,784</u></u>	<u><u>\$ 1,188</u></u>

Town of Yucca Valley
Street and Drainage District Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Taxes	\$ 25,000	\$ 22,976	\$ (2,024)
Investment earnings	550	1,295	745
Total revenues	<u>25,550</u>	<u>24,271</u>	<u>(1,279)</u>
EXPENDITURES			
Current:			
Public works	<u>1,500</u>	<u>1,000</u>	<u>500</u>
Total expenditures	<u>1,500</u>	<u>1,000</u>	<u>500</u>
Net change in fund balance	24,050	23,271	(779)
Fund balance, beginning of year	<u>23,171</u>	<u>23,171</u>	<u>-</u>
Fund balance, end of year	<u>\$ 47,221</u>	<u>\$ 46,442</u>	<u>\$ (779)</u>

Town of Yucca Valley
RDA – Low/Mod Housing Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	\$ 9,000	\$ 50,289	\$ 41,289
Total revenues	9,000	50,289	41,289
EXPENDITURES			
Current:			
Community development	45,000	92,880	(47,880)
Total expenditures	45,000	92,880	(47,880)
Excess (deficiency) of revenues over expenditures	(36,000)	(42,591)	(6,591)
OTHER FINANCING SOURCES (USES)			
Transfers in	220,000	509,158	289,158
Transfers out	(85,000)	(109,333)	(24,333)
Total other financing sources (uses)	135,000	399,825	264,825
Net change in fund balance	99,000	357,234	258,234
Fund balance, beginning of year	989,663	989,663	-
Fund balance, end of year	\$ 1,088,663	\$ 1,346,897	\$ 258,234

Town of Yucca Valley
Public Lands Federal Grant Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 1,600,000	\$ 46,739	\$ (1,553,261)
Investment earnings	975	-	(975)
Total revenues	<u>1,600,975</u>	<u>46,739</u>	<u>(1,554,236)</u>
EXPENDITURES			
Current:			
Public works	<u>1,498,200</u>	<u>39,801</u>	<u>1,458,399</u>
Total expenditures	<u>1,498,200</u>	<u>39,801</u>	<u>1,458,399</u>
Net change in fund balance	102,775	6,938	(95,837)
Fund balance, beginning of year	<u>(5,879)</u>	<u>(5,879)</u>	<u>-</u>
Fund balance, end of year	<u>\$ 96,896</u>	<u>\$ 1,059</u>	<u>\$ (95,837)</u>

Town of Yucca Valley
Nonmajor Debt Service Fund
For the year Ended June 30, 2008

Debt Service Funds are used to account for the payment of interest and principal of long-term debt instruments of the Town and component entities.

Community Center Authority – Established to account for debt service transactions including revenue collections and payments of principal and interest on long-term obligations of the Yucca Valley Community Center Authority.

**Town of Yucca Valley
Balance Sheet
Nonmajor Debt Service Fund
June 30, 2008**

	<u>Community Center Authority</u>
ASSETS	
Cash and investments	<u>\$ 67,452</u>
Total assets	<u><u>\$ 67,452</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	<u>\$ -</u>
Total liabilities	<u>-</u>
Fund balance:	
Reserved for:	
Debt service	<u>67,452</u>
Total fund balance	<u>67,452</u>
Total liabilities and fund balance	<u><u>\$ 67,452</u></u>

Town of Yucca Valley
Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Debt Service Fund
For the year ended June 30, 2008

	<u>Community Center Authority</u>
REVENUES	
Investment earnings	<u>\$ -</u>
Total revenues	<u>-</u>
 EXPENDITURES	
Current:	
Parks and recreation	<u>-</u>
Total expenditures	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>
 OTHER FINANCING SOURCES (USES)	
Transfers in	-
Transfers out	<u>-</u>
Total other financing sources (uses)	<u>-</u>
Net change in fund balance	-
Fund balance, beginning of year	<u>67,452</u>
Fund balance, end of year	<u><u>\$ 67,452</u></u>

**Town of Yucca Valley
Community Center Authority Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
For the year ended June 30, 2008**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Investment earnings	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES			
Current:			
Parks and recreation	67,452	-	67,452
Total expenditures	67,452	-	67,452
Net change in fund balance	(67,452)	-	67,452
Fund balance, beginning of year	67,452	67,452	-
Fund balance, end of year	\$ -	\$ 67,452	\$ 67,452

Town of Yucca Valley
Major Debt Service Fund
For the year ended June 30, 2008

Debt Service Funds are used to account for the payment of interest and principal of long-term debt instruments of the Town and component entities.

Debt Service – Redevelopment Agency – Established to account for tax levies, rental and other revenues and payment of principal and interest on Yucca Valley Redevelopment loans and bonds.

Town of Yucca Valley
Major Fund – Redevelopment Agency Debt Service
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 1,100,000	\$ 1,100,000	\$ 2,523,287	\$ 1,423,287
Intergovernmental	-	-	22,561	22,561
Investment earnings	26,000	26,000	128,305	102,305
	<u>1,126,000</u>	<u>1,126,000</u>	<u>2,674,153</u>	<u>1,548,153</u>
EXPENDITURES				
Current:				
General government	25,000	131,000	19,579	111,421
Debt service:				
Principal	90,100	90,100	150,745	(60,645)
Interest	239,900	239,900	395,919	(156,019)
Pass-through payments	319,000	319,000	826,797	(507,797)
	<u>674,000</u>	<u>780,000</u>	<u>1,393,040</u>	<u>(613,040)</u>
Excess of revenues over (under) expenditures	<u>452,000</u>	<u>346,000</u>	<u>1,281,113</u>	<u>935,113</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	85,000	85,000	4,785,978	4,700,978
Transfers out	(220,000)	(220,000)	(509,158)	(289,158)
Payment to refunded bond escrow agent	-	-	(3,924,561)	(3,924,561)
	<u>-</u>	<u>-</u>	<u>(3,924,561)</u>	<u>(3,924,561)</u>
Total other financing sources (uses)	<u>(135,000)</u>	<u>(135,000)</u>	<u>352,259</u>	<u>487,259</u>
Net change in fund balance	317,000	211,000	1,633,372	1,422,372
Fund balance, beginning of year	<u>2,038,277</u>	<u>2,038,277</u>	<u>2,038,277</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,355,277</u>	<u>\$ 2,249,277</u>	<u>\$ 3,671,649</u>	<u>\$ 1,422,372</u>

Town of Yucca Valley
Nonmajor Capital Projects Funds
For the year ended June 30, 2008

The Capital Projects Funds are 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).

Capital Projects Reserve – Established to maintain a capital projects reserve for the purpose of providing funding for the planning, construction, repair and rehabilitation of the Town's capital assets.

**Town of Yucca Valley
Balance Sheet
Nonmajor Capital Projects Fund
June 30, 2008**

	<u>Capital Projects Reserve</u>
ASSETS	
Cash and investments	\$ 1,079,377
Note receivable	<u>350,000</u>
Total assets	<u><u>\$ 1,429,377</u></u>
 LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	<u>\$ -</u>
Total liabilities	<u>-</u>
Fund balance:	
Reserved:	
Note receivable	350,000
Unreserved:	
Designated for special projects	<u>1,079,377</u>
Total fund balances	<u>1,429,377</u>
Total liabilities and fund balance	<u><u>\$ 1,429,377</u></u>

Town of Yucca Valley
Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Fund
For the year ended June 30, 2008

	<u>Capital Projects Reserve</u>
REVENUES	
Miscellaneous	<u>\$ 61,388</u>
Total revenues	<u>61,388</u>
EXPENDITURES	
Total expenditures	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>61,388</u>
OTHER FINANCING SOURCES (USES)	
Transfers out	<u>(127,500)</u>
Total other financing sources (uses)	<u>(127,500)</u>
Net change in fund balance	(66,112)
Fund balance, beginning of year	<u>1,495,489</u>
Fund balance, end of year	<u><u>\$ 1,429,377</u></u>

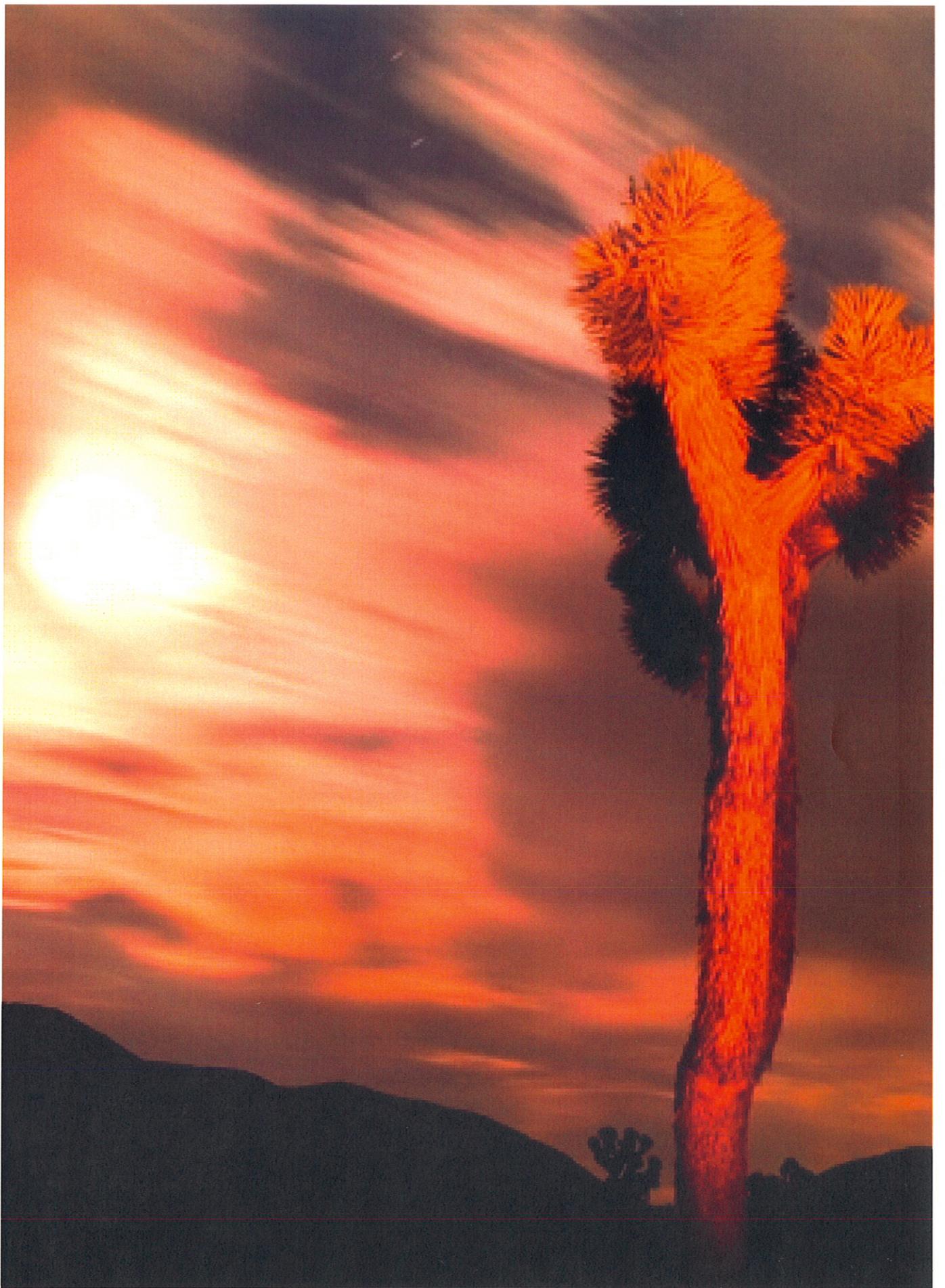
Town of Yucca Valley
Capital Projects Reserve Capital Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
For the year ended June 30, 2008

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Miscellaneous	\$ -	\$ 61,388	\$ 61,388
Total revenues	-	61,388	61,388
EXPENDITURES			
Current:			
Community development	450,000	-	450,000
Total expenditures	450,000	-	450,000
Excess of revenues over (under) expenditures	(450,000)	61,388	511,388
OTHER FINANCING SOURCES (USES)			
Transfers out	(127,500)	(127,500)	-
Total other financing sources (uses)	(127,500)	(127,500)	-
Net change in fund balance	(577,500)	(66,112)	511,388
Fund balance, beginning of year	1,495,489	1,495,489	-
Fund balance, end of year	<u>\$ 917,989</u>	<u>\$ 1,429,377</u>	<u>\$ 511,388</u>

Town of Yucca Valley
Fiduciary Funds
Statement of Changes in Fiduciary Assets and Liabilities
For the year ended June 30, 2008

	Beginning balance	Additions	Reductions	Ending balance
ASSETS				
Cash and investments	\$ 854,178	\$ 692,373	\$ 390,972	\$ 1,155,579
Accounts receivable	59,294	2,566	59,294	2,566
Total assets	<u>\$ 913,472</u>	<u>\$ 694,939</u>	<u>\$ 450,266</u>	<u>\$ 1,158,145</u>
LIABILITIES				
Accounts payable	\$ 21,749	\$ 371,211	\$ 349,215	\$ 43,745
Deposits	891,723	323,728	101,051	1,114,400
Total liabilities	<u>\$ 913,472</u>	<u>\$ 694,939</u>	<u>\$ 450,266</u>	<u>\$ 1,158,145</u>





STATISTICAL SECTION



**Town of Yucca Valley
Statistical Section
Year Ended June 30, 2008**

Overview of Statistical Information Presented in Five Categories

Financial Trend Information: Intended to assist users in understanding and assessing how a government's financial position has changed over time.

Revenue Capacity Information: Intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own revenue.

Debt Capacity Information: Intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

Demographic and Economic Information: Intended to assist users in understanding the socioeconomic environment within which a government operates and to provide information that facilitates comparison of financial statement information over time and among governments.

Operating Information: Intended to provide information amount a government's operations and resources in order to assist readers in using financial statement information to understand and assess a government's economic condition.

**Town of Yucca Valley
Net Assets by Component
Last Four Fiscal Years
(accrual basis of accounting)**

	Fiscal Year			
	2005	2006	2007	2008
Governmental activities:				
Invested in capital assets, net of related debt	\$ 28,417,781	\$28,557,712	\$ 32,093,731	\$15,486,748
Restricted	3,075,726	3,233,997	3,701,001	10,364,881
Unrestricted	8,268,787	8,913,720	11,443,892	7,606,595
 Total governmental activities net assets	 <u>\$ 39,762,294</u>	 <u>\$40,705,429</u>	 <u>\$ 47,238,624</u>	 <u>\$33,458,224</u>
 Primary government:				
Invested in capital assets, net of related debt	\$ 28,417,781	\$28,557,712	\$ 32,093,731	\$15,486,748
Restricted	3,075,726	3,233,997	3,701,001	10,364,881
Unrestricted	8,268,787	8,913,720	11,443,892	7,606,595
 Total primary government net assets	 <u>\$ 39,762,294</u>	 <u>\$40,705,429</u>	 <u>\$ 47,238,624</u>	 <u>\$33,458,224</u>

The Town of Yucca Valley has elected to show only four years of data for this schedule.

**Town of Yucca Valley
Change in Net Assets
Last Four Fiscal Years
(accrual basis of accounting)**

	Fiscal Year			
	2005	2006	2007	2008
Expenses:				
Governmental activities:				
General government	\$ 1,509,399	\$ 1,875,001	\$ 1,700,382	\$2,366,009
Public safety	2,742,738	3,001,568	3,711,665	4,036,107
Parks and recreation	1,175,688	1,040,235	1,235,369	1,295,429
Public works	2,783,043	3,885,289	4,387,109	3,326,374
Community development	1,631,991	2,232,448	1,561,046	2,813,886
Interest on long-term debt	380,976	463,163	333,449	488,468
Total governmental activities expenses	<u>10,223,835</u>	<u>12,497,704</u>	<u>12,929,020</u>	<u>14,326,273</u>
Total primary government expenses	<u>10,223,835</u>	<u>12,497,704</u>	<u>12,929,020</u>	<u>14,326,273</u>
Program revenues:				
Governmental activities:				
Charges for services:				
General government	19,841	128,352	104,172	39,273
Public safety	97,667	34,490	103,419	130,496
Parks and recreation	234,847	221,876	207,246	223,666
Public works	912,236	787,240	523,170	156,967
Community development	32,957	64,018	28,137	349,452
Capital grants and contributions	-	-	342,216	1,831,563
Operating grants and contributions	<u>3,268,150</u>	<u>2,910,993</u>	<u>3,369,479</u>	<u>2,465,909</u>
Total governmental activities program revenues	<u>4,565,698</u>	<u>4,146,969</u>	<u>4,677,839</u>	<u>5,197,326</u>
Total primary government program revenues	<u>4,565,698</u>	<u>4,146,969</u>	<u>4,677,839</u>	<u>5,197,326</u>
Net revenues (expenses):				
Total net revenues (expenses)	<u>\$ (5,658,137)</u>	<u>\$ (8,350,735)</u>	<u>\$ (8,251,181)</u>	<u>\$ (9,128,947)</u>

The Town of Yucca Valley has elected to show only four years of data for this schedule.

**Town of Yucca Valley
Change in Net Assets
Last Four Fiscal Years
(accrual basis of accounting)**

	Fiscal Year			
	2005	2006	2007	2008
General revenues and other changes in net assets:				
Governmental activities:				
Taxes:				
Property tax levied for general purposes	\$ 2,604,745	\$ 3,264,007	\$ 4,185,302	\$ 7,161,622
Sales tax	2,747,900	2,958,865	3,290,412	3,170,306
Transient occupancy tax	139,997	129,968	133,612	164,056
Franchise tax	682,162	773,076	779,957	793,740
Motor vehicle in lieu, tax unrestricted	1,433,508	1,449,006	463,536	93,324
Unrestricted investment earnings	184,741	272,701	215,245	571,218
Other	279,329	161,247	1,669,034	124,199
Total governmental activities	<u>8,072,382</u>	<u>9,008,870</u>	<u>10,737,098</u>	<u>12,078,465</u>
Total primary government	<u>8,072,382</u>	<u>9,008,870</u>	<u>10,737,098</u>	<u>12,078,465</u>
Change in net assets				
Total primary government	<u>\$ 2,414,245</u>	<u>\$ 658,135</u>	<u>\$ 2,485,917</u>	<u>\$ 2,949,518</u>

The Town of Yucca Valley has elected to show only four years of data for this schedule.

Town of Yucca Valley
Fund Balances of Governmental Funds
Last Four Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
General fund:				
Reserved	\$ 407,143	\$ 187,334	\$ 31,043	\$ -
Unreserved	5,066,024	5,897,785	5,671,854	5,929,393
Total general fund	5,473,167	6,085,119	5,702,897	5,929,393
All other governmental funds:				
Reserved, reported in:				
Debt service fund	883,002	1,380,845	2,038,277	3,739,101
Other	486,363	731,507	1,057,115	1,696,897
Unreserved, reported in:				
Capital projects funds	1,825,829	1,543,723	2,852,038	7,879,820
Other	2,939,278	3,155,047	3,190,524	4,642,554
Total all other governmental funds	6,134,472	6,811,122	9,137,954	17,958,372
Total all governmental funds	\$11,607,639	\$ 12,896,241	\$ 14,840,851	\$ 23,887,765

The Town of Yucca Valley has elected to show only four years of data for this schedule.

Town of Yucca Valley
Changes in Fund Balances of Governmental Funds
Last Four Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
Revenues:				
Taxes	\$ 6,404,644	\$ 7,418,674	\$ 8,849,815	\$11,330,968
Licenses and permits	32,957	26,274	64,263	71,575
Intergovernmental	4,421,358	4,103,009	410,616	3,911,034
Charges for services	1,114,273	1,030,152	797,677	639,810
Fines, fees and forfeitures	183,275	181,339	4,460,436	394,293
Investment earnings	374,953	359,527	794,627	700,277
Miscellaneous	279,329	334,134	155,209	233,243
Total revenues	<u>12,810,789</u>	<u>13,453,109</u>	<u>15,532,643</u>	<u>17,281,200</u>
Expenditures:				
Current:				
General government	1,472,618	1,822,720	1,699,333	2,144,688
Public safety	2,728,025	2,986,498	3,703,982	4,066,649
Parks & recreation	1,287,939	979,038	1,563,853	1,286,589
Public works	2,707,617	3,541,152	1,219,835	3,602,888
Community development	1,562,653	2,191,775	3,797,852	1,993,089
Debt service:				
Principal retirement	229,438	245,312	219,638	303,255
Interest and fiscal charges	277,023	275,881	423,008	421,054
Bond issuance costs	-	-	-	326,398
Pass-through payments	269,326	334,131	460,532	826,797
Total expenditures	<u>10,534,639</u>	<u>12,376,507</u>	<u>13,088,033</u>	<u>14,971,407</u>
Excess (deficiency) of revenues over expenditures	<u>2,276,150</u>	<u>1,076,602</u>	<u>2,444,610</u>	<u>2,309,793</u>
Other financing sources (uses):				
Transfers in	1,252,396	759,482	2,308,853	5,810,777
Transfers out	(1,719,414)	(547,482)	(2,808,853)	(5,767,636)
Proceeds of loan				76,800
Refunded bond issuance	-	-	-	10,625,000
Bond discount	-	-	-	(121,957)
Payment to refunded bond escrow agent	-	-	-	(3,924,561)
Total other financing sources (uses)	<u>(467,018)</u>	<u>212,000</u>	<u>(500,000)</u>	<u>6,698,423</u>
Net change in fund balances	<u>\$ 1,809,132</u>	<u>\$ 1,288,602</u>	<u>\$ 1,944,610</u>	<u>\$ 9,008,216</u>
Debt service as a percentage of noncapital expenditures	4.8%	4.2%	4.9%	4.8%

The Town of Yucca Valley has elected to show only four years of data for this schedule.

Town of Yucca Valley
Assessed Value and Estimated Actual Value of Taxable Property
Last Four Fiscal Years

Fiscal Year Ended June 30,	Town			
	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value
2005	\$ 824,302,798	\$ 28,711,598	\$ 26,501,249	\$ 826,513,147
2006	959,832,493	29,560,629	26,619,795	962,773,327
2007	1,147,778,043	29,798,972	26,869,764	1,150,707,251
2008	1,280,109,208	30,099,850	27,243,364	1,282,965,694

Fiscal Year Ended June 30,	Redevelopment Agency				
	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Total Direct Tax Rate
2005	\$ 73,612,245	\$ 3,190,255	\$ 3,938,469	\$ 72,864,031	0.2940%
2006	106,616,663	1,886,038	3,915,720	104,586,981	0.3091%
2007	157,995,557	3,640,830	4,020,720	157,615,667	0.3288%
2008	208,732,359	8,555,832	4,118,520	213,169,671	0.3466%

Note:

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

Source: San Bernardino County Assessor's Office

The Town of Yucca Valley has elected to show only four years of data for this schedule.

Town of Yucca Valley
Direct and Overlapping Property Tax Rates
(Rate per \$100 of assessed value)
Last Four Fiscal Years

Town General fund Direct Rates

	Town Share of 1% Levy	Debt Rates	Total Town Rate	RDA Incremental Rate	Total Direct Rate
2005	0.1674%	0.0000%	0.1674%	1.0000%	0.2940%
2006	0.1674%	0.0000%	0.1674%	1.0000%	0.3091%
2007	0.1674%	0.0000%	0.1674%	1.0000%	0.3288%
2008	0.1674%	0.0000%	0.1674%	1.0000%	0.3466%

**Overlapping
Rates:**

	2005	2006	2007	2008	Outstanding Debt 6/30/08 (5)	Estimated Share of Overlapping Debt
Town of Yucca Valley	0.16764	0.16764	0.16764	0.16764	\$ 186,792	\$ 186,792
Copper Mountain	0.03995	0.03995	0.03995	0.03995	-	-
Community College	0.01023	0.01023	0.01023	0.01023	-	-
County Free Library	0.01023	0.01023	0.01023	0.01023	-	-
County General Fund	0.10539	0.10539	0.10539	0.10539	1,480,085,591	\$18,456,667
County Superintendent	0.00718	0.00718	0.00718	0.00718	-	-
ERAF	0.15949	0.15949	0.15949	0.15949	-	-
Flood Control Admin	0.00064	0.00064	0.00064	0.00064	-	-
Flood Control Zone 6	0.00853	0.00853	0.00853	0.00853	119,920,000	1,495,402
Hi-Des County Water	0.07007	0.07007	0.07007	0.07007	3,535,000	3,535,000
Hi-Des Hospital District	0.01339	0.01339	0.01339	0.01339	-	-
Mojave Desert RCD	0.00011	0.00011	0.00011	0.00011	-	-
Mojave Water Agency	0.00385	0.00385	0.00385	0.00385	-	-
Morongo Unified SD	0.19321	0.19321	0.19321	0.19321	-	-
Yucca Valley Fire	0.22031	0.22031	0.22031	0.22031	-	-
Total Prop 13 Rate	1.0000	1.0000	1.0000	1.0000		
Morongo Unified SD			0.05230	0.04040	30,250,000	15,676,458
Copper Mountain CC			0.01780	0.02480	19,339,587	10,022,354
Mojave Water Agency	0.10000	0.09000	0.08500	0.08500	21,290,000	1,390,663
Mojave Water Agency Land Only	0.11250	0.11250	0.11250	0.11250	33,315,000	24,293,965
Mojave Water Agency	0.05500	0.05500	0.05500	0.05500	-	-
Total Voter Approved Rate	0.26750	0.25750	0.32260	0.31770		
Total Direct and Overlapping Rate	1.26750	1.25750	1.32260	1.31770	\$1,707,921,970	\$75,057,301

Town of Yucca Valley
Direct and Overlapping Property Tax Rates
(Rate per \$100 of assessed value)
Last Four Fiscal Years
(continued)

Notes:

- 1) General fund tax rates are representative and based upon the direct and overlapping rates for the largest General Fund tax rate area (TRA) by net taxable value.
- 2) Total Direct Rate is the weighted average of all individual direct rates applied by the Town. The percentages presented in the columns above do not sum across rows.
- 3) RDA rate is based on the largest RDA tax rate (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values.
- 4) In 1978, California voters passes Prop 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- 5) Includes Town and Agency share; n/a – Information not available.

Source: San Bernardino County Assessor's Office & California Municipal Statistics, Inc.

The Town of Yucca Valley has elected to show only four years of data for this schedule.

**Town of Yucca Valley
Principal Property Tax Payers
Current Year**

Taxpayer	Fiscal Year 2008	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
1 Wal Mart Real Estate Business Trust	\$11,542,942	1.20%
2 California Valley Associates	7,156,816	0.83%
3 Katherine Brush	4,231,220	0.49%
4 Robert J. Ruehman	4,091,760	0.48%
5 Apache Mobilehome Park Assn	3,659,971	0.43%
6 Susan Sandelman Trust	3,464,500	0.40%
7 John Brooks & Company	3,307,924	0.39%
8 DYC Hotel LLC	3,060,000	0.36%
9 Palasades Grp Limited Partnership	3,000,000	0.35%
10 Cheryl F. Miller	4,064,403	0.34%
	<u>\$47,579,536</u>	<u>5.27%</u>

The amounts shown above include assessed value data for both the Town and the Redevelopment Agency.

Source: HdL Coren & Cone
San Bernardino County Assessor

The Town of Yucca Valley has elected to show only one year of data for this schedule.

**Town of Yucca Valley
Property Tax Levies and Collections
Last Three Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for Fiscal Year	Collected within the Fiscal Year of Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2006	\$3,151,522	\$3,264,007	103.57%	-	\$3,264,007	103.57%
2007	3,976,038	4,185,302	105.26%	-	4,185,302	105.26%
2008	4,703,100	5,402,385	114.86%	-	5,402,385	114.86%

Note :

The amounts presented include Town property taxes and Redevelopment Agency tax increment. This schedule also includes amounts collected by the Town and Redevelopment Agency that were passed-through to other agencies.

Source: San Bernardino County Auditory Controller's Office

The Town of Yucca Valley has elected to show only three years of data for this schedule.

**Town of Yucca Valley
Ratios of Outstanding Debt by Type
Last Four Fiscal Years**

Fiscal Year Ended June 30,	Tax Allocation Bonds	General Obligation Bonds	Loans	Total Governmental Activities	% of Personal Income
2005	\$ 4,090,000	\$ 741,231	\$ -	\$ 4,831,231	1.37%
2006	3,985,000	574,855	120,328	4,680,183	1.17%
2007	3,880,000	464,454	116,091	4,460,545	1.03%
2008	10,625,000	318,043	186,792	11,129,835	2.58%

Notes: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

The Town of Yucca Valley has elected to show only four years of data for this schedule.

Town of Yucca Valley
Ratio of General Bonded Debt Outstanding
Last Four Fiscal Years

Fiscal Year Ended June 30,	Outstanding General Bonded Debt			Percent of Assessed Value (1)	Per Capita
	General Obligation Bonds	Tax Allocation Bonds	Total		
2005	\$ 741,231	\$ 4,090,000	\$ 4,831,231	0.50%	241
2006	574,855	3,985,100	4,559,955	0.47%	222
2007	464,454	3,880,000	4,344,454	0.38%	206
2008	318,043	10,625,000	10,943,043	0.73%	514

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which the Town has none).

Note:

1. Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

The Town of Yucca Valley has elected to show only four years of data for this schedule.

**Town of Yucca Valley
Legal Debt Margin Information
Last Four Fiscal Years**

	Fiscal Year			
	2005	2006	2007	2008
Assessed valuation	\$ 899,377,178	\$1,067,360,308	\$1,308,322,950	\$1,488,885,770
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	224,844,295	266,840,077	327,080,738	372,221,443
Debt limit percentage	15%	15%	15%	15%
Debt limit	33,726,644	40,026,012	49,062,111	55,833,216
Total net debt applicable to limit: general obligation bonds	<u>741,231</u>	<u>574,855</u>	<u>464,454</u>	<u>318,043</u>
Legal debt margin	<u>\$ 32,985,413</u>	<u>\$ 39,451,157</u>	<u>\$ 48,597,657</u>	<u>\$ 55,515,173</u>
Total debt applicable to the limit as a percentage of debt limit	2.20%	1.44%	0.95%	0.57%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: Town Finance Department
San Bernardino County Tax Assessor's Office

The Town of Yucca Valley has elected to show only four years of data for this schedule.

**Town of Yucca Valley
Pledged-Revenue Coverage
Last Four Fiscal Years
(In Thousands)**

Fiscal Year Ended June 30,	Tax Allocation Bonds				Coverage
	Tax Increment	Debt Service			
		Principal	Interest		
2005	\$ 872,715	\$ 100,000	\$ 257,070	2.44x	
2006	1,302,884	105,000	256,750	3.60x	
2007	1,810,698	105,000	249,038	5.11x	
2008	2,523,287	165,000	610,787	3.25x	

Notes: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

The Town of Yucca Valley has elected to show only four years of data for his schedule.

**Town of Yucca Valley
Demographic and Economic Statistics
Last Three Calendar Years**

Calendar Year	Population (1)	Aggregate Personal Income (2)	Per Capita Personal Income (2)	Unemployment Rate (2)
2005	19,774	\$ 353,000,000	\$ 17,852	5.30%
2006	20,537	400,000,000	19,477	5.00%
2007	21,044	432,000,000	20,528	5.60%
2008	21,268	432,000,000(3)	20,312	8.20% (4)

Sources: (1) State Department of Finance
(2) Inland Empire Quarterly
(3) Current Year n/a; prior year used
(4) Inland Empire Regional Rate; Town rate n/a

The Town of Yucca Valley has elected to show only four years of data for this schedule.

**Town of Yucca Valley
Principal Employers
Last Two Calendar Years**

Employer	Fiscal Year		Current Year % Total Employment
	2007 Number of Employees	2008 Number of Employees	
Morongo Unified School District	340	389	N/A
Wal-Mart	269	297	N/A
Braswell Family Senior Care	201	196	N/A
San Bernardino County	155	133	N/A
Stater Bros.	147	186	N/A

N/A – Not available at this time
Source: YV Chamber of Commerce

The Town of Yucca Valley has elected to show only two years of data for this schedule.

**Town of Yucca Valley
Employment Trends and Other Miscellaneous Information
Last Four Fiscal Years**

Employment Trends

Function	2005	2006	2007	2008
General government	16	15	15	14
Public works	15	15	18	20
Community development	9	16	17	16
Community services	44	40	36	35
Total	<u>84</u>	<u>86</u>	<u>86</u>	<u>85</u>

Date Incorporated November 27, 1991

Type of Municipality General Law

Form of Government Council – Town Manager

Area 39 Square Miles

Source: Town of Yucca Valley

The Town of Yucca Valley has elected to show only four years of data for this schedule.

**Town of Yucca Valley
Operating Indicators by Function
Last Four Fiscal Years**

Function	2005	2006	2007	2008
Animal control:				
Calls for service	8,848	9,168	19,114	22,476
Animal licenses issued	1,507	1,409	1,200	1,475
Community development:				
Building permits issued	1,264	1,139	885	143
Plan checks	647	599	325	13
Public works:				
Newly paved streets	-	15	-	-
Street resurfacing (miles)	1.0	4.20	2.512	3.16
Parks and recreation:				
Number of recreation classes	1,100	1,300	1,250	1,193
Number of facility rentals	372	384	397	379

Source: Town of Yucca Valley

The Town of Yucca Valley has elected to show only four years of data for this schedule.

**Town of Yucca Valley
Capital Asset Statistics
by Function
Last Four Fiscal Years**

<u>Function</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Public works:				
Streets (miles)	153.3	153.3	168.3	168.3
Traffic signals (1)	-	-	-	-
Parks and recreation:				
Parks	8	8	8	8
Community centers	1	1	1	1

Source: Town of Yucca Valley

Note:

1. Traffic signals have been restated to correctly reflect State ownership as part of the State highway.

The Town of Yucca Valley has elected to show only four years of data for this schedule.

