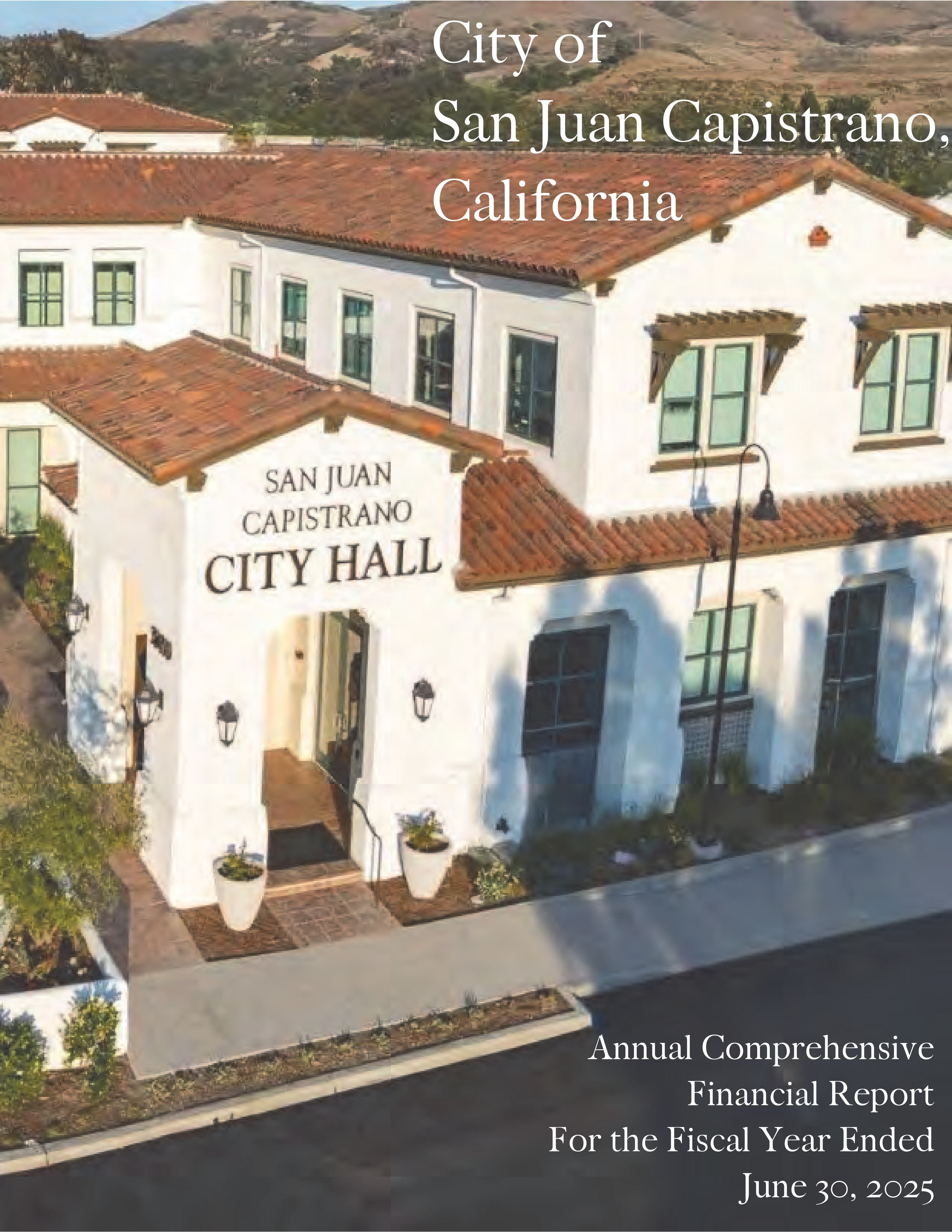
City of San Juan Capistrano, California



Annual Comprehensive
Financial Report
For the Fiscal Year Ended
June 30, 2025

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA

Annual Comprehensive Financial Report

For the Year Ended June 30, 2025

Prepared by Finance Department

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CITY OF SAN JUAN CAPISTRANO, CALIFORNIA

Annual Comprehensive Financial Report

For the Year Ended June 30, 2025

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INTRODUCTORY SECTION

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SAN JUAN CAPISTRANO, CA 92675
(949) 493-1171
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www.sanjuancapistrano.org

February 19, 2026

To the Honorable Mayor and Members of the City Council:

It is a pleasure to present the Fiscal Year 2024-25 Annual Comprehensive Financial Report (ACFR) of the City of San Juan Capistrano. These financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. Responsibility for accuracy of the data, the completeness and reliability of the presentation, including all disclosures, rests with City management.

To provide sufficient reliable information for the preparation of the City's financial statements, City staff has established a comprehensive internal control framework designed to minimize the risk of error or misstatement, as well as the risk of loss, theft, or misuse of City assets. Because the cost of internal controls should not exceed their benefits, the City's internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

The City's financial statements have been audited by LSL, LLP, certified public accountants. The independent audit firm concluded, based on their audit, that there was a reasonable basis for rendering an unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2025. This means, in the auditors' opinion, the City's financial statements fairly present the City's financial position in accordance with generally accepted accounting principles.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides narrative information, overview and analysis of the basic financial statements.

Profile of San Juan Capistrano

San Juan Capistrano is a general law City incorporated in 1961. The City is located in the southeastern portion of Orange County, approximately 62 miles south of the City of Los Angeles and 65 miles north of the City of San Diego. The City occupies a land area of 14.4 square miles with a population of 35,329 people as of January 1, 2025. The City receives property taxes that are levied on both real and personal property located within its boundaries. Increases in property tax rates are subject to state legal restrictions and voter approval. The City is empowered by state statute to extend its corporate limits by annexation, which has occurred periodically in the past when deemed appropriate by the governing council.

The City is governed by a five-member City Council under the council-manager form of government. The City Council is elected with staggered four-year terms, and the positions of Mayor and Mayor Pro-Tem are selected annually by a majority vote of the City Council members. Each councilmember must reside in one of the five districts and is elected solely by the voters of that district. The City Council appoints the City Manager, who in turn appoints the heads of the various departments.

During the 2024-25 Fiscal Year, the City provided a range of municipal services that included, but was not limited to: public works, planning and zoning services, park and recreation services and development services. The City contracted with the Orange County Sheriff's Department for police services. Fire services were provided to the community by the Orange County Fire Authority under the taxing authority of the Orange County Structural Fire Fund.

The City is financially accountable for two other legally separate entities, the San Juan Capistrano Housing Authority and the San Juan Capistrano Public Financing Authority. The former San Juan Capistrano Community Redevelopment Agency (CRA) was dissolved on February 1, 2012, in accordance with the statewide dissolution of all redevelopment agencies that took effect at that time. Upon the dissolution of the CRA, its assets and liabilities were transferred to the Successor Agency to the CRA (Successor Agency). The City is obligated to report the resources and activities of the Successor Agency in a separate private purpose trust fund, which is also included in these financial statements. All uses of the resources of the Successor Agency must be approved by the Orange Countywide Oversight Board, comprised of members appointed by various taxing entities, and by the California Department of Finance ("DOF"). Additional information for all these legally separate entities can be found in Note 1 to the basic financial statements.

To manage its finances, the City Council adopts an annual budget prior to the beginning of the fiscal year. The budget is organized by fund (e.g., General Fund), department (e.g., Development Services) and division (e.g., Athletic Programs). The legal level of budgetary control is at the fund and department level. The Successor Agency does not adopt a budget because the amounts paid out of the Successor Agency Private Purpose Trust Fund can only be used to pay those enforceable obligations that have been approved by the DOF. Payments associated with these enforceable obligations are approved annually by the DOF through the submission of a Recognized Obligation Payment Schedule.

Local Economy

Property tax revenue (which includes property tax revenue received in-lieu of motor vehicle fees) represents 38% of General Fund revenues. Since its incorporation, San Juan Capistrano has had a strong and well-diversified property tax base that continues on an upward trend. The assessed valuation of property in the city has grown 66% over the past ten years. In 2024-25, a limited supply of homes available for purchase combined with the desirability of living in San Juan Capistrano contributed to a 6.7% increase in the assessed valuation of property within the city and a 5.7% increase in the City's property tax revenue.

San Juan Capistrano is home to approximately 2,000 businesses. Major industries include retail trade companies such as Costco Wholesale, various auto dealerships, restaurants, tourism, local shops, food manufacturers and entities engaged in financial, construction and agricultural businesses. Job openings have steadily increased in line with business growth in the city. San Juan Capistrano's unemployment rate has typically been below that of State and national levels. The City's unemployment rate was 3.2% as of December 2025. In comparison, Orange County's unemployment rate was 3.9% and the State's unemployment rate was 5.5% as of December 2025. The three largest employers in the city are the Capistrano Unified School District, St. Margaret's Episcopal School and Costco Wholesale. The City's largest employer, Capistrano Unified School District (CUSD), is the second largest school district in Orange County and eighth largest in California. St. Margaret's Episcopal School, the City's second largest employer, is a college preparatory school that was founded in 1979. It serves 1,200 students and employs approximately 400 employees. Costco Wholesale, the City's third largest employer with approximately 340 employees, is a membership warehouse club that provides a wide variety of merchandise and services. The services available at the San Juan Capistrano facility include a fueling station, a car wash, a food court, an optical department, a tire service center and a pharmacy.

Sales tax revenue represents 29% of General Fund revenues. The City has a diverse sales tax base. The City's Top 100 sales tax producers include various industries such as new and used automobile dealerships, gasoline service stations, restaurants, general retail and construction. After a slow start in the first quarter, San Juan Capistrano outperformed most Orange County cities, primarily as a result of the opening of the River Street Marketplace in the second quarter of the fiscal year and the continued success of the city's new car dealerships. San Juan Capistrano's sales tax revenue generated from merchant sales from July through September 2024 was 0.4% lower than the same period of the prior fiscal year. The City's revenue from October through December 2024 was 5.5% higher than the same period of the prior fiscal year. Sales tax revenue from January through March 2025 was 5.8% higher than the same period of the prior fiscal year. Sales tax revenue from April through June 2025 was 3.8% higher than the same period of the prior fiscal year. Overall, sales tax revenue of the City increased 2.7% from Fiscal Year 2023-24 to Fiscal Year 2024-25.

The City's three hotels are performing at a high level, contributing a combined $2.3 million annually to the General Fund.

Other Relevant Financial Information

With an annual operating budget of $40 million, the City's General Fund (excluding those funds that are consolidated with the General Fund for ACFR reporting purposes) is strong, holding a fund balance of $31.0 million, including funds committed to various capital projects.

Summary of Current Year Accomplishments

Significant progress was made on several key initiatives of the City. In Fiscal Year 2024-25, the City:

- Completed construction of the permanent supportive housing project that includes a new City Hall facility
- Purchased property on Don Juan Avenue to be used for affordable housing
- Completed citywide rehabilitation of local residential streets
- Completed construction of the Windmill Passive Park
- Completed construction of the Skatepark

- Completed construction of the Calle Arroyo Traffic Signal Project
- Completed the Sports Park Improvement Project
- Completed Los Rios District Improvements, including paving Los Rios parking lot
- Renovated Serra Park
- Renovated Acu Park
- Began construction of La Novia East Park in partnership with The Ecology Center
- Completed fee study

Future Work Plan Initiatives and Accomplishments

City work plan goals for Fiscal Year 2025-26 and 2026-27 include the following:

- Begin work on citywide refurbishment of arterial streets
- Complete construction of La Novia East Park
- Development and implementation of new permitting system
- Complete parking study
- Complete the Arguello Way Beautification Project
- Construct monument signs on Ortega Highway and Camino Capistrano
- Continue storm drain refurbishments
- Complete bridge assessment study
- Continue design work for La Novia bridge replacement project
- Construct new Veterans Park memorial monument
- Complete gymnasium renovation project

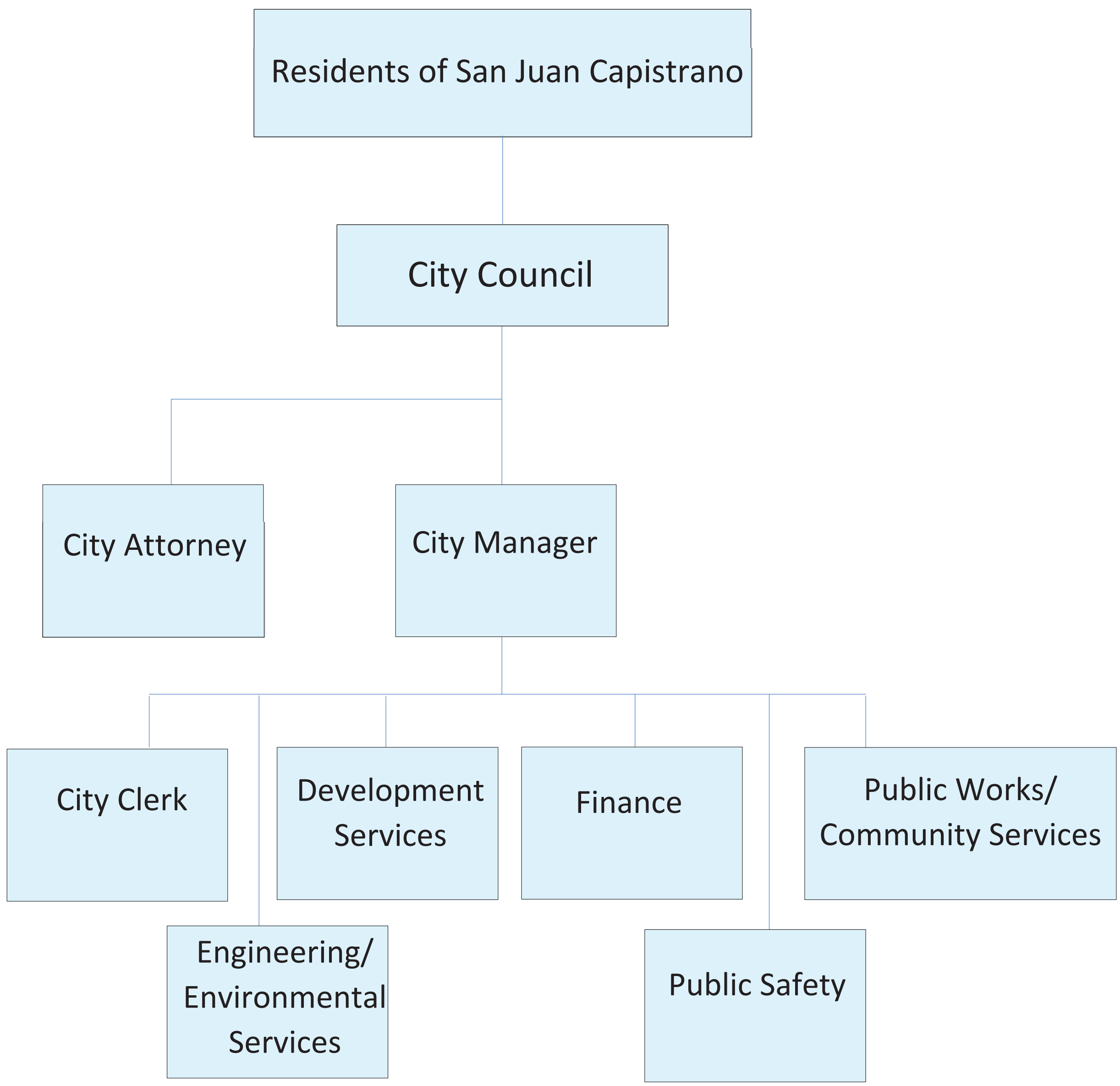
Acknowledgements

I would like to thank the members of the City Council for their leadership and the City's Executive Team for their commitment to maintain the highest standards of professionalism in managing the City's operations and finances. Also, the preparation of this report would not have been possible without the dedicated services of the entire staff of the City's Finance Department, as well as the City's independent auditors, LSL, LLP.

Respectfully submitted,

Benjamin Siegel
City Manager

City of San Juan Capistrano Organizational Chart



CITY OF SAN JUAN CAPISTRANO
CITY OFFICIALS

CITY COUNCIL

John Campbell, Mayor
John Taylor, Mayor Pro Tem
Troy A. Bourne, Council Member
Sergio Farias, Council Member
Howard Hart, Council Member

COMMISSIONS & COMMITTEES

Cultural Heritage Commission
Design Review Committee
Parks, Equestrian and Community Services Commission
Planning Commission

EXECUTIVE TEAM

Benjamin Siegel, City Manager
Jeff Ballinger, City Attorney
Matisse Reischl, Assistant City Manager
Shelley Velez, Human Resources Manager
Christy Jakl, City Clerk
Jeremy Hohnbaum, Engineering & Environmental Services Director
Joel Rojas, Development Services Director
Ken Al-Imam, Chief Financial Officer/City Treasurer
OCSD Captain Justin Montano, Chief of Police Services
OCFA Division Chief Cheyne Maule, Chief of Fire Services

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of San Juan Capistrano, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of San Juan Capistrano, California, (hereafter, the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Honorable Mayor and Members of the City Council
City of San Juan Capistrano, California

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

To the Honorable Mayor and Members of the City Council
City of San Juan Capistrano, California

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

LSL, LLP

Irvine, California
February 19, 2026

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MANAGEMENT’S DISCUSSION AND ANALYSIS

As management of the City of San Juan Capistrano (City), we offer readers of the City’s financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. Please read it in conjunction with the accompanying transmittal letter at the front of this report, and the basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources as of June 30, 2025, by $219.9 million. This amount is referred to as the net position of the City. Of this amount, $36.6 million is unrestricted net position and may be used at the discretion of City Council to meet the City’s ongoing responsibilities to residents and creditors.

- During fiscal year 2024-25, the City’s overall net position increased by $6.4 million primarily as a result of higher than expected City revenues, especially with respect to property taxes, sales taxes and investment income and departments ending the year with expenditures under budget.

- The City’s total long-term liabilities include bonds payable net of unamortized bond premiums, capital leases, claims and judgments payable, compensated absences payable, net pension liability and total other post-employment benefit liability. Total long-term liabilities decreased by $4.2 million, or 9.1%, from the prior year, primarily due to scheduled principal payments applied to outstanding debt.

- As of June 30, 2025, the City’s governmental funds (the General Fund, Special Revenue, Debt Service and Capital Projects funds) reported combined ending fund balances of $68.1 million. Governmental fund expenditures and other financing uses exceeded revenues and other financing sources by $11.7 million during fiscal year 2024-25, primarily as a result of a significant investment of current financial resources in the capital assets of the City, totaling $24.3 million, including a citywide refurbishment of the local residential street system of the City. Of the $68.1 million combined ending fund balances at June 30, 2025, $24.4 million is categorized as unassigned, $4.9 million is categorized as assigned, $38.6 million is categorized as restricted, and $138,254 is categorized as non-spendable. More detailed information regarding these amounts can be found in Note 13 in the Notes to Basic Financial Statements.

- The combined $29.5 million of assigned and unassigned fund balance of the General Fund represented 68.9% of total General Fund expenditures. For purposes of the Basic Financial Statements, the General Fund includes other funds that hold unrestricted resources available to support General Fund programs.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also consists of supplementary information in addition to the basic financial statements.

Government-wide financial statements. The g*overnment-wide financial statements* are designed to provide readers with a broad overview of the City’s finances, in a manner similar to a private-sector business. There are two government-wide financial statements: the Statement of Net Position and the Statement of Activities. They present information for the government as a whole and present a longer-term view of the City’s finances. These two statements help to answer the question: “Is the City as a whole better off or worse off as a result of this year’s activities?”

The S*tatement of Net Position* presents information on all the City’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The S*tatement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statement distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities)*. The governmental activities of the City include general government, public safety, development services, community services, and public works. The business-type activities of the City include housing activities.

Government-wide financial statements. The government-wide financial statements include not only the City itself (known as the *primary government*), but also two other legally separate entities: the San Juan Capistrano Housing Authority ("Authority") and the San Juan Capistrano Public Financing Authority ("SJCPFA"), a joint powers authority formed by the City to assist in the financing and refinancing of capital improvements. The City is financially accountable for these two legally separate entities, which are referred to as blended component units. The Housing Authority and SJCPFA function for all practical purposes as an integral part of the City, and therefore, these component units have been included in the accompanying financial statements as a part of the primary government.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds*.* *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances on spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains various individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the: General Fund, Housing In-Lieu Fund, Other Grants Fund, Developer Impact Fees Fund, and General City Capital Projects Fund, all of which are considered major funds. Data from other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these other governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual budget for all its governmental and proprietary funds. Annual appropriations are approved prior to the beginning of the year. A budgetary comparison schedule has been provided for each of the governmental funds to demonstrate compliance with this budget. The definition of the General Fund for purposes of these audited financial statements is different than for budgetary purposes. For budgeting purposes, the following funds are separated from the General Fund: Successor Agency/Housing Authority Administration Fund, Farm Operations Fund, Parking Maintenance Fund, Eastern Open Space Fund, Public Benefit Contributions Fund, Developer Deposits Fund, and Deposits Fund. However, these funds have been combined into the General Fund for these financial statements.

***Proprietary funds**.* The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its housing operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance activities, vehicles, information systems, support services and facilities.

Proprietary funds provide the same type of informational date as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the housing operations of the City, which is considered to be a major fund of the City. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

Fiduciary funds**.** Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City utilizes one private-purpose trust fund to account for the assets, liabilities, and activities of the Successor Agency to the dissolved Community Redevelopment Agency.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's budgetary policies and supplementary information on the City's defined benefit plans.The combining statements referred to earlier in connection with other governmental funds and internal service funds are presented immediately following the required supplementary information as supplementary information. The City's supplementary information section also presents combining statements for the following: the General Fund, the Internal Service Funds, and the Fiduciary Funds.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City (primary government), assets and deferred outflows exceeded liabilities by $219.9 million as of June 30, 2025. In comparison, net position was $212.3 million as of June 30, 2024. The primary reason for the increase in net position was the excess of revenues over expenses for the year ended June 30, 2025.

The largest portion of the City's net position at June 30, 2025, ($143.0 million or 65.0% of total net position), reflects its investment in capital assets (e.g., land, infrastructure, buildings, improvements, machinery and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt and capital-related payables, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional $40.3 million of the City's net position is restricted net position, representing resources that are subject to external restrictions or enabling legislation on how they may be used. Significant components of restricted net positions of the City's primary government is as follows: 1) debt service ($4.9 million); 2) capital projects ($20.8 million); and 3) public facilities and community development projects ($14.6 million).

The remaining $36.6 million is unrestricted net position, which may be used at the discretion of City Council to meet the government's ongoing obligations to citizens and creditors. Unrestricted net position decreased $14.9 million, or 28.9%, from June 30, 2025. The primary reason for the decrease in unrestricted net position was the investment of unrestricted net position in capital assets of the City.

A summary of the government-wide *Statement of Net Position* follows:

CITY OF SAN JUAN CAPISTRANO
NET POSITION AT YEAR END

	Governmental Activities		Business-type Activities		Totals		
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**% Change**
Current and other assets	$ 98,960,372	$ 117,163,718	$ 15,387,455	$ 15,107,841	$ 114,347,827	$ 132,271,559	-13.6%
Capital assets, net	161,672,074	137,830,652	3,823,506	3,921,144	165,495,580	141,751,796	16.8%
Total assets	**260,632,446**	**254,994,370**	**19,210,961**	**19,028,985**	**279,843,407**	**274,023,355**	**2.1%**
Deferred outflows of resources	5,703,403	12,925,874	-	-	5,703,403	12,925,874	-55.9%
Long-term liabilities	41,964,983	46,143,682	-	-	41,964,983	46,143,682	-9.1%
Other liabilities	8,865,937	8,151,028	99,960	88,407	8,965,897	8,239,435	8.8%
Total liabilities	**50,830,920**	**54,294,710**	**99,960**	**88,407**	**50,930,880**	**54,383,117**	**-6.3%**
Deferred inflows of resources	14,722,177	20,297,204	-	-	14,722,177	20,297,204	-27.5%
Net position:							
Net investment in capital assets	139,199,674	114,346,072	3,823,506	3,921,144	143,023,180	118,267,216	20.9%
Restricted	38,575,270	41,177,783	1,699,778	1,333,973	40,275,048	42,511,756	-5.3%
Unrestricted	23,007,808	37,804,475	13,587,717	13,685,461	36,595,525	51,489,936	-28.9%
Total net position	**$ 200,782,752**	**$ 193,328,330**	**$ 19,111,001**	**$ 18,940,578**	**$ 219,893,753**	**$ 212,268,908**	**3.6%**

At the end of the current fiscal year, the City's overall net position increased by $7.6 million, a 3.6% increase over that of the prior year. This is a combination of an increase of $7.5 million from governmental activities and an increase of $170,423 from business-type activities. The increase in net position of governmental activities was due to revenues exceeding expenses for the year ended June 30, 2025. Business-type activities increased by $170,423 primarily due to the normal operations of the City's Housing Authority.

A summary of the government-wide *Statement of Activities* follows:

CITY OF SAN JUAN CAPISTRANO
CHANGE IN NET POSITION

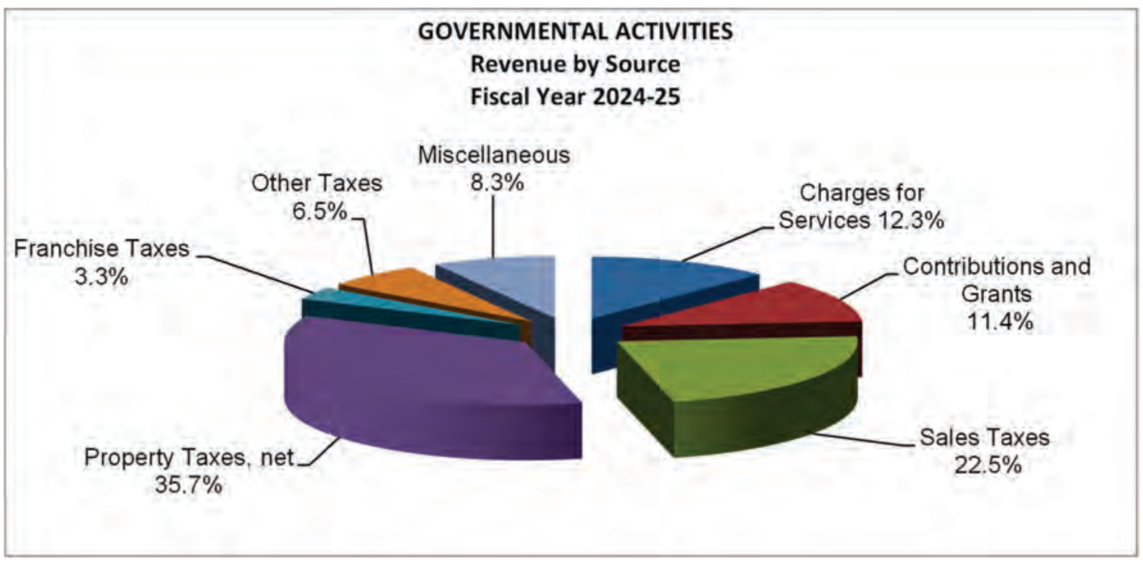
	Governmental Activities		Business-type Activities		Totals		
	2025	2024	2025	2024	2025	2024	% Change
Revenues:							
Program Revenues:							
Charges for services	$ 6,826,497	$ 7,586,951	$ 415,765	$ 354,619	$ 7,242,262	$ 7,941,570	-8.8%
Operating grants and contributions	5,008,553	4,878,717	-	-	5,008,553	4,878,717	2.7%
Capital grants and contributions	1,321,750	148,665	-	-	1,321,750	148,665	789.1%
General revenues:							
Taxes:							
Sales tax	12,452,704	12,128,727	-	-	12,452,704	12,128,727	2.7%
Property taxes	19,777,189	18,707,046	-	-	19,777,189	18,707,046	5.7%
Franchise tax	1,809,553	1,880,842	-	-	1,809,553	1,880,842	-3.8%
Other taxes	3,586,776	3,134,023	-	-	3,586,776	3,134,023	14.4%
Investment income, unrestricted	2,913,708	3,957,592	246,688	236,835	3,160,396	4,194,427	-24.7%
Miscellaneous	1,674,579	553,593	-	-	1,674,579	553,593	202.5%
Total revenues	**55,371,309**	**52,976,156**	**662,453**	**591,454**	**56,033,762**	**53,567,610**	**4.6%**
Expenses:							
General government	6,811,142	7,016,222	-	-	6,811,142	7,016,222	-2.9%
Public safety	14,773,866	13,308,759	-	-	14,773,866	13,308,759	11.0%
Development services	5,793,089	4,470,541	-	-	5,793,089	4,470,541	29.6%
Community services	-	2,668,360	-	-	-	2,668,360	-100.0%
Public works	-	10,961,382	-	-	-	10,961,382	-100.0%
Public works and community services	17,997,910	-	-	-	17,997,910	-	**
Engineering and environmental services	2,888,975	-	-	-	2,888,975	-	**
Interest and fiscal charges	899,523	888,840	-	-	899,523	888,840	1.2%
Housing Authority	-	-	492,030	431,421	492,030	431,421	14.0%
Total expenses	**49,164,505**	**39,314,104**	**492,030**	**431,421**	**49,656,535**	**39,745,525**	**24.9%**
Change in Net Position	**6,206,804**	**13,662,052**	**170,423**	**160,033**	**6,377,227**	**13,822,085**	**-53.9%**
Net position, beginning of year, as restated	194,575,948	179,666,278	18,940,578	18,780,545	213,516,526	198,446,823	**7.6%**
Net position, end of year	**$ 200,782,752**	**$ 193,328,330**	**$ 19,111,001**	**$ 18,940,578**	**$ 219,893,753**	**$ 212,268,908**	**3.6%**

Governmental activities

During Fiscal Year 2024-25, the City's revenues from governmental activities increased by $2.4 million or 4.5% in comparison to the prior fiscal year, primarily due to an increase in operating contributions and taxes, especially property taxes:

GOVERNMENTAL ACTIVITIES
Revenue by Source

REVENUE SOURCE	Fiscal Year 2024-25	Percent of Total	Increase (Decrease) From 2023-24	Percent Increase (Decrease)
Charges for Services	$ 6,826,497	12.3%	$ (760,454)	-10.0%
Contributions and Grants	6,330,303	11.4%	1,302,921	25.9%
Sales Taxes	12,452,704	22.5%	323,977	2.7%
Property Taxes, net	19,777,189	35.7%	1,070,143	5.7%
Franchise Taxes	1,809,553	3.3%	(71,289)	-3.8%
Other Taxes	3,586,776	6.5%	452,753	14.4%
Miscellaneous	4,588,287	8.3%	77,102	1.7%
TOTAL REVENUES	**$ 55,371,309**	**100.0%**	**$ 2,395,153**	**4.5%**

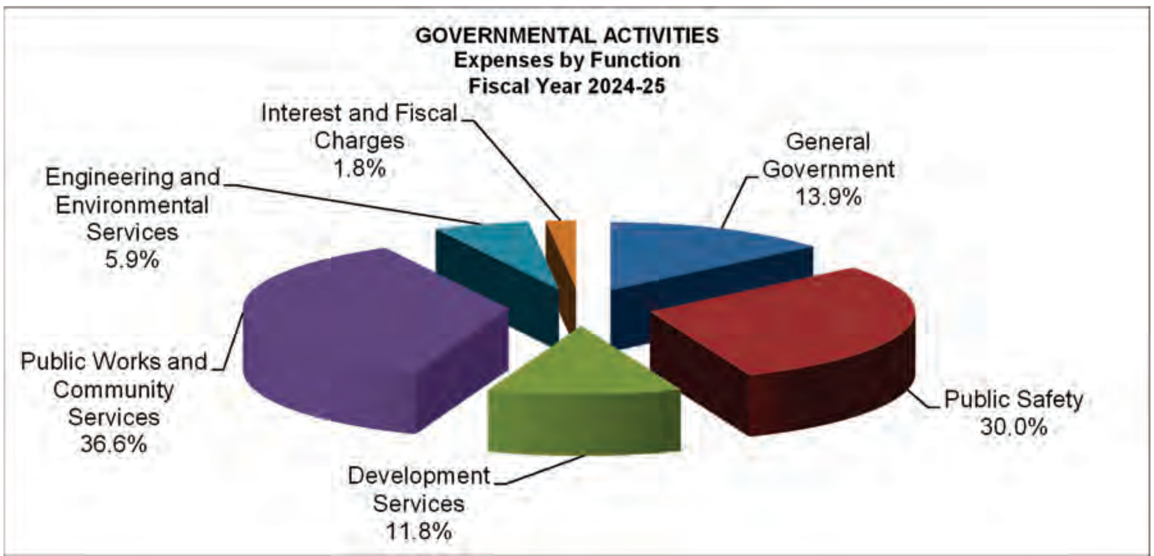


Property taxes increased by $1.1 million, or 5.7%, due to an increase in property values. A dwindling supply of homes available for purchase and the desirability of living in San Juan Capistrano contributed to the increase in property values. Sales taxes increased by $0.3 million, or 2.7%, due to the success of its restaurants, retail stores and car dealerships, and the opening of a downtown retail center (River Street Marketplace) that has boosted retail sales in the city and contributed to the status of the city's downtown as a major destination for shoppers and tourists.

The cost of all governmental activities during fiscal year 2024-25 was $49.2 million. The following table summarizes and presents governmental activities expenses by function and percentages for the fiscal year ended June 30, 2025, along with the percentage changes from the prior year:

GOVERNMENTAL ACTIVITIES
Expenses by Function

FUNCTION		Fiscal Year 2024-25	Percent of Total		Increase (Decrease) From 2023-24	Percent Increase (Decrease)
General Government	$	6,811,142	13.9%	$	(205,080)	-2.9%
Public Safety		14,773,866	30.0%		1,465,107	11.0%
Development Services		5,793,089	11.8%		1,322,548	29.6%
Public Works and Community Services		17,997,910	36.6%		4,368,168	32.0%
Engineering and Environmental Services		2,888,975	5.9%		2,888,975	**
Interest and Fiscal Charges		899,523	1.8%		10,683	1.2%
TOTAL EXPENSES	**$**	**49,164,505**	**100.0%**	**$**	**9,850,401**	**25.1%**



Expenses (including depreciation and amortization) associated with governmental activities increased overall by $9.9 million, or 25.1%, from the previous fiscal year. The increase in engineering and environmental services is due to its breakout as a separate department in 2024-25. The increase in public works and community services was primarily due to the consolidation of public works and community services into a single department, vendor costs increasing due to supply chain pricing impacts and an increase in maintenance expenditures.

Business-type activities

During the current fiscal year, net position for business-type activities increased by $170,423 from the prior fiscal year due to normal operating results of the City's Housing Authority. Information regarding the operational results of the proprietary funds reported as business-type activities can be found below in the section below called Financial Analysis of the City's Funds.

FINANCIAL ANALYSIS OF THE CITY'S FUND FINANCIAL STATEMENTS

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

Governmental funds:

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spending* resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary spending, as this category of fund balance represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

At June 30, 2025, the City's governmental funds reported combined fund balanes of $68.1 million. Approximately $24.4 million consisted of unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, or assigned to indicate that it is: 1) not in spendable form ($138,254), 2) legally required to be spent on specific uses or maintained intact through federal, state or local law or contractual obligation ($38.6 million), or 3) assigned for a particular purpose ($4.9 million). Refer to Note 13 in the Notes to Basic Financial Statements for more detailed information regarding nonspendable, restricted, assigned, and unassigned fund balances of the City.

***General Fund**.* The General Fund in the Basic Financial Statements includes the City's chief operating fund and seven other funds that are used to account for activities in the administration of the Successor Agency and Housing Authority, farm operations, parking maintenance, eastern open space operations, public benefit contributions, developer deposits and other deposits. As of June 30, 2025, the total fund balance of the General Fund was $30.5 million, a decrease of $7.6 million, or 20%, from the fund balance of the previous year. This is a result of transfers out of the General Fund to fund significant capital projects prioritized by the City Council, in particular a citywide refurbishment of all of the local residential streets of the city.

	2025	2024	$ Change	% Change
Nonspendable	$ 138,254	$ 135,094	$ 3,160	2.3%
Restricted	907,921	1,126,301	(218,380)	-19.4%
Assigned	9,209,952	9,761,819	(551,867)	-5.7%
Unassigned - contingency reserve	20,252,798	27,129,580	(6,876,782)	-25.3%
Total	**$ 30,508,925**	**$ 38,152,794**	**$ (7,643,869)**	**-20.0%**

The General Fund's restricted fund balance in the amount of $0.9 million includes amounts received from certain developers that are restricted under the terms of the development agreements to be used only for capital facilities.

The City's discretionary fund balance (assigned and unassigned amounts) includes reserves for cash flow, economic uncertainty, capital projects, and other contingencies. The City's discretionary fund balance at June 30, 2025, was $29.5 million, or 96.6% of total General Fund balance.

The components of fund balance with the largest change was unassigned fund balance, which decreased by $6.9 million primarily due to expenditures pertaining to the citywide local streets rehabilitation project.

Additional information on the City's General Fund balance can be found in Note 13 in the Notes to the Basic Financial Statements.

***Housing In-Lieu Fund**.* As of June 30, 2025, the Housing In-Lieu Fund reported a restricted fund balance of $10.8 million that was restricted for affordable housing, essentially unchanged from that of the prior fiscal year.

Developer Impact Fees Capital Projects Fund. As of June 30, 2025, the Developer Impact Fees Capital Projects Fund reported a restricted fund balance of $15.2 million, which represents an decrease of $3.1 million, or 17.1%, from the prior fiscal year, primarily due to the expenditure of resources accumulated over a number of years for qualifying projects that took place in Fiscal Year 2024-25.

General City Capital Projects Fund. This fund had a substantial increase in expenditures, primarily due to the City's unprecedented investment in a multi-year major refurbishment of its entire street system.

Proprietary Funds:

The proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail.

Housing Authority Enterprise Fund. The Housing Authority Enterprise Fund's unrestricted net position was $13.6 million at the end of the year, of which $13.4 million was invested in long-term loans to affordable housing developers and were not available to fund the ongoing operations of the Authority. During the year ended June 30, 2025, net position increased by $170,423. Operating revenues in the Housing Authority Enterprise Fund increased by $61,146, or 17.2%, from the prior fiscal year due to higher occupancy for rented units. The Housing Authority Enterprise Fund's expenses increased by $60,609, or 14% primarily due to higher maintenance expenses.

Internal Service Funds. As of June 30, 2025, the net position increased by $6.6 million, a 40.7% increase over that of the prior year. This is a combination of an increase of $10.7 million in investments in capital assets, offset by a decrease of $4.1 million in unrestricted net position. The increase in net position was due to capital contributions to fund new City Hall construction, offset by a $304,803 reduction due to the implementation of GASB Statement No. 101.

GENERAL FUND BUDGETARY HIGHLIGHTS

In preparing the budget, the City attempts to estimate its revenues using realistic, but conservative, methods so as to budget its expenditure appropriations and activities in a prudent manner. As a result, the City Council adopts budget adjustments during the course of the fiscal year to reflect both changed priorities and availability of revenues to allow for the expansion of existing programs, if required.

For the year ended June 30, 2025, the General Fund reported a net decrease in fund balance of $7.6 million. Tax revenues exceeded budgeted amounts by $1.3 million, or 3.9%, primarily due to higher than expected growth in property and sales taxes. A dwindling supply of homes available for purchase and the desirability of living in San Juan Capistrano contributed to the increase in property values. Sales taxes increased by $0.3 million, or 2.7%, due to the success of its restaurants, retail stores and car dealerships, and the opening of a downtown retail center (River Street Marketplace) that has boosted retail sales in the city and contributed to the status of the city's downtown as a major destination for shoppers and tourists.

Expenditures, excluding transfers out, were less than final budgeted amounts, by $1.2 million. This was primarily due to general administration, legal services, public safety and public works and community services expenditures coming in less than the amount budgeted for those classifications.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets for its governmental activities and business-type activities as of June 30, 2025, amounted to $165.5 million, net of accumulated depreciation. This includes land, buildings, improvements, equipment, improvements other than buildings, infrastructure, subscriptions, and leased assets. The total net increase in capital assets was 23.7 million, or 16.8%, primarily due to ongoing infrastructure investment by the City and construction pertaining to the new city hall.

A summary of capital assets follows:

CAPITAL ASSETS
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Totals		
	2025	2024	2025	2024	2025	2024	% Change
Land	$ 61,023,331	$ 58,665,730	$ 784,008	$ 784,008	$ 61,807,339	$ 59,449,738	4.0%
Construction in progress	9,507,604	26,793,279	-	-	9,507,604	26,793,279	-64.5%
Buildings	17,284,962	1,524,444	3,039,498	3,137,136	20,324,460	4,661,580	336.0%
Improvements other than buildings	12,667,916	8,059,252	-	-	12,667,916	8,059,252	57.2%
Equipment, machinery and tools	487,563	292,391	-	-	487,563	292,391	66.8%
Infrastructure	59,309,552	41,040,704	-	-	59,309,552	41,040,704	44.5%
Subscriptions	889,445	858,328	-	-	889,445	858,328	3.6%
Lease assets	501,701	596,524	-	-	501,701	596,524.00	-15.9%
Totals	**$161,672,074**	**$137,830,652**	**$ 3,823,506**	**$ 3,921,144**	**$165,495,580**	**$141,751,796**	**16.8%**

Additional information regarding the City's capital assets can be found in Note 4 of the Notes to the Basic Financial Statements.

Long-term Debt

At the end of the current fiscal year, the City had long-term debt outstanding of $24.7 million. The City's total debt decreased by $0.5 million, or 1.9%, from the prior year, primarily due to scheduled principal payments applied to outstanding debt.

LONG-TERM LIABILITIES

	Governmental Activities		
	2025	2024	% Change
Direct borrowings and placements:			
Capital leases	$ 534,328	$ 623,533	-14.3%
Other debt:			
General obligation bonds, net	21,540,000	22,530,000	-4.4%
Other long-term liabilities:			
Subscriptions	666,254	616,863	8.0%
Compensated absences	2,004,456	1,464,318	36.9%
Totals	**$ 24,745,038**	**$ 25,234,714**	**-1.9%**

Additional information on the City's long-term debt can be found in Note 7 of the Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City continues to see increases in property tax revenue, sales tax revenue, and development revenue to levels exceeding those of prior years. In future budgets, the City plans to explore appropriate uses of these additional resources, including continued investment in public facilities and infrastructure.

The Fiscal Year 2025-26 Operating and Capital Improvement Budget reflects the City's commitment to the residents of San Juan Capistrano. A copy of the budget is available on the City's website.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer/City Treasurer, 32400 Paseo Adelanto, San Juan Capistrano, CA 92675.

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CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 69,983,555	$ 309,151	$ 70,292,706
Receivables (net of uncollectibles):			
Accounts	1,080,591	-	1,080,591
Taxes	3,108,007	-	3,108,007
Accrued interest	392,202	11,505	403,707
Due from other governments	1,435,568	-	1,435,568
Notes and loans	10,328,863	13,367,021	23,695,884
Leases	9,834,485	-	9,834,485
Prepaid costs	2,797,101	-	2,797,101
Restricted assets:			
Cash and investments	-	1,699,778	1,699,778
Capital assets (not being depreciated/amortized)	70,530,935	784,008	71,314,943
Capital assets (net of accumulated depreciation/amortization)	91,141,139	3,039,498	94,180,637
Total assets	**260,632,446**	**19,210,961**	**279,843,407**
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding	268,182	-	268,182
Pension-related	5,239,720	-	5,239,720
OPEB-related	195,501	-	195,501
Total deferred outflows of resources	**5,703,403**	**-**	**5,703,403**
LIABILITIES			
Accounts payable	5,896,093	23,257	5,919,350
Accrued liabilities	273,641	-	273,641
Accrued interest	348,450	-	348,450
Unearned revenue	348,578	37,675	386,253
Deposits payable	1,997,167	39,028	2,036,195
Due to other governments	2,008	-	2,008
Noncurrent liabilities:			
Due within one year:			
Total OPEB liability	92,658	-	92,658
Bonds, leases, subscriptions, and compensated absences	2,196,418	-	2,196,418
Due in more than one year:			
Net pension liability	14,600,316	-	14,600,316
Total OPEB liability	2,526,971	-	2,526,971
Bonds, leases, subscriptions, and compensated absences	22,548,620	-	22,548,620
Total liabilities	**50,830,920**	**99,960**	**50,930,880**
DEFERRED INFLOWS OF RESOURCES			
Pension-related	3,335,260	-	3,335,260
OPEB-related	1,755,939	-	1,755,939
Lease-related	9,630,978	-	9,630,978
Total deferred inflows of resources	**14,722,177**	**-**	**14,722,177**
NET POSITION			
Net investment in capital assets	139,199,674	3,823,506	143,023,180
Restricted for:			
Community development projects	96,301	-	96,301
Parks and recreation	214,090	-	214,090
Capital projects	20,823,267	-	20,823,267
Debt service	4,926,632	-	4,926,632
Public facilities	907,921	-	907,921
Housing authority affordable housing projects	11,607,059	1,699,778	13,306,837
Unrestricted	23,007,808	13,587,717	36,595,525
Total net position	**$ 200,782,752**	**$ 19,111,001**	**$ 219,893,753**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Activities
For the Year Ended June 30, 2025

		Program Revenues		
	Expenses	**Charges for Services**	**Operating Contributions and Grants**	**Capital Contributions and Grants**
Functions/Programs:				
Primary government:				
Governmental activities:				
General government	$ 6,811,142	$ 1,092,187	$ 1,339,327	$ -
Public safety	14,773,866	1,132,506	260,164	-
Development services	5,793,089	4,601,804	389,333	-
Public works & community services	17,997,910	-	3,019,729	1,321,750
Engineering & environmental services	2,888,975	-	-	-
Interest on long-term debt	899,523	-	-	-
Total governmental activities	**49,164,505**	**6,826,497**	**5,008,553**	**1,321,750**
Business-type activities:				
Housing Authority	492,030	415,765	-	-
Total business-type activities	**492,030**	**415,765**	**-**	**-**
Total primary government	**$ 49,656,535**	**$ 7,242,262**	**$ 5,008,553**	**$ 1,321,750**

General revenues:
General revenues:
Property taxes, levied for general purpose
Sales taxes
Transient occupancy taxes
Franchise taxes
Business licenses taxes
Other taxes
Use of money and property
Miscellaneous

Total general revenues

Change in net position

Net position-beginning, as previously reported

Restatements

Net position-beginning, as restated

Net position-ending

See Notes to Financial Statements.

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (4,379,628)	$ -	$ (4,379,628)
(13,381,196)	-	(13,381,196)
(801,952)	-	(801,952)
(13,656,431)	-	(13,656,431)
(2,888,975)	-	(2,888,975)
(899,523)	-	(899,523)
(36,007,705)	**-**	**(36,007,705)**
-	(76,265)	(76,265)
-	**(76,265)**	**(76,265)**
(36,007,705)	**(76,265)**	**(36,083,970)**
19,777,189	-	19,777,189
12,452,704	-	12,452,704
2,351,567	-	2,351,567
1,809,553	-	1,809,553
214,449	-	214,449
1,020,760	-	1,020,760
2,913,708	246,688	3,160,396
1,674,579	-	1,674,579
42,214,509	**246,688**	**42,461,197**
6,206,804	**170,423**	**6,377,227**
193,328,330	18,940,578	212,268,908
1,247,618	-	1,247,618
194,575,948	18,940,578	213,516,526
$ 200,782,752	**$ 19,111,001**	**$ 219,893,753**

See Notes to Financial Statements.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Balance Sheet
Governmental Funds
June 30, 2025

		Special Revenue Fund	Capital Projects Funds	
	General	**Housing In-Lieu**	**Developer Impact Fees Capital Projects**	**General City Capital Projects**
ASSETS				
Pooled cash and investments	$ 30,288,280	$ 4,742,371	$ 15,236,639	$ 2,768,639
Receivables:				
Accounts	932,650	-	-	-
Taxes	3,075,360	-	-	-
Accrued interest	392,202	-	-	-
Due from other governments	686,153	-	-	-
Leases	9,834,485	-	-	-
Notes and loans	-	10,328,863	-	-
Due from other funds	85,898	-	-	-
Prepaid costs	136,843	-	-	-
Total assets	**$ 45,431,871**	**$ 15,071,234**	**$ 15,236,639**	**$ 2,768,639**
LIABILITIES				
Accounts payable	$ 2,831,309	$ -	$ -	$ 1,320,081
Accrued liabilities	273,641	-	-	-
Retentions payable	-	-	-	1,267,973
Unearned revenues	124,212	-	-	-
Deposits payable	1,997,167	-	-	-
Due to other governments	2,008	-	-	-
Due to other funds	-	-	-	-
Total liabilities	**5,228,337**	**-**	**-**	**2,588,054**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	63,631	4,226,151	-	-
Deferred lease items	9,630,978	-	-	-
Total deferred inflows of resources	**9,694,609**	**4,226,151**	**-**	**-**
FUND BALANCES (DEFICITS)				
Nonspendable	138,254	-	-	-
Restricted	907,921	10,845,083	15,236,639	180,585
Assigned	4,936,281	-	-	-
Unassigned	24,526,469	-	-	-
Total fund balances (deficits)	**30,508,925**	**10,845,083**	**15,236,639**	**180,585**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 45,431,871**	**$ 15,071,234**	**$ 15,236,639**	**$ 2,768,639**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Balance Sheet
Governmental Funds
June 30, 2025

	Total Nonmajor Funds	Total Governmental Funds
ASSETS		
Pooled cash and investments	$ 11,213,451	$ 64,249,380
Receivables:		
Accounts	138,010	1,070,660
Taxes	32,647	3,108,007
Accrued interest	-	392,202
Due from other governments	798,571	1,484,724
Leases	-	9,834,485
Notes and loans	-	10,328,863
Due from other funds	-	85,898
Prepaid costs	-	136,843
Total assets	**$ 12,182,679**	**$ 90,691,062**
LIABILITIES		
Accounts payable	$ 47,770	$ 4,199,160
Accrued liabilities	-	273,641
Retentions payable	-	1,267,973
Unearned revenues	224,366	348,578
Deposits payable	-	1,997,167
Due to other governments	-	2,008
Due to other funds	85,898	85,898
Total liabilities	**358,034**	**8,174,425**
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues	511,537	4,801,319
Deferred lease items	-	9,630,978
Total deferred inflows of resources	**511,537**	**14,432,297**
FUND BALANCES (DEFICITS)		
Nonspendable	-	138,254
Restricted	11,405,042	38,575,270
Assigned	-	4,936,281
Unassigned	(91,934)	24,434,535
Total fund balances (deficits)	**11,313,108**	**68,084,340**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 12,182,679**	**$ 90,691,062**

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CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds		$ 68,084,340
Capital assets, net of accumulated depreciation/amortization, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		144,115,960
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings, and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the Statement of Net Position.		
Deferred outflows-pension related	$ 5,239,720	
Deferred outflows-OPEB related	195,501	
Deferred inflows-pension related	(3,335,260)	
Deferred inflows-OPEB related	(1,755,939)	
Total deferred outflows and inflows related to postemployment benefits		344,022
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either labeled unavailable or not reported in the funds.		
Miscellaneous revenues	4,801,319	
Total other long-term assets		4,801,319
Internal service funds provide services to other funds on a cost-reimbursement basis. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Activities.		22,798,913
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		
Bonds payable	(21,540,000)	
Leases and subscriptions payable	(527,848)	
Accrued interest payable on long-term debt	(342,191)	
Net pension liability	(14,600,316)	
Net OPEB liability	(2,619,629)	
Total long-term liabilities		(39,629,984)
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the Statement of Activities.		
Deferred amount on refunding	268,182	
Total premiums, discounts, and deferred items		268,182
Net position of governmental activities		**$ 200,782,752**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

		Special Revenue Fund	Capital Projects Funds	
	General	Housing In-Lieu	Developer Impact Fees Capital Projects	General City Capital Projects
REVENUES				
Taxes	$ 35,027,395	$ -	$ 580,540	$ -
Licenses, fees and permits	5,356,864	-	1,322,067	-
Intergovernmental	1,976,851	-	-	-
Fines and forfeitures	1,195,634	-	-	-
Interest and rental	2,922,201	209,270	788,242	-
Miscellaneous	1,805,548	-	-	-
Total revenues	**48,284,493**	**209,270**	**2,690,849**	**-**
EXPENDITURES				
Current:				
General government	6,620,453	-	-	-
Public safety	14,200,693	-	-	-
Development services	5,094,775	4,049	-	-
Public works and community services	14,039,916	-	-	-
Engineering and environmental services	2,741,203	-	-	-
Capital outlay	14,968	2,357,601	-	21,885,703
Debt service:				
Principal retirement	24,720	-	-	-
Interest and fiscal charges	54,046	-	-	-
Total expenditures	**42,790,774**	**2,361,650**	**-**	**21,885,703**
Excess (deficiency) of revenues over (under) expenditures	**5,493,719**	**(2,152,380)**	**2,690,849**	**(21,885,703)**
OTHER FINANCING SOURCES (USES)				
Transfers in	1,575,986	-	325,000	21,847,279
Transfers out	(16,265,995)	-	(6,163,195)	-
Total other financing sources (uses)	**(14,690,009)**	**-**	**(5,838,195)**	**21,847,279**
Net change in fund balances	**(9,196,290)**	**(2,152,380)**	**(3,147,346)**	**(38,424)**
Fund balances, beginning of year, as previously reported	38,152,794	12,997,463	18,383,985	219,009
Restatements	1,552,421	-	-	-
Fund balances, beginning of year, as restated	39,705,215	12,997,463	18,383,985	219,009
Fund balances, end of year	**$ 30,508,925**	**$ 10,845,083**	**$ 15,236,639**	**$ 180,585**

See Notes to Financial Statements.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	Total Nonmajor Funds	Total Governmental Funds
REVENUES		
Taxes	$ 3,008,761	$ 38,616,696
Licenses, fees and permits	310,592	6,989,523
Intergovernmental	2,840,386	4,817,237
Fines and forfeitures	-	1,195,634
Interest and rental	335,796	4,255,509
Miscellaneous	126	1,805,674
Total revenues	**6,495,661**	**57,680,273**
EXPENDITURES		
Current:		
General government	-	6,620,453
Public safety	143,769	14,344,462
Development services	532,078	5,630,902
Public works and community services	145,229	14,185,145
Engineering and environmental services	147,772	2,888,975
Capital outlay	-	24,258,272
Debt service:		
Principal retirement	990,000	1,014,720
Interest and fiscal charges	846,683	900,729
Total expenditures	**2,805,531**	**69,843,658**
Excess (deficiency) of revenues over (under) expenditures	**3,690,130**	**(12,163,385)**
OTHER FINANCING SOURCES (USES)		
Transfers in	-	23,748,265
Transfers out	(827,561)	(23,256,751)
Total other financing sources (uses)	**(827,561)**	**491,514**
Net change in fund balances	**2,862,569**	**(11,671,871)**
Fund balances, beginning of year, as previously reported	8,450,539	78,203,790
Restatements	-	1,552,421
Fund balances, beginning of year, as restated	8,450,539	79,756,211
Fund balances, end of year	**$ 11,313,108**	**$ 68,084,340**

See Notes to Financial Statements.

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CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Reconciliation of the Statement of Revenues, Expenses and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

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

Net change in fund balances - total governmental funds:		$ (11,671,871)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period, as well as the amount of capital assets transferred to internal service funds.		
Capital outlay	$ 24,102,529	
Depreciation/amortization expense	(3,420,428)	
Transfers of capital assets to internal service funds	(8,748,888)	
Total adjustment		11,933,213
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Earned but unavailable other revenues	(1,230,735)	
Total adjustment		(1,230,735)
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Amortization of deferred amounts on refunding	(17,634)	
Principal payments	1,049,624	
Total adjustment		1,031,990
Internal service funds provide services to other funds on a cost-reimbursement basis. The net revenue of certain activities of internal service funds is reported with governmental activities.		4,679,497
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Accrued interest on long-term debt	18,840	
Changes in pension liabilities and related deferred outflows and inflows of resources	1,283,193	
Changes in OPEB liabilities and related deferred outflows and inflows of resources	162,677	
Total adjustment		1,464,710
Change in net position of governmental activities		**$ 6,206,804**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-Type Activities	Governmental Activities
	Housing Authority	Internal Service Funds
ASSETS		
Current assets:		
Cash and investments	$ 309,151	$ 5,685,019
Receivables:		
Accounts	-	9,931
Accrued interest	11,505	-
Prepaid costs	-	2,871,576
Restricted:		
Cash and investments	1,699,778	-
Total current assets	2,020,434	8,566,526
Noncurrent:		
Notes and loans receivable	13,367,021	-
Capital assets - not being depreciated/amortized	784,008	325,735
Capital assets - net of accumulated depreciation/amortization	3,039,498	17,230,379
Total noncurrent assets	17,190,527	17,556,114
Total assets	**19,210,961**	**26,122,640**
LIABILITIES		
Current:		
Accounts payable	23,257	428,960
Accrued Interest	-	6,259
Unearned revenues	39,028	-
Deposits payable	37,675	-
Leases payable	-	6,480
Subscriptions payable	-	185,809
Accrued compensated absences	-	922,050
Total current liabilities	99,960	1,549,558
Noncurrent liabilities:		
Accrued compensated absences	-	1,082,406
Lease payable	-	-
Subscriptions payable	-	480,445
Total noncurrent liabilities	-	1,562,851
Total liabilities	**99,960**	**3,112,409**
NET POSITION		
Net investment in capital assets	3,823,506	16,883,380
Restricted for affordable housing projects	1,699,778	-
Unrestricted	13,587,717	6,126,851
Total net position	**$ 19,111,001**	**$ 23,010,231**

See Notes to Financial Statements.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities	Governmental Activities
	Housing Authority	**Internal Service Funds**
OPERATING REVENUES		
Service charges	$ 414,991	$ 8,326,264
Miscellaneous	774	15,750
Total operating revenues	**415,765**	**8,342,014**
OPERATING EXPENSES		
Administration and general	98,260	-
Maintenance and operations	296,082	2,699,136
Insurance and benefits	-	5,324,665
Depreciation/amortization expense	97,638	505,338
Legal services	50	-
Total operating expenses	**492,030**	**8,529,139**
Operating income (loss)	**(76,265)**	**(187,125)**
NONOPERATING REVENUES (EXPENSES)		
Interest revenue	246,688	222,337
Interest expense	-	(24,819)
Gain on sale of capital assets	-	13,000
Total nonoperating revenues (expenses)	**246,688**	**210,518**
Income (loss) before transfers	**170,423**	**23,393**
Capital Contributions	-	7,583,869
Transfers out	-	(491,514)
Change in net position	**170,423**	**7,115,748**
Beginning of fiscal year, as originally reported	18,940,578	16,199,286
Restatements	-	(304,803)
Beginning of fiscal year, as restated	18,940,578	15,894,483
Net position, end of fiscal year	**$ 19,111,001**	**$ 23,010,231**

See Notes to Financial Statements.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities	Governmental Activities
	Housing Authority	**Internal Service Funds**
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$ 426,938	$ 8,332,083
Payments to suppliers and service providers	(298,013)	(7,827,887)
Payments to employees for salaries and benefits	(95,999)	-
Net cash provided by (used for) operating activities	**32,926**	**504,196**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to other funds	-	(491,514)
Net cash provided by (used for) noncapital financing activities	**-**	**(491,514)**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	-	(3,435,505)
Principal paid on capital debt	-	(209,346)
Interest paid on capital debt	-	(18,567)
Proceeds from sales of assets	-	13,000
Net cash provided by (used for) capital and related financing activities	**-**	**(3,650,418)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	235,456	222,337
Leasing activities	(964,114)	-
Net cash provided by (used for) investing activities	**(728,658)**	**222,337**
Net increase (decrease) in cash and cash equivalents	**(695,732)**	**(3,415,399)**
Cash and cash equivalents-beginning	2,704,661	9,100,418
Cash and cash equivalents-ending	**$ 2,008,929**	**$ 5,685,019**

See Notes to Financial Statements.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities	Governmental Activities
	Housing Authority	**Internal Service Funds**
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION		
Cash and investments	$ 309,151	$ 5,685,019
Restricted cash and investments	1,699,778	-
Total cash and cash equivalents	**$ 2,008,929**	**$ 5,685,019**
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating income (loss)	$ (76,265)	$ (187,125)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation/amortization expense	97,638	505,338
(Increase) decrease in accounts receivable	-	(9,931)
(Increase) decrease in prepaid items	-	(258,485)
Increase (decrease) in accounts payable	(1,881)	219,064
Increase (decrease) in deposits payable	13,434	-
Increase (decrease) in compensated absences	-	235,335
Total adjustments	109,191	691,321
Net cash provided by (used for) operating activities	**$ 32,926**	**$ 504,196**
SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES		
Acquisition of subscription assets	$ -	$ 229,154

See Notes to Financial Statements.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Private Purpose Trust Fund
Assets:	
Pooled cash and investments	$ 1,968,085
Receivables:	
Notes and loans	2,123,927
Restricted assets:	
Cash and investments with fiscal agents	1,649,764
Total Assets	**5,741,776**
Liabilities:	
Accounts payable	15,176
Accrued interest	364,172
Long-term liabilities:	
Due in one year	1,530,000
Due in more than one year	14,775,874
Total Liabilities	**16,685,222**
Net Position:	
Restricted for individuals, organizations and other governments	6,522,175
Unrestricted	(17,465,621)
Total Net Position	**$ (10,943,446)**

See Notes to Financial Statements.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2025

	Private Purpose Trust Fund
Additions:	
Taxes	$ 2,439,248
Interest and change in fair value of investments	107,400
Total Additions	**2,546,648**
Deductions:	
Administrative expenses	126,177
Interest expense	893,266
Total Deductions	**1,019,443**
Changes in Net Position	**1,527,205**
Net Position - Beginning of the Year	(12,470,651)
Net Position - End of the Year	**$ (10,943,446)**

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NOTE 1: REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below.

A. Description of Reporting Entity

The reporting entity, the City of San Juan Capistrano (City), includes the financial activities of the City, the San Juan Capistrano Housing Authority (Authority), and the San Juan Capistrano Public Financing Authority (SJCPFA). The criteria used in determining the scope of the reporting entity are based on the provisions of Government Accounting Standards Board Statement No. 14. The City of San Juan Capistrano is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent upon the City (i.e. it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without the approval from the City). The Authority and SJCPFA are accounted for as "blended" component units of the City. Despite being legally separate, these entities are so intertwined with the City that they are in substance, part of the City's operations, which has created a financial burden/benefit relationship. Accordingly, the balances and transactions of these component units are reported within the funds of the City. Financial activity of the SJCPFA is reported in the Debt Service Fund and the activity of the Authority is reported as an Enterprise Fund. The specific criteria used in determining that the Authority and SJCPFA are blended component units is that the members of the City Council also act as the governing bodies of the Authority and the SJCPFA and that there is a financial burden/benefit relationship. Separate financial statements for each of the individual component units are not prepared except for the Authority for which financial statements may be obtained from the City.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The basic financial statements of the City are composed of the following:

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

1. Government-wide Financial Statements:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the reporting government as a whole, except for its fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government (including its blended component units) is reported separately from discretely presented component units for which the primary government is financially accountable. The City has no discretely presented component units.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and the Successor Agency of the San Juan Capistrano Redevelopment Agency (SACRA) Trust Fund fiduciary fund financial statements. Under the economic resources measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activity are included on their statements of net position. Operating statements present increases (revenues) and decreases (expenses) in total net position. 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 are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

NOTE 1: REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include charges to members, customers or applicants for goods, services, or privileges provided, operating grants and contributions, and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all the eligibility requirements have been satisfied.

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

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

2. Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, 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.

Separate financial statements for the City's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and other governmental funds in the aggregate for governmental and enterprise funds. Fiduciary statements, even though excluded from the government-wide financial statements, include financial information for the SACRA Trust Fund. Fiduciary funds of the City primarily represent assets held by the City in a custodial capacity for other individuals or organizations.

3. Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets, liabilities, and deferred inflows of resources are generally included on their balance sheets. The reported fund balance 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 fund balance.

Accordingly, the governmental fund financial statements are said to present a summary of sources and uses of "available spendable resources" during a period. Noncurrent portions of long-term receivables are reported on their balance sheets in spite of their spending measurement focus. However, special reporting treatments are used to indicate that they should not be considered "available spendable resources" since they do not represent available fund balance. Noncurrent portions of other long-term receivables are offset by deferred inflows of resources – unavailable revenue or fund balance generally classified as nonspendable, but may be required to be reported as restricted, committed, or assigned if the resources received from liquidating these assets is restricted, committed, or assigned for a specific purpose.

NOTE 1: REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Under the modified accrual basis of accounting, revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales tax. For sales tax purposes only, the City considers revenues to be available if they are collected within 90 days. Expenditures generally are recorded when a liability is incurred, except for principal and interest on long-term liabilities, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term liabilities are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, special assessments, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect fund balance, 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 another financing source rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

4. Proprietary Funds

Proprietary fund types are accounted for using the economic resources measurement focus and accrual basis of accounting. This means that all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or non-current) associated with the activity are included on the statement of net position. Their reported fund equity presents total net position. The operating statement of the proprietary funds present increases (revenues) and decreases (expenses) in total net position. Revenues are recognized when they are earned and expenses are recognized when the liability is incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Water Enterprise Fund, the Municipal Sewer Fund, and the Internal Service Funds are charges to customers for sales and services. The principal operating revenues of the Housing Authority Enterprise Fund are rental payments. Operating expenses for enterprise funds and 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 revenues and expenses.

The City’s internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the City’s governmental activities, the financial statements of the internal service fund are consolidated into the governmental activities column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government). The City uses the internal service funds to account for facilities operations and insurance and benefits.

5. Fiduciary Funds

Fiduciary fund financial statements include a statement of fiduciary net position and a statement of changes in fiduciary net position. The City’s SACRA Trust Fund is accounted for using the economic resources measurement focus and accrual basis of accounting.

NOTE 1: REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Classifications

The City reports the following major governmental funds:

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

The Housing In-Lieu Fund is used to account for proceeds of housing in-lieu development fees collected under Ordinance No. 767 to fund affordable housing opportunities.

The Developer Impact Fees Capital Projects Fund is used to account for revenues received and expenditures made for the development of new streets, parks, storm drains, and the preservation of agricultural lands. Financing is provided through developer impact fees collected under City ordinances.

The General City Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and bond proceeds). The City elected to present this fund as major fund for the year ended June 30, 2025.

The City reports the following major proprietary funds:

The Housing Authority Enterprise Fund is used to account for all resources associated with the operations and maintenance of the Authority's affordable housing program.

Additionally, the City reports the following fund types:

Capital Projects Funds are used to account for receipt and use of funds collected for capital projects.

Debt Service Funds are used to account for accumulation of resources for, and the payment of principal, interest, and related costs of the long-term debt.

Internal Service Funds are used to account for activities and services, which include facilities operations and insurance and benefits, performed for other organizational units within the City. Charges to other City departments are made to support these activities.

Fiduciary Funds
The City maintains a private-purpose trust fund, which is used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

The City reports the following fiduciary fund, which is excluded from the government-wide financial statements:

The Successor Agency to the San Juan Capistrano Community Redevelopment Agency (SACRA) Trust Fund is used to account for the activity of the dissolved San Juan Capistrano Community Redevelopment Agency in accordance with Assembly Bill X1 26.

NOTE 1: REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents. All cash of the Water Enterprise Fund, the Municipal Sewer Enterprise Fund, the Facilities Operations and the Insurance and Benefits Internal Service Funds are held in a City pool. All cash for the above four funds is considered cash and cash equivalents for purposes of the statement of cash flows.

E. Investments

Investments are recorded at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value represented by the external pool. Changes in fair value are allocated to each participating fund.

F. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Advances between funds, as reported in the fund financial statements, are offset by fund balance generally classified as nonspendable, but may be required to be reported as restricted, committed, or assigned if the resources received from liquidating these assets is restricted, committed, or assigned for a specific purpose.

G. Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.

H. Inventories

Inventories of the City, which consist mostly of water meters and spare parts, are stated at the lower of cost or market, using the first-in, first-out (FIFO) method under the consumption method.

I. Restricted Assets

Certain proceeds of the City’s water enterprise fund refunding bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

J. Capital Assets

Capital assets, which include property, plant, equipment, lease and subscription assets and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 to $50,000 depending upon the type of asset. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their acquisition value on the date donated.

NOTE 1: REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation/amortization is charged to operations using the straight-line method of depreciation over the following estimated useful lives:

Machinery and equipment	3 – 10 years
Buildings and building improvements	10 – 50 years
Sewer system	15 – 50 years
Water system	15 – 60 years
Infrastructure	10 – 50 years
Lease assets	10 – 50 years
Subscription assets	10 – 50 years

K. Long-term Obligations

In the government-wide financial statements, proprietary fund types and fiduciary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary and fiduciary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Issuance costs, whether or not withheld form the actual debt proceeds received, are reported as debt service expenditures. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Compensated Absences

Compensated absences (unpaid vacation, sick leave and compensatory time) are accrued and reported as a long-term liability. This liability is primarily funded from transfers from the General Fund to the Insurance and Benefits Internal Service Fund.

M. Claims and Judgments

When it is probable that a claim liability has been incurred at year-end, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any coverage from insurance or its participation in the joint power insurance authority. Small dollar claims and judgments are recorded as expenses when paid.

N. Property Taxes

Under California Law, property taxes are assessed and collected by the County of Orange on 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. The City accrues only those taxes which are levied for the year and are received within 60 days after year-end.

Lien date	January 1
Levy date	July 1
Due dates	November 1 – 1st installment
	February 1 – 2nd installment
Collection dates	December 10 – 1st installment
	April 10 – 2nd installment

NOTE 1: REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Net Position

The government-wide financial statements, proprietary fund statements and fiduciary fund statements utilize a net position presentation. Net position is classified in the following categories:

Net investment in capital assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt and other capital related liabilities that are attributed to the acquisition, construction, or improvement of the assets.

Restricted net position – This amount is restricted by enabling legislation (such as external creditors, grantors, contributors, or laws or regulations of other governments) and include unspent proceeds of bonds issued to acquire or construct capital assets.

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

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City’s practice to consider restricted net position to have been depleted before unrestricted net position is applied, unless otherwise directed by Council.

P. Fund Balances

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable – amounts that are not in a spendable form (such as prepaids and deposits and noncurrent notes receivable not offset by any corresponding deferred inflows of receivables, unavailable revenue) or are required to be maintained intact.

- Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government) through constitutional provisions or by enabling legislation.

- Committed – amounts constrained to specific purposes by a government itself, using the highest level of decision-making authority. The City Council is the highest level of decision-making authority that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

- Assigned – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The City Council delegated the authority to assign fund balances to the Chief Financial Officer.

- Unassigned – amounts that are for any purpose; positive amounts are reported only in a general fund. In other funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

NOTE 1: REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City Council establishes (and modifies or rescinds) fund balance commitments with the passage of a resolution. Amounts that are constrained by the City's Council's intent to be used for a specific purpose through a resolution, but are neither restricted nor committed, are classified as "Assigned Fund Balance" in accordance with the City's fund balance policy. When both restricted and unrestricted resources are available for use, restricted resources will be applied first, followed by (in order of application) committed, assigned, and unassigned resources, in accordance with the City's fund balance policy.

Q. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position and governmental funds balance sheet report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has the following items that qualify for reporting in this category reported in the government-wide and business-type activities statements of net position:

- Deferred loss on refunding reported in the government-wide and proprietary funds statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. These amounts are deferred and amortized over the life of the refunded debt.

- Deferred outflows related to pensions equal to employer contributions made after the measurement date of the net pension liability.

- Deferred outflows related to the pension plan resulting from changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plan.

- Deferred outflows related to pensions resulting from the net differences in projected and actual earnings on investments of the pension plan fiduciary net position. These amounts are amortized over five years.

- Deferred outflows from pensions and OPEB resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with OPEB through the plan.

In addition to liabilities, the statement of net position and governmental funds balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred inflows from unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from three sources: intergovernmental revenues, charges for services, and investment earnings. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

- Deferred inflows related to the pension plan for the changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions, which is reported in the government-wide and business-type activities statements of net position. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plan.

- Deferred inflows related to pensions resulting from the net differences in projected and actual earnings on investments of the pension plan fiduciary net position. These amounts are amortized over five years.

NOTE 1: REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Deferred inflows related to pensions and OPEB for differences between expected and actual experience and changes in assumptions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions or OPEB, respectively, through the plan.

- Deferred inflows related to leases resulting in agreements where the City operates as the lessor.

R. Pension Plan

For the purposes of measuring net pension liability, deferred outflows and inflows of resources related to pension, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the Orange County Employee Retirement System (OCERS) financial office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. OCERS' audited financial statements are publicly available reports that can be obtained at OCERS' website.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframe. For this report, the following timeframes are used.

Valuation Date (VD)	December 31, 2024
Measurement Date (MD)	December 31, 2024
Measurement Period (MP)	January 1, 2024 to December 31, 2024

S. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

T. New GASB Pronouncements Effective During Fiscal Year

The following Government Accounting Standards Board (GASB) pronouncement was effective for and implemented for the fiscal year ended June 30, 2025:

1. GASB Statement No. 101, Compensated Absences

The requirements of this Statement will improve financial reporting by implementing a unified recognition and measurement model that will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. Establishing the unified model will result in consistent application to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. This Statement will also result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

NOTE 1: REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. GASB Statement No. 102, Certain Risk Disclosures

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition.

Management has assessed the impact of this Statement on the City's financial statements and determined that it did not have a material impact.

NOTE 2: CASH AND INVESTMENTS

Cash and investments at June 30, 2025, are classified in the accompanying financial statements as follows:

	Government-Wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Unrestricted assets:			
Cash and investments:			
City	$ 70,292,706	$ -	$ 70,292,706
SACRA Trust Fund	-	1,968,085	1,968,085
Restricted assets:			
Cash and investments	1,699,778	-	1,699,778
Cash and investments with fiscal agents:			
SACRA Trust Fund	-	1,649,764	1,649,764
Total cash and investments	$ 71,992,484	$ 3,617,849	$ 75,610,333

Cash and investments at June 30, 2024 consisted of the following:

Cash on hand	$ 1,500
Deposits with financial institutions	17,717,575
Investments	57,891,258
	$ 75,610,333

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

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

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

Authorized Investment Type	Maximum Maturity*	Percentage of Portfolio*	Maximum Investment in One Issuer*
United States Treasury Bills, Bonds and	5 years	None	None
United States Government Sponsored Agency Securities	5 years	None	None
Securities issued by the State of California or local agencies within the	5 years	25%	3%
Negotiable Certificates of Deposit	5 years	30%	3%
Passbook Savings Account:			
Demand Deposit	N/A	5%	3%
Money Market Mutual Funds	N/A	20%	3%
Orange County Investment Pool	N/A	40%	None
Local Government Investment Pools	N/A	40%	None
Local Agency Investment Fund ("LAIF")	N/A	None	$75 million
Banker's	180 days	30%	3%
Commercial Paper	270 days	25%	3%
Medium-Term Notes	5 years	30%	3%
Supranational	5 years	15%	None
Asset backed	5 years	20%	3%

The weighted average maturity of the portfolio shall not exceed three years.

*Based on state law requirements or the City's investment policy requirements, whichever is more restrictive.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. Investments authorized for funds held by bond trustees include United States Treasury Obligations, United States Government Sponsored Agency Securities, Certificates of Deposits, Commercial Paper, Local Agency Bonds, Money Market Mutual Funds, Investment Agreements Contracts and Repurchase Agreements. There were no limitations on the maximum amount that can be invested in one issuer, maximum percentage allowed or the maximum maturity of an investment.

Interest Rate Risk

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

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

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

		Remaining Maturity (in Months)		
Investment Type	Total	12 Months or Less	13 to 36 Months	37 to 60 Months
U.S. Treasury obligations	$ 24,050,813	$ 20,954,334	$ 3,096,479	$ -
U.S. agency securities				
Federal Home Loan Bank (FHLB)	658,782	-	658,782	-
Federal National Mortgatge Association (FNMA)	497,592	497,592	-	-
Asset backed security	320,515	320,515	-	-
Collatorized Certificates of deposit	257,548	257,548	-	-
Medium-term notes	1,604,217	353,723	1,250,494	-
Money market mutual funds	552,506	552,506	-	-
Local Agency Investment Fund	29,949,285	29,949,285	-	-
Total	$ 57,891,258	$ 52,885,503	$ 5,005,755	$ -

Credit Risk

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

Investment Type		Total as of June 30, 2025	Minimum Legal Rating	S&P Rating	Moody's Rating
LAIF	State Pool	$ 29,949,285	None	Not Rated	Not Rated
US. Government Sponsored					
Agency Securities:					
FHLB	FHLB	658,782	None	AA+	Aa1
FNMA	FNMA	497,592	None	AA+	Aa1
U.S Treasury Notes	US Treasury	6,697,114	None	AA+	Aa1
U.S Treasury Notes	US Treasury	17,353,699	None	A-1+	P-1
Collateralized Certificates of Deposit	Collateralized CD	257,548	A	Not Rated	Not Rated
Medium Term Notes	Corporate	793,976	A	A	Aa3
Medium Term Notes	Corporate	408,464	A	A-	A1
Medium Term Notes	Corporate	401,777	A	A+	A2
Money Market Mututal Funds	Money Market Fund	552,506	None	AAAm	Aaa
Asset Backed Securities	ABS	320,515	AA	AAA	Aaa
		$ 57,891,258			

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The City's investment policy 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 that represented 3% or more of the City's total investments (other than U.S. Treasury and external investment pools) at the year ended June 30, 2025.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair 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 City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2025, none of the City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

Investment in State Investment Pool

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

Fair Value Measurements

The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices for similar assets in active markets, and Level 3 inputs are significant unobservable inputs.

All of the City's investments subject to classification within the fair value hierarchy are debt securities using Level 2 inputs. Valuation techniques used in determining fair value of the City's investments are primarily based on price data obtained from observed transactions and market price quotations provided by broker-dealers and pricing vendors used by the City's contracted investment manager.

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

The City has the following recurring fair value measurements as of June 30, 2025:

Investment Type	Observable Inputs Level 2	Total
U.S. Government Sponsored		
Agency Securities:		
FHLB	$ 658,782	$ 658,782
FNMA	497,592	497,592
U.S. Treasury Notes	24,050,813	24,050,813
Medium-Term Notes	1,604,217	1,604,217
Money Market Mututal Funds	552,506	552,506
Asset Backed Securities	320,515	320,515
	$ 27,684,425	27,684,425
LAIF		29,949,285
Collateralized Certificates of Deposit		257,548
Total Investment Portfolio		$ 57,891,258

NOTE 3: NOTES RECEIVABLE

Notes receivable at June 30, 2025, include the following:

	Total
Primary Government	
Housing in-lieu Fund:	
Groves Project Promissory Note	$ 4,857,896
Groves Land Promissory Note	4,149,453
Jamboree Land Promissory Note	1,321,514
Enterprise Funds:	
Senior Seasons Apartments II,L.P.	5,780,274
Seasons San Juan Capistrano AR, L.P.	1,757,832
Jamboree Project Project Promissory Note	4,965,784
Jamboree Promissory Note	863,131
Total Primary Government	23,695,884
Fiduciary Fund	
SACRA Trust Fund:	
26755 Verdugo, LLC	2,123,927
Total Fiduciary Fund	$ 2,123,927

NOTE 3: NOTES RECEIVABLE (CONTINUED)

A. Senior Seasons Apartments II, L.P.

The Former Community Redevelopment Agency agreed to loan $4,900,000, with an interest rate of 3% related to a disposition and development agreement dated November 6, 2006, and amended February 18, 2008. Under the agreement, the borrower agreed to acquire the site and construct and operate a housing project for low-income households. The loan amount is to be paid by the borrower annually in an amount equal to 50 percent of the residual receipts as defined in the agreement from operation of the housing project. Any remaining portion is due on the 55th anniversary of the date of the Former Community Redevelopment Agency's issuance of a certificate of occupancy of the project. This receivable was transferred to the Housing Authority by operation of law on February 1, 2012. At June 30, 2025, the total amount due of $5,780,274 included $4,019,769 in principal and $1,760,505 in interest, and is recorded in the Housing Authority Enterprise Fund.

B. Seasons San Juan Capistrano AR, L.P.

On November 1, 2016, the Housing Authority entered into an affordable housing loan agreement in the amount of $1,000,000, with an additional loan of $750,000 added on November 1, 2024. Under the agreement, the borrower agreed to acquire and rehabilitate an affordable housing apartment complex. The loan bears simple interest at a rate of 3% and is to be paid by the borrower annually in amounts equal to 50 percent of the housing project's residual operating receipts, as defined in the agreement. Any remaining portion is due forty years after the date of execution (November 1, 2056). As of June 30, 2025, the total amount due of $1,757,832 included $1,750,000 in principal and $7,832 in accrued interest and is recorded in the Housing Authority Enterprise Fund.

C. 26755 Verdugo, LLC

The Former Community Redevelopment Agency agreed to loan $1,698,000, with an interest rate of 2% related to an Owner Participation Agreement dated February 17, 2009, and amended March 15, 2011. Under the loan agreement, the borrower agreed to construct certain improvements as prescribed in the Owner Participation Agreement. This receivable was transferred to the Successor Agency by operation of law on February 1, 2012. At June 30, 2025, the total amount due of $2,123,927 included $1,698,000 in principal and $425,927 in interest, and is recorded in the SACRA Trust Fund.

D. San Juan Capistrano Groves, LP Project and Land Promissory Notes

On August 28, 2020, the City entered into two agreements with San Juan Capistrano Groves, LP in the amount of $4,800,000 and $4,100,000. Under the agreement, the borrower agreed to develop the land purchased from the City by constructing a new affordable senior living apartment community. The loans bear simple interest at a rate of 0.25% and is for a term of 55 years from the date on which the certificate of completion is issued. As of June 30, 2025, the total amount due is $4,857,896 and $4,149,453, respectively. This includes interest of $57,896 and $49,453 respectively.

E. Jamboree Housing Corporation Promissory Notes

On December 21, 2022, the City entered into three promissory notes with Paseo Adelanto Housing Partners, LP (Jamboree Housing Corporation) in the amount of $4,934,588, $1,313,212 and $1,000,000. Under the terms of the promissory notes, the borrower agreed to develop land purchased from the City by constructing fifty units of permanent supportive housing on the purchased land. The loans bear simple interest at a rate of 0.25% for a term of 55 years from the date on which senior construction loan financing converts to senior permanent loan financing. As of June 30, 2025, the total amount due is $4,965,784, $1,321,514 and $863,131, respectively. This includes interest of $31,196, $8,302 and $29,464, respectively.

NOTE 4: CAPITAL ASSETS

A summary of changes in the Governmental Activities capital assets at June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Governmental activities:					
Capital assets, not being depreciated/amortized					
Land	$ 58,665,730	$ 2,357,601	$ -	$ -	$ 61,023,331
Construction-in-progress	26,793,279	24,735,984	-	(42,021,659)	9,507,604
Total capital assets, not being depreciated/amortized	85,459,009	27,093,585	-	(42,021,659)	70,530,935
Capital assets, being depreciated/amortized					
Improvements other than buildings	25,193,763	115,675	-	6,013,989	31,323,427
Buildings and structures	11,404,283	14,566	-	16,105,565	27,524,414
Machinery and equipment	3,094,830	311,959	(509,369)	-	2,897,420
Infrastructure	82,213,248	2,249	-	19,902,105	102,117,602
Lease assets					
Buildings	367,714	-	-	-	367,714
Equipment and other	513,279	-	(78,990)	-	434,289
Subscriptions - software as a service	1,150,660	229,154	(20,361)	-	1,359,453
Total capital assets, being depreciated/amortized	123,937,777	673,603	(608,720)	42,021,659	166,024,319
Less accumulated depreciation/amortization					
Improvements other than buildings	(17,134,511)	(1,521,000)	-	-	(18,655,511)
Buildings and structures	(9,879,839)	(359,613)	-	-	(10,239,452)
Machinery and equipment	(2,802,439)	(116,787)	509,369	-	(2,409,857)
Infrastructure	(41,172,544)	(1,635,506)	-	-	(42,808,050)
Lease assets					
Buildings	(45,964)	(15,321)	-	-	(61,285)
Equipment and other	(238,505)	(79,502)	78,990	-	(239,017)
Subscriptions - software as a service	(292,332)	(198,037)	20,361	-	(470,008)
Total accumulated depreciation/amortization	(71,566,134)	(3,925,766)	608,720	-	(74,883,180)
Total capital assets, being depreciated/amortized, net	52,371,643	(3,252,163)	-	42,021,659	91,141,139
Total governmental activities capital assets	$ 137,830,652	$ 23,841,422	$ -	$ -	$ 161,672,074

Construction in progress in the governmental activities consists primarily of additions to infrastructure.

As summary of changes in the Business-type Activities capital assets at June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Business-type activities:					
Capital assets, not being depreciated/amortized					
Land					
Housing authority	$ 784,008	$ -	$ -	$ -	$ 784,008
Total capital assets, not being depreciated/amortized	784,008	-	-	-	784,008
Capital assets, being depreciated/amortized					
Buildings	4,878,900	-	-	-	4,878,900
Total capital assets, being depreciated/amortized	4,878,900	-	-	-	4,878,900
Less accumulated depreciation/amortization					
Buildings	(1,741,764)	(97,638)	-	-	(1,839,402)
Total accumulated depreciation/amortization	(1,741,764)	(97,638)	-	-	(1,839,402)
Total capital assets, being depreciated/amortized, net	3,137,136	(97,638)	-	-	3,039,498
Total business-type activities capital assets	$ 3,921,144	$ (97,638)	$ -	$ -	$ 3,823,506

NOTE 4: CAPITAL ASSETS (CONTINUED)

Depreciation/Amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Public safety	$ 16,239
Community services	1,223,985
Public works	2,180,204
Internal service funds	505,338
Total depreciation/amortization expense	$ 3,925,766
Business-type activities:	
Housing authority	$ 97,638
Total depreciation/amortization expense	$ 97,638

NOTE 5: INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Transfers to/from Other Funds

	Transfers In:			
Transfers Out:	General Fund	Developer Impact Fees Capital Projects Fund	General City Capital Projects	Total
General Fund	$ -	$ 325,000	$ 15,940,995	$ 16,265,995
Developer Impact Fees Capital Projects Fund	814,000	-	5,349,195	6,163,195
Internal Service Funds	-	-	491,514	491,514
Other Governmental Funds	761,986	-	65,575	827,561
Total	$ 1,575,986	$ 325,000	$ 21,847,279	$ 23,748,265

During the fiscal year ended June 30, 2025, the City made the following transfers based on authorization provided by the Fiscal Year 2024-2025 Amended Budget:

$761,986 was transferred from Non-Major Governmental Funds (Gas Tax Special Revenue Fund, AQMD Special Revenue Fund, Law Enforcement Grants Special Revenue Fund, and Street Grants Special Revenue Fund) and $814,000 from the Developer Impact Fees Capital Projects Fund to subsidize the following eligible General Fund expenditures: senior transportation program; street maintenance; law enforcement costs; and the trolley program.

$65,575 was transferred from Non-Major Governmental Funds (Gas Tax Special Revenue Fund, AQMD Special Revenue Fund, Law Enforcement Grants Special Revenue Fund, and Street Grants Special Revenue Fund) and $491,514 from the Internal Service Funds to the City’s General City Capital Projects Fund to provide funding for the City’s Fiscal Year 2024-25 Capital Improvement Program (CIP) projects.

$5,349,195 was transferred from the Developer Impact Fees Capital Projects Fund and $15,940,995 from the General Fund to the City’s General City Capital Projects Fund to provide funding for the City’s Fiscal Year 2024-25 Capital Improvement Program (CIP) projects.

The General Fund made short-term loans in the amount of $85,988 to various Non-Major Governmental Funds to cover cash deficits.

NOTE 6: LEASES RECEIVABLE AND DEFERRED INFLOWS RELATED TO LEASES

Lease Receivable

	Balance as of July 1, 2024	Additions	Reductions	Balance as of June 30, 2025
Buildings	$ 2,678,889	$ -	$ (154,619)	$ 2,524,270
Land	6,795,061	-	(248,154)	6,546,907
Land Improvements	818,392	-	(55,084)	763,308
Total Lease Receivable	$ 3,578,903	$ -	$ (457,857)	$ 9,834,485

Deferred Inflow of Resources

	Balance as of July 1, 2024	Additions	Reductions	Balance as of June 30, 2025
Buildings	$ 2,620,113	$ -	$ (212,814)	$ 2,407,299
Land	6,832,343	-	(344,343)	6,488,000
Land Improvements	791,865	-	(56,186)	735,679
Total Deferred Inflow of Resources	$ 3,613,242	$ -	$ (613,343)	$ 9,630,978

For the year June 30, 2025, the City had 10 active leases receivable. The leases have receipts that range from $8,000 to $413,596 and interest rates that range from 0.0833% to 3.9110%. As of June 30, 2025, the total combined value of the lease receivable is $9,834,485 and the combined value of the deferred inflow of resources is $9,630,978.

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for Governmental Activities except for advances for the year ended June 30, 2025:

	Balance July 1, 2024	Additions*	Deletions**	Balance June 30, 2025	Amount Due Within One Year
Bonds:					
General obligation bonds	$ 22,530,000	$ -	$ (990,000)	$ 21,540,000	$ 1,020,000
Total bonds payable	22,530,000	-	(990,000)	21,540,000	1,020,000
Other liabilities:					
Leases	623,533	-	(89,205)	534,328	68,559
Subscriptions	616,863	229,156	(179,765)	666,254	185,809
Compensated absences	1,464,318	304,803	235,335	2,004,456	922,050
Total other liabilities	2,704,714	533,959	(33,635)	3,205,038	1,176,418
Grand Total	$ 25,234,714	$ 533,959	$ (1,023,635)	$ 24,745,038	$ 2,196,418

* - Additions for compensated absences represent adjustments to beginning balance made related to GASB 101
** - Deletions for compensated absences presented as net change

The City’s legal debt margin is $1,688,422,945 for the fiscal year ended June 30, 2025.

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

A. General Obligation Bonds

	Amount
2017 Series A General Obligation Bonds	
On February 16, 2017, the City issued $28,905,000 Series A 2017 General Obligation Bonds to provide funds to defease the remaining $26,410,000 of the 2009A General Obligation Bonds.	
The issuance proceeds were used to refund the 2009A General Obligation Bonds and were placed in an irrevocable trust with an escrow agent. As a result, the 2009A General Obligation Bonds are considered to be in substance defeased and the related liabilities have been removed from the City's financial statements.	
Interest rates on the bonds varies from 0.875% to 3.8% with interest payable semiannually on February 1 and August 1. The Bonds mature in annual installments ranging in amounts from $875,000 to $1,775,000.	$21,540,000

Future debt requirements for the general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,020,000	$ 814,461	$ 1,834,461
2027	1,050,000	782,106	1,832,106
2028	1,085,000	747,403	1,832,403
2029	1,120,000	710,517	1,830,517
2030	1,155,000	671,320	1,826,320
2031-2035	6,470,000	2,666,623	9,136,623
2036-2040	7,865,000	1,219,555	9,084,555
2041-2045	1,775,000	37,186	1,812,186
Totals	$ 21,540,000	$ 7,649,171	$ 29,189,171

Other Defeased General Obligation Bonds

In prior years, the City defeased certain general obligation bonds, including the 2009A bonds, by placing the proceeds of the new bonds with an escrow agent to provide for all future debt service payments on the old bonds. Accordingly, the escrow account assets and the liability for the defeased bonds are not included in the City's financial statements. At June 30, 2025, all funds were utilized from the escrow account to repay the bonds and there are no amounts outstanding.

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

B. Leases

For the year ended June 30, 2025, the City had 9 active leases payable. The leases have payments that range from $1,812 to $58,904 and interest rates that range from 0.5600% to 4.6900%. The total combined value of the lease liability is $534,328, the total combined value of the short-term lease liability is $68,559. The value of lease assets of $802,003, with accumulated amortization of $300,304, is included in Note 5, Capital Assets.

	Governmental Activities		
Fiscal Year Ending June 30,	Principal Payments	Interest Payments	Total Payments
2026	$ 68,559	$ 16,117	$ 84,676
2027	64,642	13,534	78,176
2028	67,318	10,858	78,176
2029	70,113	8,063	78,176
2030	14,127	5,145	19,272
2031 - 2035	75,030	21,330	96,360
2036 - 2040	82,914	13,446	96,360
2041 - 2045	91,625	4,734	96,359
Total	$ 534,328	$ 93,227	$ 627,555

C. Subscriptions

For the year ended June 30, 2025, the City had 6 active subscriptions payable. The subscriptions have payments that range from $3,142 to $99,888 and interest rates that range from 0% to 3.0670%. The total combined value of the subscription liability is $666,254, and the total combined value of the short-term subscription liability is $185,809. The combined value of the right to use asset of $1,359,454, with accumulated amortization of $470,010, is included is included in Note 5, Capital Assets.

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	$ 185,809	$ 17,947	$ 203,756
2027	180,904	13,460	194,364
2028	98,955	9,069	108,024
2029	98,792	6,090	104,882
2030	101,794	3,090	104,884
Total	$ 666,254	$ 49,656	$ 715,910

D. Compensated absences

The City's policies relating to compensated absences are described in Note 1L. This liability, amounting to $2,004,456 at June 30, 2025, is expected to be paid in future years from future resources.

NOTE 8: LIABILITY, WORKERS' COMPENSATION, AND PROPERTY PROTECTION

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of San Juan Capistrano is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 126 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk- sharing pool.

Primary Liability Program

In the primary liability program, claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $100,000 to $500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $500,000 to $50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, Iing all layers of coverage, is $50 million per occurrence. Subsidence losses have a sub-limit of $50 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: https://cjpia.org/protection/coverage-programs.

Workers' Compensation Program

In the workers' compensation program, claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $75,000 to $200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2024-2025, the Authority's pooled retention is $1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to $1 million. Coverage from $1 million to $5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from $5 million to $10 million are pooled among members.

NOTE 8: LIABILITY, WORKERS' COMPENSATION, AND PROPERTY PROTECTION (CONTINUED)

Purchased Insurance

Pollution Legal Liability Insurance

The City participates in the pollution legal liability insurance program, which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a $250,000 deductible. The Authority has an aggregate limit of $5 million per member.

Property Insurance

The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City property is currently insured according to a schedule of covered property submitted by the City to the Authority. City property currently has all-risk property insurance protection in the amount of $209,596. There is a $10,000 deductible per occurrence except for non-emergency vehicle insurance, which has a $2,500 deductible.

Crime Insurance

The City purchases crime insurance coverage in the amount of $5,000,000 with a $2,500 deductible. The fidelity coverage is provided through the Authority.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2024-2025.

NOTE 9: RETIREMENT PLAN

The City participates in the Orange County Employees Retirement System (OCERS) which is subject to GASB Statement No. 68. A summary of pension amounts for the City's plan at June 30, 2025, for the measurement date December 31, 2024, is presented below:

	OCERS
Deferred outflows- pensions	$ 9,111,328
Net pension liability	14,600,316
Deferred inflows- pensions	7,206,868
Pension expenses	1,011,807

A. General Information about the Pension Plan

Plan Description

The City participates in OCERS Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by OCERS. The County Employees Retirement Law of 1937 and other applicable statutes grant the authority to establish and amend the benefit terms to the OCERS. OCERS issues a publicly available financial report that includes financial statements and required supplementary information for the cost sharing plans administered by OCERS. This report is issued for each year ending December 31 and can be obtained online at www.ocers.org, or from its executive office: 2223 Wellington Avenue, Santa Ana, California 92701.

NOTE 9: RETIREMENT PLAN (CONTINUED)

Benefits Provided

OCERS provides for service retirement, death, disability, survivor benefits and annual cost-of- living benefits to plan members, who must be public employees and beneficiaries. Service retirement benefits are based on Plan Type, years of service, age at retirement and final average salary. The benefit formulas are an annual annuity equal to 2.7% of the employee's three-year final average salary for each year of service rendered at age 55 for Plan I and J members, 2.0% of the employee's three year final average salary for each year of service rendered at age 57 for Plan S members, 2.5% of the employee's three year final average salary for each year of service rendered at age 67 for Plan U members, and 1.62% of the employee's three year final average salary for each year of service rendered at age 65 for Plan W members.

Contributions

Per Government Code sections 31453.5 and 31454, participating employers are required to contribute a percentage of covered salary to the Plan. The contribution requirements of participating active members and employers are established and may be amended by the OCERS' Board of Retirement. Employee contributions are established by the OCERS' Board of Retirement and guided by state statute (Government Code sections 31621, 31621.5, 31621.8, 31639.25 and 31639.5) and vary based upon employee age at the time of entering OCERS membership. Participating employers may pay a portion of the participating active employees' contributions through negotiations and bargaining agreements.

Funding contributions for the OCERS plan are determined annually on an actuarial basis by OCERS. The contribution requirements for the year ended June 30, 2024, were as follows: 43.66% of total covered payroll for Plan I and J members; 45.42% for Plan S members; 37.34% for Plan U members; and 37.40% for Plan W members. The contribution requirements are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. The City's contributions to OCERS were $2,317,863 for the year ended June 30, 2025.

Employees pay 100% of the employee contribution. The employee contribution rate ranges from 4.90% to 17.73% (depending on age of entry).

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2025, the City reported a liability of $14,600,316 for its proportionate share of the net pension liability (NPL). The NPL was measured as of December 31, 2024, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024. The City's proportion of the NPL was based on the total contribution. Legally required employer contributions for each year less any amounts of those legally required contributions that are paid by the employees are used as the basis for determining each participating employer's proportion of total contributions. Contributions made by the employer on behalf of employees under Government Code Section 31581.2 are considered employee contributions and are not included in the proportionate share calculation.

At December 31, 2024, the City's proportion of OCERS Net Pension Liability was 0.514%, which was an increase of 0.168% from its proportion measured as of December 31, 2023.

NOTE 9: RETIREMENT PLAN (CONTINUED)

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	$ 2,349,000	$ -
Changes of assumptions	581,032	-
Changes in proportion and difference between employers contribution and proportion share of contribution	1,335,882	2,855,306
Differences between expected and actual experience	973,806	19,841
Net difference between projected and actual earnings on pension plan investments	-	460,113
Total	$ 5,239,720	$ 3,335,260

The $2,349,000 was reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as pension expense over the average of the expected remaining service lives of all employees that are provided with pensions through OCERS which is 5.31 years determined as of December 31, 2024 (calculated as of December 31, 2023). In addition, amounts reported as deferred outflows of resources related to earnings on plan investments will be recognized as pension expense over a closed five-year period, beginning in the current reporting period.

$2,450,245 of contributions were made by the City as of June 30, 2025, that represent contributions required for fiscal year 25-26. This balance is included in the Insurance and Benefits Internal Service Fund within prepaids and deposits as of June 30, 2025.

Following is a schedule for amortization of deferred outflows/inflows of resources:

Fiscal year ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	$ (29,788)
2027	959,173
2028	(983,303)
2029	(376,940)
2030	(13,682)
Total	$ (444,540)

NOTE 9: RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions

Following are the key methods and assumptions used for the TPL as of December 31, 2024 (valuation date):

Actuarial Experience Study	Three year period end December 31, 2022
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Investment Rate of Return	7.00% (1)
Discount Rate	7.00%
Inflation Rate	2.50%
Cost of Living Adjustment	2.75% of retirement income
Projected Salary Increases	4.60% - 15.00% (2)

(1) Net of pension plan investment expenses, including inflation.

(2) Varies by service, including inflation.

Mortality Assumptions

The mortality assumptions used in the TPL at December 31, 2024, were based on the results of the actuarial experience study for the period January 1, 2020, through December 31, 2022, using the Public Retirement Plans Mortality tables (Pub-2010) published by the Society of Actuaries. Within the Pub-2010 family of mortality tables, OCERS has adopted both the General and Safety Amount-Weighted Above-Median Mortality Tables (adjusted for OCERS experience), projected generationally using the two-dimensional mortality improvement scale MP-2021, adjusted separately for healthy and disabled for both general and safety members.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic rate of return by weighting the expected arithmetic real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses (beginning with December 31, 2024, including only investment consulting fees, custodian fees and other miscellaneous investment expenses and fees but excluding investment manager fees) and a risk margin.

NOTE 9: RETIREMENT PLAN (CONTINUED)

The target allocation and projected arithmetic real rate of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	45.00%	7.05%
Investment Grade Bonds	9.00%	1.97%
High Yield Bonds	0.50%	4.63%
TIPS	2.00%	1.77%
Emerging Market Debt	0.50%	4.72%
Long-Term Government Bonds	3.30%	2.82%
Real Estate	3.00%	3.86%
Private Equity	15.00%	9.84%
Private Credit	3.50%	6.47%
Value Added Real Estate	3.00%	7.38%
Opportunistic Real Estate	1.00%	9.74%
Energy	2.00%	10.89%
Infrastructure (Core Private)	1.00%	5.98%
Infrastructure (Non-Core Private)	3.00%	8.88%
Global Macro	1.70%	3.17%
CTA (Trend Following)	3.30%	3.15%
Alternative Risk Premia	1.70%	3.24%
Special Situations Lending	1.50%	8.96%
Total	100.00%	

This information will change every three years based on the actuarial experience study.

Discount Rate

The discount rate used to measure the TPL as of December 31, 2024, was 7.00%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2024.

NOTE 9: RETIREMENT PLAN (CONTINUED)

Sensitivity of the Proportionate Share of the NPL to Changes in the Discount Rate

The following table represents the net pension liability of participating employers calculated using the discount rate of 7.00%, as well as what the NPL would be if it was calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	Discount Rate -1% (6.00%)	Current Discount Rate (7.00%)	Discount Rate +1% (8.00%)
Proportionate share of net pension liability/(asset)	$ 25,025,498	$ 14,600,316	$ 6,074,771

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OCERS financial report. The report may be obtained online at www.ocers.org or from its executive office: 2223 Wellington Avenue, Santa Ana, California 92701.

NOTE 10: OTHER POSTEMPLOYMENT BENEFITS

A. General Information about the OPEB Plan

Plan Description

The City provides post-retirement medical benefits to retirees through a single-employer defined benefit plan as required by California Public Employees Medical and Hospital Care Act (PEMCHA), commonly referred to as PERS Health. PEMHCA requires that employers provide retirees with health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options. These benefits are available to employees who reached age 50 and completed at least 10 years of service or qualifying for disability retirement under OCERS. The benefit terms may be amended by the City, City Council, and/or the employee associations. The benefits provided by the City to its retirees are not administered in the form of a trust. The OPEB Plan does not issue a publicly available financial report.

Benefits Provided

The City's OPEB Plan provides healthcare benefits for retirees and their dependents. Benefits are provided through a third-party insurer and are financed in part by City contributions.

Upon attainment of a minimum age 50 and completion of 10 years of City service, an employee may retire and remain covered subject to making monthly retiree contributions.

Employees Covered

As of the measurement date June 30, 2025, the following employees were covered by the benefit terms for each Plan:

Inactive members currently receiving benefits	19
Inactive members entitled to but not yet receiving benefits	10
Active members	55
Total	84

NOTE 10: OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions

The benefits and contribution requirements of plan members and the City are established and may be amended by the City, City council, and/or the employee associations. The City's contribution for retirees is subject to the Unequal Contribution Method based on the effective date of the City's participation in PEMHCA. The current rate for retirees is $158/month for 2025 (100%) and $157/month for 2024 (100%). In 2025, this amount increased to equal the amount contributed to CALPERs for active employees. The City's contribution is currently based on a projected pay-as-you-go funding method, that is, benefits are payable when due. For the year ended June 30, 2025, the City paid $70,019 in health care costs. The other postemployment benefits obligation is liquidated through the Insurance and Benefits Internal Service Fund.

B. Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2025, using an annual actuarial valuation as of July 1, 2024, rolled forward to June 30, 2025, using standard update procedures. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Assumptions

The total OPEB liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2024
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal Cost Method
Method Actuarial Assumptions	
Discount Rate	5.20% (3)
Inflation	2.50%
Projected Salary Increases	3.00%
Investment Rate of Return	(1)
Medical/Rx Trend Rate	7.00 percent for 2025 decreasing to 5.40 percent for 2029, 5.25 percent for 2030-2034, 4.60 percent for 2035-2049, 4.50 percent for 2050-2064, 4.25 percent for 2065-2074, and 4.00 percent for 2075 and later years; Medicare ages: 4.50 percent for 2025-2064, 4.25 percent for 2065-2074, and 4.00 percent for 2075 and later years.
Mortality	(2)

(1) This assumption is not applicable since the City has not established an irrevocable trust for pre-funding of the OPEB.

(2) Pub-2010 General Healthy Retiree Headcount-Weighted AboveMedian Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP 2021.

(3) The discount rate is equal to the Bond Buyer 20-Bond GO 20-Year High Grade rate index as of June 30, 2024.

The actuarial assumptions used in the July 1, 2024, valuation were based on a review of plan experience during the period of July 1, 2024, to July 1, 2025.

Since the City has not established an irrevocable trust for pre-funding the OPEB plan, there is no long-term expected rate of return or target asset allocation for OPEB plan investments.

NOTE 10: OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Discount Rate

The discount rate utilized is based on whether the plan assets are projected to be sufficient to make future payments. Since there are no plan assets held in trust, the discount rate was based on a high- quality 20-year tax-exempt general obligation municipal bond yield or index rate. “High-quality” is defined as being rated AA or higher (or an equivalent rating). The municipal bond rate utilized was 3.86% and was determined using the Fidelity GO AA Municipal Bond 20-Year High Grade rate index as of June 30, 2025.

Changes of Assumptions

The discount rate utilized for the June 30, 2025, measurement date was 5.20% as compared to the discount rate utilized for the June 30, 2024, measurement date of 3.97%. The discount rate was changed to reflect the change from using the Fidelity AA Municipal Bond 20-Year High Grade rate index as of June 30, 2024, to the Bond Buyer 20-Bond GO as of June 30, 2025.

C. Changes in the Total OPEB Liability

The changes in the total OPEB liability are as follows:

	Total OPEB Liability (a)
Balance at June 30, 2024	$ 3,465,620
Changes recognized for the measurement period:	
Service cost	215,600
Interest on total OPEB liability	120,082
Changes of assumptions	(517,057)
Differences between expected and actual experience	(594,597)
Benefit payments, including refunds of employee contributions	(70,019)
Net changes during 2024-25	(845,991)
Balance at June 30, 2025	$ 2,619,629

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	Discount Rate -1 Percent (2.97%)	Current Discount Rate (3.97%)	Discount Rate +1 Percent (4.97%)
Plan's total OPEB liability/(asset)	$ 3,007,408	$ 2,619,629	$ 2,306,288

NOTE 10: OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in Health-Care Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1 Percent Decrease	Current Heathcare Trend Rate	1 Percent Increase
Plan's total OPEB liability/(asset)	$ 2,247,654	$ 2,619,629	$ 3,092,749

OPEB Plan Fiduciary Net Position

Since the City has not established an irrevocable trust fund for prefunding of the OPEB plan, the Plan has no fiduciary net position.

D. <u>OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB</u>

For the year ended June 30, 2025, the City recognized OPEB expense of $92,658. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (898,669)
Changes in assumptions	195,501	(857,270)
Total	$ 195,501	$ (1,755,939)

The change in assumptions and differences between actual and expected experience are amortized over the expected remaining service lives of employees provided with retiree health care benefits through the plan.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2026	$ (410,605)
2027	(424,261)
2028	(270,594)
2029	(185,484)
2030	(168,432)
Thereafter	$ (101,062)

NOTE 11: COMMITMENTS AND CONTINGENCIES

A. <u>Litigation</u>

The City is the defendant in various legal proceedings. While it is not feasible to predict or determine the outcome in these cases, it is the opinion of the City that the outcome of the majority of these cases will have no material adverse effect on the financial position of the City.

NOTE 11: COMMITMENTS AND CONTINGENCIES (CONTINUED)

B. Grant Funding

The City has received federal, state, and county funds for specific purposes that are subject to review by the grantor agencies. These programs are subject to audit by the grantor agencies and upon further examination by the grantors, certain costs could be disallowed. The City expects any such amounts to be immaterial.

C. Capital Projects

The City has commitments to several capital projects that will be funded by the General Fund over several fiscal years. These commitments are estimated to total $1,985,408 as of June 30, 2025.

D. Encumbrances

Encumbrances as of June 30, 2025, consisted of the following and are included in assigned fund balance:

General Fund	$4,426,667

NOTE 12: STEWARDSHIP, ACCOUNTABILITY, AND COMPLIANCE

Excess of Expenditures over Appropriations

Total expenditures exceeded budgeted appropriation in the following funds.

	Budget	Actual	Variance
General Fund:			
Finance	$ 2,294,818	$ 2,298,662	$ (3,844)
Debt service:			
Interest and fiscal charges	12,755	54,046	(41,291)
Housing In-Lieu:			
Capital outlay	2,350,000	2,357,601	(7,601)

Fund Balance Deficits

For the fiscal year ended June 30, 2025, the City reported deficit fund balances in the following funds:

Fund	Deficit
Other Grants	$ (13,535)
SONGS	(78,399)
General:	
Successor Agency and Housing Authority Administration	(48,169)
Parking Maintenance	(244,009)
Eastern Open Space	(1,623,950)
Developer Deposits	(148)

These deficits are due to timing differences between receipts and disbursements and are expected to be eliminated through future revenues.

The Historic Dedication Fund did not have a budget in fiscal year 2025.

NOTE 13: FUND BALANCE/NET POSITION

The detail of fund balances, in accordance with Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, reported in the balance sheet of governmental funds is as follows:

		Special Revenue Fund	Capital Projects Fund			
	General	Housing In-Lieu	Developer Impact Fees Capital Projects Fund	General City Capital Projects	Other Governmental Funds	Total Governmental Funds
Nonspendable						
Prepaid costs	$ 138,254	$ -	$ -	$ -	$ -	$ 138,254
Total nonspendable	138,254	-	-	-	-	138,254
Restricted						
Debt Service	-	-	-	-	4,926,632	4,926,632
Housing rehabilitation loans for low and moderate income persons	-	10,845,083	-	-	761,976	11,607,059
Landscaping maintenance	-	-	-	-	214,090	214,090
Public facilities	907,921	-	-	-	-	907,921
Disability access programs	-	-	-	-	29,625	29,625
Historical depictions	-	-	-	-	66,676	66,676
Capital projects for:						
Mobile source emission reduction	-	-	-	-	424,282	424,282
Streets and roads projects	-	-	-	-	2,572,450	2,572,450
Other capital projects	-	-	15,236,639	180,585	2,409,311	17,826,535
Total restricted	907,921	10,845,083	15,236,639	180,585	11,405,042	38,575,270
Assigned						
Farm operations	509,614	-	-	-	-	509,614
Continuing appropriations	4,426,667	-	-	-	-	4,426,667
Total assigned	4,936,281	-	-	-	-	4,936,281
Unassigned	24,526,469	-	-	-	(91,934)	24,434,535
Total fund balances (deficits)	$ 30,508,925	$ 10,845,083	$ 15,236,639	$ 180,585	$ 11,313,108	$ 68,084,340

NOTE 14: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER COMMUNITY REDEVELOPMENT AGENCY

The debt of the Successor Agency Trust as of June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Amount Due Within One Year
Other debt - tax allocation bonds:					
2008 Refunding Bonds, Series A	$ 5,065,000	$ -	$ (415,000)	$ 4,650,000	$ 430,000
2008 Refunding Bonds, Series B	6,815,000	-	(510,000)	6,305,000	540,000
Bond discount	(9,657)	-	1,053	(8,604)	-
Direct borrowings and placements:					
2018 Taxable Refunding Bonds	5,830,000	-	(535,000)	5,295,000	560,000
Other long-term liabilities					
Owner participation agreements	64,478	-	-	64,478	-
Total	$ 17,764,821	$ -	$ (1,458,947)	$ 16,305,874	$ 1,530,000

A. Tax Allocation Bonds

	Amount
2008 Tax Allocation Bonds – Series A	
On June 3, 2008, the former Agency issued $20,320,000 2008 Tax Allocation Bonds for the purpose of financing certain redevelopment projects of the former Agency. The 2008 Bonds consist of $9,780,000 Tax-Exempt Series A Bonds and $10,540,000 Taxable Series B Bonds. The Series A Bonds mature on August 1 of each year with interest at rates ranging from 3.5% to 4.7% payable semiannually on August 1 and February 1, commencing August 1, 2008. The Series A Bonds mature in annual installments from 2008 through 2033 in amounts from $40,000 to $535,000. The Series A Bonds maturing on or before August 1, 2018 will not be subject to optional redemption prior to maturing. Series A Bonds maturing after August 1, 2018, are subject to redemption without premium.	$4,650,000
2008 Tax Allocation Bonds – Series B	
The Series B Bonds mature on August 1 of each year with interest at rates ranging from 3.5% to 6.5%, payable semiannually on August 1, 2008. Series B Bonds mature in annual installments from 2008 through 2033 ranging in amounts from $50,000 to $480,000. The Series B Bonds are subject to optional redemption at any date prior to their maturity, at make-whole premium.	6,305,000
Total Tax Allocation Bonds Payable	$10,955,000

NOTE 14: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER COMMUNITY REDEVELOPMENT AGENCY (CONTINUED)

Future debt requirements for the tax allocation bonds are as follows:

Year Ending June 30,	Principal	Interest	Amount
2026	$ 970,000	$ 591,480	$ 1,561,480
2027	1,025,000	537,269	1,562,269
2028	1,080,000	479,523	1,559,523
2029	1,140,000	418,233	1,558,233
2030	1,205,000	352,398	1,557,398
2031-2035	5,535,000	659,857	6,194,857
	10,955,000	3,038,760	13,993,760
Add deferred charges:			
Bond Premium	(8,604)	-	(8,604)
	$ 10,946,396	$ 3,038,760	$ 13,985,156

The 2008 Tax Allocation Bonds – Series A and Series B have reserve requirements of $641,869 and $931,305, respectively. The City is in compliance with these reserve requirements.

B. Direct Borrowings

	Amount
2018 Taxable Refunding Bonds	
On August 23, 2018, the Successor Agency to the San Juan Capistrano Community Redevelopment Agency issued $7,995,000 of 2018 Taxable Tax Allocation Refunding Bonds to find the final balloon principal payments of the non-negotiable notes dated February 28, 2011 to Bobby Kinoshita Investment Enterprises, L.P. and Kinoshita Enterprises, L.P., which are due on March 1, 2021. The bonds bear an interest rate of 4.84% and are payable on a semi-annual basis beginning February 1, 2020. Principal payments are due annually on February 1 of each year beginning February 1, 2020. The bonds mature on February 1, 2033.	
Total Tax Allocation Bonds Payable	$5,295,000

Future debt requirements for the direct borrowings are as follows:

Year Ending June 30,	Principal	Interest	Amount
2026	$ 560,000	$ 256,278	$ 816,278
2027	585,000	229,174	814,174
2028	610,000	200,860	810,860
2029	640,000	171,336	811,336
2030	675,000	140,360	815,360
2031-2034	2,225,000	218,768	2,443,768
Totals	$ 5,295,000	$ 1,216,776	$ 6,511,776

NOTE 14: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER COMMUNITY REDEVELOPMENT AGENCY (CONTINUED)

	Amount
C. Owner Participation Agreements	
An Owner Participation Agreement was entered into between the former Agency and Tuttle-Click Automotive Group (Owner), on October 19, 2010. The participant opened a new automobile sales business within the Redevelopment Project Area. The former Agency agreed to reimburse the owner a total amount of $5,000,000 over 27 years which reimbursement shall be paid from SACRA RPTTF funds. The initial payment of $3,000,000 was made five days after the Owner opened for business. The agreement calls for semiannual payments equal to one hundred percent (100%) of sales taxes generated over $150,000 but not to exceed $300,000 and fifty percent (50%) of sales taxes generated in excess of $300,000 of sales taxes derived from the owner's entire automobile sales operation, but not to exceed $2,000,000.	$64,478

D. Pledged Revenue

The 2008A&B refunding bonds are secured by a pledge of RPTTF monies. Pledged revenues and the covered debt service are as follows for the year ended June 30, 2025:

Pledged Revenues	$ 2,439,248

	Principal	Interest	Total Debt
2008 Refunding Bonds, Series A	$ 415,000	$ 221,479	$ 636,479
2008 Refunding Bonds, Series B	510,000	421,140	931,140
2018 Taxable Refunding Bonds	535,000	282,172	817,172
	$ 1,460,000	$ 924,791	$ 2,384,791

NOTE 15: RESTATEMENTS OF BEGINNING BALANCES

A. Error Correction

For the fiscal year ended June 30, 2025, the beginning net position of the General Fund was restated due to the impact of a FY 2023 error which recorded $1,552,421 of lease-related unavailable revenues which should have been recognized as revenue.

B. Change in Accounting Principle

For the fiscal year ended June 30, 2025, the beginning net position of the Insurance and Benefits Internal Service Fund has been restated to reflect the implementation of GASB Statement No. 101. The effect of the implementation of the change in accounting principle is shown in the reconciliation table below and is reflected in the financial statements.

NOTE 16: RESTATEMENTS

C. Adjustments to and Restatements of Beginning Balances

During fiscal year 2025, a change in accounting principle resulted in adjustments to and restatements of beginning net position and fund net position, as follows:

	June 30, 2024 As Previously Reported	Changes to or within the Reporting Entity	Error Correction	Changes in Accounting Principle	June 30, 2024 As Restated
Government-wide					
Governmental activities	$ 193,328,330	$ -	$ 1,552,421	$ (304,803)	$ 194,575,948
Total government-wide	$ 193,328,330	$ -	$ 1,552,421	$ (304,803)	$ 194,575,948
Governmental funds					
Major funds					
General Fund	$ 38,152,794	$ -	$ 1,552,421	$ -	$ 39,705,215
Total governmental funds	$ 38,152,794	$ -	$ 1,552,421	$ -	$ 39,705,215
Internal Service Funds:					
Insurance and Benefits	$ 2,935,337	$ -	$ -	$ (304,803)	$ 2,630,534
Total internal service funds	$ 2,935,337	$ -	$ -	$ (304,803)	$ 2,630,534

NOTE 16: SUBSEQUENT EVENTS

The City evaluated subsequent events for recognition and disclosure through February 19, 2026, the date on which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2025, that required recognition or disclosure in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Proportionate Share of the Net Pension Liability
Cost Sharing Multiple Employer Defined Benefit Plan
For the Last Ten Fiscal Years

Measurement Period	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Miscellaneous Plan				
Plan's Proportion of the Net Pension Liability	0.367%	0.360%	0.346%	0.573%
Plan's Proportionate Share of the Net Pension Liability	$ 14,600,316	$ 17,443,348	$ 18,650,484	$ 11,742,303
Plan's Covered Payroll (1)	$ 6,037,583	$ 5,694,424	$ 5,334,212	$ 6,112,331
Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	241.82%	306.32%	349.64%	192.11%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	80.93%	77.09%	73.88%	85.88%
Plan's proportionate share of aggregate employer contributions (2)	2,349,000	2,261,000	2,138,000	8,752,000

Notes to Schedule:
Benefit Changes: None.

Changes of Assumptions: None in 2019-2022. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2018. There were no changes in the discount rate.

(1) Covered payroll represented above is base on the total payroll of employees that are provided pensions through the pension plan in accordance with GASB 68.

(2) The Plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the measurement period. The Plan's proportionate share of aggregate contributions is based on the Plan's proportion of the fiduciary net position shown on line 5 of the table above as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
0.477%	0.516%	0.519%	0.528%	0.483%	0.512%
$ 20,116,465	$ 26,191,970	$ 32,142,058	$ 26,138,852	$ 25,089,009	$ 29,249,120
$ 6,701,987	$ 7,294,439	$ 7,253,654	$ 7,227,226	$ 6,636,488	$ 6,464,876
300.16%	359.07%	443.12%	361.67%	378.05%	452.43%
76.95%	73.18%	67.06%	71.95%	68.69%	64.73%
2,337,000	2,444,000	2,437,000	2,391,000	2,264,000	2,352,000

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Contributions
Cost Sharing Multiple Employer Defined Benefit Plan
As of June 30, for the Last Ten Fiscal Years

Fiscal Year	**2025**	**2024**	**2023**	**2022**	**2021**
Miscellaneous Plan					
Actuarially Determined Contribution	$ 2,450,245	$ 2,349,000	$ 2,261,000	$ 2,138,000	$ 2,367,000
Contribution in Relation to the Actuarially Determined Contribution	(2,450,245)	(2,349,000)	(2,261,000)	(2,138,000)	(2,367,000)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 6,094,814	$ 6,037,583	$ 5,694,424	$ 5,334,212	$ 6,112,331
Contributions as a Percentage of Covered Payroll	40.20%	38.91%	39.71%	40.08%	38.72%

Note to Schedule:

Valuation Date:	December 31, 2024
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method/period	Direct Rate Smoothing
Asset valuation method	Fair value
Inflation	2.50%
Salary increases	Varies by Entry Age and Service
Payroll growth	2.50%
Investment rate of return	7.00% net of pension plan investment and administrative expenses; includes inflation
Retirement age	The probabilities of retirement are based on the Experience Study for the period from 2017 to 2019.

2020	2019	2018	2017	2016
$ 2,337,000	$ 2,415,626	$ 2,408,665	$ 2,441,378	$ 2,196,992
(2,377,732)	(2,700,194)	(2,639,521)	(2,619,687)	(2,417,700)
$ (40,732)	$ (284,568)	$ (230,856)	$ (178,309)	$ (220,708)
$ 6,701,987	$ 7,294,439	$ 7,253,654	$ 7,227,226	$ 6,636,488
35.48%	37.02%	36.39%	36.25%	36.43%

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Changes in the Total OPEB Liability and Related Ratios
As of June 30, for the Last Ten Fiscal Years

	2017	2018	2019	2020
Total OPEB Liability				
Service cost	$ 242,645	$ 249,924	$ 239,423	$ 263,387
Interest on the total OPEB liability	82,056	89,626	97,279	108,238
Actual and expected experience difference	-	-	(581,289)	-
Changes in assumptions	-	(365,661)	244,216	361,186
Benefit payments	(46,515)	(44,231)	(45,361)	(37,171)
Net change in total OPEB liability	**278,186**	**(70,342)**	**(45,732)**	**695,640**
Total OPEB liability - beginning	**3,051,012**	**3,329,198**	**3,258,856**	**3,213,124**
Total OPEB liability - ending (a)	**$ 3,329,198**	**$ 3,258,856**	**$ 3,213,124**	**$ 3,908,764**
Covered-employee payroll	$ 7,190,259	$ 7,322,913	$ 7,359,948	$ 7,370,464
Total OPEB liability as a percentage of covered-employee payroll	46.30%	44.50%	43.66%	53.03%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2017 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule: The City does not make contributions to a qualifying trust to pay for future benefits; as such, no fiduciary net position is reported.

Changes in Assumptions: The discount rate increased to 5.20% as of June 30, 2025.

2021	2022	2023	2024	2025
$ 287,860	$ 333,299	$ 215,753	$ 213,602	$ 215,600
85,298	80,025	119,324	132,075	120,082
(817,092)	-	(238,837)	-	(594,597)
436,748	(982,289)	(42,847)	(57,736)	(517,057)
(44,077)	(45,864)	(58,275)	(60,111)	(70,019)
(51,263)	**(614,829)**	**(4,882)**	**227,830**	**(845,991)**
3,908,764	**3,857,501**	**3,242,672**	**3,237,790**	**3,465,620**
$ 3,857,501	**$ 3,242,672**	**$ 3,237,790**	**$ 3,465,620**	**$ 2,619,629**
$ 7,726,639	$ 5,739,366	$ 5,603,321	$ 6,039,287	$ 6,374,862
49.92%	56.50%	57.78%	57.38%	41.09%

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
General Fund
For the Year Ended June 30, 2025

	Budget Amounts Original	Budget Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 33,622,000	$ 33,727,000	$ 35,027,395	$ 1,300,395
Licenses, fees and permits	4,107,962	5,609,962	5,356,864	(253,098)
Intergovernmental	1,883,000	1,883,000	1,976,851	93,851
Fines and forfeitures	784,000	784,000	1,195,634	411,634
Interest and rental	1,895,000	2,445,000	2,922,201	477,201
Miscellaneous	1,404,000	1,674,000	1,805,548	131,548
Total Revenues	**43,695,962**	**46,122,962**	**48,284,493**	**2,161,531**
Expenditures:				
General government				
City Manager	2,980,604	3,057,604	2,922,917	134,687
City Attorney	700,000	1,000,000	912,762	87,238
City Clerk	505,363	505,363	486,112	19,251
Finance	2,207,118	2,294,818	2,298,662	(3,844)
Public safety	14,199,040	14,385,140	14,200,693	184,447
Development services	4,440,923	5,341,523	5,094,775	246,748
Public works and community services	12,091,469	14,151,455	14,039,916	111,539
Engineering and environmental services	2,528,635	3,186,535	2,741,203	445,332
Capital outlay	15,000	30,000	14,968	15,032
Debt service:				
Principal retirement	46,155	46,155	24,720	21,435
Interest and fiscal charges	12,755	12,755	54,046	(41,291)
Total Expenditures	**39,727,062**	**44,011,348**	**42,790,774**	**1,220,574**
Excess of revenues over (under) expenditures	**3,968,900**	**2,111,614**	**5,493,719**	**3,382,105**
Other Financing Sources (Uses)				
Transfers in	793,000	803,000	1,575,986	772,986
Transfers out	(3,266,640)	(20,431,078)	(16,265,995)	4,165,083
Total Other Financing Sources (Uses)	**(2,473,640)**	**(19,628,078)**	**(14,690,009)**	**4,938,069**
Net Change in Fund Balances	**$ 1,495,260**	**$ (17,516,464)**	**(9,196,290)**	**$ 8,320,174**
Budgetary Fund Balance, July 1, as previously reported			38,152,794	
Restatements			1,552,421	
Budgetary Fund Balance, July 1, as restated			39,705,215	
Budgetary Fund Balance, June 30			**$ 30,508,925**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Housing In-Lieu
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rental	$ 77,000	$ 77,000	$ 209,270	$ 132,270
Total revenues	**77,000**	**77,000**	**209,270**	**132,270**
EXPENDITURES				
Current:				
Development services	-	5,000	4,049	951
Capital outlay	-	2,350,000	2,357,601	(7,601)
Total expenditures	**-**	**2,355,000**	**2,361,650**	**(6,650)**
Net change in fund balances	**$ 77,000**	**$ (2,278,000)**	**(2,152,380)**	**$ 125,620**
Fund balances-beginning			12,997,463	
Fund balances-ending			**$ 10,845,083**	

NOTE 1: BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the accompanying financial statements.

1. The annual budget is adopted by the City Council after the holding of a public hearing and provides for the general operation of the City. The operating budget includes proposed expenditures and the means of financing them.

2. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the year. This “appropriation budget” covers City expenditures in the General, certain Special Revenue, Debt Service, Capital Projects, and Proprietary Funds. Project length plans are adopted for the Capital Projects Funds with unexpended funds at June 30 re-appropriated the following year. City Council approval is required for budget transfers within a fund at the department level. Accordingly, the legal level of budgetary control is at the department level.

3. Formal budgetary integration is employed as a management control device. Commitments for materials and services, such as purchase orders and contracts, are recorded during the year as encumbrances to assist in controlling expenditures. Appropriations which are encumbered at year-end lapse, and then are added to the following year’s budget appropriations. Also, unencumbered appropriations lapse at year-end.

4. Budgets for all governmental fund types are adopted on a basis substantially consistent with accounting principles generally accepted in the United States of America. Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items. Annual budgets are adopted for the General, certain Special Revenue, Debt Service and Capital Project Funds.

SUPPLEMENTARY INFORMATION

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GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The following funds conform to this definition:

General Fund is the main operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund.

Successor Agency and Housing Authority Administration Fund is used to account for the accumulation of all resources for and payment of expenditures incurred in connection with the administration and operation of the Successor Agency to the San Juan Community Redevelopment Agency and the San Juan Housing Authority by City staff.

Farm Operations Fund is used to account for revenue derived from the lease of farm land purchased by the City. This fund also accounts for costs associated with maintenance of the Northwest Open Space.

Parking Maintenance Fund is used to account for the accumulation of those costs related to providing and maintaining public parking within the City. These costs are currently funded by parking revenues and transfers.

Eastern Open Space Fund is used to account for the revenues and expenses associated with the Eastern Open Space.

Public Benefit Contribution Fund is generally used to account for unexpected inflows of funds that are generally, but not always, used for capital projects, such as public benefit contributions received from developers. This fund is also used to account for designation of unrestricted funds for similar purposes.

Developer Deposits Fund is generally used to account for costs incurred by the City in processing plans and applications associated with private development projects that will be reimbursed by the benefitted parties.

Deposits Fund is generally used to hold developer and miscellaneous deposits associated with private development projects that will be reimbursed by the benefitted parties.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Balance Sheet
General Fund
June 30, 2025

	General Fund	Successor Agency and Housing Authority Administration	Farm Operations	Parking Maintenance
Assets:				
Pooled cash and investments	$ 26,800,110	$ -	$ 521,725	$ 61,347
Receivables:				
Accounts	889,554	1,293	-	440
Taxes	3,075,360	-	-	-
Accrued interest	392,202	-	-	-
Leases	4,244,891	-	-	-
Due from other governments	658,337	27,816	-	-
Intrafund balances - general fund	1,690,639	(49,156)	-	-
Due from other funds	85,898	-	-	-
Prepaid costs	136,648	-	-	195
Total Assets	**$ 37,973,639**	**$ (20,047)**	**$ 521,725**	**$ 61,982**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 2,406,714	$ -	$ 6,110	$ 305,551
Accrued liabilities	273,641	-	-	-
Unearned revenues	124,212	-	-	-
Deposits payable	-	-	6,000	-
Due to other governments	-	-	-	-
Total Liabilities	**2,804,567**	**-**	**12,110**	**305,551**
Deferred inflows of resources:				
Unavailable revenues	602	28,122	1	440
Deferred lease items	4,129,677	-	-	-
Total Deferred Inflows of Resources	**4,130,279**	**28,122**	**1**	**440**
Fund Balances:				
Nonspendable:				
Prepaid costs	136,648	-	-	195
Restricted for:				
Public facilities	-	-	-	-
Assigned to:				
Continuing appropriations	4,426,667	-	-	-
Farm operations	-	-	509,614	-
Unassigned	26,475,478	(48,169)	-	(244,204)
Total Fund Balances	**31,038,793**	**(48,169)**	**509,614**	**(244,009)**
Total Liabilities, Deferred Inflows of resources, and Fund Balances	**$ 37,973,639**	**$ (20,047)**	**$ 521,725**	**$ 61,982**

	Eastern Open Space	Public Benefit Contributions	Developer Deposits	Deposit Fund
Assets:				
Pooled cash and investments	$ -	$ 876,794	$ 866,711	$ 1,161,593
Receivables:				
Accounts	-	-	41,363	-
Taxes	-	-	-	-
Accrued interest	-	-	-	-
Leases	5,589,594	-	-	-
Due from other governments	-	-	-	-
Intrafund balances - general fund	(1,641,483)	-	-	-
Due from other funds	-	-	-	-
Prepaid costs	-	-	-	-
Total Assets	**$ 3,948,111**	**$ 876,794**	**$ 908,074**	**$ 1,161,593**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 36,294	$ -	$ 62,680	$ 13,960
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	845,542	1,145,625
Due to other governments	-	-	-	2,008
Total Liabilities	**36,294**	**-**	**908,222**	**1,161,593**
Deferred inflows of resources:				
Unavailable revenues	34,466	-	-	-
Deferred lease items	5,501,301	-	-	-
Total Deferred Inflows of Resources	**5,535,767**	**-**	**-**	**-**
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Public facilities	-	876,794	-	-
Assigned to:				
Continuing appropriations	-	-	-	-
Farm operations	-	-	-	-
Unassigned	(1,623,950)	-	(148)	-
Total Fund Balances	**(1,623,950)**	**876,794**	**(148)**	**-**
Total Liabilities, Deferred Inflows of resources, and Fund Balances	**$ 3,948,111**	**$ 876,794**	**$ 908,074**	**$ 1,161,593**

		Total General Fund
Assets:		
Pooled cash and investments	$	30,288,280
Receivables:		
Accounts		932,650
Taxes		3,075,360
Accrued interest		392,202
Leases		9,834,485
Due from other governments		686,153
Intrafund balances - general fund		-
Due from other funds		85,898
Prepaid costs		136,843
Total Assets	**$**	**45,431,871**
Liabilities, Deferred Inflows of Resources, and Fund Balances:		
Liabilities:		
Accounts payable	$	2,831,309
Accrued liabilities		273,641
Unearned revenues		124,212
Deposits payable		1,997,167
Due to other governments		2,008
Total Liabilities		**5,228,337**
Deferred inflows of resources:		
Unavailable revenues		63,631
Deferred lease items		9,630,978
Total Deferred Inflows of Resources		**9,694,609**
Fund Balances:		
Nonspendable:		
Prepaid costs		136,843
Restricted for:		
Public facilities		876,794
Assigned to:		
Continuing appropriations		4,426,667
Farm operations		509,614
Unassigned		24,559,007
Total Fund Balances		**30,508,925**
Total Liabilities, Deferred Inflows of resources, and Fund Balances	**$**	**45,431,871**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Schedule of Revenues,
Expenditures and Changes in Fund Balances
General Fund
For the Year Ended June 30, 2025

	General Fund	Successor Agency and Housing Authority Administration	Farm Operations	Parking Maintenance
Revenues:				
Taxes	$ 35,027,395	$ -	$ -	$ -
Licenses, fees and permits	2,637,498	-	-	1,925,832
Intergovernmental	1,976,851	-	-	-
Fines and forfeitures	1,195,634	-	-	-
Interest and rental	2,008,704	190,536	213,962	-
Miscellaneous	1,805,548	-	-	-
Total Revenues	**44,651,630**	**190,536**	**213,962**	**1,925,832**
Expenditures:				
Current:				
General government	6,605,306	15,147	-	-
Public safety	14,200,693	-	-	-
Development services	4,137,881	163,359	-	-
Public works and community services	11,610,632	-	67,043	1,994,921
Engineering and environmental services	2,741,203	-	-	-
Capital outlay	14,968	-	-	-
Debt service:				
Principal retirement	11,936	-	-	12,784
Interest and fiscal charges	47,557	-	-	6,489
Total Expenditures	**39,370,176**	**178,506**	**67,043**	**2,014,194**
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,281,454	12,030	146,919	(88,362)
Other Financing Sources (Uses):				
Transfers in	1,575,986	-	-	-
Transfers out	(14,807,100)	-	(816,522)	(342,373)
Total Other Financing Sources (Uses)	**(13,231,114)**	**-**	**(816,522)**	**(342,373)**
Net Change in Fund Balances	(7,949,660)	12,030	(669,603)	(430,735)
Fund Balances, Beginning of Year, as previously reported	37,436,032	(60,199)	1,179,217	186,726
Restatements	1,552,421	-	-	-
Fund Balances, Beginning of Year, as restated	38,988,453	(60,199)	1,179,217	186,726
Fund Balances, End of Year	**$ 31,038,793**	**$ (48,169)**	**$ 509,614**	**$ (244,009)**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Schedule of Revenues,
Expenditures and Changes in Fund Balances
General Fund
For the Year Ended June 30, 2025

	Eastern Open Space	Public Benefit Contributions	Developer Deposit	Deposit Fund
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Licenses, fees and permits	-	-	793,534	
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest and rental	458,506	50,493	-	-
Miscellaneous	-	-	-	-
Total Revenues	**458,506**	**50,493**	**793,534**	**-**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Development services	-	-	793,535	-
Public works and community services	367,320	-	-	-
Engineering and environmental services	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	**367,320**	**-**	**793,535**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	91,186	50,493	(1)	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	(300,000)	-	-
Total Other Financing Sources (Uses)	**-**	**(300,000)**	**-**	**-**
Net Change in Fund Balances	91,186	(249,507)	(1)	-
Fund Balances, Beginning of Year, as previously reported	(1,715,136)	1,126,301	(147)	-
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as restated	(1,715,136)	1,126,301	(147)	-
Fund Balances, End of Year	**$ (1,623,950)**	**$ 876,794**	**$ (148)**	**$ -**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Schedule of Revenues,
Expenditures and Changes in Fund Balances
General Fund
For the Year Ended June 30, 2025

	Total General Fund
Revenues:	
Taxes	$ 35,027,395
Licenses, fees and permits	5,356,864
Intergovernmental	1,976,851
Fines and forfeitures	1,195,634
Interest and rental	2,922,201
Miscellaneous	1,805,548
Total Revenues	**48,284,493**
Expenditures:	
Current:	
General government	6,620,453
Public safety	14,200,693
Development services	5,094,775
Public works and community services	14,039,916
Engineering and environmental services	2,741,203
Capital outlay	14,968
Debt service:	
Principal retirement	24,720
Interest and fiscal charges	54,046
Total Expenditures	**42,790,774**
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,493,719
Other Financing Sources (Uses):	
Transfers in	1,575,986
Transfers out	(16,265,995)
Total Other Financing Sources (Uses)	**(14,690,009)**
Net Change in Fund Balances	(9,196,290)
Fund Balances, Beginning of Year, as previously reported	38,152,794
Restatements	1,552,421
Fund Balances, Beginning of Year, as restated	39,705,215
Fund Balances, End of Year	**$ 30,508,925**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
General Fund
For the Year Ended June 30, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	**Final**	**Amounts**	**(Negative)**
Revenues:				
Taxes	$ 33,622,000	$ 33,727,000	$ 35,027,395	$ 1,300,395
Licenses, fees and permits	2,411,000	2,515,000	2,637,498	122,498
Intergovernmental	1,883,000	1,883,000	1,976,851	93,851
Fines and forfeitures	784,000	784,000	1,195,634	411,634
Interest and rental	1,063,000	1,613,000	2,008,704	395,704
Miscellaneous	1,404,000	1,674,000	1,805,548	131,548
Total Revenues	**41,167,000**	**42,196,000**	**44,651,630**	**2,455,630**
Expenditures:				
General government				
City Manager	2,954,779	3,031,779	2,920,334	111,445
City Attorney	700,000	1,000,000	912,762	87,238
City Clerk	497,942	497,942	482,143	15,799
Finance	2,196,964	2,284,664	2,290,067	(5,403)
Public safety	14,199,040	14,385,140	14,200,693	184,447
Development services	3,986,654	4,087,254	4,137,881	(50,627)
Public works and community services	10,293,500	11,429,441	11,610,632	(181,191)
Engineering and environmental services	2,528,635	3,186,535	2,741,203	445,332
Capital outlay	15,000	30,000	14,968	15,032
Debt service:				
Principal retirement	46,155	46,155	11,936	34,219
Interest and fiscal charges	12,755	12,755	47,557	(34,802)
Total Expenditures	**37,431,424**	**39,991,665**	**39,370,176**	**621,489**
Excess of revenues over (under) expenditures	**3,735,576**	**2,204,335**	**5,281,454**	**3,077,119**
Other Financing Sources (Uses)				
Transfers in	793,000	803,000	1,575,986	772,986
Transfers out	(3,266,640)	(18,407,964)	(14,807,100)	3,600,864
Total Other Financing Sources (Uses)	**(2,473,640)**	**(17,604,964)**	**(13,231,114)**	**4,373,850**
Net Change in Fund Balances	**$ 1,261,936**	**$ (15,400,629)**	**(7,949,660)**	**$ 7,450,969**
Budgetary Fund Balance, July 1, as previously reported			37,435,885	
Restatements			1,552,568	
Budgetary Fund Balance, July 1, as restated			38,988,453	
Budgetary Fund Balance, June 30			**$ 31,038,793**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Successor Agency and Housing Authority Administration
For the Year Ended June 30, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Interest and rental	$ 210,000	$ 210,000	$ 190,536	(19,464)
Total Revenues:	**210,000**	**210,000**	**190,536**	**(19,464)**
Expenditures				
General government				
City Manager	$ 25,825	$ 25,825	$ 2,583	$ 23,242
City Clerk	7,421	7,421	3,969	3,452
Finance	10,154	10,154	8,595	1,559
Development services	175,808	175,808	163,359	12,449
Total Expenditures:	**219,208**	**219,208**	**178,506**	**40,702**
Net Change in Fund Balances	**$ (9,208)**	**$ (9,208)**	**12,030**	**$ 21,238**
Budgetary Fund Balance, July 1			(60,199)	
Budgetary Fund Balance, June 30			**$ (48,169)**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Farm Operations
For the Year Ended June 30, 2025

	Budget Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Interest and rental	$ 222,000	$ 222,000	$ 213,962	$ (8,038)
Total Revenues:	**222,000**	**222,000**	**213,962**	**(8,038)**
Expenditures				
Public works and community services	88,750	114,695	67,043	47,652
Total Expenditures:	**88,750**	**114,695**	**67,043**	**47,652**
Excess of revenues over (under) expenditures	**133,250**	**107,305**	**146,919**	**39,614**
Other Financing Sources (Uses)				
Transfers in				
Transfers out				
Total Other Financing Sources (Uses)	-	(816,522)	(816,522)	-
Net Change in Fund Balances	**$ 133,250**	**$ 107,305**	**(669,603)**	**$ 39,614**
Budgetary Fund Balance, July 1			1,179,217	
Budgetary Fund Balance, June 30			**$ 509,614**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Parking Maintenance
For the Year Ended June 30, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Licenses, fees and permits	$ 1,418,500	$ 2,016,500	$ 1,925,832	$ (90,668)
Total Revenues	**1,418,500**	**2,016,500**	**1,925,832**	**(90,668)**
Expenditures				
Public works and community services	1,479,722	2,176,722	1,994,921	181,801
Debt service:				
Principal retirement	-	-	12,784	(12,784)
Interest and fiscal charges	-	-	6,489	(6,489)
Total Expenditures	**1,479,722**	**2,176,722**	**2,014,194**	**162,528**
Excess of revenues over (under) expenditures	**(61,222)**	**(160,222)**	**(88,362)**	**71,860**
Other Financing Sources (Uses)				
Transfers out	-	(151,023)	(342,373)	(191,350)
Total Other Financing Sources (Uses)	**-**	**(151,023)**	**(342,373)**	**(191,350)**
Net Change in Fund Balances	**$ (61,222)**	**$ (311,245)**	**(430,735)**	**$ (119,490)**
Budgetary Fund Balance, July 1			186,726	
Budgetary Fund Balance, June 30			**$ (244,009)**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Eastern Open Space
For the Year Ended June 30, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Interest and rental	$ 400,000	$ 400,000	$ 458,506	$ 58,506
Total Revenues	**400,000**	**400,000**	**458,506**	**58,506**
Expenditures				
Public works and community services	229,497	430,597	367,320	63,277
Total Expenditures	**229,497**	**430,597**	**367,320**	**63,277**
Net Change in Fund Balances	**$ 170,503**	**$ (30,597)**	**91,186**	**$ 121,783**
Budgetary Fund Balance, July 1			(1,715,136)	
Budgetary Fund Balance, June 30			**$ (1,623,950)**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Public Benefit Contributions
For the Year Ended June 30, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Interest and rental	$ -	$ -	$ 50,493	$ 50,493
Total Revenues	**-**	**-**	**50,493**	**50,493**
Other Financing Sources (Uses)				
Transfers out	-	1,055,569	300,000	755,569
Total Other Financing Sources (Uses)	**-**	**1,055,569**	**300,000**	**755,569**
Net Change in Fund Balances	$ -	$ (1,055,569)	(249,507)	$ 806,062
Budgetary Fund Balance, July 1			1,126,301	
Budgetary Fund Balance, June 30			**$ 876,794**	

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CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Developer Deposit Fund
For the Year Ended June 30, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Licenses, fees and permits	$ 278,462	$ 1,078,462	$ 793,534	$ (284,928)
Total Revenues:	**278,462**	**1,078,462**	**793,534**	**(284,928)**
Expenditures				
Development Services	278,461	1,078,461	793,535	284,926
Total Expenditures:	**278,461**	**1,078,461**	**793,535**	**284,926**
Net Change in Fund Balances	**$ 1**	**$ 1**	**(1)**	**$ (2)**
Budgetary Fund Balance, July 1			**(147)**	
Budgetary Fund Balance, June 30			**$ (148)**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Other Grants	**C&D Forfeited Bonds**	**RMRA**	**Certified Access Specialist Program**
ASSETS				
Pooled cash and investments	$ -	$ 1,249,573	$ 1,603,494	$ 99,816
Receivables:				
Accounts Receivable	-	-	-	-
Taxes	-	-	-	-
Due from other governments	-	-	168,273	-
Total assets	**$ -**	**$ 1,249,573**	**$ 1,771,767**	**$ 99,816**
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ 97
Unearned revenues	-	-	-	70,094
Due to other funds	13,535	-	-	-
Total liabilities	**13,535**	**-**	**-**	**70,191**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	**-**	**-**	**-**	**-**
FUND BALANCES (DEFICITS)				
Restricted	-	1,249,573	1,771,767	29,625
Unassigned	(13,535)	-	-	-
Total fund balances (deficits)	**(13,535)**	**1,249,573**	**1,771,767**	**29,625**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ -**	**$ 1,249,573**	**$ 1,771,767**	**$ 99,816**

	Special Revenue Funds			
	Landscape Maintenance District	CDBG/HOME Grant	State Gasoline Tax	SONGS
ASSETS				
Pooled cash and investments	$ 236,273	$ 765,946	$ 587,321	$ -
Receivables:				
Accounts Receivable	-	-	-	138,010
Taxes	1,585	-	-	-
Due from other governments	-	-	84,235	-
Total assets	**$ 237,858**	**$ 765,946**	**$ 671,556**	**$ 138,010**
LIABILITIES				
Accounts payable	$ 23,768	$ 3,970	$ -	$ 6,036
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	72,363
Total liabilities	**23,768**	**3,970**	**-**	**78,399**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	138,010
Total deferred inflows of resources	**-**	**-**	**-**	**138,010**
FUND BALANCES (DEFICITS)				
Restricted	214,090	761,976	671,556	-
Unassigned	-	-	-	(78,399)
Total fund balances (deficits)	**214,090**	**761,976**	**671,556**	**(78,399)**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 237,858**	**$ 765,946**	**$ 671,556**	**$ 138,010**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	AQMD	Measure M	Law Enforcement Grants	Street Grants
ASSETS				
Pooled cash and investments	$ 412,102	$ 999,382	$ -	$ 129,127
Receivables:				
Accounts Receivable	-	-	-	-
Taxes	-	-	-	-
Due from other governments	12,180	160,356	-	373,527
Total assets	**$ 424,282**	**$ 1,159,738**	**$ -**	**$ 502,654**
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	**-**	**-**	**-**	**-**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	373,527
Total deferred inflows of resources	**-**	**-**	**-**	**373,527**
FUND BALANCES (DEFICITS)				
Restricted	424,282	1,159,738	-	129,127
Unassigned	-	-	-	-
Total fund balances (deficits)	**424,282**	**1,159,738**	**-**	**129,127**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 424,282**	**$ 1,159,738**	**$ -**	**$ 502,654**

	Special Revenue Funds		Debt Service Fund	
	Historic Dedication	Permanent Local Housing Allocations	Debt Service	Total Nonmajor Funds
ASSETS				
Pooled cash and investments	$ 66,676	$ 168,171	$ 4,895,570	$ 11,213,451
Receivables:				
Accounts Receivable	-	-	-	138,010
Taxes	-	-	31,062	32,647
Due from other governments	-	-	-	798,571
Total assets	**$ 66,676**	**$ 168,171**	**$ 4,926,632**	**$ 12,182,679**
LIABILITIES				
Accounts payable	$ -	$ 13,899	$ -	$ 47,770
Unearned revenues	-	154,272	-	224,366
Due to other funds	-	-	-	85,898
Total liabilities	**-**	**168,171**	**-**	**358,034**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	511,537
Total deferred inflows of resources	**-**	**-**	**-**	**511,537**
FUND BALANCES (DEFICITS)				
Restricted	66,676	-	4,926,632	11,405,042
Unassigned	-	-	-	(91,934)
Total fund balances (deficits)	**66,676**	**-**	**4,926,632**	**11,313,108**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 66,676**	**$ 168,171**	**$ 4,926,632**	**$ 12,182,679**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Other Grants	**C&D Forfeited Bonds**	**RMRA**	**Certified Access Specialist Program**
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses, fees and permits	-	139,071	-	-
Intergovernmental	-	-	954,900	595
Interest and rental	-	-	47,660	-
Miscellaneous	-	-	-	-
Total revenues	**-**	**139,071**	**1,002,560**	**595**
EXPENDITURES				
Current:				
Public safety	-	-	-	-
Development services	-	-	-	1,075
Public works and community services	-	-	-	-
Engineering and environmental services	-	147,772	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	**-**	**147,772**	**-**	**1,075**
Excess (deficiency) of revenues over (under) expenditures	**-**	**(8,701)**	**1,002,560**	**(480)**
OTHER FINANCING SOURCES (USES)				
Transfers out	(13,180)	-	-	-
Total other financing sources (uses)	**(13,180)**	**-**	**-**	**-**
Net change in fund balances	**(13,180)**	**(8,701)**	**1,002,560**	**(480)**
Fund balances, beginning of year	(355)	1,258,274	769,207	30,105
Fund balances, end of year	**$ (13,535)**	**$ 1,249,573**	**$ 1,771,767**	**$ 29,625**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025 **(Continued)**

	Special Revenue Funds			
	Landscape Maintenance District	**CDBG/HOME Grant**	**State Gasoline Tax**	**SONGS**
REVENUES				
Taxes	$ -	$ -	$ 991,069	$ -
Licenses, fees and permits	146,521	-	-	-
Intergovernmental	-	183,918	-	65,501
Interest and rental	-	33,466	20,110	-
Miscellaneous	-	126	-	-
Total revenues	**146,521**	**217,510**	**1,011,179**	**65,501**
EXPENDITURES				
Current:				
Public safety	-	-	-	143,769
Development services	-	195,665	-	-
Public works and community services	140,948	-	-	-
Engineering and environmental services	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	**140,948**	**195,665**	**-**	**143,769**
Excess (deficiency) of revenues over (under) expenditures	**5,573**	**21,845**	**1,011,179**	**(78,268)**
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(350,000)	-
Total other financing sources (uses)	**-**	**-**	**(350,000)**	**-**
Net change in fund balances	**5,573**	**21,845**	**661,179**	**(78,268)**
Fund balances, beginning of year	208,517	740,131	10,377	(131)
Fund balances, end of year	**$ 214,090**	**$ 761,976**	**$ 671,556**	**$ (78,399)**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	AQMD	**Measure M**	**Law Enforcement Grants**	**Street Grants**
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses, fees and permits	-	-	-	-
Intergovernmental	58,447	902,332	194,663	274,615
Interest and rental	19,224	25,815	5,238	2,003
Miscellaneous	-	-	-	-
Total revenues	**77,671**	**928,147**	**199,901**	**276,618**
EXPENDITURES				
Current:				
Public safety	-	-	-	-
Development services	-	-	-	-
Public works and community services	4,281	-	-	-
Engineering and environmental services	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	**4,281**	**-**	**-**	**-**
Excess (deficiency) of revenues over (under) expenditures	**73,390**	**928,147**	**199,901**	**276,618**
OTHER FINANCING SOURCES (USES)				
Transfers out	(53,837)	(51,712)	(199,901)	(158,931)
Total other financing sources (uses)	**(53,837)**	**(51,712)**	**(199,901)**	**(158,931)**
Net change in fund balances	**19,553**	**876,435**	**-**	**117,687**
Fund balances, beginning of year	404,729	283,303	-	11,440
Fund balances, end of year	**$ 424,282**	**$ 1,159,738**	**$ -**	**$ 129,127**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025 **(Continued)**

	Special Revenue Funds		Debt Service Fund	
	Historic Dedication	Permanent Local Housing Allocations	Debt Service	Total Nonmajor Funds
REVENUES				
Taxes	$ -	$ -	$ 2,017,692	$ 3,008,761
Licenses, fees and permits	25,000	-	-	310,592
Intergovernmental	-	205,415	-	2,840,386
Interest and rental	2,720	2,740	176,820	335,796
Miscellaneous	-	-	-	126
Total revenues	**27,720**	**208,155**	**2,194,512**	**6,495,661**
EXPENDITURES				
Current:				
Public safety	-	-	-	143,769
Development services	-	335,338	-	532,078
Public works and community services	-	-	-	145,229
Engineering and environmental services	-	-	-	147,772
Debt service:				
Principal retirement	-	-	990,000	990,000
Interest and fiscal charges	-	-	846,683	846,683
Total expenditures	**-**	**335,338**	**1,836,683**	**2,805,531**
Excess (deficiency) of revenues over (under) expenditures	**27,720**	**(127,183)**	**357,829**	**3,690,130**
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	(827,561)
Total other financing sources (uses)	**-**	**-**	**-**	**(827,561)**
Net change in fund balances	**27,720**	**(127,183)**	**357,829**	**2,862,569**
Fund balances, beginning of year	38,956	127,183	4,568,803	8,450,539
Fund balances, end of year	**$ 66,676**	**$ -**	**$ 4,926,632**	**$ 11,313,108**

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SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Special Revenue Funds include the following:

Other Grants Fund is used to account for revenues received from State and local granting agencies to fund projects that are not recorded in another fund.

C&D Forfeited Bonds Fund is used to account for revenues received from fees for which no refund is required.

RMRA Fund is used to account for revenues received from the State SB1 taxes. Expenditures are restricted to basic road maintenance, rehabilitation, and critical safety projects. Is used to account for revenues received from fees for which no refund is required.

Certified Access Specialist Program Fund is used to account for the state-mandated $4 fee that is required by Senate Bill 1186 to be collected with each business license issued by the City in order to fund certified access specialist programs

Landscape Maintenance District Fund is used to account for the financing of public improvements or services deemed to benefit the properties against which special assessments are levied.

CDBG/Home Grant Fund is used to account for revenues received from the State of California for the Community Development Block Grant (CDBG) program and Home Investment Partnerships program funded by the U.S. Department of Housing and Urban Development. These funds are primarily used to fund the City’s affordable housing program.

San Onofre Nuclear Generating Station (SONGS) Fund is used to account for the accumulation of all resources for and payment of expenditures incurred in connection with emergency preparedness related to the San Onofre Nuclear Generating Station. All costs are reimbursed by the State of California.

Air Quality Management District (AQMD) Fund is used to account for fees generated by AB 2766, received from the State, which added a surcharge to vehicle registration. The fees are used for mobile source emission reduction projects.

Measure M Fund is used to account for funds received by the City as a result of the voter-approved ballot measure in 1990 and extended by voter approval in 2006 to increase sales tax by ½ percent in Orange County to fund transportation projects, and includes both Measure M apportionment and funds awarded through competitive allocation.

Law Enforcement Grants Fund is used to account for proceeds from the State of California Community Oriented Police Support (COPS) and other county grant funds. These funds are used to fund law enforcement activities within the City.

Street Grants Fund is used to account for revenues received and expenditures made for street maintenance. Financing is provided by City’s share of State gasoline taxes. These taxes are used exclusively to maintain streets in accordance with State law.

Historic Dedication Fund is used to account for proceeds from the Historic Depiction In-Lieu development fees collected under City Council Policy No. 606.

Permanent Local Housing Allocations Fund is used to account for funding from the State to be used for affordable housing and to assist persons experiencing, or at risk of, homelessness, including rapid rehousing, rental assistance, and supportive services.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Other Grants
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ 1,267,283	$ -	$ (1,267,283)
Total revenues	**-**	**1,267,283**	**-**	**(1,267,283)**
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(1,267,283)	(13,180)	1,254,103
Total other financing sources (uses)	**-**	**(1,267,283)**	**(13,180)**	**1,254,103**
Net change in fund balances	**$ -**	**$ -**	**(13,180)**	**$ (13,180)**
Fund deficit-beginning			(355)	
Fund deficit-ending			**$ (13,535)**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
C&D Forfeited Bonds
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses, fees and permits	$ 25,000	$ 25,000	$ 139,071	$ 114,071
Total revenues	**25,000**	**25,000**	**139,071**	**114,071**
EXPENDITURES				
Current:				
Engineering and environmental services	275,853	275,853	147,772	128,081
Total expenditures	**275,853**	**275,853**	**147,772**	**128,081**
Net change in fund balances	**$ (250,853)**	**$ (260,853)**	**(8,701)**	**$ 252,152**
Fund balances-beginning			1,258,274	
Fund balances-ending			**$ 1,249,573**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
RMRA
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 898,000	$ 898,000	$ 954,900	$ 56,900
Interest and rental	-	-	47,660	47,660
Total revenues	**898,000**	**898,000**	**1,002,560**	**104,560**
OTHER FINANCING SOURCES (USES)				
Transfers out	(891,000)	(891,000)	-	891,000
Total other financing sources (uses)	**(891,000)**	**(891,000)**	**-**	**891,000**
Net change in fund balances	**$ 7,000**	**$ 7,000**	**1,002,560**	**$ 995,560**
Fund balances-beginning			769,207	
Fund balances-ending			**$ 1,771,767**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Certified Access Specialist Program
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 1,000	$ 1,000	$ 595	$ (405)
Total revenues	**1,000**	**1,000**	**595**	**(405)**
EXPENDITURES				
Current:				
Development services	6,650	6,650	1,075	5,575
Public works and community services	5,000	5,000	-	5,000
Total expenditures	**11,650**	**11,650**	**1,075**	**10,575**
Net change in fund balances	**$ (10,650)**	**$ (10,650)**	**(480)**	**$ 10,170**
Fund balances-beginning			30,105	
Fund balances-ending			**$ 29,625**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Landscape Maintenance District
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses, fees and permits	$ 140,000	$ 140,000	$ 146,521	$ 6,521
Total revenues	**140,000**	**140,000**	**146,521**	**6,521**
EXPENDITURES				
Current:				
Public works and community services	149,182	149,182	140,948	8,234
Total expenditures	**149,182**	**149,182**	**140,948**	**8,234**
Net change in fund balances	**$ (9,182)**	**$ (9,182)**	**5,573**	**$ 14,755**
Fund balances-beginning			208,517	
Fund balances-ending			**$ 214,090**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
CDBG/HOME Grant
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 120,000	$ 120,000	$ 183,918	$ 63,918
Interest and rental	7,000	7,000	33,466	26,466
Other Revenue	-	-	126	126
Total revenues	**127,000**	**127,000**	**217,510**	**90,510**
EXPENDITURES				
Current:				
Development services	9,294	253,144	195,665	57,479
Total expenditures	**210,844**	**253,644**	**195,665**	**57,979**
Net change in fund balances	**$ (83,844)**	**$ (126,644)**	**21,845**	**$ 148,489**
Fund balances-beginning			740,131	
Fund balances-ending			**$ 761,976**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
State Gasoline Tax
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	$ 976,000	$ 976,000	$ 991,069	$ 15,069
Interest and rental	-	-	20,110	20,110
Total revenues	**976,000**	**976,000**	**1,011,179**	**35,179**
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,034,000)	(1,087,634)	(350,000)	737,634
Total other financing sources (uses)	**(1,034,000)**	**(1,087,634)**	**(350,000)**	**737,634**
Net change in fund balances	**$ (58,000)**	**$ (111,634)**	**661,179**	**$ 772,813**
Fund balances-beginning			10,377	
Fund balances-ending			**$ 671,556**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
SONGS
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 147,138	$ 147,138	$ 65,501	$ (81,637)
Total revenues	**147,138**	**147,138**	**65,501**	**(81,637)**
EXPENDITURES				
Current:				
Public safety	147,138	166,238	143,769	22,469
Total expenditures	**147,138**	**166,238**	**143,769**	**22,469**
Net change in fund balances	**$ -**	**$ (19,100)**	**(78,268)**	**$ (59,168)**
Fund deficit-beginning			(131)	
Fund deficit-ending			**$ (78,399)**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
AQMD
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 45,000	$ 45,000	$ 58,447	$ 13,447
Interest and rental	1,000	1,000	19,224	18,224
Total revenues	**46,000**	**46,000**	**77,671**	**31,671**
EXPENDITURES				
Current:				
General government	5,000	5,000	-	5,000
Public works and community services	-	25,000	4,281	20,719
Total expenditures	**5,000**	**30,000**	**4,281**	**25,719**
Excess (deficiency) of revenues over (under) expenditures	**41,000**	**16,000**	**73,390**	**57,390**
OTHER FINANCING SOURCES (USES)				
Transfers out	(53,000)	(227,582)	(53,837)	173,745
Total other financing sources (uses)	**(53,000)**	**(227,582)**	**(53,837)**	**173,745**
Net change in fund balances	**$ (12,000)**	**$ (211,582)**	**19,553**	**$ 231,135**
Fund balances-beginning			404,729	
Fund balances-ending			**$ 424,282**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Measure M
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 976,000	$ 976,000	$ 902,332	$ (73,668)
Interest and rental	5,000	5,000	25,815	20,815
Total revenues	**981,000**	**981,000**	**928,147**	**(52,853)**
OTHER FINANCING SOURCES (USES)				
Transfers out	(913,000)	(1,054,165)	(51,712)	1,002,453
Total other financing sources (uses)	**(913,000)**	**(1,054,165)**	**(51,712)**	**1,002,453**
Net change in fund balances	**$ 68,000**	**$ (73,165)**	**876,435**	**$ 949,600**
Fund balances-beginning			283,303	
Fund balances-ending			**$ 1,159,738**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Law Enforcement Grants
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 165,000	$ 165,000	$ 194,663	$ 29,663
Interest and rental	-	-	5,238	5,238
Total revenues	**165,000**	**165,000**	**199,901**	**34,901**
OTHER FINANCING SOURCES (USES)				
Transfers out	(165,000)	(165,000)	(199,901)	(34,901)
Total other financing sources (uses)	**(165,000)**	**(165,000)**	**(199,901)**	**(34,901)**
Net change in fund balances	**$ -**	**$ -**	**-**	**$ -**
Fund balances-beginning			-	
Fund balances-ending			**$ -**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Street Grants
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 325,000	$ 325,000	$ 274,615	$ (50,385)
Interest and rental	-	-	2,003	2,003
Total revenues	**325,000**	**325,000**	**276,618**	**(48,382)**
OTHER FINANCING SOURCES (USES)				
Transfers out	(325,000)	(1,149,800)	(158,931)	990,869
Total other financing sources (uses)	**(325,000)**	**(1,149,800)**	**(158,931)**	**990,869**
Net change in fund balances	**$ -**	**$ (824,800)**	**117,687**	**$ 942,487**
Fund balances-beginning			11,440	
Fund balances-ending			**$ 129,127**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Permanent Local Housing Allocations
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 359,700	$ 359,700	$ 205,415	$ (154,285)
Interest and rental	-	-	2,740	2,740
Total revenues	**359,700**	**359,700**	**208,155**	**(151,545)**
EXPENDITURES				
Current:				
Development services	375,894	375,894	335,338	40,556
Total expenditures	**375,894**	**375,894**	**335,338**	**40,556**
Net change in fund balances	**$ (16,194)**	**$ (16,194)**	**(127,183)**	**$ (110,989)**
Fund balances-beginning			127,183	
Fund balances-ending			**$ -**	

CAPITAL PROJECTS FUNDS

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).

Developer Impact Fees Fund is used to account for Revenues collected from new development to help the City's cost for roadway improvements. Revenues collected from new development; to be used for development of City parks, recreational facilities and historic buildings. Revenues collected from new development to pay for development of the City's Master Plan of Drainage. Revenues collected by traffic impact fees assessed on new development and are based on either number of dwelling units or building square footage.

General City Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and bond proceeds).

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Developer Impact Fees Capital Projects
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	$ 250,000	$ 250,000	$ 580,540	$ 330,540
Licenses, fees and permits	1,352,000	1,352,000	1,322,067	(29,933)
Intergovernmental	100,000	100,000	-	(100,000)
Interest and rental	237,000	237,000	788,242	551,242
Total revenues	**1,939,000**	**1,939,000**	**2,690,849**	**751,849**
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,906,000)	(10,049,977)	(6,163,195)	3,886,782
Total other financing sources (uses)	**(2,906,000)**	**(9,724,977)**	**(5,838,195)**	**3,886,782**
Net change in fund balances	**$ (967,000)**	**$ (7,785,977)**	**(3,147,346)**	**$ 4,638,631**
Fund balances-beginning			18,383,985	
Fund balances-ending			**$ 15,236,639**	

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
General City Capital Projects
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
EXPENDITURES				
Capital outlay	$ 8,636,481	$ 37,313,071	$ 21,885,703	$ 15,427,368
Total expenditures	**8,860,641**	**37,537,231**	**21,885,703**	**15,651,528**
Excess (deficiency) of revenues over (under) expenditures	**(8,860,641)**	**(37,537,231)**	**(21,885,703)**	**15,651,528**
OTHER FINANCING SOURCES (USES)				
Transfers in	8,860,640	35,595,919	21,847,279	(13,748,640)
Total other financing sources (uses)	**8,860,640**	**35,595,919**	**21,847,279**	**(13,748,640)**
Net change in fund balances	**$ (1)**	**$ (1,941,312)**	**(38,424)**	**$ 1,902,888**
Fund balances-beginning			219,009	
Fund balances-ending			**$ 180,585**	

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DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, principal, interest and related costs of the long-term debt.

Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal, interest, and related costs not accounted for in other funds.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Debt Service
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	$ 1,928,000	$ 1,928,000	$ 2,017,692	$ 89,692
Interest and rental	30,000	30,000	176,820	146,820
Total revenues	**1,958,000**	**1,958,000**	**2,194,512**	**236,512**
EXPENDITURES				
Debt service:				
Principal retirement	990,000	990,000	990,000	-
Interest and fiscal charges	847,420	847,420	846,683	737
Total expenditures	**1,837,420**	**1,837,420**	**1,836,683**	**737**
Net change in fund balances	**$ 120,580**	**$ 120,580**	**357,829**	**$ 237,249**
Fund balances-beginning			4,568,803	
Fund balances-ending			**$ 4,926,632**	

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for activities and services performed for other organizational units within the City. Charges to other City departments are made to support these activities. Internal Service Funds include the following:

Facilities Operations Fund is used to account for the costs of operating all City facilities and corporate yard used by City departments. Such costs are billed on a direct cost basis. The facilities operations fund is responsible for replacement of equipment at facilities, as necessary.

Insurance and Benefits Fund is used to account for the costs of insurance and employee benefits including pension and OPEB contributions and compensated absences. Such costs are allocated to each department on a direct cost basis.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Statement of Net Position
Internal Service Funds
June 30, 2025

	Facilities Operations	Insurance and Benefits	Total Internal Service Funds
ASSETS			
Current assets:			
Cash and investments	$ 3,428,689	$ 2,256,330	$ 5,685,019
Receivables (net of uncollectibles):			
Accounts	-	9,931	9,931
Prepaid costs	314,327	2,557,249	2,871,576
Total current assets	3,743,016	4,823,510	8,566,526
Noncurrent:			
Capital assets - not being depreciated/amortized	325,735	-	325,735
Capital assets - net of accumulated depreciation/amortization	17,230,379	-	17,230,379
Total noncurrent assets	17,556,114	-	17,556,114
Total assets	**21,299,130**	**4,823,510**	**26,122,640**
LIABILITIES			
Current liabilities:			
Accounts payable	428,960	-	428,960
Accrued interest	6,259	-	6,259
Lease payable	6,480	-	6,480
Subscriptions payable	185,809	-	185,809
Accrued compensated absences	-	922,050	922,050
Total current liabilities	627,508	922,050	1,549,558
Noncurrent liabilities:			
Accrued compensated absences	-	1,082,406	1,082,406
Subscriptions payable	480,445	-	480,445
Total noncurrent liabilities	480,445	1,082,406	1,562,851
Total liabilities	**1,107,953**	**2,004,456**	**3,112,409**
NET POSITION			
Net investment in capital assets	16,883,380	-	16,883,380
Unrestricted	3,307,797	2,819,054	6,126,851
Total net position	**$ 20,191,177**	**$ 2,819,054**	**$ 23,010,231**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2025

	Facilities Operations	Insurance and Benefits	Total Internal Service Funds
OPERATING REVENUES			
Sales and service charges	$ 2,896,972	$ 5,429,292	$ 8,326,264
Miscellaneous	-	15,750	15,750
Total operating revenues	**2,896,972**	**5,445,042**	**8,342,014**
OPERATING EXPENSES			
Maintenance and operations	2,699,136	-	2,699,136
Insurance and benefits	-	5,324,665	5,324,665
Depreciation/amortization expense	505,338	-	505,338
Total operating expenses	**3,204,474**	**5,324,665**	**8,529,139**
Operating income (loss)	**(307,502)**	**120,377**	**(187,125)**
NONOPERATING REVENUES (EXPENSES)			
Interest revenue	154,194	68,143	222,337
Interest expense	(24,819)	-	(24,819)
Gain on sale of capital assets	13,000	-	13,000
Total nonoperating revenues (expenses)	**142,375**	**68,143**	**210,518**
Income (loss) before transfers	**(165,127)**	**188,520**	**23,393**
Capital contributions	7,583,869	-	7,583,869
Transfers out	(491,514)	-	(491,514)
Change in net position	**6,927,228**	**188,520**	**7,115,748**
Beginning of fiscal year, as originally reported	13,263,949	2,935,337	16,199,286
Restatements	-	(304,803)	(304,803)
Beginning of fiscal year, as restated	13,263,949	2,630,534	15,894,483
Net position, end of fiscal year	**$ 20,191,177**	**$ 2,819,054**	**$ 23,010,231**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2025

	Facilities Operations	Insurance and Benefits	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 2,896,972	$ 5,435,111	$ 8,332,083
Payments to suppliers and service providers	(2,458,357)	(5,369,530)	(7,827,887)
Net cash provided by (used for) operating activities	**438,615**	**65,581**	**504,196**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to other funds	(491,514)	-	(491,514)
Net cash provided by (used for) noncapital financing activities	**(491,514)**	**-**	**(491,514)**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(3,435,505)	-	(3,435,505)
Principal paid on capital debt	(209,346)	-	(209,346)
Interest paid on capital debt	(18,567)	-	(18,567)
Proceeds from sales of assets	13,000	-	13,000
Net cash provided by (used for) capital and related financing activities	**(3,650,418)**	**-**	**(3,650,418)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	154,194	68,143	222,337
Net cash provided by (used for) investing activities	**154,194**	**68,143**	**222,337**
Net increase (decrease) in cash and cash equivalents	**(3,549,123)**	**133,724**	**(3,415,399)**
Cash and cash equivalents-beginning	6,977,812	2,122,606	9,100,418
Cash and cash equivalents-ending	**$ 3,428,689**	**$ 2,256,330**	**$ 5,685,019**
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income (loss)	$ (307,502)	$ 120,377	$ (187,125)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation/amortization expense	505,338	-	505,338
(Increase) decrease in accounts receivable	-	(9,931)	(9,931)
(Increase) decrease in prepaid items	108,559	(367,044)	(258,485)
Increase (decrease) in accounts payable	132,220	86,844	219,064
Increase (decrease) in compensated absences	-	235,335	235,335
Total adjustments	746,117	(54,796)	691,321
Net cash provided by (used for) operating activities	**$ 438,615**	**$ 65,581**	**$ 504,196**
SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES			
Acquisition of subscription assets	$ 229,154	$ -	$ 229,154

SUCCESSOR AGENCY OF THE SAN JUAN CAPISTRANO REDEVELOPMANT AGENCY (SACRA) TRUST FUND

The Successor Agency to the San Juan Capistrano Community Redevelopment Agency (SACRA) Trust Fund is used to account for the activity of the dissolved San Juan Capistrano Community Redevelopment Agency in accordance with Assembly Bill X1 26. The SACRA Trust Fund presented in the Statement of Fiduciary Net Position consists of the aggregate of the following funds:

Administration Fund is the general operating fund of the Successor Agency and is used to account for the Successor Agency's administrative costs.

Debt Service Fund is used to account for the accumulation of resources and payment for the principal and interest on the Successor Agency's indebtedness.

Retirement Obligation Payment Fund is used to account for Redevelopment Property Tax Trust Fund (RPTTF) revenues the Successor Agency receives from the State of California, through the County of Orange, and the transfers to other funds for the payment of enforceable obligations approved for payment by the State of California Department of Finance.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Combing Statement of Net Position
Successor Agency of the San Juan Capistrano Redevelopment Agency (SACRA) Trust Fund
June 30, 2025

	Administration Fund	Debt Service Fund	Retirement Obligation Payment Fund	Total SACRA Trust Fund
Assets:				
Pooled cash and investments	$ -	$ -	$ 1,968,085	$ 1,968,085
Intrafund balances	(104,232)	(2,445,339)	2,549,571	-
Notes and loans	2,123,927	-	-	2,123,927
Restricted assets:				
Cash and investments with fiscal agents	-	1,649,764	-	1,649,764
Total Assets	**2,019,695**	**(795,575)**	**4,517,656**	**5,741,776**
Liabilities:				
Accounts payable	15,176	-	-	15,176
Accrued interest	-	364,172	-	364,172
Long-term liabilities:				
Due in one year	-	1,530,000	-	1,530,000
Due in more than one year	-	14,775,874	-	14,775,874
Total Liabilities	**15,176**	**16,670,046**	**-**	**16,685,222**
Restricted Net Position:				
Restricted for individuals, organizations and other governments	2,004,519	-	4,517,656	6,522,175
Unrestricted	-	(17,465,621)	-	(17,465,621)
Total Net Position	**$ 2,004,519**	**$ (17,465,621)**	**$ 4,517,656**	**$ (10,943,446)**

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Statement of Changes in Fiduciary Net Position
Successor Agency of the San Juan Capistrano Redevelopment Agency (SACRA) Trust Fund
Year Ended June 30, 2025

	Administration Fund	Debt Service Fund	Retirement Obligation Payment Fund	Total SACRA Trust Fund
Additions:				
Taxes	$ -	$ -	$ 2,439,248	$ 2,439,248
Interest and change in fair value of investments	33,961	73,439	-	107,400
Total Additions	**33,961**	**73,439**	**2,439,248**	**2,546,648**
Deductions:				
Administrative expenses	125,124	1,053	-	126,177
Interest expense	-	893,266	-	893,266
Total Deductions	**125,124**	**894,319**	**-**	**1,019,443**
Changes in Net Position	**(91,163)**	**(820,880)**	**2,439,248**	**1,527,205**
Net Position - Beginning of the Year	2,095,682	(16,644,741)	2,078,408	(12,470,651)
Net Position - End of the Year	**$ 2,004,519**	**$ (17,465,621)**	**$ 4,517,656**	**$ (10,943,446)**

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STATISTICAL SECTION

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STATISTICAL SECTION

This section of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial condition.

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and condition have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors that affect the government's ability to generate its most significant own-source revenues.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These schedules contain information about the government's operations and resources to help the reader understand how the government's financial information relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2015-16	2016-17	2017-18	2018-19
Governmental Activities:				
Net investment in capital assets	$ 71,251,198	$ 71,485,039	$ 79,521,977	$ 85,513,502
Restricted	26,565,038	28,821,211	27,223,737	30,432,991
Unrestricted	(204,376)	(2,308,804)	(6,050,471)	(184,604)
Total governmental activities net position	97,611,860	97,997,446	100,695,243	115,761,889
Business-type Activities:				
Net investment in capital assets	49,453,479	46,441,335	44,172,230	41,189,341
Restricted	1,296,425	6,756,132	6,838,903	5,996,721
Unrestricted	24,839,341	21,492,196	27,247,028	33,132,569
Total business-type activities net position	75,589,245	74,689,663	78,258,161	80,318,631
Primary Government:				
Net investment in capital assets	120,704,677	117,926,374	123,694,207	126,702,843
Restricted	27,861,463	35,577,343	34,062,640	36,429,712
Unrestricted	24,634,965	19,183,392	21,196,557	32,947,965
Total primary government net position	$ 173,201,105	$ 172,687,109	$ 178,953,404	$ 196,080,520

* Certain amounts presented in the prior year financial statements have been reclassified in order to be consistent with the current year's presentation.

Source: City Finance Department

Fiscal Year					
2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
$ 86,609,506	$ 87,084,853	$ 80,754,391	$ 92,929,063	$ 114,346,072	$ 139,199,674
31,194,774	29,044,166	33,694,027	45,418,633	41,177,783	38,575,270
2,771,764	12,759,921	24,598,576	41,318,582	37,804,475	23,007,808
120,576,044	128,888,940	139,046,994	179,666,278	193,328,330	200,782,752
38,761,786	36,770,893	4,116,419	4,018,812	3,921,144	3,823,506
6,138,353	6,143,905	6,097,268	1,297,897	1,333,973	1,699,778
36,612,969	46,749,444	8,344,215	13,463,836	13,685,461	13,587,717
81,513,108	89,664,242	18,557,902	18,780,545	18,940,578	19,111,001
125,371,292	123,855,746	84,870,810	96,947,875	118,267,216	143,023,180
37,333,127	35,188,071	39,791,295	46,716,530	41,234,117	40,275,048
39,384,733	59,509,365	32,942,791	54,782,418	51,489,936	36,595,525
$ 202,089,152	$ 218,553,182	$ 157,604,896	$ 198,446,823	$ 212,268,908	$ 219,893,753

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Changes in Net Position - Expenses and Program Revenues
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2015-16	2016-17	2017-18	2018-19	2019-20
Expenses:					
Governmental Activities:					
General government (1)	$ 4,084,509	$ 5,512,253	$ 9,824,141	$ 7,111,026	$ 4,763,609
Public safety	9,431,481	9,824,597	10,599,106	11,036,654	11,115,980
Development services	2,614,794	2,749,477	3,149,696	3,207,933	2,825,863
Community services	3,030,560	3,125,799	3,173,044	3,107,784	3,123,487
Public works/utilities (2)	10,356,917	9,902,961	10,959,414	9,818,215	8,904,044
Public works & community services	-	-	-	-	-
Engineering & environmental services	-	-	-	-	-
Utilities (2)	-	-	-	-	
Interest on long term debt	1,326,190	1,244,860	1,017,008	1,033,317	1,010,140
Total governmental activities net expenses	30,844,451	32,359,947	38,722,409	35,314,929	31,743,123
Business-type Activities:					
Water	23,085,904	21,656,797	21,235,843	22,144,340	20,737,178
Municipal sewer	3,854,823	4,143,151	3,647,964	4,855,652	5,683,875
Housing Authority	382,020	641,177	305,592	377,164	397,198
Total business-type activities net expenses	27,322,747	26,441,125	25,189,399	27,377,156	26,818,251
Total primary government expenses	$ 58,167,198	$ 58,801,072	$ 63,911,808	$ 62,692,085	$ 58,561,374
Program Revenues:					
Governmental Activities:					
Charges for services:					
General government	$ 128,713	$ 286,745	$ 289,610	$ 265,270	$ 322,909
Public safety	687,256	795,050	739,406	737,534	694,940
Development services	1,234,091	1,407,358	1,351,585	1,505,906	1,440,443
Community services	538,087	514,608	611,519	683,724	527,702
Public works/utilities	1,054,312	1,217,712	1,241,544	2,107,162	1,316,626
Public works & community services	-	-	-	-	-
Engineering & environmental services	-	-	-	-	-
Operating grants and contributions	2,797,192	3,081,136	2,978,723	3,963,458	4,208,747
Capital grants and contributions	5,216,628	6,444,464	11,538,485	10,359,735	3,491,451
Total governmental activities program revenues	11,656,279	13,747,073	18,750,872	19,622,789	12,002,818
Business-type Activities:	-	-	-	-	-
Charges for services:	-	-	-	-	-
Water	17,965,821	19,761,468	21,653,580	21,447,890	21,122,029
Municipal sewer	3,539,139	3,554,015	3,588,813	3,878,720	3,795,560
Housing Authority	230,600	217,945	214,608	191,458	207,271
Operating grants and contributions	1,826,687	236,162	522,050	451,815	445,200
Capital grants and contributions	438,646	1,351,515	1,197,154	1,224,556	138,966
Total business-type activities program revenues	24,000,893	25,121,105	27,176,205	27,194,439	25,709,026
Primary government program revenues	$ 35,657,172	$ 38,868,178	$ 45,927,077	$ 46,817,228	$ 37,711,844
Net (Expense)/Revenue:					
Governmental activities	$ (19,188,172)	$ (18,612,874)	$ (19,971,537)	$ (15,692,140)	$ (19,740,305)
Business-type activities	(3,321,854)	(1,320,020)	1,986,806	(182,717)	(1,109,225)
Total primary government net expense	$ (22,510,026)	$ (19,932,894)	$ (17,984,731)	$ (15,874,857)	$ (20,849,530)

Notes:

(1) In fiscal year 2011-12, the City netted pass-through payments and the SERAF payment with property tax revenue to conform with predominant practice and GASB Statement No. 34.

(2) The City's public works and utilities departments merged July 1, 2013.

*

Certain amounts presented in the prior year financial statements have been reclassified in order to be consistent with the current year's presentation.

Source: City Finance Department

		Fiscal Year		
2020-21	2021-22	2022-23	2023-24	2024-25
$ 3,742,777	$ 4,003,323	$ 6,009,346	$ 7,016,221	$ 6,811,142
11,452,209	11,598,096	12,222,224	13,308,759	14,773,866
3,286,374	4,785,688	5,078,742	4,470,541	5,793,089
2,878,824	2,083,952	2,591,994	2,668,360	-
14,645,206	25,094,371	10,951,685	10,961,382	-
-	-	-	-	17,997,910
-	-	-	-	2,888,975
-	-	-	-	-
963,433	929,293	924,028	888,841	899,523
36,968,823	48,494,723	37,778,019	39,314,104	49,164,505
20,999,926	8,862,692	-	-	-
4,604,973	2,836,572	-	-	-
461,101	389,841	435,850	431,421	492,030
26,066,000	12,089,105	435,850	431,421	492,030
$ 63,034,823	$ 60,583,828	$ 38,213,869	$ 39,745,525	$ 49,656,535
$ 563,673	$ 1,670,824	$ 1,785,662	$ 2,080,172	$ 1,092,187
727,349	775,193	786,148	1,041,102	1,132,506
2,972,538	2,958,519	8,013,571	2,450,369	4,601,804
349,295	538,766	-		-
1,738,954	2,410,456	2,761,495	2,015,308	-
-	-	-	-	-
-	-	-	-	-
3,527,926	3,668,359	3,825,558	4,878,717	5,008,553
1,808,811	4,079,938	11,262,993	148,665	1,321,750
11,688,546	16,102,055	28,435,427	12,614,333	13,156,800
-	-	-	-	-
-	-	-	-	-
23,126,634	9,574,931	-	-	-
4,937,412	1,887,045	-	-	-
256,084	294,372	305,470	354,619	415,765
462,225	133,600	-	-	-
-	-	-	-	-
28,782,355	11,889,948	305,470	354,619	415,765
$ 40,470,901	$ 27,992,003	$ 28,740,897	$ 12,968,952	$ 13,572,565
$ (25,280,277)	$ (32,392,668)	$ (9,342,592)	$ (26,699,771)	$ (36,007,705)
2,716,355	(199,157)	(130,380)	(76,802)	(76,265)
$ (22,563,922)	$ (32,591,825)	$ (9,472,972)	$ (26,776,573)	$ (36,083,970)

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Changes in Net Position - General Revenues
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2015-16	2016-17	2017-18	2018-19
General Revenues and Other Changes in Net Position:				
Governmental Activities:				
Sales taxes	$ 8,121,697	$ 8,138,535	$ 8,260,611	$ 9,106,059
Property taxes (1)	9,341,831	9,720,012	10,531,237	11,214,785
Franchise taxes	1,376,940	1,296,905	1,358,960	1,382,164
Other taxes	1,387,209	1,438,454	1,593,194	1,493,562
Investment earnings, unrestricted	180,247	31,477	95,462	639,617
Intergovernmental , unrestricted	-	769,647	807,947	6,892,217
Gain on sale of capital assets	-	2,175	-	-
Miscellaneous	22,729	503,338	21,923	30,382
Transfers	1,663,581	(96,382)	-	-
Extraordinary gain on transfer of land from SACRA	-	-	-	-
Total governmental activities	22,094,234	21,804,161	22,669,334	30,758,786
Business-type Activities:				
Property taxes	1,092,575	1,111,548	1,213,073	1,299,335
Investment earnings, unrestricted	395,182	242,560	369,119	943,352
Miscellaneous	-	-	-	-
Transfers	(1,663,581)	96,382	-	-
Transfer of Water and Sewer Operations	-	-	-	-
Extraordinary loss on change of interest rate	-	-	-	-
on loan from SACRA	-	-	-	-
Total business-type activities	(175,824)	1,450,490	1,582,192	2,242,687
Total primary government	$ 21,918,410	$ 23,254,651	$ 24,251,526	$ 33,001,473
Change in Net Position:				
Governmental activities	$ 2,906,062	$ 3,191,287	$ 2,697,797	$ 15,066,646
Business-type activities	(3,497,678)	130,470	3,568,998	2,059,970
Total primary government	$ (591,616)	$ 3,321,757	$ 6,266,795	$ 17,126,616

Notes:

(1) In fiscal year 2011-12, the City netted pass-through payments and the SERAF payment with property tax revenue to conform with predominant practice and GASB Statement No. 34.

* Certain amounts presented in the prior year financial statements have been reclassified in order to be consistent with the current year's presentation.

Source: City Finance Department

Fiscal Year					
2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
$ 8,437,432	$ 10,689,028	$ 11,931,538	$ 11,713,117	$ 12,128,727	$ 12,452,704
11,508,399	14,375,125	16,158,767	17,489,798	18,707,046	19,777,189
1,862,479	1,984,810	1,389,016	2,175,855	1,880,842	1,809,553
1,257,694	2,208,751	3,549,273	3,600,041	3,134,023	3,586,776
762,196	213,467	(347,552)	629,805	-	2,913,708
695,127	1,167,763	8,002,801	3,156,568	-	-
-	3,737,804	-	9,524,130	117,372	-
36,115	66,366	346,556	1,630,608	4,393,813	1,674,579
(4,982)	(470,922)	1,283,736	-	-	-
-	-	-	-	-	-
24,554,460	33,972,192	42,314,135	49,919,922	40,361,823	42,214,509
1,319,356	1,427,735	166,542	-	-	-
979,364	225,227	117,922	-	-	246,688.000
-	3,310,895	1,807,374	353,023	236,835	-
4,982	470,922	(1,283,736)	-	-	-
-	-	(72,108,319)	-	-	-
-	-	-	-	-	
-	-	-	-	-	-
2,303,702	5,434,779	(71,300,217)	353,023	236,835	246,688
$ 26,858,162	$ 39,406,971	$ (28,986,082)	$ 50,272,945	$ 40,598,658	$ 42,461,197
$ 4,814,155	$ 8,691,915	$ 9,921,467	$ 40,577,330	$ 13,662,052	$ 6,206,804
1,194,477	8,151,134	(71,499,374)	222,643	160,033	170,423
$ 6,008,632	$ 16,843,049	$ (61,577,907)	$ 40,799,973	$ 13,822,085	$ 6,377,227

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2015-16	2016-17	2017-18	2018-19	2019-20
General Fund:					
Nonspendable	$ 2,001,528	$ 194,891	$ 249,859	$ 37,438	$ 60,665
Restricted	-	25,000	-	287,339	233,224
Assigned	1,855,651	2,110,191	2,415,268	5,117,825	4,423,189
Unassigned	15,859,563	16,563,426	14,258,636	15,410,634	18,223,524
Total general fund	$ 19,716,742	$ 18,893,508	$ 16,923,763	$ 20,853,236	$ 22,940,602
All Other Governmental Funds:					
Nonspendable	$ -	$ -	$ 156	$ -	$ -
Restricted for:					
Debt service	$ 2,378,533	$ 2,706,116	$ 3,262,674	$ 3,530,831	$ 3,738,410
Emergency preparedness	138	-	51	-	-
Affordable housing	4,128,151	5,287,231	5,282,956	5,449,729	5,614,725
Housing rehabilitation loans for low and moderate income persons	504,652	549,563	539,280	700,905	809,630
Recycling	650,073	818,579	973,981	990,953	1,090,741
Landscape maintenance	290,021	285,261	272,476	284,157	299,160
Law enforcement	-	1,512	-	-	-
Disability access program	-	-	-	30,167	30,167
Historical depictions	-	-	-	-	-
Capital projects for:					
Open space projects	1,596,168	1,409,000	1,094,795	1,066,195	1,098,475
Streets and roads projects	11,493,023	10,749,417	10,357,797	11,253,315	13,415,053
Downtown projects	1,968,322	1,963,335	1,884,087	1,537,099	1,383,864
Parks and recreation projects	1,742,597	1,535,290	1,351,942	1,022,175	2,919,157
Agricultural preservation projects	971,184	880,066	82,236	118,722	163,272
Mobile source emission reduction projects	429,363	409,521	350,872	336,454	355,193
Other purposes	-	1,760,007	1,770,434	1,816,441	23,477
Unassigned	(386,654)	(252,046)	(661,112)	(155,018)	(260,685)
Total all other governmental funds	$ 25,765,571	$ 28,102,852	$ 26,562,625	$ 27,982,125	$ 30,680,639

Notes:

* Certain amounts presented in the prior year financial statements have been reclassified in order to be consistent with the current year's presentation.

Source: City Finance Department

Fiscal Year				
2020-21	2021-22	2022-23	2023-24	2024-25
$ 55,483	$ 56,876	$ 51,423	$ 135,094	$ 138,254
180,135	683,788	1,601,798	1,126,301	907,921
3,938,576	5,518,419	3,731,445	9,761,819	4,936,281
22,958,586	29,624,813	37,180,312	27,129,580	24,526,469
$ 27,132,780	$ 35,883,896	$ 42,564,978	$ 38,152,794	$30,508,925
$ -	$ -	$ 25,065	$ 25,065	$ -
$ 3,872,856	$ 3,925,180	$ 3,925,180	$ 4,568,803	$ 4,926,632
-	-	-	-	-
5,608,677	6,105,266	12,635,265	127,183	-
783,519	572,213	572,213	13,737,594	11,607,059
1,493,437	1,519,623	1,519,623	-	-
266,371	236,983	236,983	208,517	214,090
	-		-	-
30,168	30,167	30,168	30,105	29,625
12,738	12,470	12,470	38,956	66,676
73,836	-	-	-	-
12,407,211	15,841,113	25,023,706	21,315,259	2,572,450
372,010	-	-	-	-
3,299,602	4,083,727	-	-	-
225,969	282,477	-	-	-
394,154	391,594	-	-	424,282
23,483	9,426	-	-	17,826,535
(1,413,863)	(67,592)	-	(486)	(91,934)
$ 27,450,168	$ 32,942,647	$ 43,980,673	$ 40,050,996	$37,575,415

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2015-16	2016-17	2017-18	2018-19	2019-20
Revenues:					
Taxes	$ 23,387,628	$ 23,896,237	$ 24,856,707	$ 25,592,657	$ 25,357,095
Licenses, fees and permits	4,549,994	4,466,188	3,466,848	3,374,937	5,245,227
Intergovernmental	2,982,198	3,815,924	3,799,537	10,608,227	4,103,638
Fines and forfeitures	161,683	170,246	739,406	729,989	694,940
Interest and rental	1,227,732	777,998	1,167,420	3,034,090	2,702,963
Farm income	102,760	120,970	129,250	127,874	108,101
Loan repayments	10,065	10,065	236,322	166,213	148,917
Developer contributions	-	-	303,438	-	-
Other reimbursements	-	-	211,850	636,502	590,894
Other income	91,318	2,448,862	29,788	21,188	20,717
Total revenues	32,513,378	35,706,490	34,940,566	44,291,677	38,972,492
Expenditures:					
Current:					
General government (1)	3,825,505	4,666,051	7,783,196	8,845,718	5,258,264
Public safety	9,405,961	9,793,153	10,563,020	10,991,184	11,115,672
Development services	2,492,253	2,834,748	3,203,979	2,917,582	2,772,153
Community services	2,062,302	2,098,013	2,117,640	2,243,595	2,216,793
Public works/utilities (2)	6,256,807	6,436,450	6,931,036	7,545,281	7,491,616
Public works and community services	-	-	-	-	-
Engineering and environmental services	-	-	-	-	-
Utilities (2)	-	-	-	-	-
Professional services	-	-	-	-	-
Maintenance and operations	-	-	-	-	-
Capital outlay	3,400,624	4,328,602	5,284,771	4,683,786	3,111,431
Debt service:					
Bond issuance costs	-	266,675	-	-	-
Principal retirement	1,280,000	1,330,000	1,635,000	1,198,420	1,206,162
Interest and fiscal charges	1,421,534	1,368,242	931,896	1,020,402	1,005,362
Pass-through payments	-	-	-	-	-
SERAF payment (3)	-	-	-	-	-
Total expenditures	30,144,986	33,121,934	38,450,538	39,445,968	34,177,453
Excess of revenues over (under) expenditures	2,368,392	2,584,556	(3,509,972)	4,845,709	4,795,039
Other Financing Sources (Uses):					
Transfers in	4,119,247	5,530,549	6,204,762	4,471,788	4,235,303
Transfers out	(2,359,693)	(5,663,837)	(6,204,762)	(4,471,788)	(4,244,462)
Issuance of capital lease	-	-	-	503,264	-
Issuance of debt	-	28,905,000	-	-	-
Payment to refunded bond escrow agent	-	(28,615,421)	-	-	-
Bond premium/(discount)	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	1,759,554	156,291	-	503,264	(9,159)
Extraordinary Item:					
Loss on dissolution of Community Redevelopment Agency	-	-	-	-	-
Net change in fund balances	$ 4,127,946	$ 2,740,847	$ (3,509,972)	$ 5,348,973	$ 4,785,880
Debt service as a percentage of noncapital expenditures (includes the Community Redevelopment Agency)	11.79%	9.84%	9.09%	8.61%	7.10%

Notes:

(1) The City revised the presentation of Community Redevelopment Agency expenditures in the fiscal year 2010-11 CAFR to be consistent with the audited Community Redevelopment Agency's audited financial statements. In prior years, the Agency's expenditures were primarily classified as "general government" expenditures.

(2) The City's public works and utilities departments merged July 1, 2013. As a result, department expenditures have been consolidated for reporting purposes starting in fiscal year 2013-14.

(3) The City reclassified the SERAF payment that wad made in fiscal year 2009-10 for comparability purposes. This expenditure was reported as a "general government" expenditure in the City's 2009-10 CAFR.

Certain amounts presented in the prior year financial statements have been reclassified in order to be consistent with the current year's presentation.

Source: City Finance Department

Fiscal Year				
2020-21	2021-22	2022-23	2023-24	2024-25
$ 29,257,714	$ 33,028,594	$ 34,978,811	$ 36,816,601	$ 38,616,696
6,461,325	10,914,738	14,878,672	6,187,462	6,989,523
4,802,773	11,818,444	14,121,431	4,714,362	4,817,237
727,349	775,193	786,148	1,091,860	1,195,634
682,579	80,211	1,043,014	4,670,218	4,255,509
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
106,176	558,474	2,853,369	794,616	1,805,674
42,037,916	57,175,654	68,661,445	54,275,119	57,680,273
5,530,411	5,959,975	6,511,192	7,030,015	6,620,453
11,441,395	11,587,264	12,211,392	13,257,988	14,344,462
3,289,806	3,989,156	4,389,192	4,570,032	5,630,902
2,060,947	2,066,315	2,631,338	2,548,230	-
9,136,700	9,886,248	10,137,821	10,872,783	-
-	-	-	-	14,185,145
-	-	-	-	2,888,975
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
6,530,212	8,922,599	13,699,591	22,537,601	24,258,272
-	-	-	-	-
1,232,970	1,264,869	986,862	1,021,486	1,014,720
977,978	946,651	916,252	896,589	900,729
40,200,419	44,623,077	51,483,640	62,734,724	69,843,658
1,837,497	12,552,577	17,177,805	(8,459,605)	(12,163,385)
6,956,831	11,187,977	14,661,374	23,262,133	23,748,265
(7,453,602)	(9,820,952)	(14,114,057)	(23,144,389)	(23,256,751)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(496,771)	1,367,025	547,317	117,744	491,514
-	-	-	-	-
$ 1,340,726	$ 13,919,602	$ 17,725,122	$ (8,341,861)	$ (11,671,871)
6.28%	7.12%	3.88%	4.32%	4.19%

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CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Taxes	Sales and Use Tax	Property Tax in Lieu of Sales Tax	Transient Occupancy Tax	Franchise Tax	Other Taxes
2015-16	9,342	6,629	1,493	851	1,377	536
2016-17	9,720	8,139	- (2)	855	1,297	583
2017-18	10,531	8,260	-	907	1,359	587
2018-19	11,215	9,106	-	924	1,382	334
2019-20	11,508	8,437	-	673	1,862	585
2020-21	14,375	10,689	-	1,088	1,985	1,121
2021-22	16,159	11,932	-	2,151	1,389	1,398
2022-23	17,490	11,713	-	2,292	2,176	1,308
2023-24	18,707	12,129	-	2,296	1,881	838
2024-25	19,777	12,453	-	2,352	1,810	1,234

(1) Amount shown net of SERAF and pass-through payments as required by GAAP.
(2) Expiration of "Triple Flip" Legislation. This revenue is no longer received starting in Fiscal Year 2016-17.

* Certain amounts presented in the prior year financial statements have been reclassified in order to be consistent with the current year's presentation.

Source: City Finance Department

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(amounts expressed in thousands)

CITY					
Fiscal Year	Secured	Public Utility	Unsecured	Total Taxable Assessed Value (1)	Total Direct Tax Rate
2015-16	6,709,653	-	90,718	6,800,371	1.00
2016-17	7,074,793	-	101,633	7,176,426	1.00
2017-18	7,497,685	-	102,449	7,600,134	1.00
2018-19	7,848,567	-	111,195	7,959,762	1.00
2019-20	8,235,208	-	100,826	8,336,034	1.00
2020-21	8,690,760	-	129,953	8,820,713	1.00
2021-22	9,113,856	-	130,748	9,244,604	1.00
2022-23	9,699,679	-	127,187	9,826,866	1.00
2023-24	10,407,995	-	138,658	10,546,653	1.00
2024-25	11,110,602	-	145,551	11,256,153	1.00

Notes:

(1) - City amounts include Community Redevelopment Agency incremental valuation.
(2) - The State of California dissolved redevelopment agencies effective January 31, 2012.

COMMUNITY REDEVELOPMENT AGENCY (2)			
Secured	Unsecured	Total Taxable Assessed Value	Total Direct Tax Rate
882,340	51,622	933,962	1.00
914,156	63,583	977,739	1.00
974,838	63,373	1,038,211	1.00
992,111	59,728	1,051,839	1.00
1,044,193	59,078	1,103,271	1.00
1,148,879	65,196	1,214,075	1.00
1,184,572	75,082	1,259,654	1.00
1,267,492	77,334	1,344,827	1.00
1,369,730	79,654	1,449,384	1.00
1,470,233	82,044	1,552,277	1.00

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per $100 of assessed value)

	Fiscal Year				
	2015-16	2016-17	2017-18	2018-19	2019-20
Basic Levy (1)	1.00000	1.00000	1.00000	1.00000	1.00000
Capistrano Unified School District	0.00845	0.00843	0.00800	0.00786	0.00745
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350	0.00350
Moulton Niguel Water District	0.06270	0.09377	0.05179	0.06644	0.03072
San Juan Capistrano City Debt	0.03556	0.03574	0.03488	0.02385	0.02252
Santa Margarita Water District	0.15750	0.19370	0.16050	0.00000	0.00000
Total Direct & Overlapping (2) Tax Rates	1.26771	1.33514	1.25867	1.10165	1.06419
City's Share of 1% Levy Per Prop 13 (3)	0.11506	0.11506	0.11506	0.11506	0.11506
General Obligation Debt Rate	0.00358	0.00605	0.00591	0.00000	0.00000
Redevelopment Rate (4)	0.00000	0.00000	0.00000	0.00000	0.00000
Total Direct Rate (5)	0.15465	0.15490	0.15410	0.14085	0.13913

Notes:

(1) In 1978, California voters passed Proposition 13 which set the property tax rate at a 1% 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.

(2) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

(3) City's share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. The ERAF portion of the City's Levy has been subtracted where known.

(4) RDA rate is based on the largest RDA tax rate area (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. The approval of ABX1 26 eliminated RDA from the State of California for the fiscal year 2012-13 and years thereafter.

(5) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.

2020-21	2021-22	2022-23	2023-24	2024-25
1.00000	1.00000	1.00000	1.00000	1.00000
0.00756	0.00727	0.00691	0.00633	0.00446
0.00350	0.00350	0.00350	0.00350	0.00700
0.00000	0.00000	0.00000	0.00000	0.00000
0.02126	0.02010	0.01916	0.01797	0.01705
0.00000	0.00000	0.00000	0.00000	0.00000
1.03232	1.03087	1.02957	1.02780	1.02851
0.11506	0.11506	0.11506	0.11506	0.11506
0.00000	0.00000	0.00000	0.00000	0.01705
0.00000	0.00000	0.00000	0.00000	0.00000
0.13824	0.13670	0.14463	0.14286	0.14357

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Principal Property Tax Payers
Current Fiscal Year and Ten Fiscal Years Ago

	2024-25			2015-16		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Rancho Viejo Owner LLC	$42,023,836	1	0.38 %			
Costco Wholesale Corporation	38,740,435	2	0.35 %			
Marguerite Holdings LLC	35,138,846	3	0.32 %			
Marbella Plaza LLC	34,996,676	4	0.31 %			
Ortega Ranch LLC	34,526,884	5	0.31 %			
Cappo Real Estate Holdings LLC	33,068,106	6	0.30 %			
Blue Sky Properties Apple Ten SPE Capis	32,614,163	7	0.29 %			
WLBD San Juan Capistrano Associates	32,451,158	8	0.29 %	22,823,029	6	0.52%
South Coast Investors II LLC	31,347,379	9	0.28 %			
LIPT Rancho Viejo Road Inc.	30,627,861	10	0.28 %			
Pueblo Serra, Inc.				50,872,220	1	1.15%
William Lyon Homes, Inc.				36,942,000	2	0.83%
Capistrano Enterprises				25,852,736	3	0.58%
SJD Partners Limited				25,710,403	4	0.58%
Ortega Properties, Inc.				24,866,386	5	0.56%
Fluidmaster Inc				21,030,324	7	0.48%
Sligo Properties, LP.				18,081,473	8	0.41%
NGP Realty Sub				17,396,270	9	0.39%
Aureus Acquisition III LLC				17,100,090	10	0.39%
Total Top 10 Taxpayers	$ 345,535,344		3.11 %	$ 260,674,931		5.89%

Excludes government and tax-exempt property owners. Changes in name or ownership of property is not considered for purposes of this schedule.

Sources: HdL, Coren & Cone

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Secured Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy (1)	Collected Within the Fiscal Year of the levy		Collections for Prior Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2015-16	9,986,867	9,703,258	97.16%	107,991	9,811,249	98.24%
2016-17	10,497,283	10,176,898	96.95%	100,780	10,277,678	97.91%
2017-18	10,954,198	10,618,196	96.93%	84,566	10,702,762	97.70%
2018-19	10,610,140	10,325,596	97.32%	107,213	10,432,809	98.33%
2019-20	10,857,598	10,594,160	97.57%	94,725	10,688,885	98.45%
2020-21	11,326,971	11,066,791	97.70%	128,380	11,195,171	98.84%
2021-22	11,785,068	11,417,057	96.88%	119,009	11,536,066	97.89%
2022-23	12,733,800	12,367,969	97.13%	86,488	12,454,457	97.81%
2023-24	12,835,973	12,592,090	98.10%	87,341	12,679,431	98.78%
2024-25	12,924,225	12,678,665	98.10%	88,397	12,767,062	98.78%

Note:
(1) Only secured property taxes. Figures do not include amounts on Orange County Tax Ledger for Sales Tax in Lieu or Motor Vehicle in Lieu. Includes debt service levy.

Source: Orange County Auditor/Controller

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amounts)

	Outstanding General Bonded Debt				% of	
Fiscal Year	General Obligation Bonds	Judgment Obligation Bonds	Less: Amounts Restricted for Debt Service	Total Primary Government	Assessed Value (2)	Per Capita (2)
2015-16	29,651	1,701	(2,379)	28,973	0.43%	799
2016-17	29,395	1,432	(2,706)	28,121	0.39%	765
2017-18	28,030	1,159	(3,263)	25,926	0.34%	704
2018-19	27,155	881	(3,531)	24,505	0.31%	675
2019-20	26,270	593	(3,738)	23,125	0.28%	646
2020-21	25,365	300	(3,873)	21,792	0.25%	609
2021-22	24,440	-	(3,925)	20,515	0.22%	590
2022-23	23,495	-	(4,193)	19,302	0.20%	555
2023-24	22,530	-	(4,569)	17,961	0.17%	513
2024-25	21,540	-	(4,927)	16,613	0.15%	470

Note: Details regarding the outstanding debt can be found in the notes to the basic financial statements

(1) The San Juan Capistrano Community Redevelopment Agency was dissolved on February 1, 2012. As a result, the tax allocation bonds are not debt of the primary government.

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

Source: City Finance Department

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amounts)

	Governmental Activities					Business-type Activities				
Fiscal Year	General Obligation Bonds	Judgment Obligation Bonds	Notes Payable (1)	Leases	Subscriptions	Certificates of Participation	Water Refunding Bonds	Total Primary Government	% of Personal Income (2)	Per Capita (2)
2015-16	29,651	1,701	-	-	-	9,481	18,982	59,815	4.44%	1,601
2016-17	29,395	1,432	-	-	-	9,159	17,976	57,962	4.11%	1,491
2017-18	28,030	1,159	-	-	-	-	25,339	54,528	3.75%	1,378
2018-19	27,155	881	-	455	455	-	23,855	52,801	3.12%	1,133
2019-20	26,270	593	-	419	419	-	22,338	50,039	2.87%	1,026
2020-21	25,365	300	-	380	380	-	20,773	47,198	2.70%	968
2021-22	24,440	-	-	340	340	-	-	25,120	1.38%	481
2022-23	23,495	-	-	715	715	-	-	24,925	1.31%	454
2023-24	22,530	-	-	624	624	-	-	23,778	1.18%	412
2024-25	21,540	-	-	534	666	-	-	22,740	1.07%	375

Note: Details regarding the outstanding debt can be found in the notes to the basic financial statements.

(1) The San Juan Capistrano Community Redevelopment Agency was dissolved on February 1, 2012. As a result, the tax allocation bonds and certain notes payable are not debt of the primary government.

(2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Source: City Finance Department

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Computation of Direct and Overlapping Bonded Debt
June 30, 2025

	Total Debt 6/30/25	% Applicable (1)	City's Share of Debt 6/30/25
2024-25 Assessed Valuation:	$11,256,152,966		
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:			
Metropolitan Water District	$ 17,155,000	0.276%	$ 47,348
Capistrano Unified School District School Facilities Improvement District No. 1	3,327,455	12.430%	413,603
Capistrano Unified School District CFD No. 98-1A	13,425,000	100.000%	13,425,000
Capistrano Unified School District CFD No. 98-1B	4,575,000	100.000%	4,575,000
Capistrano Unified School District CFD No. 2004-1	4,005,000	100.000%	4,005,000
Capistrano Unified School District CFD No. 2005-1	21,056,886	100.000%	21,056,886
California Statewide Community Development Authority Community Facilities District	5,955,000	100.000%	5,955,000
City of San Juan Capistrano	**21,540,000**	**100.000%**	**21,540,000**
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			$ 71,017,836
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Orange County General Fund Obligations	$ 429,065,000	1.388%	$ 5,955,422
Orange County Board of Education General Fund Obligations	9,120,000	1.388%	126,586
Capistrano Unified School District Certificates of Participation	17,290,000	9.301%	1,608,143
Moulton-Niguel Water District General Fund Obligations	46,550,000	0.002%	931
City of San Juan Capistrano General Fund Obligations	**208,873**	**100.000%**	**208,873**
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			$ 7,899,955
OVERLAPPING TAX INCREMENT DEBT (Successor Agency)	$ 16,250,000	100.000%	$ 16,250,000
TOTAL DIRECT DEBT			**$ 21,748,873**
TOTAL OVERLAPPING DEBT			$ 73,418,918
COMBINED TOTAL DEBT			$ 95,167,791

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.Qualified Zone Academy Bonds are included based on principal due at maturity.

Ratios to 2023-24 Assessed Valuation:	
Direct Debt ($22,530,000)	**0.19%**
Total Direct and Overlapping Tax and Assessment Debt	0.63%
Total Direct Debt ($22,785,026)	**0.19%**
Combined Total Debt	0.85%

Ratios to Redevelopment Successor Agency Incremental Valuation ($1,362,547,791):	
Total Overlapping Tax Increment Debt	1.19%

Source: MuniServices, LLC

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2016	36,262	1,409,294	38,864	4.40%
2017	36,759	1,454,050	39,556	3.70%
2018	36,821	1,570,988	42,665	2.80%
2019	36,318	1,692,526	46,602	2.60%
2020	35,801	1,746,211	48,775	7.60%
2021	34,798	1,817,735	52,236	5.00%
2022	34,798	1,909,471	54,873	4.85%
2023	34,798	2,007,775	57,698	4.05%
2024	34,992	2,122,965	60,670	3.50%
2025	35,329	2,248,550	63,646	3.20%

Data Sources:
Population: California State Department of Finance
Unemployment Data: California Employment Development Department
Income: US Census Bureau, most recent American Community Survey

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Schedule of Legal Debt Margin
Last Ten Fiscal Years

	Fiscal Year			
	2015-16	2016-17	2017-18	2018-19
Assessed Valuation	$ 6,828,238,629	$ 7,190,142,697	$ 7,600,134,619	$ 7,959,761,841
Statutory Debt Limitation (15% of Assessed Valuation)	1,024,235,794	1,078,521,405	1,140,020,193	1,193,964,276
Amount of debt applicable to debt limit	29,650,685	29,395,000	28,030,000	27,155,000
Legal Debt Margin	$ 994,585,109	$ 1,049,126,405	$ 1,111,990,193	$ 1,166,809,276
Total Debt applicable to the limit as a percentage of debt limit	3%	3%	2%	2%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation.

Fiscal Year					
2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
$ 8,336,033,901	$ 8,820,713,611	$ 9,244,604,597	$ 9,826,865,545	$ 10,546,652,863	$ 11,256,152,966
1,250,405,085	1,323,107,042	1,386,690,690	1,474,029,832	1,581,997,929	1,688,422,945
26,270,000	25,365,000	24,460,000	23,495,000	21,540,000	21,540,000
$ 1,224,135,085	$ 1,297,742,042	$ 1,362,230,690	$ 1,450,534,832	$ 1,560,457,929	$ 1,666,882,945
2%	2%	2%	2%	1%	1%

Source: Orange County Assessor

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Revenue Bond Coverage
Last Ten Fiscal Years

General Obligation Bonds

Fiscal Year	Gross Revenue (1)	Principal	Interest	Total	Coverage
2015-16	24,198,770	1,020,000	1,368,452	2,388,452	1013.16%
2016-17	26,052,529	1,065,000	1,319,425	2,384,425	1092.61%
2017-18	26,573,906	1,365,000	884,733	2,249,733	1181.20%
2018-19	34,475,349	875,000	966,514	1,841,514	1872.12%
2019-20	30,339,545	885,000	954,010	1,839,010	1649.78%
2020-21	30,118,389	905,000	938,194	1,843,194	1634.03%
2021-22	38,555,768	925,000	919,011	1,844,011	2090.86%
2022-23	44,084,094	945,000	896,885	1,841,885	2393.42%
2023-24	46,152,707	965,000	871,948	1,836,948	2512.47%
2024-25	48,284,493	990,000	846,683	1,836,683	2628.90%

(1) Total General Fund revenues

Tax Allocation Refunding Bonds

Fiscal Year	Tax Increment (2)	Principal	Interest	Total	Coverage
2015-16	3,737,749	980,000	985,545	1,965,545	190.16%
2016-17	4,973,571	1,030,000	1,021,325	2,051,325	242.46%
2017-18	3,491,670	1,119,167	1,013,683	2,132,850	163.71%
2018-19	3,032,873	1,328,554	979,981	2,308,535	131.38%
2019-20	4,867,425	1,644,847	1,476,384	3,121,231	155.95%
2020-21	6,719,739	1,892,231	1,230,280	3,122,511	215.20%
2021-22	7,174,133	1,980,751	1,141,372	3,122,122	229.78%
2022-23	7,133,498	1,320,000	1,063,235	2,383,235	299.32%
2023-24	9,450,153	1,385,000	996,603	2,381,603	396.80%
2024-25	9,839,131	1,460,000	924,791	2,384,791	412.58%

(2) Total Redevelopment Property Tax Trust Fund (RPTTF) Receipts Available to Fund Successor Agency Enforceable Operations that are receipted during the fiscal year comprise pledged tax revenue for bond coverage calculation purposes above

Source: City Finance Department

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Revenue Bond Coverage (Continued)
Last Ten Fiscal Years

		Certificates of Participation and Water Refunding Bonds			
Fiscal Year	Net Water Revenues [1]	Principal [2]	Interest	Total	Coverage
2015-16	1,819,082	1,250,579	1,199,495	2,450,074	74.25%
2016-17	5,594,170	1,326,282	1,151,073	2,477,355	225.81%
2017-18	7,797,762	1,381,498	979,170	2,360,668	330.32%
2018-19	6,595,779	1,484,858	865,749	2,350,607	280.60%
2019-20	7,283,375	1,516,066	812,416	2,328,482	312.79%
2020-21	10,278,050	1,565,655	757,608	2,323,263	442.40%
2021-22 [3]	-	-	-	-	-
2022-23 [3]	-	-	-	-	-
2023-24 [3]	-	-	-	-	-
2024-25 [3]	-	-	-	-	-

[1] Net Water Revenues includes all Water Fund Revenues, less Operation and Maintenance expenses, subject to the exclusions identified below.

Total Revenues include water sales, customer service charges, sewer collection fees, late payments, development service fees, unrecoverable check charges, investment income, capital improvement fees, capital contributions, property taxes, and grant revenues. Excludes gain on investment in joint ventures, gain on disposition of capital assets, and transfers from other funds.

Total Operation and Maintenance Expenses include water purchase and production, water operation and maintenance, general and administrative, San Juan Basin Authority lease payments, and other expenses. Excludes depreciation, amortization, interest expense, sewer loan repayments, sewer loan interest, debt issuance costs, loss on investment in joint ventures, loss on disposition of capital assets, and transfers to capital funds.

[2] Excludes payments that are in excess of annual debt service requirements.

[3] The City transferred the water and sewer utility to Santa Margarita Water District on November 15, 2021.

Source: City Finance Department

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year 2015-16	2016-17	2017-18	2018-19	2019-20
Police:					
Calls dispatched	15,964	16,962	14,726	10,933	14,024
Crime reports	2,746	3,154	2,350	1,984	2,574
Parking citations	9,156	10,217	9,893	12,899	8,132
Water:					
Number of customer accounts	11,575	11,530	11,787	11,672	11,895
Average daily consumption (millions of gallons)	6	6	7	6	6
Water samples taken (annual)	1,721	1,380	1,742	1,744	1,729
Groundwater delivered (in acre feet)	1,716	1,616	3,027	2,205	2,513
Imported water delivered (in acre feet)	5,398	5,839	5,307	5,466	5,102
Water sales (in acre feet)	6,881	7,012	7,830	7,186	7,176
Maintenance:					
Street sweeping miles	6,500	6,750	6,750	6,750	6,750
Trees pruned per year	1,119	972	1,436	1,608	2,094
Culture and Recreation:					
Senior citizens program (revenue in dollars)	3,826	1,200	750	695	555
* Early childhood development program (# of participants	563	371	-	-	-
* Afterschool recreation program (# of participants)	774	-	-	-	-
Special events (revenue in dollars)	62,575	46,077	53,072	53,104	54,976
Park rentals (revenue in dollars)	27,070	26,420	32,356	32,921	6,490
Field rentals (revenue in dollars)	68,078	43,906	53,615	47,613	18,349

* No longer a City managed program in FY 16/17

(1) During Fiscal Year 2021-22, the City transferred its water and sewer utiliity systems to the Santa Margartita Water District and the City is no longer involved in providing water and sewer service to the community.

2020-21	2021-22	2022-23	2023-24	2024-25
14,514	14,868	16,052	18,010	14,318
4,198	2,833	3,067	2,601	4,055
5,711	7,942	10,174	13,812	16,224
11,971 [(1)]	- [(1)]	- [(1)]	- [(1)]	-
7	-	-	-	-
1,750	-	-	-	-
3,847	-	-	-	-
6,417	-	-	-	-
8,070	-	-	-	-
6,750	6,750	6,750	6,750	6,750
9,296	9,296	9,296	9,296	9,296
250	-	-	-	-
-	-	-	-	-
-	-	-	-	-
18,737	52,384	61,238	62,955	63,937
5,395	28,817	32,936	33,810	34,257
24,548	28,637	74,395	75,059	111,882

Source: City Finance Department

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year				
Function	2015-16	2016-17	2017-18	2018-19	2019-20
Public Safety (provided by Orange County Sheriffs Department):					
Police stations	1	1	1	1	1
Number of patrol units	23	23	23	23	21
Highways and Streets:					
Miles of streets	73 (1)	73	73	73	73
Traffic Signals	37	38	38	38	38
Water:					
Number of active water wells	3	3	3	3	3
Number of reservoirs	10	10	10	10	10
Ground Water Recovery Plant:					
Number of active water wells	8	8	8	8	8
Number of reservoirs	1	1	1	1	1
Miles of lines & mains	4	4	4	4	4
Sewer:					
Miles of sanitary sewers	126	126	126	126	126
Culture and Recreation:					
Number of parks	25	25	25	25	25
Number of community centers	1	1	1	1	1

(1) Starting in fiscal year 2015-16 "miles of streets" means "centerline miles".

(2) During Fiscal Year 2021-22, the City transferred its water and sewer utiliity systems to the Santa Margartita Water District and the City is no longer involved in providing water and sewer service to the community.

2020-21	2021-22	2022-23	2023-24	2024-25
1	1	1	1	1
11	11	11	11	11
73	73	73	73	73
38	38	41	41	41
3	0 (2)	0 (2)	0 (2)	0 (2)
10	0	0	0	0
8	0 (2)	0 (2)	0 (2)	0 (2)
1	0	0	0	0
4	0	0	0	0
126	0 (2)	0 (2)	0 (2)	0 (2)
25	25	25	26	27
1	1	1	1	1

Source: City Finance Department

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CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Principal Employers
Current Fiscal Year and Ten Fiscal Years Ago

	2024-25			2015-16		
Employer	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Capistrano Unified School District	3,992	1	21.93%			
St. Margaret's Episcopal School	429	2	2.36%	429	1	
Costco Wholesale	340	3	1.87%	250	3	1.39%
Ensign Services	185	4	1.02%			
Junipero Serra Catholic High School	145	5	0.80%	124	8	0.69%
Fluidmaster Inc HQ	130	6	0.71%	130	7	0.72%
ASRV, LLC	124	7	0.68%			0.00%
Inn at the Mission San Juan Capistrano	118	8	0.65%			0.00%
Marbella Country Club	106	9	0.58%	106	9	0.59%
Capistrano Connections Academy	100	10	0.55%			0.00%
Meggitt, Inc.				307	2	1.71%
24 Hour Fitness				193	4	1.07%
Emeritus at San Juan Capistrano				154	5	0.86%
Color Spot Nurseries				135	6	0.75%
San Juan Hills Golf Club				95	10	0.53%
Total Top Employers	5,669			1,923		
Total City Labor Force (1)	18,200			18,000		

Results based on direct correspondence with City's local businesses.

(1) Total City Labor Force provided by EDD Labor Force Data.

Source: City of San Juan Capistrano business license database

CITY OF SAN JUAN CAPISTRANO, CALIFORNIA
Full-Time Equivalent City Employees by Function
Last Ten Fiscal Years

	Fiscal Year			
Function	2015-16	2016-17	2017-18	2018-19
General government	20.10	21.10	21.85	21.91
Public safety	2.00	0.40	0.40	0.40
Public works (1)	-	-	-	-
Utilities (1)	-	-	-	-
Public works/Engineering (1)(2)	40.75	41.75	45.75	45.75
Community services	11.53	11.88	10.55	10.55
Development services	15.47	14.85	14.47	14.47
Total	89.85	89.98	93.02	93.08

(1) In fiscal year 2013-14, the Public Works Department and the Utilities Departments were combined.

(2) In fiscal years 2017-18 through 2019-20, the Public Works/Utilities Department added four limited term positions.

(3) 'During Fiscal Year 2021-22, the City transferred its water and sewer utiliity systems to the Santa Margartita Water District and the City is no longer involved in providing water and sewer service to the community.

Source: City Finance Department

2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
21.91	18.91	13.50	16.75	17.25	17.70
0.83	0.38	0.38	0.38	0.75	1.00
-	-	-	17.56	18.71	19.71
-	-	-	-	-	-
45.75	41.75	17.56	-	-	-
10.55	7.53	7.08	7.53	8.11	8.69
14.47	14.85	14.85	14.85	15.00	15.00
93.51	83.42	53.37	57.07	59.82	62.10

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