

Adopted Biennial  
Budget  
Fiscal Years 2010-2011 &  
2011-2012

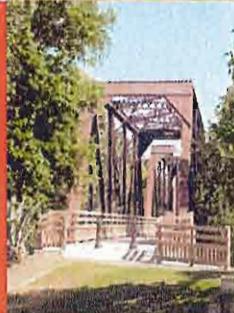
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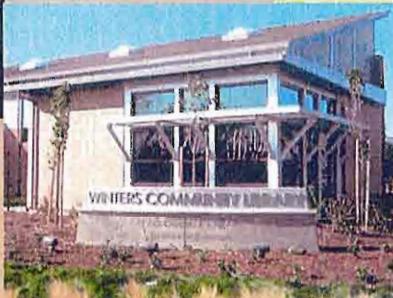


Family  
Recreation



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Music

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Est. 1875

## ***Biennial 2010-2011 and 2011-2012***

### ***Adopted Operating Budget***

#### **CITY COUNCIL**

Mike Martin, Mayor  
Woody Fridae, Mayor Pro Tem  
Cecilia Curry, Council-member  
Tom Stone, Council-member  
Harold Anderson, Council-member

#### **CITY STAFF**

John W. Donlevy, Jr., City Manager  
Bruce Muramoto, Police Chief  
Nanci Mills, Director of Administrative Services  
Shelly Gunby, Director of Financial Management  
Nelia Dyer, Community Development Director  
Dan Maguire, Housing Manager

#### **BUDGET TEAM**

John W. Donlevy, Jr., City Manager  
Shelly Gunby, Director of Financial Management  
Jen Moser, Administrative Assistant  
Dawn Van Dyke, Grant Administrator  
Mary Lou Mendoza, Records Clerk

#### **CITY WEBSITE ADDRESS**

[www.cityofwinters.org](http://www.cityofwinters.org)



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Winters  
California**

For the Fiscal Year Beginning

**July 1, 2009**

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Winters, California for its annual budget for the fiscal year beginning July 1, 2009. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

# *California Society of Municipal Finance Officers*

Certificate of Award  
For

*Excellence in Operating Budgeting*

*Fiscal Year 2009-2010*

*The California Society of Municipal Finance Officers (CSMFO) proudly presents this certificate to*

**City of Winter**

*For meeting the criteria established to achieve the EXCELLENCE AWARD in the OPERATING BUDGET CATEGORY.*

*February 18, 2010*



*Thomas Fil*

Thomas Fil  
CSMFO President

*Pamela Arends-King*

Pamela Arends-King, Chair  
Budgeting & Financial Reporting

The California Society of Municipal Finance Officers (CSMFO) presented an award for Excellence in Operational Budgeting to the City of Winters for its annual budget for the Fiscal Year 2009-2010.

This award is presented to governmental units that prepare a highly professional budget document with professional underlying budgeting processes through which the budget is implemented.

The City Manager and Director of Financial Management would like to thank all members of the City of Winters Staff for their individual assistance in preparing the budget document.

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## **Guide to the Document**

A budget serves many purposes. It is the City's annual financing and spending plan, providing a means for allocating resources to meet the needs and desires of the residents of the City. The budget balances City revenues with community priorities and requirements. The budget serves as a communications device, a policy document, resource allocation tool, an accountability tool and a management tool. The budget document grants spending authority to City staff, as well as providing the spending plan for the City of Winters.

### **Document Organization**

#### **Budget Overview**

The City Manager's Budget Overview summarizes the budget by outlining major programs in progress, critical issues and challenges for the fiscal years 2010-2011 and 2011-2012, as well as accomplishments of the prior year. The budget overview also summarizes the financial components of the City, including revenue trends and significant new expenditures.

#### **Strategic Plan**

The City Council and Senior Staff held a Strategic Planning Session in March 2007. This section presents the plan and reviews the accomplishments of the prior year, and projects to be undertaken in the current and subsequent years.

#### **Summary Information**

This section of the budget contains summary information about the structure of the City Government. It includes a citywide organization chart, summary financial tables and staffing levels for the budget year.

## **Guide to the Document**

### **General Fund**

The accounts of the City are organized on the basis of funds and account groups. These funds and account groups are organized in order to segregate and account for restricted resources. Each fund and account group is a separate accounting entity. The General Fund is the primary revenue source for most services cities typically offer; these include public safety (police and fire), street maintenance, parks and recreation, and neighborhood and community services.

### **Other Funds**

The other funds section contains non-General Fund sources of revenues. These funds are grouped into Special Revenue Funds, Capital Funds, and Enterprise Funds. Each fund type is described in this section and a financial summary is provided for each.

### **Departmental Detail**

Each Department is presented and provides the following information:

- Description of Department, Responsibilities and Services
- Budget Year projects
- Source of Revenue
- Expenditure Summary
- Major Budget changes
- Staffing

### **Staffing**

This section contains a list of all authorized positions for the City by department and provides historical staffing information.

### **Policies**

This section contains budget policies and procedures adopted by the City Council.

### **Capital Improvement Plan**

The capital improvement projects scheduled for funding in the budget year are summarized in this section. The

## **Guide to the Document**

capital improvements budgets for the budget year are included in the Department and Capital Fund sections to present a comprehensive view of all funds of the City.

### **Long Term Financial Forecasting**

Long term financial forecasting is an important tool for the City to use in developing programs and project schedules. This section will include the status of the City's five-year forecast.

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# Budget Overview

Honorable Mayor and Council members:

The City of Winters is a community of long time traditions and values. It is a great place for people to live, raise children and enjoy a quality of life second to none in California. The past few fiscal years have focused on capital projects and downtown revitalization, which is beginning to spur our economy. Our success in strengthening our infrastructure and strategic moves from redevelopment and purchasing real estate has positioned the community to make great strides in improving the overall economic situation for the City on a long term basis.

Fiscal Years 2010-2012 will be years where the City continues with the construction of key capital projects which have been planned for years. In many ways, it will represent the continued implementation of projects which have been positioned and planned over the past five (5) years. They will be defining years in the public safety arena, where we will see the completion of a new public safety facility which will enhance and begin a transition of service levels to modernize our police and fire services.

Entering the current fiscal year revenue forecasts a bleak picture for the City. For the second consecutive year, property taxes have seen reductions, with an estimated 10.5%, City-wide with record foreclosures and short sales of real estate expected to continue. Sales taxes are expected to drop by almost 5% in 2010-2011 and increase by almost 4% in 2011-2012. Economic forecasts predict that it may take four (4) years for the Sacramento Region to recover.

The City and Community Development Agency are constantly under attack from the State of California. In FY 2009-10 the State raided local property taxes with a loan which is predicted to be repaid in 2012-13. The State also confiscated almost \$782,000 in Winters Redevelopment Funds to balance their budget, with an additional amount of almost \$163,000 required to be paid to the state in 2010-2011. The redevelopment take decimated all reserves in this area and required an internal loan in order to make the court mandated payment. The constant inability of the State to maintain its own fiscal health must be seen as a real threat to the City for years to come.

The City has entered into a two (2) year cycle where balancing the budget which includes almost \$500,000 in cost reduction from the General Fund and with the use of some reserves. The need to expand the local economy has hit a critical phase and the City is has begun work with key landowners along the I-505 to begin

## Budget Overview

development which will help enhance City revenues. The local and regional economies will determine the need for the use of reserves.

Economic development in Winters to enhance recurring revenues and enhance the fiscal sustainability of the City is our highest priority. Economically, the City's lack of growth and economic development represents a significant issue for the community. While demands grow for public safety, recreational and senior services, the lack of fiscal growth and resources significantly limits the City's ability to be responsive to our residents' needs. A significant downturn in the housing market has slowed the demand and has delayed expected housing development for a number of years.

The City is considering cancellation of the most basic services, including closing community facilities and even turning off street lights in most neighborhoods. The situation is serious and has been a key topic at many City Council Meetings.

Over the past number of fiscal years, Winters has worked to position our organization in a manner that enhances our ability to operate and provide a higher level and quality of services. From Public Works to Police and Fire, the City of Winters prides ourselves in our ability to constantly perform better and be more efficient in serving our residents. We have a solid strategy for repair and replacement of our infrastructure, with many capital projects having been implemented to fix and rehabilitate water and sewer systems, deteriorating streets; our parks and landscaped areas have never looked better. Our City staff is better trained and performing at levels never experienced before. As an organization, our goal is always to improve the services we provide to our residents. We take pride in what we do and always work to keep things running smoothly and on budget!

### **Our Approach to Budgeting:**

The City staff has prepared a budget that has taken the following approach:

- Cautious and Conservative.
- Contingencies are budgeted to prevent potential shortfalls or raids from the state.
- Adherence to adopted Fiscal Policies.
- Working toward meeting established reserve goals for general, capital and enterprise funds.

## Budget Overview

- Projected revenue growth is based on actual funding streams, not projections based on anticipated growth.
- Actual costs and expenditures are budgeted for all cost centers. The City avoids relying on surpluses, carry-overs, or in the case of retirement funding, super-funded status.

### Key Issues Facing the Fiscal 2010–2011 Budget:

#### Key Goals of the City:

- Economic Development
- Downtown Revitalization
- Water and sewer improvements
- I-505 Projects
- Jobs/Housing Balance.
- Support of Schools
- Support environmental programs
- Maintain a positive fiscal outlook
- Keep a high quality of life for our residents.

This year's budget includes the need to address some serious fiscal issues in a couple of key areas. These will include:

- In June, Winters voters passed Measure W which increases the City's Utility Users Tax from 4.75% to 9.5%. This will increase UUT revenues by almost \$400,000 in each fiscal year. While these are general use revenues, in advisory Measure Y, voters indicated their preference that the funds be spent towards improvement of public safety services.
- The City's **General Fund** revenues are actually projected to be higher in 2010-2011 than previous years due to the inclusion of the new Measure W Tax and a new revenue source from the Winters Fire Protection District by 20.99%/ However without the revenues from the Fire Protection District and Measure W, General Fund Revenues would be 7.5% lower than 2008-2009, this is due significant reduction in our property tax revenues, and reduction in sales tax revenues due to the slowed economy, as well as the continued lack of building permits for development. Development has come to a standstill in 2009-2010 and is projected to remain so in 2010-2012. Revenues for 2011-2012 are expected to be 2.78% lower than 2010-2011 due mostly to the lack of building permits for development.  
. Expenditures, however, are 2.5% higher in 2010-2011 than estimated for 2009-2010 and 2.66% higher in 2011-2012 than projected for 2010-2011. This is mostly due to the expected increase in CALPERS rates as well as health insurance costs, as all employees have agreed to wage and salary freezes and benefit reductions.
- The **Water System** has a positive cash flow projected for the 2009-2010 year. This is due to the implementation of the seven year financing plan with rate

## Budget Overview

increases that began February 1, 2009 and increase again on each July 1<sup>st</sup> through 2012.

- **Impact Fee** revenues are projected to have decreased revenues of \$698,403 or 45.90% reduction from 2009/2010 to 2010/2011. Fiscal Year 2011-2012 impact revenue fee projections are projected be \$277,966 less than projection in 2010-2011 or a 30.48% reduction in fees collected.. While the funding is good for the City of Winters, the Sewer Impact Fee Fund still does not have enough funding to complete the expansion of the treatment facility; funding for the expansion will come from the 2007 Tax Allocation Bonds received in June of 2007, as well from developers as a condition in the applicable development agreements.
- **Capital** revenues are projected to receive interest only in 2009-2010.
- **Retirement and Workers Compensation** costs continue to increase and will likely represent a burden for years to come. These increased costs are included in the current years budgets, and will be included in future budgets. The cost of retirement for the City of Winters is limited to the CalPers contribution; the city pays no post-employment health benefits for employees.
- **Assessment District** costs have begun to exceed available revenues. While this has been anticipated, previous growth has allowed the district to remain in a positive cash flow position. Beginning in 2005/2006 the General Fund began subsidizing the City Wide Assessment District, and this subsidy will continue into the future. The current budget as presented has adjusted the expenditures in the city wide assessment district in order to lessen the impact on the general fund.
- **Gas Tax** revenues are stagnant, due to the lack of change in the population of the City. Staff has budgeted to not exceed revenues in the current year, resulting in decreased street maintenance throughout the City. Because the revenues are distributed on a per capita basis resulting in stagnant revenues to Winters, and the cost of maintenance is increasing significantly, we do not anticipate the ability to increase street maintenance throughout the City in the near term.

### Approach to Management

The City of Winters Management Team realizes that we are very fortunate to serve the citizens of Winters. We take pride in what we do and strive to make sure our

# Budget Overview

residents receive outstanding service. Our approach to management is pretty simple:

- Operations will operate based on strong basic fundamental foundations and adopted/proven municipal management practices.
- Step by Step-new initiatives are undertaken only after success on preceding levels. Staff will strive to do the basics well before moving on to advanced levels.
- We set goals and prioritize objectives for our staff and hold them to these expectations. Clear directives and measurable results are set.
- Our staff will be well trained and equipped with the proper resources to do their jobs.
- We will always strive to do our best.

Since 2002, the City staff has undertaken an aggressive program to improve how we run the business of the City of Winters. From a fiscal approach, the City has implemented an award winning approach to budgeting, annually produced a Comprehensive Annual Financial Report and implemented well defined financial management polices. Since 2003, the City has received awards from both the California Society of Municipal Finance Officers and the Government Finance Officers Association for Excellence in Budgeting and Financial Reporting.

The City continues to conduct an aggressive training and personal development program for its staff. Much of the training centers on core competencies for the employee's jobs, including professional development, fiscal procedures, emergency response, risk management and job-related duties. Our goal is for the staff to work better and smarter in their jobs.

## Major City Initiatives

The 2010-11 Budget includes funding and policy for the major initiatives proposed by the City Staff. These range from a variety of personnel and capital improvements issues to significant work programs for each of the City's Departments.

**Personnel:** Given current fiscal constraints, the City has not filled a number of positions as cost reduction measures. In 2009-10, the positions of Recreation Coordinator and Accounting Clerk were eliminated.

## **Budget Overview**

All employees have agreed to a pay freeze for the fiscal year. Employees have also agreed to reductions in retirement contributions and the ability to cash-out leave benefits. On average, this represents between 4%-9.7% reductions for employees.

As proposed the City has frozen all hiring and when openings may occur, an evaluation on whether or not to fill the position will happen.

The City has tentative Memorandum of Understandings with all bargaining units, which provides for increases only for health benefits. Salary and cost of living considerations will be done following the mid year fiscal review.

### **Capital Purchases:**

In the 2010-2012 budget, the City will limit capital purchases throughout the organization.

### **Major Capital Projects and Expenditures Proposed:**

Staff is recommending that the City and the Community Development Agency pursue a number of capital projects within the community, including;

- Public Safety Building construction. Completion of the building is anticipated to be January 2011 with staff occupation in February 2011.
- Installation of a sewer lift station at the I-505 interchange.
- Widening of the Walnut Land and Grant Ave intersection is anticipated to be complete by October 2010.
- Downtown Streetscape Improvement Phase II, including alley improvements along Main Street and First Street.
- Completion and activation of Water Well No. 7.
- Putah Creek Vehicle Bridge Replacement.
- Update of the Impact Fee Nexus Study.
- Implementation of the Putah Creek Park Master Plan first major project, the North Bank Trail Project, a grant funded \$1.3 million pedestrian and bike trail from the Railroad Trestle Bridge toward the I505.

## **Work Programs and Key Initiatives**

The key departmental functions for the City will take a very aggressive approach to management of our City services and positioning our organization for the many

# Budget Overview

challenges we face in the coming year. Each area has developed progressive work programs that include the following:

## **Economic Development and Strategy:**

The City will also be pursuing the development and implementation of a comprehensive economic development strategy for Winters.

The overall objectives of the economic development strategy are as follows:

- Creation of wide range of jobs for all facets of the community.
- Business to business commerce.
- Revenue generation for the City.
- Sustainability programs that benefit the residents, businesses, community organizations, schools and the environment.

Focus on job creation and revenue generation at the I505 and Gateway corridor along Grant Ave to include freeway serving businesses, lodging, research/business park development and industry; the Grant Avenue Commercial Project; Downtown development to include implementation of master plan projects, development of Putah Creek and the pursuit of business expansion, including a hotel.

## **Community Development Agency:**

Key initiatives for the CDA will include:

1. Downtown Master Plan Implementation: In 2006, the CDA approved a sweeping economic revitalization plan for the downtown commercial area. During the coming fiscal year, the second phase of implementation will occur, with future phases to be scheduled.
2. Orchard Village and Almondwood Apartments: Completion of the 74 unit Orchard Village Apartment complex to house low to very low income residents. The rehabilitation of the Almondwood Apartments will retain needed affordable housing.
3. Grant Ave. Commercial Project: The Agency expects to complete its negotiations on a development disposition agreement for the development of a 4.5 acre commercial/business project on Agency owned property.  
First-Time Homebuyer Program: The CDA has established a first-time homebuyers program and will market this program to the City's residents.

## Budget Overview

4. Community Development Block Grant Program Income funds will also be used to fund this program.
5. Central Business District Enhancement Project: The CDA will implement a capital-oriented downtown revitalization project along Main St. and First Street to enhance the appearance and economic viability of the Central Business District.

Due to the actions of the State of California to decimate the reserves and revenues of the Winters Community Development Agency, the Agency has cancelled all of its small business development programs and the façade improvement program.

The overall objective of the CDA will be to serve as a catalyst for economic development and capital improvements within the project area in order to improve the overall community development of Winters.

**Downtown Revitalization:** The proposed budget includes funding toward a revitalization project for the downtown area. This will include extensive improvements to Main Street and First Street and alleyway improvements.

The City Staff will be working with the downtown merchants, the Winters Chamber of Commerce and others to begin a prioritized strategy for overall downtown improvement.

**Fiscal Sustainability:** In the October 2002 Goal Setting Workshop, the City Council placed its highest priority on fiscal stability for the City. Key objectives included ensuring that we stayed on budget, managing our tax dollars conservatively and avoiding overextending our resources to the detriment of future fiscal years.

The City of Winters has seen some very lean times since the development of its General Plan that was completed in 1992. Finding itself over \$1 million in debt, the City has embarked on a course of fiscal conservancy. The budget for the 2010-12 is balanced using available fund balance and could best be described as bare bones. The significant reductions in property and sales taxes represent a real and dangerous decline in the fiscal condition of the City.

Under the current situation, the City is not meeting its required reserve and fund balance requirements as provided in adopted City policies.

## Budget Overview

In order to keep the fiscal stability of the City, staff will be pursuing a number of critical initiatives to prudently manage the financial sustainability of the organization. These initiatives will include:

- Updating the fiscal forecasting model to project revenues and expenditures over a continuous 10-year period.
- Implementation of the City Council adopted financial management policies.
- Place a strong emphasis on achieving reserve goals and policies.
- Ensuring the debt repayment for the 1992 General Plan.

Staff has increasing concerns over the course and lack of development activity.

**Community Development and Building:** The Community Development Department (CDD) will begin a process of updating many of its processes to streamline development opportunities within the City. They serve as the initial contact point for all developers and the processors for all maps and permits once approved. In order to accomplish this, the department will implement the following initiatives:

- Ensure that CDD staff is properly trained and provides courteous and efficient customer service.
- Ensure that development proposals that are submitted to the city for processing are managed in a manner that adheres to the General Plan Policy Document, state law, and local ordinances.
- Ensure that the physical construction of the city occurs in a manner that enhances the aesthetic nature of the City of Winters.
- Make recommendations to policy-making bodies and ensure proper implementation of newly formulated policy as directed by the City Council.

**Reduced Recreation:** With reducing revenues, recreation programming is slowly being eliminated. Under consideration for closure have been the Community Center and the Swimming Pool. Both operate under considerable deficits and have required significant increases in user fees.

In 2010, the City cancelled the annual Fourth of July Fireworks display at Winters High School. This program is not budgeted for in the coming years.

## Budget Overview

Currently, only two community service activities remain viable including the grant funded After School Programs and the adult co-ed softball.

**Employee Development:** The Administrative Services Department is taking the lead in helping the City “work better and smarter”. In FY 2010-11, the City will focus on a number of key issues to enhance the working environment and the skills of our employees. The City will again focus its efforts on training in key “core” areas to ensure that staff are performing well in their current duties and are developing to meet other requirements in the future.

**Police:** The Police Department for the City of Winters is a real pride unit. They represent a small group of dedicated individuals who provide critical public safety services to the City.

With the passage of Measure W, the Depart will see the addition of one police officer position in both FY 2010-11 and 2011-12.

The Department has struggled in hiring personnel, mostly due to competition in hiring between law enforcement agencies in the area. The City will provide continuous recruitments for police officers in hopes of filling the budgeted positions.

Some of the key initiatives for the coming fiscal year include:

- Complete the construction of a new Public Safety Facility to house both the police and fire operations of the City.
- Recruitment and retention programs for police personnel.
- Continuation of officer development and training programs.

**City and District Fire Operations:** The City currently contracts with the Winters Fire Protection District for all emergency fire and medical response services. The City and District have a cooperative agreement and work closely together on numerous operational issues.

A key initiative which will be implemented during 2010-11 will be a reversal of the current contractual relationship and the creation of a Fire Department within the City organization, which will then contract with the Fire District to provide services. This is being done because the City currently funds more than two thirds of the operation without a governance role over the operations. On January 1, 2011, the City of Winters Fire Department will begin serving the Winters Fire District.

# Budget Overview

**Water System Improvements:** Over the past year, the Public Works Department has undertaken a very aggressive review of systems and procedures. The result is a well-run system that is performing at high levels of efficiency.

In January 2009 the City Council approved a comprehensive rate and infrastructure improvement plan that will fund extensive renovation to the existing water system.

In 2010-2012 the key initiatives funded by these rate increases for the Water System will include:

- Completion of the installation of water meters for all commercial and residential units. This will include a one year pilot metering program to educate residents and businesses on their water utilization prior to actual billing on a metered rate. The metered rate billing will begin in January, 2012.
- Implementation of Well #7 to be located at the corner of West Grant and West Main St.
- Pump replacement and facility renovations at Well 2 and 6 including replacements at all wells, impeller/bowl replacements and installation of well level sensors.
- Hydrant and valve flushing and exercising program.
- Leak detection and the development of a line replacement program.
- Cross connection control program for commercial and industrial businesses.
- Water Quality Monitoring.
- System maintenance and testing programs including:
  - Hydrant testing and replacement
  - Valve locating and testing programs.

**Sewer System and Expansion:** With proposed developments on the horizon, the subject of sewer capacity will be an important issue addressed in the coming fiscal year. At the present capacity, the existing system will need expansion to accommodate future residential and industrial growth. In January 2009, the City Council approved a comprehensive rate and capital replacement program that was initiated in the February 2009. In total, almost \$7 million in replacement will occur in a seven-year period.

The City's Wastewater Plant/Ponds and the collection system are maintained under contract with ECO Resources.

In the coming fiscal year, key initiatives will include:

- Replacement of aeration units at the Wastewater Treatment Facility.

## Budget Overview

- Efficiency and de-ragging units at the East Street Pumping Station.
- The implementation of a City-wide SCADA System
- Main replacement and rehabilitation.

**Emergency Response and Preparedness:** In 2010-2012, the key initiatives in our emergency planning and preparedness will include:

- Continued Staff development in the areas of multi-hazard response.
- Emergency training exercises with internal staff and outside agencies.
- Development of Standard Operating Procedures for the City's Emergency Operations Center.

**Solid Waste and Recycling:** In 2008, the City again successfully met the State mandated 50% diversion requirement for all solid waste with an established diversion rate of 58%. While met, the City was still struggling to keep this diversion rate due to low participation in the bin system of our previous recycling program.

**Long Range Capital Project Planning:** In 2010-11, Staff will work on the development of a revised Five Year Capital Improvement Program. This program will be implemented in the current fiscal year and will include a prioritization and funding of key infrastructure projects within the City. Additionally, the program will be coordinated with the City's Community Development Agency Implementation Plan and include an update of the AB1600 Major Project Financing Plan.

**Hispanic Outreach:** In 2010, the City re-authorized the Hispanic Advisory Committee which has served as an advisory board to the City Council. Some of the recommendations from this Committee which have been implemented include:

- After school programming for youth.
- Presentation of a Festival de la Comunidad and Carnitas Cook-off.
- Enhanced bi-lingual communication and outreach within the community.
- Youth and adult recreation programs.
- Outreach for County social services programs.
- Transportation programs and connectivity improvements.

The continuance of this committee and the overall outreach will continue into the coming fiscal year.

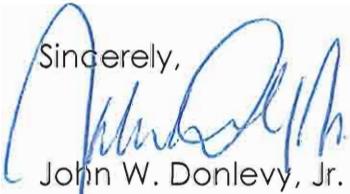
# Budget Overview

## Summation:

The City of Winters is currently in a very delicate situation in planning its future. The next two fiscal years will be fiscally tight and will determine a course which the City will follow for years to come. Most of it surrounds how the successful the City is in attracting economic development. It will take a combined effort on the part of Staff, the City Council and the Citizens of Winters to help chart the course for the future.

We take pride in what we do and how we do things at the City of Winters and appreciate the opportunity to serve this community.

Sincerely,

A handwritten signature in blue ink, appearing to read "John W. Donlevy, Jr.", is written over a light blue rectangular background.

John W. Donlevy, Jr.  
City Manager

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## Strategic Planning

In March 2007, the City Council and Staff held a two-day Strategic Planning Workshop to set goals and communicate priorities on key projects and initiatives. The workshop resulted in a list of issues and topics prioritized as below.

### Economic Development

- Need for increased revenues to support City services
- Focus on Grant Avenue Corridor for business development.
- Provide infrastructure from current terminus to allow for freeway serving business
- Build a tax base
- Encourage highway commercial development
- Establish Design Guidelines
- Job creation with sustainable wages.

### Public Facilities

- Extend utilities along Grant Avenue
- Grant Avenue access and circulation plans need to be in place.
- Develop the Sports Park
- Renovate the existing Community Center
- Provide for the Community Theatre.

### Public Safety

#### Fire

- Increase service levels
- Retention of Staff
- 4/10 shift schedule

#### Police

- Staffing to 2 officers per shift
- Recruitment/retention of staff

### General Plan and Land Use

- General Plan Update
  - Extend Horizon to 2020 with an action plan for General Plan implementation
  - Maintain the 12,500 population cap from the perspective of supporting a vibrant business district with locally owned businesses.
- Flood Overlay

## Strategic Planning

- Focus on industrial development areas
- Multi-use flood solution for flood and open space
- Explore Expansion of Sphere of influence in all directions
- Annex across I-505 for commercial/industrial development

Staff submitted a work plan to the City Council in the summer of 2007 for implementing the goals and priorities listed above. Projects have been implemented in the succeeding years budgets. Those projects not completed in prior years as well as those projects identified as needing to occur in 2010-2011 are included in the 2010-2011 budget as presented.

## **Budget Practices and Policies**

### **Reporting Entity**

The City of Winters was incorporated February 9, 1898 and is a general law city. The City of Winters maintains a Council-Manager form of government and provides the following services: public safety (police and fire), streets, water service, wastewater services, public improvements, recreational services, planning and zoning and general services.

In addition, the financial responsibilities of the City of Winters include the Winters Community Development Agency.

### **Fund Accounting**

A fund is a separate fiscal and accounting entity with a separate set of accounting records. For example, a separate fund is used to account for the funds received by the City for the Gas Tax Program.

The use of Fund Accounting is one of the basic requirements of generally accepted accounting principles (GAAP) for governments and is a major difference between government and commercial accounting. Fund Accounting requires separate record keeping for each individual fund that a government uses.

### **Accounting Practices**

The accounting and reporting policies of the City conform to generally accepted accounting principles (GAAP) applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), which includes all statements and interpretations of the National Council on Governmental Accounting unless modified by the GASB, and those principles prescribed by the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units.

## **Budget Practices and Policies**

The section entitled "Fiscal Policies" summarizes the policies and practices used by the City of Winters.

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

The governmental fund types and agency funds use the modified accrual basis of accounting. Under this method, revenues are recognized when they become available and measurable. "Measurable" means the amount can be determined, and "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred.

All enterprise fund types use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

### **Budgetary Basis of Accounting**

The budgetary basis of accounting determines when a government charges expenditures to a budget appropriation, or when it credits revenues to its funds for budgeting purposes. Although the City presents financial statements in its Comprehensive Annual Financial Report (CAFR) in accordance with GAAP, the budget is adopted on a modified cash basis. The major difference between the two basis of accounting is as follows:

- For budgetary purposes, revenues are recorded when received. Under GAAP, revenues are recorded when susceptible to accrual.
- For budgetary purposes, interfund loans and repayments are recorded as revenues and expenditures. Under GAAP, these transactions are reclassified as increases or reductions in the "Due to/Due from" accounts.

## **Budget Practices and Policies**

Capital expenditures are budgeted as an expense in the enterprise funds. Under GAAP, these expenditures are reclassified as fixed assets.

### **Basis of Budgeting**

The City of Winters uses a base budget budgeting method. Each department requests an annual appropriation sufficient to fund current service levels and other costs the department is responsible for managing. The budget base year is the prior years' adopted budget, reducing it for any one-time expenditures, increasing it for known impacts (such as increased utility costs, and salary and benefit negotiated increases) and adding new proposed programs or activities.

### **Reserves**

The City Council adopted the City of Winters reserves policy on August 7, 2001. Three types of reserves were established: contingencies, capital reserves and cash and emergency reserves. These reserve policy requirements can be found in the "Fiscal Policies" section of this document.

### **Appropriation Authority**

The City Council adopts the budget by June 30<sup>th</sup> of each year through passage of an adopting resolution. This resolution sets expenditure limits at the fund level for the City's General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and all Enterprise Funds. A separate resolution adopts the Community Development Agency budget.

Supplemental appropriations may be adopted by the City Council during the year. The City Manager is authorized to transfer budgeted amounts between departments for programs within any fund.

### **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditures are recorded in order to reserve that portion of the

## Budget Practices and Policies

appropriation is employed as an extension of formal budgetary integration in all fund types.

Encumbrances outstanding at year-end are "rolled over" into the next fiscal year, but the related budget authority is subject to re-appropriation.

### **The Budget as a Living Document**

The budget is intended to be a flexible document representing the appropriate revenue and expenditure data available. For the current document, certain assumptions have been made based on the passage of Proposition 1A and the current State of California proposed budget. These assumptions are as follows:

- The "Triple Flip" of sales tax remains in force, and the Property Tax in Lieu of Sales Tax is implemented.
- The permanent reduction in the Motor Vehicle in Lieu Fee (VLF) was implemented in 2004-2005, and the Property Tax in Lieu of VLF is now in place and becomes an ongoing revenue source for the City of Winters.
- ERAF III is complete with the end of the 2005-2006 fiscal year.
- The State of California has a budget "problem" of approximately \$20 billion at the time this budget is being prepared.
- Measure W, an increase in the utility user tax for the City of Winters from 4.75% to 9.5%, was approved by the voters on June 8, 2010. The City passed Budget Resolution 2010-34 on June 15, 2010 without the inclusion of the Measure W funding due to the fact that the election had not yet been certified as of the date of our final regular scheduled City Council meeting of June 2010. On August 3, 2010 the City of Winters rescinded the prior resolution and passed a new Budget Resolution 2010-42 implementing the increase revenues and expenditures due to the passage of Measure W.
- Prior to the adoption of the final budget resolution for 2010-2011 and 2011-2012, the City was notified by the Yolo County Assessor's Office of a decline in assessed values within the City of Winters and the

## **Budget Practices and Policies**

Winters Redevelopment Agency of 9.46% and 10.07% respectively. Resolution 2010-45 and the budget document presented here, include these reductions in assessed value, and therefore the reduction in both property taxes and the Property tax in Lieu of VLF (Vehicle License Fee).

## Budget Process and Calendar

The budget process enables the City Council to make choices about staffing, equipment and priorities to be addressed in the upcoming year. The City Council reviews the budget for the first time in May; however, the budget process is begun in the fall of each year with goal setting workshops to lay the groundwork for the expenditure requests from each department based on the priorities set by the City Council

All employees within the City of Winters are involved in the budgeting process. This process includes formulation, preparation, implementation, administration and evaluation. All Department Directors are responsible to the City Manager, and the City Manager is responsible to the City Council for meeting the stated objectives and goals in the budget within the amounts appropriated in the budget.

Individuals with specific responsibility for the budget process are as follows:

- The *City Council* sets the goals, objectives, and priorities that they want staff to concentrate on for the budget year. They are also responsible for reviewing the preliminary budget and approving the final budget for the fiscal year.
- The *City Manager* is responsible for implementing the goals, objectives and priorities of the City Council and recommending funding to carry out those goals, objectives and priorities.
- The *Director of Financial Management* and the staff in the Finance Department are responsible for preparing estimates of remaining costs for the current fiscal year, preparing short and long range revenue and expenditure forecasts, calculating departmental budget targets, and assisting departments during the budget process. This staff is also responsible for reviewing the departmental operating and capital improvement requests as well as reviewing the department budget requests with the Director of each department and the City Manager. The Director of Financial Management prepares the budget material for review by the City Manager.

## Budget Roles and Responsibilities

- The *Capital Improvement Team* consists of the City Engineer, the Public Works Superintendant, the Environmental Services Manager, the City Manager, and any other appointed member. This team is responsible for the review of existing capital projects and the addition of new capital projects based on citizen input and City Council direction. The review of existing projects includes examining the status and cost projections of capital projects to be undertaken, as well as those in progress.
- The *Department Directors* are responsible for reviewing historical data, collecting data on future activities and opportunities that affect the department and using this information to prepare a budget that implements the City Councils' goals, objectives and priorities, while at the same time carrying out the mission of the department. Each Department Director is responsible for maintaining departmental control of the approved budget for their department throughout the fiscal year.

## Budget Process and Calendar

### Budget Process

The budget is adopted by the City Council by June 30<sup>th</sup> of each year. Input is received from City Council and staff throughout the organization in preparing the budget.

### Budget Phases

*Policy/Goal Setting Phase*-The City Council sets goals and projects that it feels would meet the needs of the citizens of the City. These goals and projects are reviewed and updated each year during a City Council/Senior Staff retreat. This retreat is used to set priorities for projects to be undertaken in the next budget.

*Budget Development Phase*-Based upon the goals, projects and priorities developed at the council/staff goal setting workshop, the departments develop budget requests that address new programs, evaluate existing

## Budget Process and Calendar

programs, and review staffing levels. Each department begins with a base budget from the prior fiscal year adopted budget, adjusting for inflation and employee compensation agreements, reducing for any one-time expenditures, increasing for known impacts, and adding new programs or activities. Departments may also decrease the requested funding due to the discontinuance of programs or activities, reorganization of staff or other economic issues that affect the funding available to carry out programs. Financial trend analysis is performed on all funds, reviewing the city's financial condition with existing programs as well as its capacity to implement new programs. The analysis includes evaluating long term and short term operating needs, capital improvement projects and how the long range plans of the city are being implemented. City financial policies are reviewed and updated as needed. The City Manager and Director of Financial Management review the preliminary budget for its ability to carry out the goals, projects and priorities of the City Council.

*Budget Review/Modification Phase*-The preliminary budget is reviewed by the City Manager, Director of Financial Management and each Department Director to refine the budget into a balanced financial plan. A preliminary budget is prepared and presented to the City Council at a workshop for review and additional modification.

*Adoption Phase*-The final budget as modified after the City Council workshop is presented to the City Council for adoption. A public hearing is held and the City Council adopts the budget.

*Implementation Phase*-Department Directors are provided with budget status reports monthly. They are responsible for reviewing the reports and maintaining budgetary control throughout the fiscal year. The City Council receives financial reports monthly, which compare actual results with budgeted amounts.

**Budget Process and Calendar**

**Policy/Strategy Development Phase**

October-November

**Budget Development Phase**

March-April

**Review Modification Phase**

May

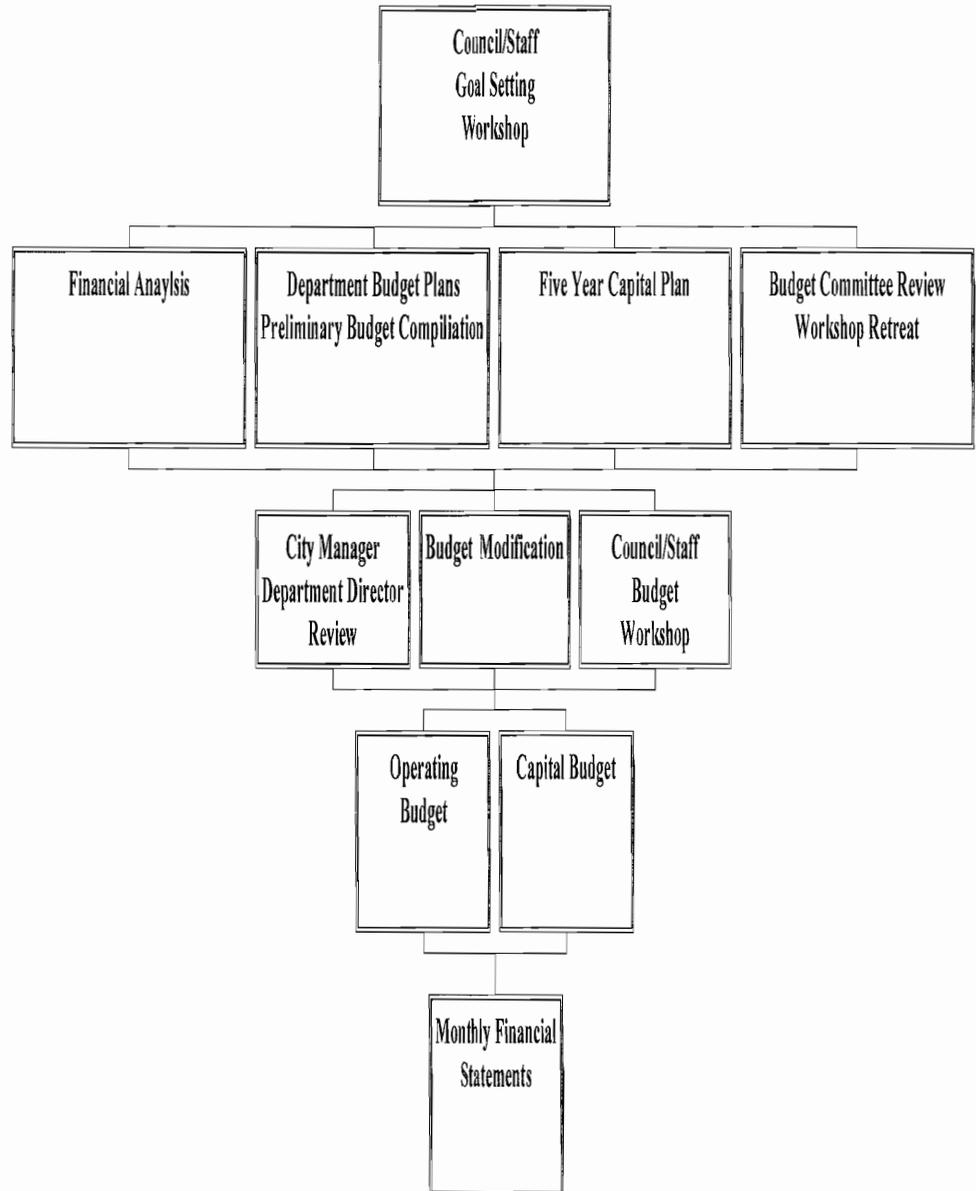
**Adoption Phase**

June

**Implementation Phase**

July-June

**Budget Calendar**



**Review and Approval of Budget**

The City Council reviews the budget during a workshop held in May of each year. This workshop is open to the public and all City staff and provides a forum for the City Council to receive information and recommendations regarding the budget.

The budget is required by law to be adopted prior to July 1<sup>st</sup> of each year. The budget must be balanced, that is, operating expenditures must be equal to or less than operating revenues. Any change in appropriated levels or expenditures of contingency line item amounts requires City Council approval.

Upon adoption of the budget, the Finance Department prepares the final budget document.

**Amendment to the Budget**

The budget is adopted at the fund and departmental level. The City Manager is authorized to make transfers between account codes and departments within each fund, except for contingencies. City Council approval is required for transfers between funds, except for those inter-fund transfers approved in the budget

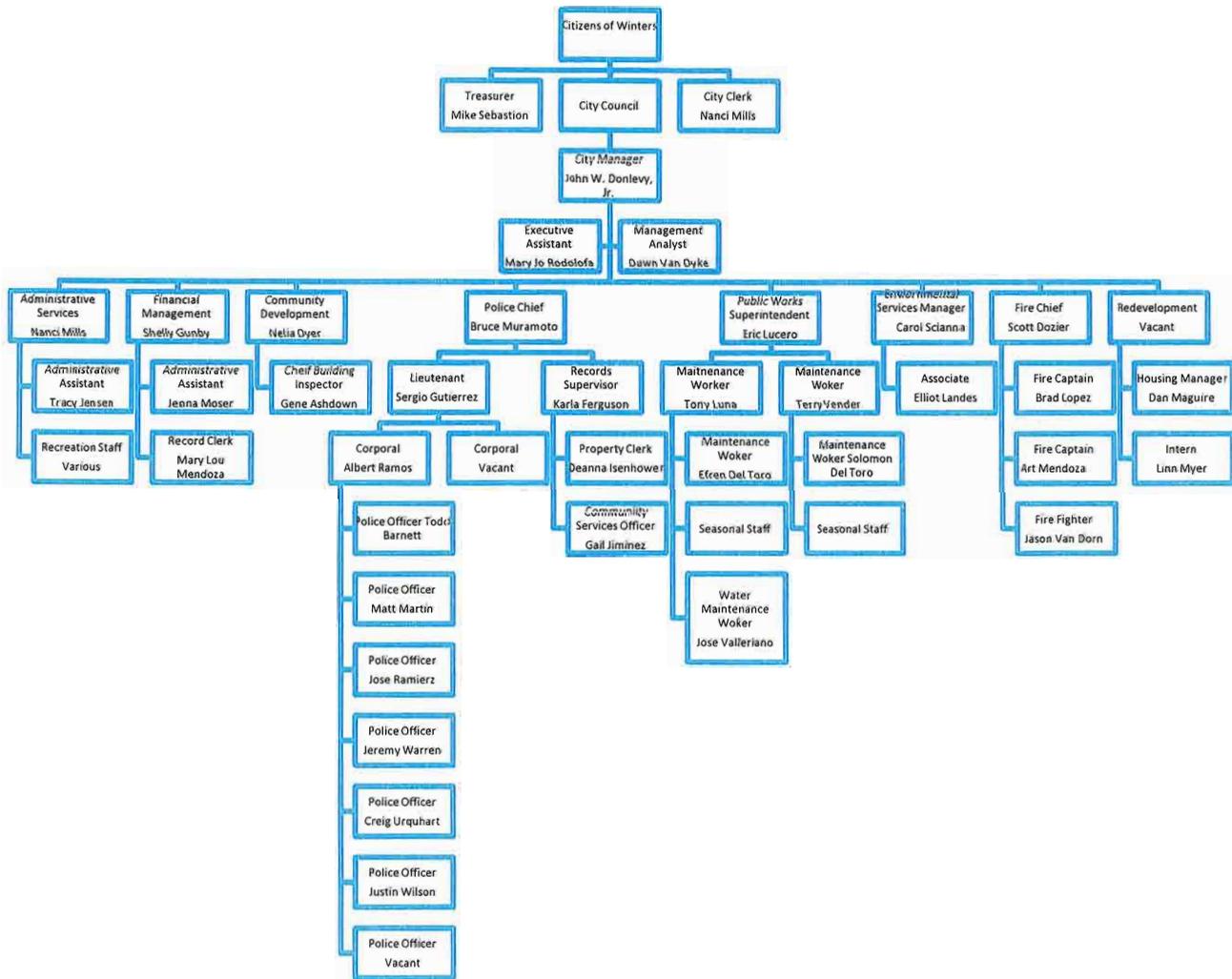
**Use of Contingency Operating and Transfers**

Contingency amounts are defined in the City's reserves policy. City Council approval is required for transfers from contingencies.

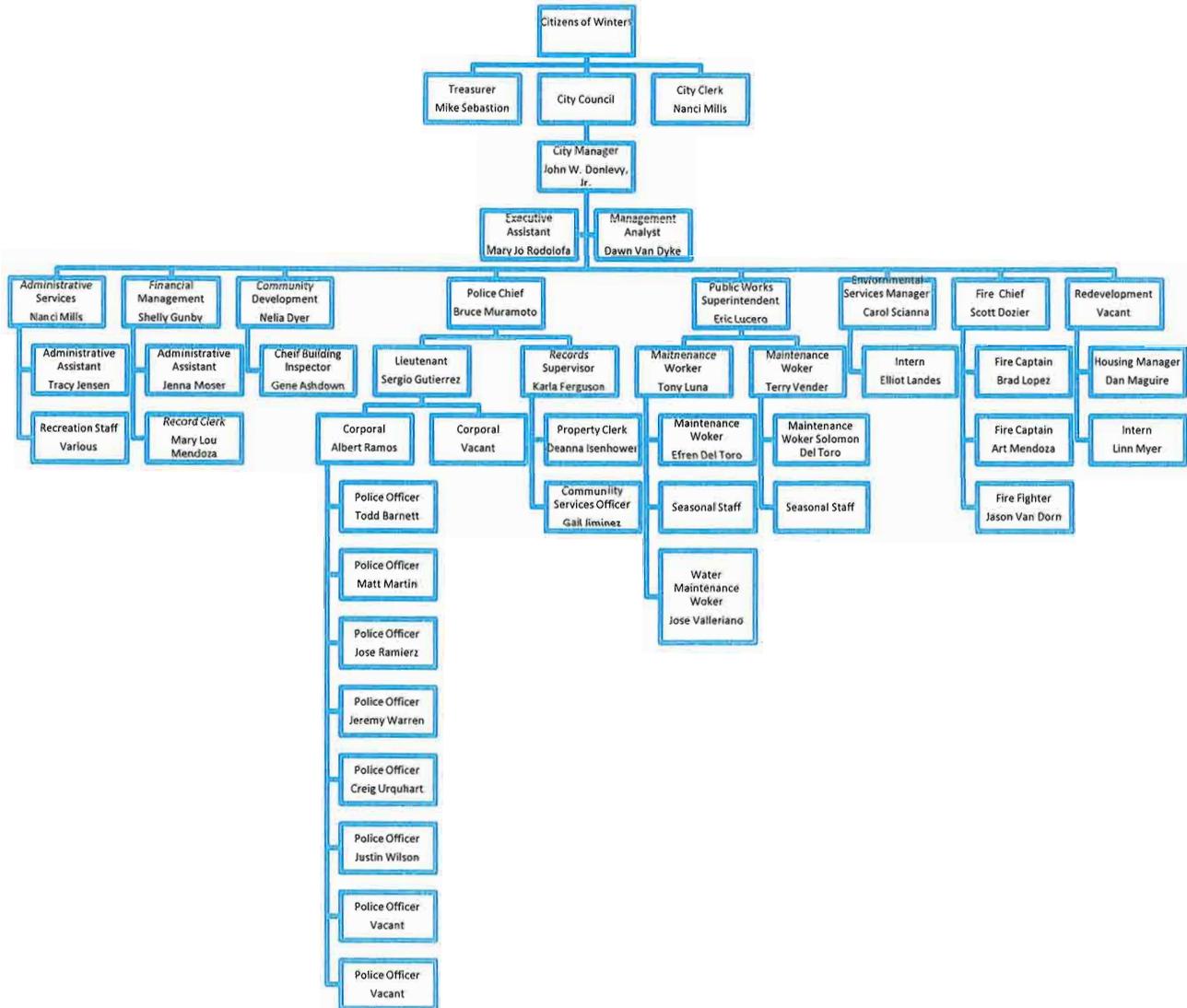
**Capital Budget Relationship and Organization**

The City of Winters Budget includes a summary of the Capital Improvement Plan and also includes the portion of the Capital Improvement Plan costs to be paid from the governmental funds and enterprise funds in the budget year.

# City of Winters Organizational Chart Fiscal Year 2010-2011



# City of Winters Organizational Chart Fiscal Year 2011-2012



## City Profile

### History

The City of Winters has a strong historical heritage. The settlement of this area began in 1842 with the granting of 17,750 acres of land along Putah Creek by Governor Juan Batista de Alvarado to William Wolfskill, a southern California resident and naturalized Mexican citizen. It was not William, but his brother John, who came north to settle on this land. He established a residence on the south side of Putah Creek and began his ranching career, planting vegetable crops and the area's first apricots in 1851, and later peaches and grapes. The land was originally called Rancho Rio de Los Putos, a name derived from the Patwin Indian village name of "Putato".

As the northern terminus of the Vaca-Valley Railroad, this new settlement grew rather quickly and by 1876 the assessed valuation of the town had risen from \$1,000 to \$160,000. Winters became a busy agricultural and commercial center, with three trains daily, several new businesses, new hotels and saloons, a Wells Fargo office and a number of new residences. Area produce included apricots, peaches, almonds, plums, pears, cherries, figs, oranges, olives, barley and wheat. In late 1896, a meeting was held in the Opera House to seek incorporation of the town of Winters. It was not until February 9, 1898, however, that the City of Winters was incorporated.

### Quality of Life

The City of Winters is located in the southwestern corner of Yolo County, immediately north of the Solano County line and just east of the Vaca Mountain range. Interstate 505 borders the City of Winters on the east. Interstate 80, which lies just 11 miles south, provides easy access to the major metropolitan areas of Sacramento and the Bay Area. State Highway 128 passes directly through Winters and is a major access route to the Napa Valley and recreational opportunities at Lake Berryessa. Sacramento International Airport is 37 miles away and public transportation is provided by the Yolo County Transportation District.

## City Profile

The City of Winters is an established and changing community. The easygoing nature of the community gives one a sense of longtime tradition. Winters is on the cusp of an economic takeoff once the economy has recovered. New residential developments have been approved, and will be built once the housing market rebounds, and new businesses are starting up. Winters is a community that thrives on citizen involvement, volunteer projects, and "civic mindedness".

The City of Winters is home to the Annual Youth Day celebration. During this celebration, young people throughout the community commit themselves to learning the role of government by holding elections to be the "shadow" of City Staff and Council members. A special "Youth Day City Council" meeting is held at which the young people bring their issues forward for a public hearing. This celebration of youth in the community is organized completely by volunteers, who commit many hours of time to the project each year.

The City of Winters has enthusiastic Little League, Swim Team, Jr. Warrior Football Team and Soccer programs that serve the youth of the community.

The City also has a very professional volunteer Theatre group that performs numerous productions throughout each year.

### **Government**

*Incorporated February 9, 1898*

The City of Winters is a general law city and employs the Council/Manager form of government. The Winters City Council consists of five members elected at-large for four year terms (two members at one election, three members the following election). After each Council election, the Council members appoint a Mayor for a two-year term and a Mayor Pro Tem for a two-year term.

# City Profile

## Full time Employees - Fiscal Year 2010-2011 and 2011-2012<sup>1</sup>

	<u>2010-2011</u>	<u>2011-2012</u>
Police Department	12.44	13.44
Community Development Department	1.50	1.50
Community Development Agency	1.94	1.94
Finance	3.00	3.00
General Government	5.00	5.00
Public Works	7.32	7.32
Recreation	9.85	9.85
<b>Total</b>	<b>41.05</b>	<b>42.05</b>

## Demographics

**Land Area** 2.516 square miles

### Population

1970	2,419
1975	2,510
1980	2,652
1990	4,450
2000	6,125 <sup>2</sup>
2003	6,606 <sup>3</sup>
2004	6,868 <sup>4</sup>
2005	6,973 <sup>5</sup>
2006	6,867 <sup>6</sup>
2007	6,885 <sup>7</sup>
2008	7,025 <sup>8</sup>
2009	7,052 <sup>9</sup>
2010	7,098 <sup>10</sup>

<sup>1</sup> 2009-2010 Adopted Budget

<sup>2</sup> U.S. Census Bureau, Census 2000

<sup>3</sup> California Department of Finance

<sup>4</sup> California Department of Finance

<sup>5</sup> California Department of Finance

<sup>6</sup> California Department of Finance

<sup>7</sup> California Department of Finance

<sup>8</sup> California Department of Finance

<sup>9</sup> California Department of Finance

<sup>10</sup> California Dept of Finance

## City Profile

<b>Households<sup>11</sup></b>	1,907	
Family Households	1,547	81.1%
Married Couples	1,222	
Female Householder	244	
Male Householder	81	
Non-family Householder	360	18.9%

### Age<sup>12</sup>

Under 5 Years	479	7.8%
5-9 years	575	9.4%
10-14 years	630	10.3%
15-19 years	552	9.0%
20-24 years	349	5.7%
25-34 years	820	13.4%
35-44 years	1,074	17.5%
45-54 years	762	12.4%
55-59 years	225	3.7%
60-64 years	182	3.0%
65-74 years	256	4.2%
75-84 years	166	2.7%
85 years and older	55	0.9%
Median Age (years)	31.1	

### Sex<sup>13</sup>

Male	3,109	50.8%
Female	3,016	49.2%

<sup>11</sup> U.S. Census Bureau, Census 2000

<sup>12</sup> U.S. Census Bureau, Census 2000

<sup>13</sup> U.S. Census Bureau, Census 2000

## City Profile

### Housing Units<sup>14</sup> 2,230

Single Family	1,903	85.3%
Multi Family	249	11.2%
Mobile Homes	78	3.5%
Vacancy Rates		2.4%

### Housing Value<sup>15</sup>

Less than \$50,000	0	0.0%
\$50,000-\$99,999	39	3.3%
\$100,000-\$149,999	578	48.6%
\$150,000-\$199,999	334	28.1%
\$200,000-\$299,999	190	16.0%
\$300,000-\$499,999	38	3.2%
\$500,000-\$999,999	11	0.9%
\$1,000,000 or more	0	0.0%
Median Home Value	\$148,600	

### Age of Housing<sup>16</sup>

1939 or earlier	136	6.0%
1940-1959	268	12.0%
1960-1969	190	9.0%
1970-1979	234	11.0%
1980- March 1990	762	34.0%
March 1990-January 2001	349	16.0%
2001-2007	282	13.0%

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<sup>14</sup> California Department of Finance 1/1/06

<sup>15</sup> U.S. Census Bureau, Census 2000

<sup>16</sup> CIRB 2008

## City Profile

### Household Income<sup>17</sup>

Less than \$10,000	141	7.4%
\$10,000-\$14,999	67	3.5%
\$15,000-\$24,999	197	10.4%
\$25,000-\$34,999	192	10.1%
\$35,000-\$49,999	378	19.9%
\$50,000-\$74,999	435	23.0%
\$75,000-\$99,999	281	14.8%
\$100,000-\$149,999	148	7.8%
\$150,000-\$199,999	35	1.8%
\$200,000 or more	21	1.1%
Median Household Income \$	46,678	

### Level of Educational Attainment<sup>18</sup>

Population 25 years and over

College Degree	907	25.5%
Some College No Degree	839	23.6%
High School Graduate	819	23.1%
9th-12th Grade, No Diploma	388	10.9%
Less than 9th Grade	600	16.9%

### Racial Composition<sup>19</sup>

American Indian	0.90%
African American	0.70%
Asian	1.00%
Hispanic	44.40%
Native Hawaiian/Pacific Islander	0.30%
White	25.30%
Other	22.60%
Two or More ethnicities	4.80%

<sup>17</sup> U.S. Census Bureau, Census 2000

<sup>18</sup> U.S. Census Bureau, Census 2000

<sup>19</sup> U. S. Census Bureau, Census 2000

## City Profile

### Major Employers<sup>20</sup>

Mariani Nut Company  
Winters Joint Unified School District  
Buckhorn Restaurant  
City of Winters  
Double M Trucking

### Distribution of Jobs by Industry<sup>21</sup>

Employed persons Aged 16 and Over	2,728	
Agriculture	208	7.6%
Construction	209	7.7%
Manufacturing	173	6.3%
Wholesale Trade	265	9.7%
Retail Trade	260	9.5%
Transportation/Warehousing	138	5.1%
Finance	170	6.2%
Professional/Scientific	172	6.3%
Educational	500	18.3%
Arts/Food Service/Accommodations	204	7.5%
Other Services	177	6.5%
Public Administration	224	8.2%
Information	28	1.0%

### Services by Other Governmental Agencies

Education: Winters Joint Unified School District  
University of California, Davis  
Solano Community College

### Community Services

Parks: 6 (approx 7.2 acres)  
Community Center: 1  
Police Station: 1  
Water Wells: 5  
Sewer Plant: 1

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<sup>20</sup> U.S. Census Bureau, Census 2000

<sup>21</sup> U.S. Census Bureau, Census 2000

## City Profile

### **Public Transportation**

Yolo County Transportation District

### **Fire Protection**

Winters Fire Protection District

### **Gas and Electricity**

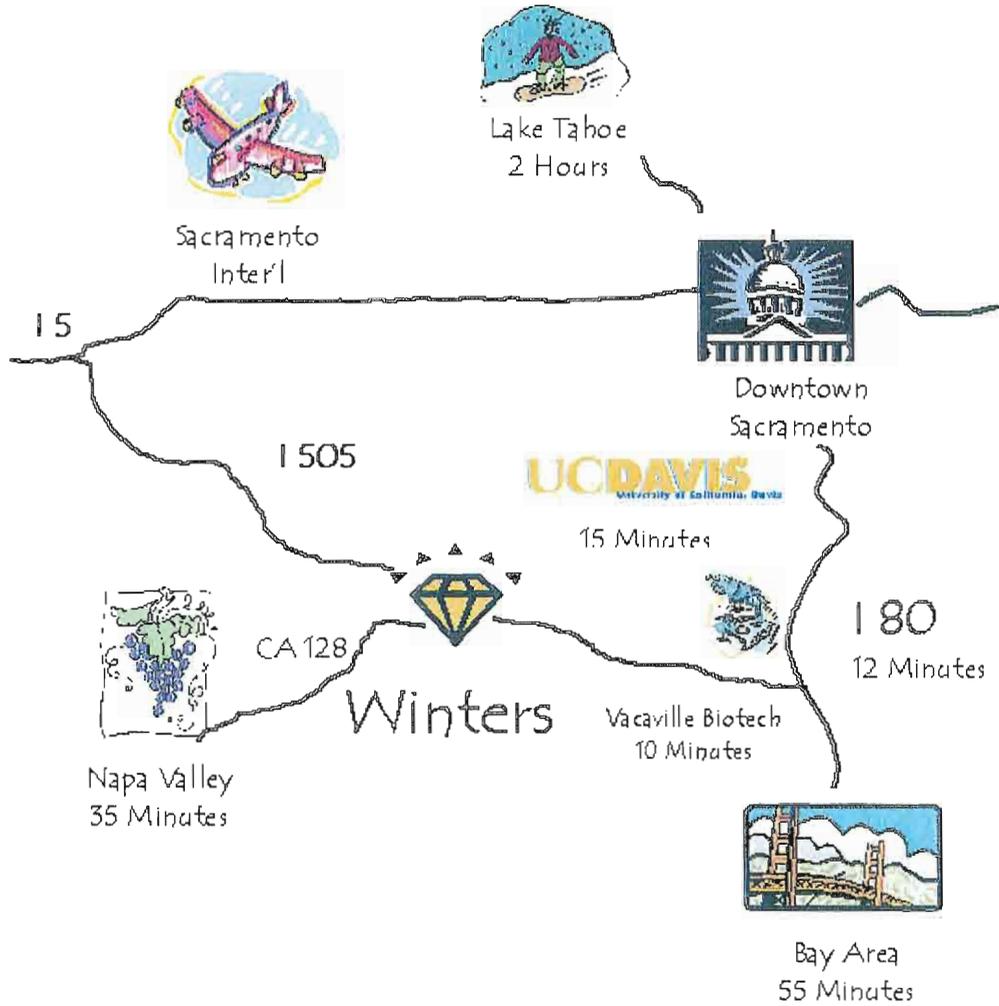
Pacific Gas and Electric

### **Education**

The Winters Joint Unified School District operates the following:

- John Clayton Kinder School
- Waggoner Elementary School (grades 1-3)
- Shirley Rominger Intermediate School (grades 4-5)
- Winters Middle School (grades 6-8)
- Winters High School (grades 9-12)
- Wolfskill Continuation High School

# Where is Winters??



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## Budget Summary

### Fund Structure, Purpose and Accounting Basis

The accounts of the City of Winters are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Certain funds have varying levels of restriction, imposed either by legal requirements or policy choices, and as such, it can be helpful to present a broad overview of the City's finances by showing summaries of different funds.

The City's funds are grouped into six basic types:

- General
- Special Revenue
- Capital
- Debt Service
- Enterprise
- Fiduciary

The first three fund types listed above comprise the majority of the day-to-day operating activities of the City. The remaining fund types are more specialized funds, and typically account for one-time and/or specific activities rather than ongoing and recurring services. Brief descriptions of each fund type follow.

#### General Fund

The General fund is the primary revenue source and operating fund for most services cities typically offer. These include public safety (police and fire), street maintenance, parks and recreation, and neighborhood and community services. In addition, the City Council, Administrative Services, and Community Development budgets are predominately funded by the General Fund. These activities are financed through general tax dollars from sales and property taxes, property tax in lieu of VLF, the municipal services tax, the utility user tax and by

## Budget Summary

revenues generated from permits, fees and investment earnings.

### **Special Revenue Funds**

Special Revenue Funds account for activities funded by special purpose revenue, that is, revenues that are legally restricted to expenditures for a specific purpose. Many of these funds have grant-based revenues, which may only be spent under specific guidelines. Most of the federal, state and county grants the City administers are included in this category. The City maintains 42 special revenue funds.

### **Capital Project Funds**

These are the Capital Improvement Project (CIP) funds. They 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 such as the Water and Sewer Funds), i.e., the development of a new neighborhood park or a public safety facility to house the Police and Fire Departments. The City has 24 Capital Project Funds, which includes eight (8) funds for the collection and spending of Development Impact Fees.

### **Enterprise Funds**

These funds account for City activities that operate as public enterprises. Revenues come from fees charged to programs, customers or other department users. Enterprise funds that provide for water and sewer services are proprietary funds. So are Internal Service Funds. The City currently has three (3) enterprise funds (water, sewer and Central Service Overhead) that represent separate business activities for the City.

- Water

The City provides water service to its residents and commercial entities.

- Sewer

The City's sewer system protects public health and preserves water quality through the collection, treatment and disposal of the community's wastewater and wastewater solids.

## Budget Summary

- **Central Service Overhead**  
This fund is used for expenditures that cannot be specifically charged to a particular fund or department. Expenditures are made from this fund, and the cost of those expenditures are allocated to the various funds and departments based on a cost allocation plan the City of Winters implemented in fiscal year 2002-2003 and updated in 2004-2005.

### **Debt Service Funds**

Funds for debt service track revenues and expenditures related to repayment of principal and interest costs associated with borrowing money for long-term obligations. A separate debt service schedule is included in this budget that provides detail on all outstanding debt owed by the City.

### **Fiduciary Fund Types**

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

### **Summary Financial Section**

The Summary Financial Section consists of the following information:

- 2008-2012 Summary of Estimated Financial Sources and Uses and Changes in Fund Balance for Governmental Funds. This includes the General Fund, Special Revenue Funds, Debt Service Funds and Capital Funds
- 2008-2012 Summary of Estimated Revenues, Expenses and Changes in Retained Earnings for Enterprise Funds. This includes the Water, Sewer and Central Service Overhead Funds.
- Total Revenue Summary
- Total Expenditure Summary

## Budget Summary

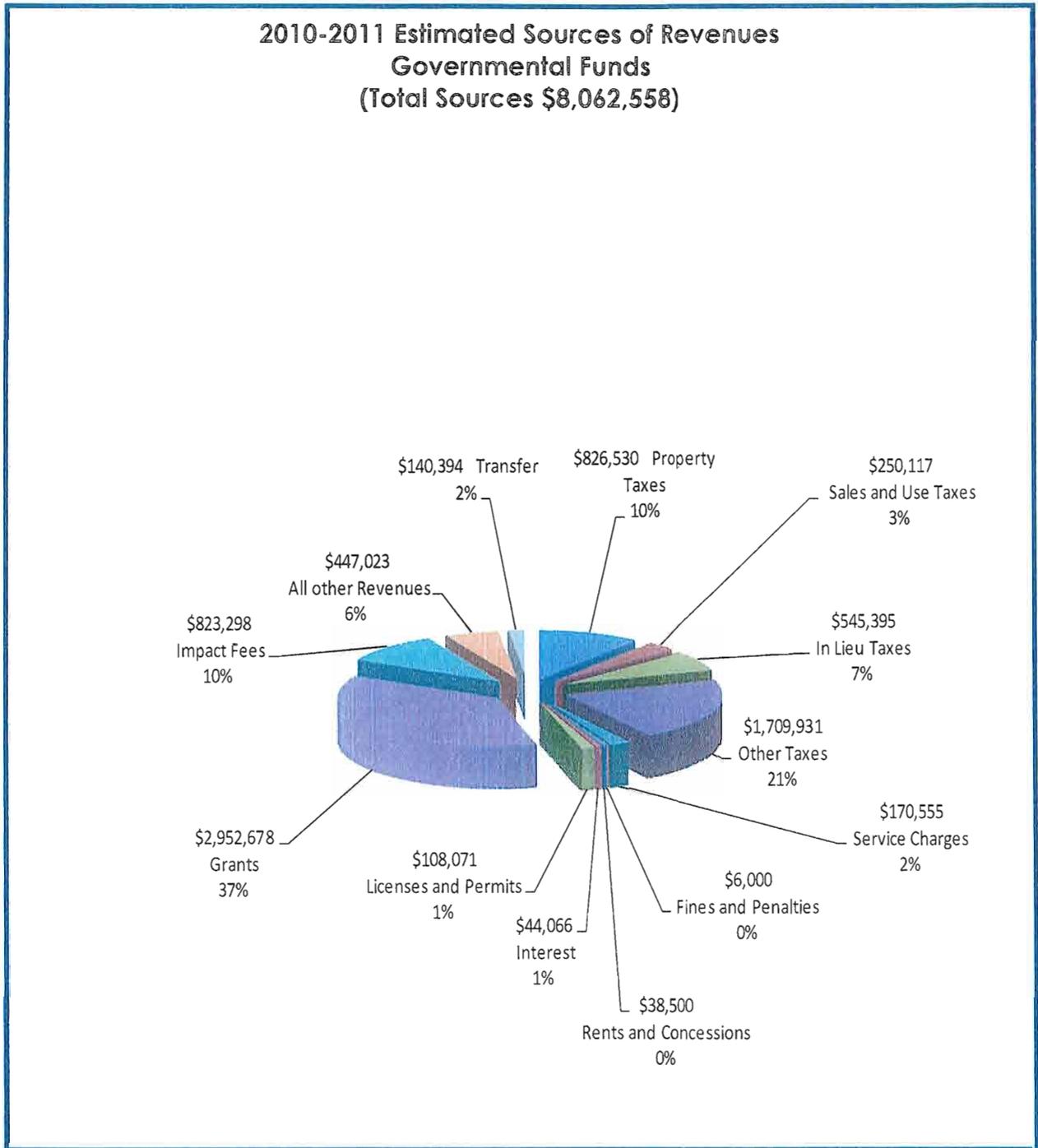
### **Decreases in Fund Balance/Retained Earnings.**

It is the policy of the City of Winters that on-going current General Fund expenditures are funded by current year General Fund revenues. Expenditure of carry forward savings is to be for one-time expenditures only, based upon City Council approval. This General Fund balance anticipates expenditure of carry forward savings of approximately \$97,945 for 2010-2011 and \$285,855 for 2011-2012. This use of carry forward savings is due to the current economic downturn. City Revenues have declined due to the decrease in assessed value of property throughout the city, a 9.46% decrease in assessed value for the City of Winters General Fund property and 10.07% decrease in assessed value for the City's Community Development Agency. Prudent planning in the past has allowed the city to accumulate a fund balance that is allowing the City to continue to provide services to the community at the level that the community has come to expect during this time of decreased revenues.

The Special Revenue Funds group anticipates a reduction in fund balance for certain individual funds, but an increase in the fund group as a whole for both 2010-2011 and 2011-2012. Special Revenue funds typically must accumulate cash over a period of years before a substantial amount of funds are available to undertake projects to be funded from these funds. This will be addressed in more detail in the "Other Funds"

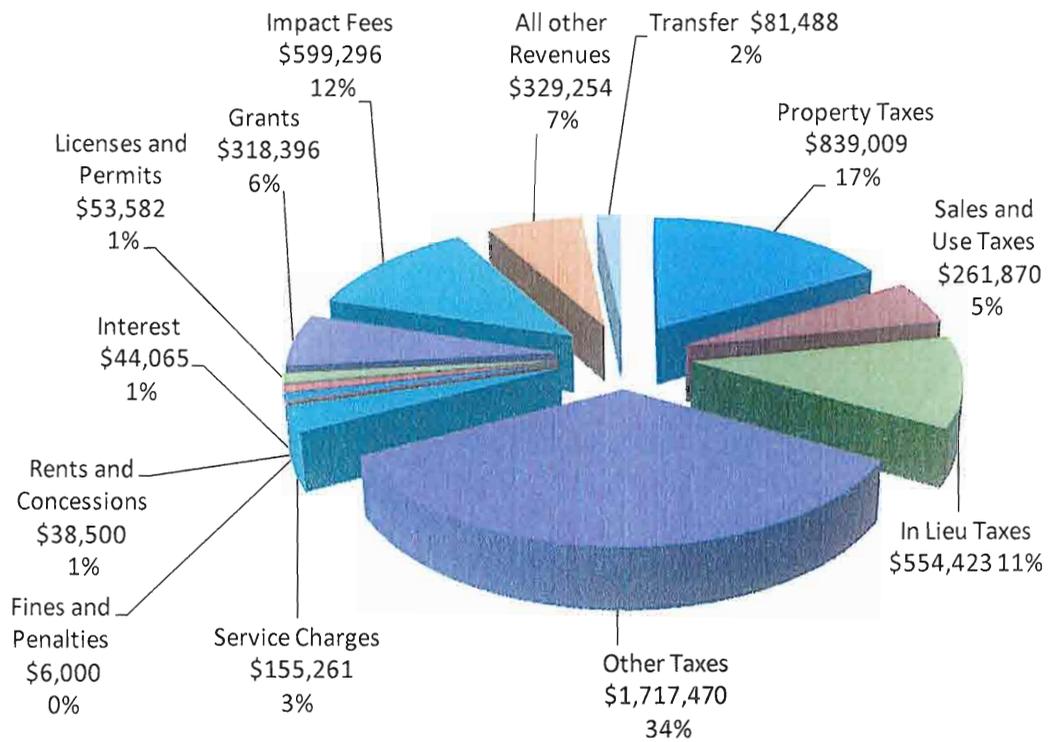
The Capital Funds group anticipates an decrease in fund balance in some individual funds and the group as a whole from 2009-2010 to 2010-2011 and 2011-2012. Many projects are scheduled for the 2010-2011 fiscal year. The City of Winters has been accumulating funds in the various capital fund accounts in anticipation of these projects, and the completion of these projects in 2010-2011 will cause the reduction in fund balance to occur in 2010-2011 for those funds affected. This will be addressed in more detail in the "Other Funds" section of this budget.

# Budget Summary



# Budget Summary

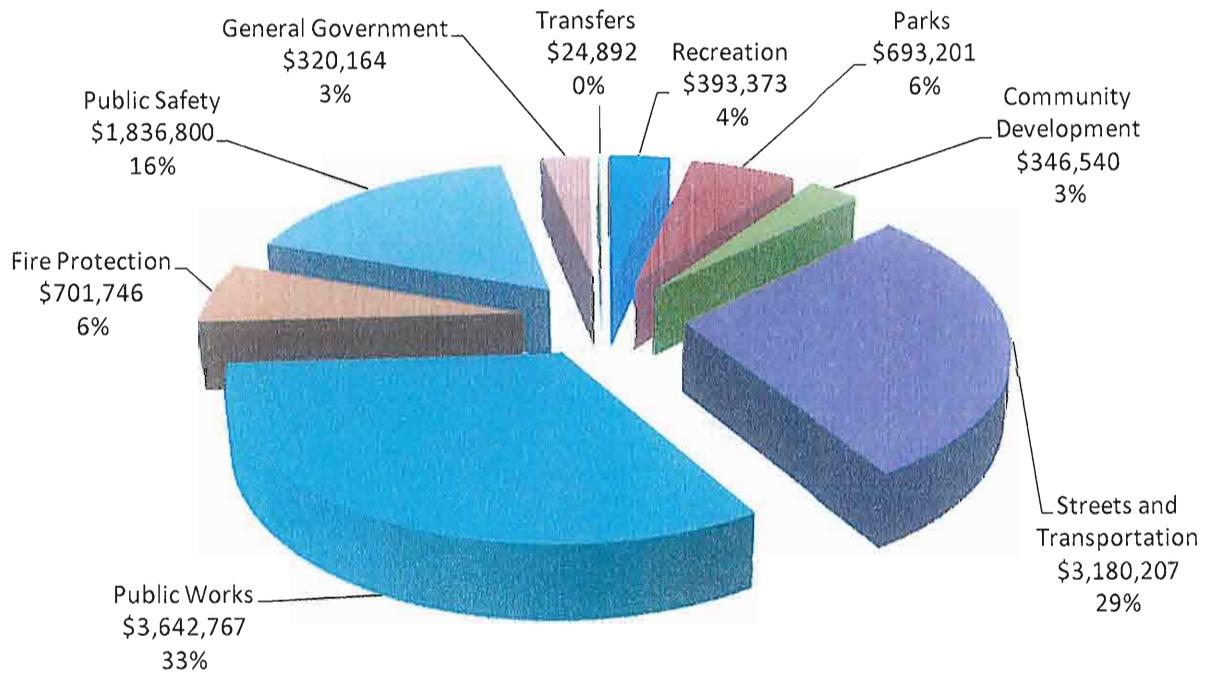
**2011-2012 Estimated Sources of Revenues  
Governmental Funds  
(Total Sources \$4,998,613)**



# Budget Summary

## Governmental Funds Summary of Estimated Sources and Expenditures

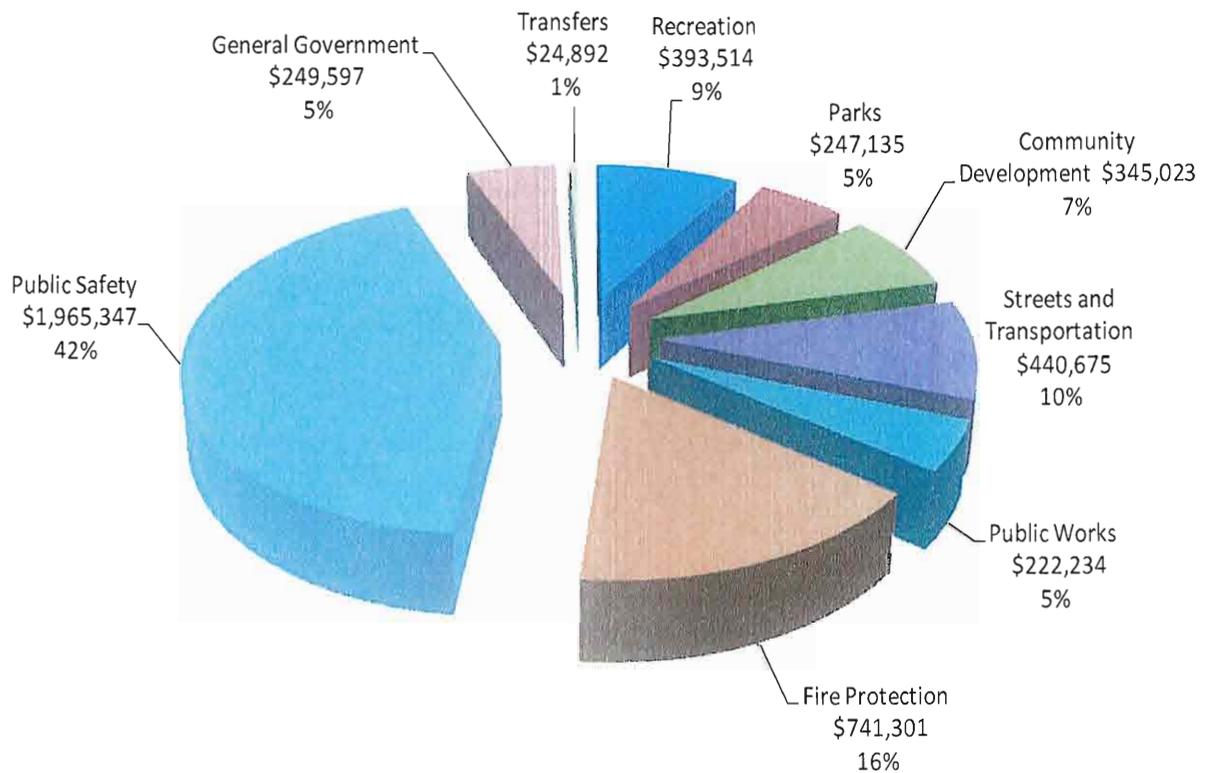
### 2010-2011 Estimated Expenditures Governmental Funds (Total Expenditures \$11,139,691)



# Budget Summary

## Governmental Funds Summary of Estimated Sources and Expenditures

### 2011-2012 Estimated Expenditures Governmental Funds (Total Expenditures \$4,629,717)



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**Governmental Funds**  
**2008-2012 Summary of Estimated Financial Sources and Uses**  
(For Budgetary Purposes Only)

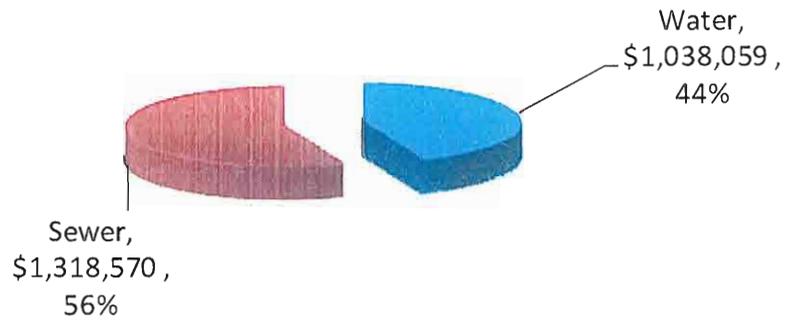
	General Fund					Special Revenue Funds				
	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget
<b>Financial Sources:</b>										
Property Taxes	\$ 728,428	\$ 734,193	\$ 703,951	\$ 637,357	\$ 643,731	\$ 186,934	\$ 181,141	\$ 189,173	\$ 189,173	\$ 195,278
Property Tax in Lieu of VLF	520,373	526,512	528,176	473,774	478,512					
Property Taxes in Lieu of Sales Tax	70,177	130,808	66,353	71,621	75,912					
Sales and Use Taxes	327,596	282,075	263,940	250,117	261,870					
Other Taxes	993,364	995,374	964,697	1,368,771	1,380,745	436,236	399,717	408,677	341,160	336,724
Service Charges	93,145	112,964	146,406	170,555	155,261					
Fines and Penalties	45	1,300	1,000	-	-	50,620	29,644	6,000	6,000	6,000
Rents and Concessions	35,574	38,500	38,500	38,500	38,500					
Interest	55,074	46,420	3,000	3,000	3,000	114,167	75,264	48,977	32,257	32,256
Licenses and Permits	85,267	139,614	72,275	108,071	53,582					
Grants	4,960	1,500	1,600	1,500	1,500	1,536,763	900,722	1,082,331	1,578,228	316,896
Impact Fees										
All other Revenues	100,992	21,081	15,093	270,592	206,986	163,582	106,921	88,892	87,187	87,188
<b>Total Estimated Financial Sources</b>	<b>\$ 3,014,993</b>	<b>\$ 3,030,341</b>	<b>\$ 2,804,990</b>	<b>\$ 3,393,858</b>	<b>\$ 3,299,598</b>	<b>\$ 2,488,302</b>	<b>\$ 1,693,409</b>	<b>\$ 1,824,050</b>	<b>\$ 2,234,005</b>	<b>\$ 974,342</b>
<b>Expenditures</b>										
General Government	\$ 294,758	\$ -	\$ -	\$ 220,164	\$ 229,097	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	1,588,778	-	-	1,845,033	1,781,666	225,685	218,260	121,415	86,767	89,871
Fire Protection	410,312	199,033	223,514	701,746	741,301	-	-	-	-	-
Public Works	236,520	1,662,137	1,799,603	220,889	217,234	6,534	3,019	473	5,000	5,000
Streets and Transportation	-	-	-	-	-	722,566	587,811	1,431,313	3,133,015	244,079
Community Development	532,811	305,026	339,956	346,040	344,273	103,239	82,503	19	500	750
Debt Service	-	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	284,717	273,971	285,097	235,173	236,335
Recreation	297,193	-	-	162,932	163,073	390,339	779,979	183,778	230,441	230,441
<b>Total Budget</b>	<b>\$ 3,360,371</b>	<b>\$ 2,166,195</b>	<b>\$ 2,363,073</b>	<b>\$ 3,496,804</b>	<b>\$ 3,476,643</b>	<b>\$ 1,733,080</b>	<b>\$ 1,945,543</b>	<b>\$ 2,022,095</b>	<b>\$ 3,690,897</b>	<b>\$ 806,476</b>
General Contingencies and Reserves	-	-	-	-	-	-	-	-	-	-
<b>Total Use of Resources</b>	<b>\$ 3,360,371</b>	<b>\$ 2,166,195</b>	<b>\$ 2,363,073</b>	<b>\$ 3,496,804</b>	<b>\$ 3,476,643</b>	<b>\$ 1,733,080</b>	<b>\$ 1,945,543</b>	<b>\$ 2,022,095</b>	<b>\$ 3,690,897</b>	<b>\$ 806,476</b>
Net Increase (Decrease)In Fund Balance	\$ (345,378)	\$ 864,145	\$ 441,918	\$ (102,945)	\$ (177,045)	\$ 755,222	\$ (252,134)	\$ (198,046)	\$ (1,456,892)	\$ 167,866
Fund Balance July 1	2,601,265	2,458,887	3,463,205	3,916,122	3,818,177	\$ 1,245,849	1,880,975	1,563,511	1,341,604	(93,532)
Adjustments	-	-	-	-	-	-	-	-	-	-
Transfers In	203,000	140,172	11,000	5,000	5,000	195,608	276,817	97,547	46,649	41,706
Transfers Out	-	-	-	-	-	(315,704)	(342,147)	(121,409)	(24,892)	(24,892)
<b>Fund Balance June 30</b>	<b>\$ 2,458,887</b>	<b>\$ 3,463,205</b>	<b>\$ 3,916,122</b>	<b>\$ 3,818,177</b>	<b>\$ 3,646,132</b>	<b>\$ 1,880,975</b>	<b>\$ 1,563,511</b>	<b>\$ 1,341,604</b>	<b>\$ (93,532)</b>	<b>\$ 91,149</b>



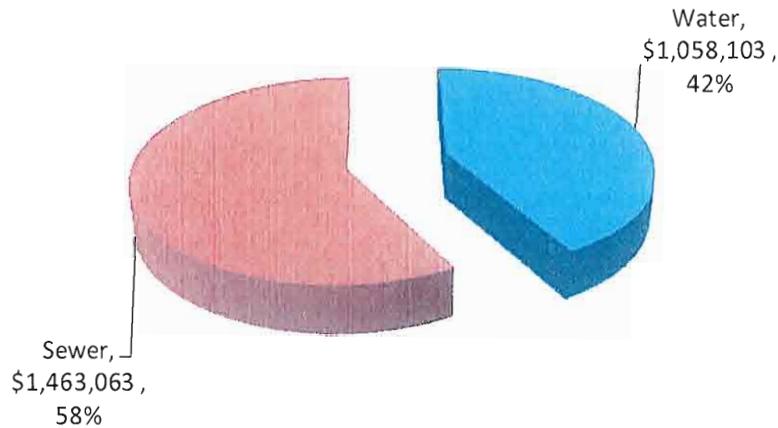
# Budget Summary

## Enterprise Funds Summary of Revenues and Expenditures

Enterprise Funds  
2010-2011 Estimated Sources of Funds  
(\$2,356,629)



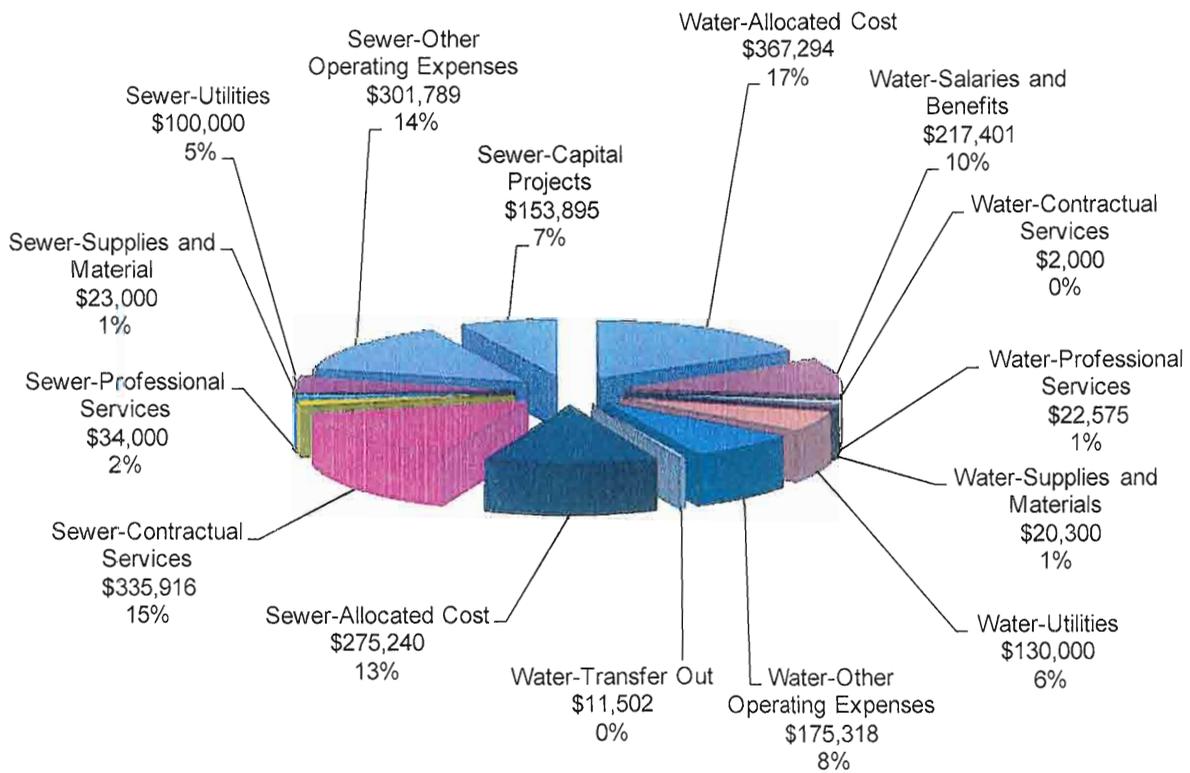
Enterprise Funds  
2011-2012 Estimated Source of Funds  
(Total \$2,521,166)



# Budget Summary

## Enterprise Funds Summary of Revenues and Expenditures

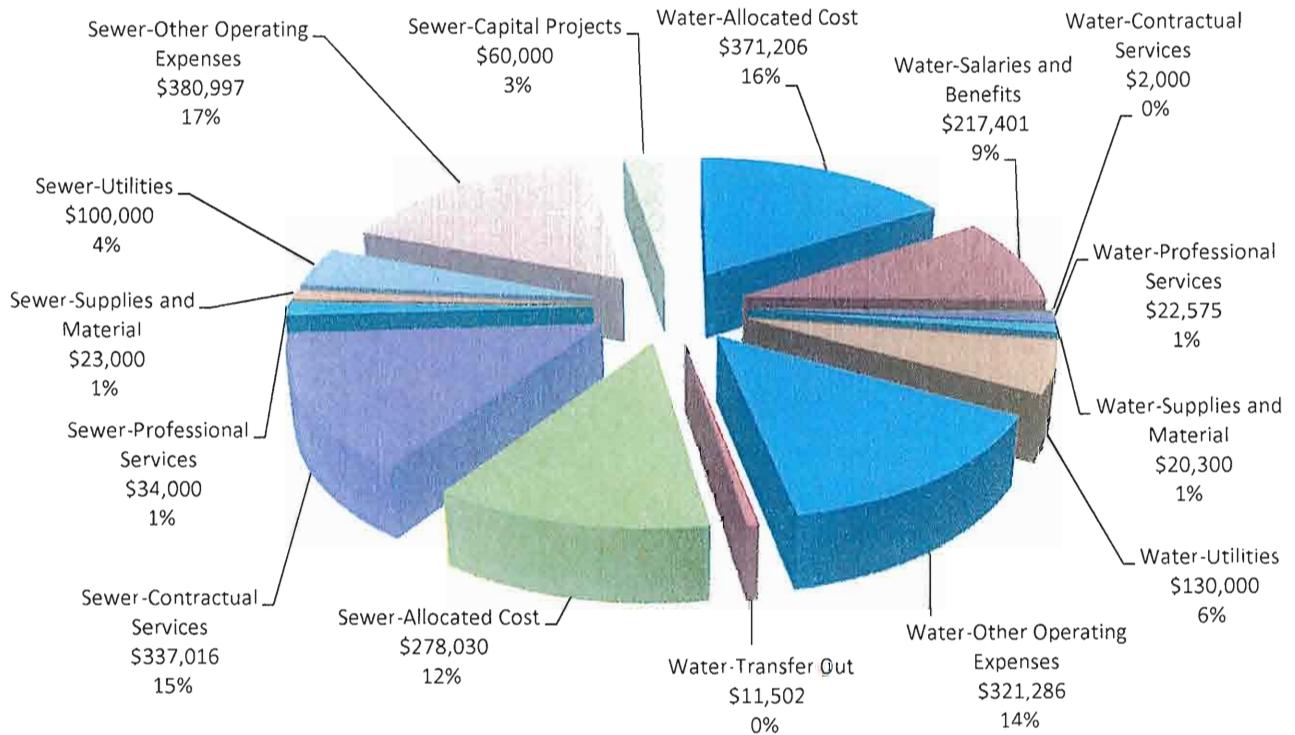
**Enterprise Funds  
2010-2011 Estimated Expenditures  
(\$2,170,230)**



# Budget Summary

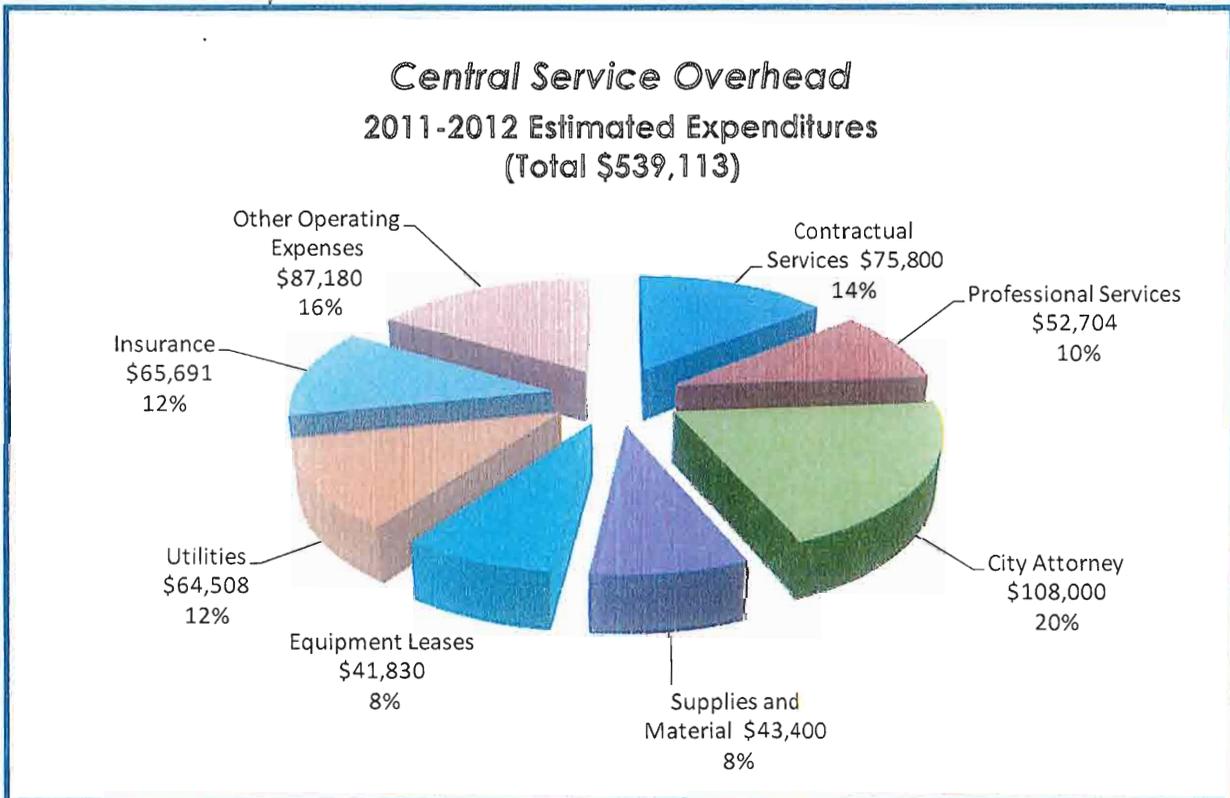
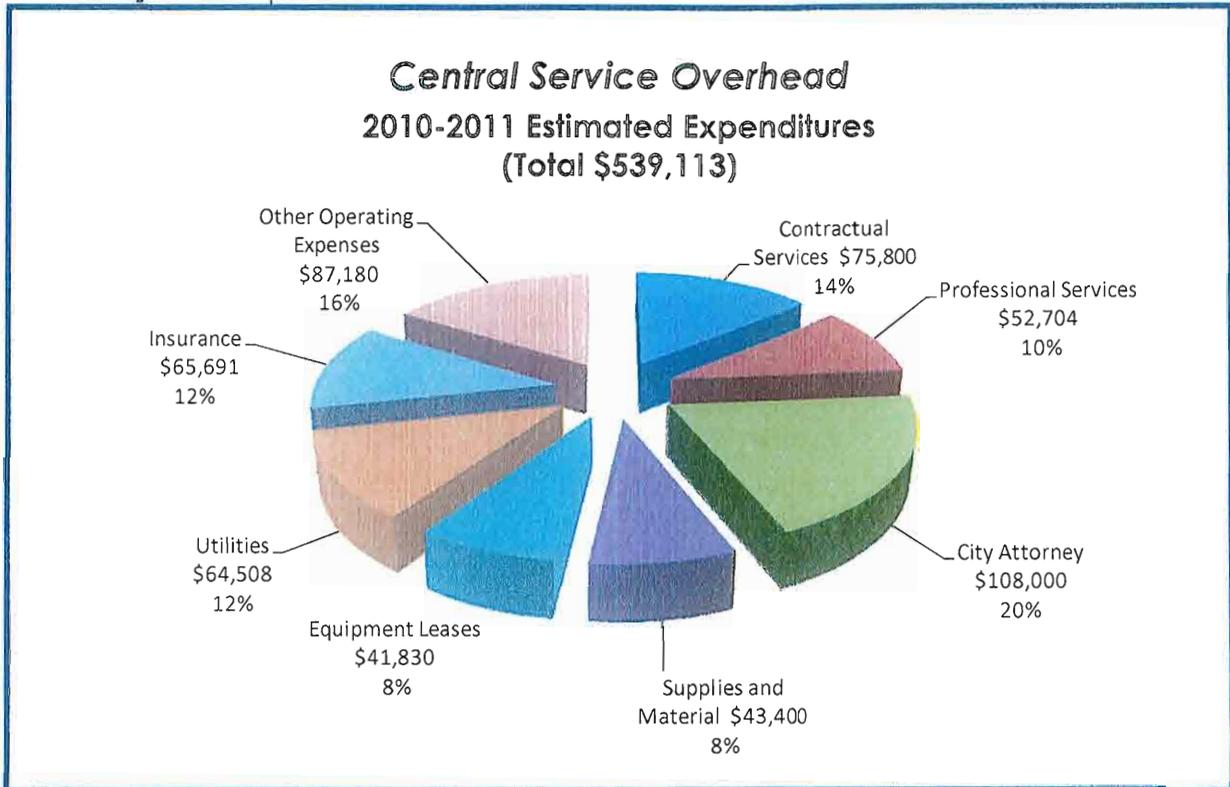
## Enterprise Funds Summary of Revenues and Expenditures

**Enterprise Funds  
2011-2012 Estimated Expenditures  
(Total \$2,309,313)**



# Budget Summary

## Central Service Overhead Estimated Expenditures



**Enterprise Funds**  
**2008-2012 Summary of Estimated Revenues, Expenses**  
**and Changes in Retained Earnings**  
(For Budgetary Purposes Only)

	2008	2009	Water Funds 2010	2011	2012
	Actual	Actual	Estimate	Budget	Budget
<b>Operating Revenues</b>					
Charges for Services	\$ 902,538	\$ 919,554	\$ 1,004,883	\$ 1,002,207	\$ 1,022,251
Other Revenues	17,352	31,042	27,862	24,350	24,350
<b>Total Operating Revenues</b>	<b>\$ 919,890</b>	<b>\$ 950,596</b>	<b>\$ 1,032,745</b>	<b>\$ 1,026,557</b>	<b>\$ 1,046,601</b>
<b>Operating Expenses</b>					
Allocated Cost	\$ 312,116	\$ 340,692	\$ 347,632	\$ 367,294	\$ 371,206
Salaries and Benefits	122,217	103,408	140,774	217,401	217,401
Contractual Services	-	-	-	2,000	2,000
Professional Services	46,206	36,277	12,500	22,575	22,575
Supplies and Material	12,884	10,045	15,266	20,300	20,300
Equipment Leases	-	-	-	-	-
Utilities	145,450	139,621	118,740	130,000	130,000
Insurance	-	-	-	-	-
Other Operating Expenses	45,412	50,796	72,429	175,318	321,286
Depreciation	21,296	21,068	-	-	-
Capital Projects	143,552	22,043	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 849,133</b>	<b>\$ 723,951</b>	<b>\$ 707,341</b>	<b>\$ 934,888</b>	<b>\$ 1,084,768</b>
<b>Operating Income (Loss)</b>	<b>\$ 70,758</b>	<b>\$ 226,645</b>	<b>\$ 325,404</b>	<b>\$ 91,669</b>	<b>\$ (38,167)</b>
Non-Operating Revenues(Expenses)					
<b>Income(Loss) before Operating Tran</b>	<b>\$ 70,758</b>	<b>\$ 226,645</b>	<b>\$ 325,404</b>	<b>\$ 91,669</b>	<b>\$ (38,167)</b>
Operating Transfers In	273,504	-	11,502	11,502	11,502
Operating Transfers Out	(126,928)	(122,076)	(11,502)	(11,502)	(11,502)
<b>Net Income(Loss)</b>	<b>\$ 217,334</b>	<b>\$ 104,569</b>	<b>\$ 325,404</b>	<b>\$ 91,669</b>	<b>\$ (38,167)</b>
<b>Retained Earnings July 1</b>	<b>525,091</b>	<b>742,425</b>	<b>846,994</b>	<b>1,172,398</b>	<b>\$ 1,264,067</b>
Adjustments					
<b>Retained Earnings June 30</b>	<b>\$ 742,425</b>	<b>\$ 846,994</b>	<b>\$ 1,172,398</b>	<b>\$ 1,264,067</b>	<b>\$ 1,225,899</b>

Sewer Funds					Total Enterprise Funds				
2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget
\$ 1,011,084	\$ 1,048,742	\$ 1,209,074	\$ 1,313,570	\$ 1,458,063	\$ 1,913,622	\$ 1,968,295	\$ 2,213,957	\$ 2,315,777	\$ 2,480,314
3,104	51,520	6,554	5,000	5,000	20,456	82,562	34,416	29,350	29,350
<u>\$ 1,014,188</u>	<u>\$ 1,100,261</u>	<u>\$ 1,215,628</u>	<u>\$ 1,318,570</u>	<u>\$ 1,463,063</u>	<u>\$ 1,934,078</u>	<u>\$ 2,050,857</u>	<u>\$ 2,248,373</u>	<u>\$ 2,345,127</u>	<u>\$ 2,509,664</u>
\$ 245,679	\$ 260,798	\$ 261,433	\$ 275,240	\$ 278,030	\$ 557,795	\$ 601,490	\$ 609,065	\$ 642,534	\$ 649,235
-	-	-	-	-	122,217	103,408	140,774	217,401	217,401
298,894	305,126	325,188	335,916	337,016	298,894	305,126	325,188	337,916	339,016
77,703	59,720	15,976	34,000	34,000	123,909	95,997	28,476	56,575	56,575
6,417	728	5,500	23,000	23,000	19,301	10,773	20,766	43,300	43,300
-	-	-	-	-	-	-	-	-	-
83,567	77,011	112,271	100,000	100,000	229,017	216,633	231,011	230,000	230,000
-	-	-	-	-	-	-	-	-	-
202,885	87,023	46,461	301,789	380,997	248,297	137,819	118,890	477,107	702,284
39,677	38,222	-	-	-	60,973	59,290	-	-	-
181,636	1,010	-	153,895	60,000	325,188	23,053	-	153,895	60,000
<u>\$ 1,136,458</u>	<u>\$ 829,639</u>	<u>\$ 766,828</u>	<u>\$ 1,223,840</u>	<u>\$ 1,213,043</u>	<u>\$ 1,985,591</u>	<u>\$ 1,553,590</u>	<u>\$ 1,474,169</u>	<u>\$ 2,158,728</u>	<u>\$ 2,297,811</u>
\$ (122,270)	\$ 270,623	\$ 448,800	\$ 94,730	\$ 250,020	\$ (51,512)	\$ 497,268	\$ 774,204	\$ 186,399	\$ 211,852
-	-	-	-	-	-	-	-	-	-
\$ (122,270)	\$ 270,623	\$ 448,800	\$ 94,730	\$ 250,020	\$ (51,512)	\$ 497,268	\$ 774,204	\$ 186,399	\$ 211,852
58,857	-	-	-	-	332,361	-	11,502	11,502	11,502
-	-	-	-	-	(126,928)	-	(11,502)	(11,502)	(11,502)
<u>\$ (63,413)</u>	<u>\$ 270,623</u>	<u>\$ 448,800</u>	<u>\$ 94,730</u>	<u>\$ 250,020</u>	<u>\$ 153,921</u>	<u>\$ 375,192</u>	<u>\$ 774,204</u>	<u>\$ 186,399</u>	<u>\$ 211,852</u>
2,607,850	2,544,437	2,815,060	3,263,860	3,358,590	3,132,941	3,286,862	3,662,054	4,436,258	4,622,656
-	-	-	-	-	-	-	-	-	-
<u>\$ 2,544,437</u>	<u>\$ 2,815,060</u>	<u>\$ 3,263,860</u>	<u>\$ 3,358,590</u>	<u>\$ 3,608,609</u>	<u>\$ 3,286,862</u>	<u>\$ 3,662,054</u>	<u>\$ 4,436,258</u>	<u>\$ 4,622,656</u>	<u>\$ 4,834,509</u>

## Budget Summary

### City Wide Position Changes

#### Mid Year Adjustments 2009-2010

Police Sergeant Retirement 12-31-10	-1.00
Account Technician Retirement	-1.00
Recreation Coordinator	-1.00
Summer Recreation Staff	- .96

#### Budgeted General Fund Positions Added 2010-2011

Police Officer	1.00
----------------	------

#### Budgeted General Fund Positions Added 2011-2012

Police Officer	1.00
----------------	------

#### Budgeted General Fund Positions Deleted 2010-2011

Police Sergeant	-1.00
Account Technician	-1.00
Recreation Coordinator	-1.00
Summer Recreation Staff	- .96

#### Budgeted General Fund Positions Deleted 2010-2011

None

### City Debt

Cities have three (3) choices in financing operations and funding public facilities:

1. Pay as you go
2. Debt Financing
3. Public/Private ventures

The City of Winters has adopted Capital Financing and Debt Management policies that establish guidelines for issuing and managing debt capacity for the City. The City will consider issuing long-term obligations only under the conditions outlined in this policy. The Capital Financing and Debt Management policy is located in the Policy section of this document.

The charts that follow summarize the City's long-term debt position.

# Budget Summary

## City Debt

### Debt Outstanding Year End 2008-2012

	2008	2009	2010	2011	2012
2004 Community Development Tax Allocation Bonds	\$ 6,310,000	\$ 6,310,000	\$ 6,090,000	\$ 5,860,000	\$ 5,625,000
2007 Community Development Tax Allocation Bonds	11,455,000	11,455,000	11,215,000	10,975,000	10,725,000
2007 Water Revenue Bonds	3,810,000	3,810,000	3,810,000	3,810,000	3,730,000
2007 Sewer Revenue Bonds	4,495,000	4,495,000	4,495,000	4,495,000	4,400,000
	<u>\$ 26,070,000</u>	<u>\$ 26,070,000</u>	<u>\$ 25,610,000</u>	<u>\$ 25,140,000</u>	<u>\$ 24,480,000</u>

### Annual Debt Service Requirement

	Annual Debt Service Requirement			
	2004 Tax Allocation Bonds	2007 Tax Allocation Bonds	2007 Water Revenue Bonds	2007 Sewer Revenue Bonds
2010/2011	480,767	739,860	82,268	97,695
2011/2012	479,893	740,060	243,236	288,846
2012/2013	478,179	739,860	245,534	290,653
2013/2014	475,720	739,260	245,534	292,270
2014/2015	379,265	581,460	247,646	288,766
2015/2016	383,782	576,660	244,643	290,124
2016/2017	382,749	552,360	246,509	291,241
2017/2018	381,279	548,523	292,054	244,756
	<u>6,437,506</u>	<u>16,393,310</u>	<u>4,815,565</u>	<u>5,802,076</u>
Total Principal and Interest	9,879,140	21,611,353	6,662,989	7,886,426
Less Interest	(3,789,139)	(10,396,353)	(2,852,989)	(3,391,426)
Total Principal	<u>\$ 6,090,000</u>	<u>\$ 11,215,000</u>	<u>3,810,000</u>	<u>4,495,000</u>

The 2004 Tax Allocation Bonds were issued February 2004. The bonds provided funds to aid in the financing of redevelopment in the Winters Community Development Agency Project Area. The bonds are special obligations of the Community Development Agency and are payable as to principal and interest exclusively from the pledged tax revenues of the agency. The interest rate is variable from 2% to 4.63% and is payable semi-annually on March 1 and September 1.

# Budget Summary

## City Debt

The 2007 Tax Allocation Bonds were issued in June 2007. The bonds are providing funds to aid in the financing of redevelopment in the Winters Community Development Agency project area. The bonds are special obligations of the Community Development Agency and are payable as to principal and interest exclusively from the pledged tax revenues of the agency. The interest rate is variable from 3.55% to 4.71% and is payable semi-annually on March 1 and September 1.

The 2007 Water and Sewer Revenue bonds were issued in September 2007. The bonds are providing funds to aid in the financing of water and sewer infrastructure repair and replacement as well as extension of the infrastructure from its current terminus to I-505. The interest rate is variable.

### Compliance with Capital Financing and Debt Management Policy 2010-2011

The City of Winters Fiscal policies, adopted on June 30, 2003, and updated on April 18, 2006 require that General Fund Debt service payments will not exceed 10% of General Fund revenues. The General Fund Debt service is zero, and therefore the City has not exceeded its policy on debt capacity. The 2004 and 2007 Tax Allocation Bonds are paid with the Redevelopment Tax Increment and the 2007 Water and Sewer Revenue Bonds are paid by Water and Sewer Enterprise Revenue.

### Computation of Compliance with Debt Capacity Policy

Total General Fund Budgeted Revenues	<u>\$3,393,858</u>
10% of Budgeted Revenues	\$339,386
Less General Fund Supported Debt Service	<u>-</u>
Policy Debt Capacity	<u>\$339,386</u>

# Budget Summary

## City Debt

### **Compliance with Capital Financing and Debt Management Policy 2011-2012**

The City of Winters Fiscal policies, adopted on June 30, 2003, and updated on April 18, 2006, require that General Fund Debt service payments will not exceed 10% of General Fund revenues. The General Fund Debt service is zero, and therefore the City has not exceeded its policy on debt capacity. The 2004 and 2007 Tax Allocation Bonds are paid with the Redevelopment Tax Increment and the 2007 Water and Sewer Revenue Bonds are paid by Water and Sewer Enterprise Revenue.

### **Computation of Compliance with Debt Capacity Policy**

Total General Fund Budgeted Revenues	<u>\$3,299,598</u>
10% of Budgeted Revenues	\$ 329,960
Less General Fund Supported Debt	-
Policy Debt Capacity	<u>\$ 329,960</u>

### **Legal Debt Limit Margin**

Under California State Law, the City of Winters has a legal debt limitation not to exceed 15% of the total assessed value of the taxable property within the City limits. In accordance with California Government Code Section 4305, only the City's general obligation bonds are subject to the legal debt limit. With the payment in full of the 1979 General Obligation bonds in June 2007 the City is not at risk of exceeding its legal debt limit;

### **Computation of Legal Debt Margin as of June 30, 2010**

Assessed Valuation (Net)	<u>\$ 471,165,598</u>
Debt Limit of 15% of Assessed Value	<u>70,674,840</u>
Less Outstanding Debt Subject to Debt Limit	-
Debt Margin Available	<u>\$ 70,674,840</u>

# Budget Summary

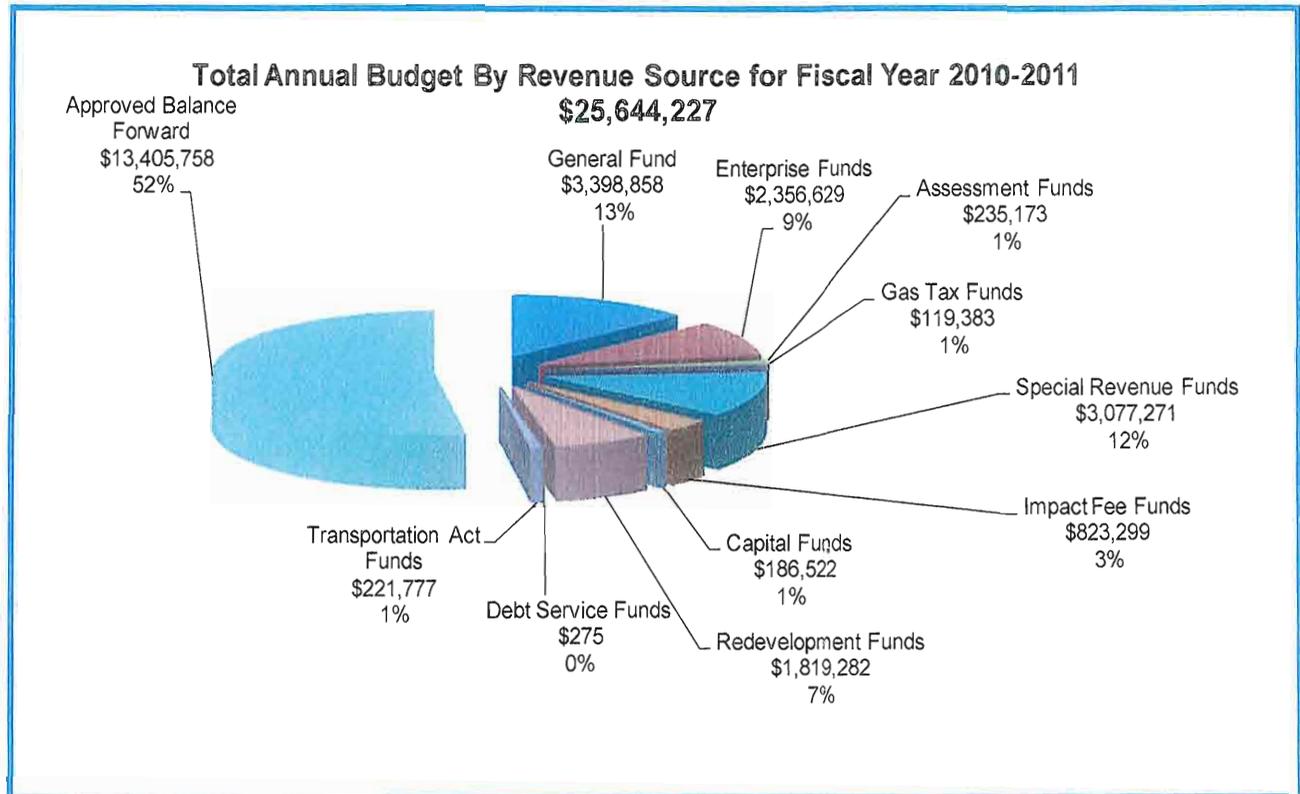
## City Debt

### **Legal Debt Limit Margin**

Under California State Law, the City of Winters has a legal debt limitation not to exceed 15% of the total assessed value of the taxable property within the City limits. In accordance with California Government Code Section 4305, only the City's general obligation bonds are subject to the legal debt limit. With the payment in full of the 1979 General Obligation bonds in June 2007 the City is not at risk of exceeding its legal debt limit;

### **Computation of Legal Debt Margin as of June 30, 2011**

Assessed Valuation (Net)	\$ 42,452,997
Debt Limit of 15% of Assessed Value	<u>6,367,950</u>
Less Outstanding Debt Subject to Debt Limit	-
Debt Margin Available	<u>\$ 6,367,950</u>



### Summary of Total Revenue Sources for Fiscal 2010-2011

The revenue sources chart above reflects all expected revenues to be received as well as existing resources need to fund anticipated expenditures for 2010-2011.

The net Approved Balance Forward is 52% of the total budget and represents prior year fund balances being designated for expenditure for 2010-2011. Funds that are expending prior year accumulated fund balance include the General Fund, Special Revenue Funds, Capital Funds and The Redevelopment Agency Funds. Information on the expenditure of fund balances will be included in the department and funds that utilize the fund balance as part of the spending plan for that fund and department.

## Budget Summary

### Revenue Summary

The Impact Fee Funds, which are collected from developers, are 3% of budgeted revenues. Two projects are projected that will be required to pay impact fees this year. These funds may only be expended for those capital expenditures and projects identified in the AB1600 document for the City of Winters. Not all revenues received in this fiscal year will be expended in this fiscal year. Please see the Capital Improvement Section of this budget for additional information.

The General Fund is 13% of total budgeted revenues for 2010-11. Please see the General Fund section of this budget for additional information.

The Capital Funds are 1% of the total budgeted revenues for 2010-2011. Please see the Other Funds section of this budget for additional information.

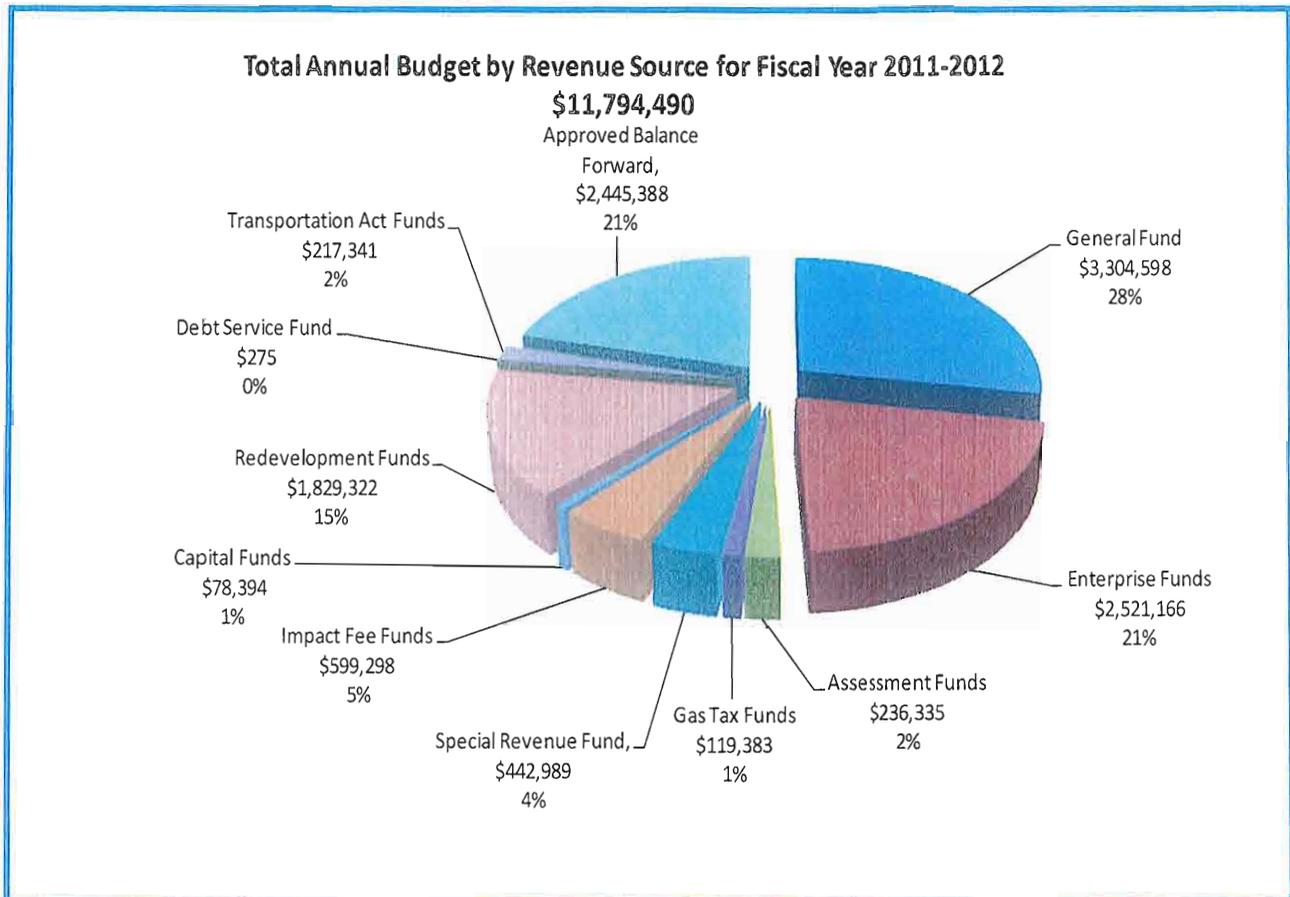
The Redevelopment Agency is 7% of total budgeted revenues and includes the tax increment received by the City of Winters.

Please see the Other Funds section of this budget for additional information.

Additional information for the Special Revenue Funds, the Enterprise Funds, Assessment Funds, Gas Tax Funds and Transportation Development Act Funds can be found in the Other Funds section of this budget.

# Budget Summary

## Revenue Summary



### Summary of Total Revenue Sources for Fiscal 2011-2012

The revenue sources in the chart above reflect all expected revenues to be received as well as required existing resources need to fund anticipated expenditures for the Fiscal year 2011-2012.

The net Approved balance forward is 21% of the total budget, and represents prior year fund balances being designated for expenditures in 2011-2012 for the General Fund, Special Revenue Funds, Capital Funds, Enterprise Funds and Redevelopment Agency Funds. Information on the expenditure of fund balances will be included in the department and funds that utilize the fund balance as part of the spending plan for that fund and department.

## Budget Summary

### Revenue Summary

The Impact Fee Funds, which are collected from developers, are 5% of budgeted revenues. Two projects are projected for 2011-2012 that are required to pay impact fees. These funds may only be expended for those capital expenditures and projects identified in the AB1600 document for the City of Winters. Not all revenues received in this fiscal year will be expended in this fiscal year. Please see the Capital Improvement Section of this budget for additional information.

The General Fund is 28% of total budgeted revenues for 2011-2012. Please see the General Fund section of this budget for additional information.

The Capital Funds are 1% of the total budgeted revenues for 2011-2012. Please see the Other Funds section of this budget for additional information.

The Redevelopment Agency is 15% of total budgeted revenues and includes the tax increment received by the City of Winters Community Development Agency. Please see the Other Funds section of the budget for additional information.

Additional information for the Special Revenue Funds, the Enterprise Funds, Assessment Funds, Gas Tax funds and Transportation Development Act Funds can be found in the Other Funds section of this budget.

# Budget Summary

## Revenue Summary

### Budget Year Resource Comparison

#### Revenue Summary

Fund	Budget 2008-2009	Budget 2009-2010	Budget 2010-2011	% Change	Budget 2011-2012	% Change
General Fund	\$ 3,236,292	\$ 3,008,767	\$ 3,398,858	13%	\$ 3,304,598	-3%
Enterprise Funds	\$ 1,953,043	\$ 2,209,589	\$ 2,356,629	7%	\$ 2,521,166	7%
Assessment Funds	\$ 272,906	\$ 290,637	\$ 235,173	-19%	\$ 236,335	0%
Gas Tax Funds	\$ 130,508	\$ 130,509	\$ 119,383	-9%	\$ 119,383	0%
Special Revenue Funds	\$ 877,693	\$ 3,062,631	\$ 3,077,271	0%	\$ 442,989	-86%
Impact Fee Funds	\$ 3,573,139	\$ 1,575,487	\$ 823,299	-48%	\$ 599,298	-27%
Capital Funds	\$ 334,183	\$ 227,101	\$ 186,522	-18%	\$ 78,394	-58%
Redevelopment Funds	\$ 2,621,394	\$ 2,464,561	\$ 1,819,282	-26%	\$ 1,829,322	1%
Debt Service Funds	\$ 2,745	\$ 1,092	\$ 275	-75%	\$ 275	0%
Transportation Act Funds	\$ 336,547	\$ 288,766	\$ 221,777	-23%	\$ 217,341	-2%
Total Revenues	\$ 13,338,451	\$ 13,259,140	\$ 12,238,469	-8%	\$ 9,349,102	-24%
Approved Balance Forward	\$ 17,910,234	\$ 16,487,715	\$ 13,405,758	-19%	\$ 2,445,388	-82%
Total Sources	\$ 31,248,685	\$ 29,746,855	\$ 25,644,227	-14%	\$ 11,794,490	-54%

### Budget Year Resource Comparison

The Fiscal Year 2010-2011 Revenue Budget is 14% lower than the 2009/2010 budget. This is due to the decrease of revenues for the General Fund, particularly in the property tax and sales tax area. These decreases are partially offset by the increase in the Utility User Tax in the General Fund. On June 8, 2010 the voters in the City of Winters approved increasing the Utility User Tax from 4.75% to 9.5%. This will generate approximately \$400,000 per year in additional revenues for the City of Winters. Additional declines are due to the lack of development so there is a reduction in projected Impact fees for 2010/2011. Much of the revenue received in the Impact Fee Funds will be expended over a period of years, not in a single year. More information on these projects can be found in the Capital Improvement section of this budget.

The Fiscal Year 2011-2012 Revenue Budget is 54% lower than that projected for 2010-2011. The General fund is projected to have a 3% decrease in revenues due to the

## **Budget Summary**

anticipated decrease in Planning and Building Permit related fees. Special Revenue Funds are also projected to have a decrease in revenues due to the one time nature of grants. Impact fee funds are projected to decrease again in 2011-2012 due to the continuing lack of development projected during the 2011-2012 fiscal year. Fund Balance forward used in 2011-2012 will be significantly less than that used in 2010-2011 due to the fact that the projects utilizing the fund balances will be completed, and the grant funding, the bond proceeds and accumulated fund balance will be substantially expended.

### **Revenue Summary**

The Revenue Detail Summary below shows the 2007/2008, 2008/2009 actual revenues, 2009/2010 estimated revenues and the 2010/2011 and 2011/2012 budgeted revenues and compares the budgeted amount for 2010/2011 to the estimated amount for 2009/2010 both by actual dollar difference and a percentage difference. The summary also compares the budgeted amount for 2011/2012 to the budgeted amount for 2010/2011 both by actual dollar difference and a percentage difference.

# Budget Summary

## Revenue Detail Summary

Sources of Funds	Actual	Actual	Actual	Estimated	Proposed	Change From Prior		% of All	Cum % of	Proposed	Change From Prior		% of All	Cum % of		
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	Year Estimated	in \$	in%	Revenue	2010-2011	2011-2012	Year Estimated	in \$	in%	Revenue	2011-2012
<i>General, Special Revenue,</i>																
<i>Debt Service, Capital and Community Development Agency</i>																
Impact Fees	\$ 596,485	\$ 38,948	\$ 1,365	\$ 1,521,702	\$ 823,299	\$ (698,403)	-45.90%	3.535%	3.54%	\$ 599,298	\$ (224,001)	-27.21%	6.489%	6.49%		
Property Tax Increment	2,100,792	1,853,339	2,013,682	1,905,961	1,714,031	\$ (191,930)	-10.07%	7.360%	10.90%	1,731,171	\$ 17,140	1.00%	18.745%	25.23%		
Property Tax	731,220	728,428	734,193	703,951	637,357	\$ (66,594)	-9.46%	2.737%	13.63%	643,731	\$ 6,374	1.00%	6.970%	32.21%		
Property Tax In Lieu of VLF	491,360	520,373	526,512	528,176	473,774	\$ (54,402)	-10.30%	2.034%	15.67%	478,512	\$ 4,738	1.00%	5.181%	37.39%		
Property Tax in Lieu of Sales Tax	93,199	70,177	130,808	66,353	71,621	\$ 5,268	7.94%	0.308%	15.97%	75,912	\$ 4,291	5.99%	0.822%	38.21%		
Federal & State Grants	511,313	1,409,263	886,412	1,570,082	2,951,178	\$ 1,381,096	87.96%	12.673%	28.65%	316,896	\$ (2,634,282)	-89.26%	3.431%	41.64%		
Devel & Bldg Permt Fees	146,149	85,267	139,614	72,275	108,071	\$ 35,796	49.53%	0.464%	29.11%	53,582	\$ (54,469)	-50.42%	0.580%	42.22%		
Motor Vehicle in Lieu	46,898	29,750	17,316	24,920	28,490	\$ 3,570	14.33%	0.122%	29.23%	28,490	\$ -	0.00%	0.308%	42.53%		
Utility Tax	359,590	408,243	414,125	389,635	789,000	\$ 399,365	102.50%	3.388%	32.62%	790,000	\$ 1,000	0.13%	8.554%	51.08%		
Muni. Ser. Tax	278,033	282,073	285,050	285,840	286,080	\$ 240	0.08%	1.228%	33.85%	294,960	\$ 8,880	3.10%	3.194%	54.28%		
Sales & Use Tax	276,539	327,596	282,075	263,940	250,117	\$ (13,823)	-5.24%	1.074%	34.92%	261,870	\$ 11,753	4.70%	2.836%	57.11%		
Transportation Tax	332,230	305,190	268,651	288,766	221,777	\$ (66,989)	-23.20%	0.952%	35.88%	217,341	\$ (4,436)	-2.00%	2.353%	59.47%		
City Wide Assmt	186,400	186,934	181,141	189,173	189,173	\$ -	0.00%	0.812%	36.69%	195,278	\$ 6,105	3.23%	2.115%	61.58%		
Interest Revenue	876,410	1,190,719	603,754	270,856	82,979	\$ (187,878)	-69.36%	0.356%	37.05%	78,853	\$ (4,126)	-4.97%	0.854%	62.43%		
Franchise Tax	187,939	218,521	223,442	207,328	209,401	\$ 2,073	1.00%	0.899%	37.94%	211,495	\$ 2,094	1.00%	2.290%	64.72%		
Gas Tax	134,796	131,046	131,066	119,911	119,383	\$ (528)	-0.44%	0.513%	38.46%	119,383	\$ -	0.00%	1.293%	66.02%		
Service Charges	66,071	50,557	82,732	117,167	131,295	\$ 14,128	12.06%	0.564%	39.02%	116,001	\$ (15,294)	-11.65%	1.256%	67.27%		
Project Monitorng Fees	36,311	3,027	-	88,612	88,744	\$ 132	0.15%	0.381%	39.40%	34,780	\$ (53,964)	-60.81%	0.377%	67.65%		
Other Sources	26,189,469	1,110,787	666,130	1,218,191	627,310	\$ (590,880)	-48.50%	2.694%	42.10%	501,623	\$ (125,687)	-20.04%	5.432%	73.08%		
Recreation & Cultural Events	27,448	42,990	30,232	29,239	39,260	\$ 10,021	34.27%	0.169%	42.26%	39,260	\$ -	0.00%	0.425%	73.51%		
Tot Tax	2,391	4,158	5,076	5,675	5,500	\$ (175)	-3.08%	0.024%	42.29%	5,500	\$ -	0.00%	0.060%	73.57%		
Bus Lic Tax	27,706	23,966	23,066	24,000	24,000	\$ -	0.00%	0.103%	42.39%	24,000	\$ -	0.00%	0.260%	73.83%		
Property Transfer Tax	17,623	9,724	11,000	11,000	10,000	\$ (1,000)	-9.09%	0.043%	42.43%	10,000	\$ -	0.00%	0.108%	73.93%		
In Lieu Fees	30,600	-	-	-	-	\$ -	-	0.000%	42.43%	-	\$ -	-	0.000%	73.93%		
Approved Balance Forward	1,241,500	4,624,865	293,531	16,487,715	13,405,758	\$ (3,081,957)	-18.69%	57.566%	100.00%	2,407,221	\$ (10,998,537)	-82.04%	26.066%	100.00%		
Total	34,988,473	13,655,941	7,950,973	26,390,467	23,287,598	\$ (3,102,870)	-11.76%	100.00%		9,235,157	\$ (14,052,441)	-60.34%	100.00%			
<i>Enterprise Funds</i>																
Water Fund	727,513	1,367,951	3,890,935	1,044,247	1,038,059	\$ (6,188)	-0.59%	44%	44.05%	1,058,103	\$ 20,044	1.93%	41.34%	41.34%		
Sewer Fund	860,400	1,135,259	4,572,612	1,215,628	1,318,570	102,942	8.47%	56%	100.00%	1,463,063	\$ 144,493	10.96%	57.17%	98.51%		
Approved Balance Forward	228,155	-	51,513	-	-	-	-	-	-	38,167	\$ 38,167	1.49%	100.00%			
Total	1,816,067	2,503,211	8,515,061	2,259,875	2,356,629	96,754	4.28%	100.00%		2,559,333	\$ 202,704	8.60%	100.00%			
<b>Grand Total All Funds</b>																
	\$36,804,540	\$16,159,152	\$16,466,033	\$28,650,343	\$25,644,227	\$ (3,006,116)	-10.49%			\$11,794,490	\$ (13,849,737)	-54.01%				

### Revenue by Fund

Below is a Revenue Summary by Fund for the Fiscal Years 2006/2007 through 2011/2012. The chart shows actual revenues for 2006/2007, 2007/2008 and 2008/2009. It also shows estimated revenues for 2009/2010 and budgeted revenues for 2010/2011 and compares the budgeted amount for 2010/2011 to the estimated amount for 2009/2010 both by actual dollar amount and a percentage difference. It also shows estimated budgeted revenues for 2011/2012 and compares the budget for 2011/2012 to the budget 2010/2011 both by actual dollar amount and a percentage amount.

## Revenue Summary by Fund

Fund Title	Actual	Actual	Actual	Estimated	Proposed	Change From	Prior Year	Proposed	Change From	Prior Year
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	In \$	In %	2011-2012	In \$	In %
General Fund	\$ 3,152,627	\$ 3,217,993	\$ 3,163,162	\$ 2,815,990	\$ 3,398,858	\$ 582,868	21%	\$3,304,598	\$ (94,260)	-3%
Fire Prevention	-	2,500	44	-	-	-	-	-	\$ -	-
First Time Homebuyer In Lieu	3,927	3,447	1,816	2,200	-	(2,200)	-100%	-	\$ -	-
City Wide Assessment	256,653	269,838	181,141	285,097	235,173	(49,924)	-18%	236,335	\$ 1,162	0%
Flood Assessment District	178	156	82	100	416	316	316%	416	\$ -	0%
Gas Tax Fund	158,478	131,046	131,180	119,911	119,383	(528)	0%	119,383	\$ -	0%
PERS Reserve	18,971	9,542	1,438	-	-	-	-	-	\$ -	-
State Cops 1913	107,983	105,848	99,334	100,000	100,000	-	0%	100,000	\$ -	0%
Cops More	79	70	30	-	-	-	-	-	\$ -	-
Traffic Safety	33,587	56,569	33,464	-	-	-	-	-	\$ -	-
Asset Forfeiture	1,238	1,439	372	300	300	-	0%	300	\$ -	0%
Traffic Safety Grant	-	-	-	10,500	10,500	-	0%	10,500	\$ -	0%
Vehicle Theft Deterrent	1,420	887	-	1,000	250	(750)	-75%	250	\$ -	0%
Traffic Congestion Relief	62,236	3,782	430	66,496	70,226	3,730	6%	70,226	\$ -	0%
Street Grants	58,219	-	-	495,000	-	(495,000)	-100%	-	\$ -	-
Federal Stimulus	-	-	-	400,000	-	(400,000)	-100%	-	\$ -	-
Safe Routes to School	-	-	166,500	-	-	-	-	-	\$ -	-
STBG 1414 Jackson/McArthur	-	458,376	-	-	-	-	-	-	\$ -	-
Prop IB	-	401,559	-	-	-	-	-	-	\$ -	-
Putah Creek Car Bridge	-	-	-	-	1,372,950	1,372,950	-	-	\$ (1,372,950)	-100%
North Bank Improvements	-	-	118,232	311,440	1,261,332	949,892	305%	-	\$ (1,261,332)	-100%
Trestle Bridge Grant	-	-	-	-	-	-	-	-	\$ -	-
MTC Grant	-	-	-	-	-	-	-	-	\$ -	-
Prop 40	44,000	-	-	-	-	-	-	-	\$ -	-
2000 Park Bond Grant	32,582	19,854	-	-	-	-	-	-	\$ -	-
Recycling Grant	5,627	5,671	332	5,200	5,050	(150)	-3%	5,050	\$ -	0%
Used Oil Grant	-	-	-	3,000	-	(3,000)	-100%	-	\$ -	-
PTA Grant	-	-	55,777	32,962	-	(32,962)	-100%	-	\$ -	-
Transportation/Bus Service	337,659	309,354	276,972	288,766	221,777	(66,989)	-23%	217,341	\$ (4,436)	-2%
Work Force Housing Grant	10,332	79,032	16,804	16,804	-	(16,804)	-100%	-	\$ -	-
After School Grant	202,500	370,356	440,557	142,380	141,670	(710)	0%	141,670	\$ -	0%
STBG 700 Grant	8,681	61,500	8,689	1,623	-	(1,623)	-100%	-	\$ -	-
STBG 96-1043 Grant	7,377	9,451	8,784	8,724	8,724	-	0%	8,724	\$ -	0%
HOME 98-0347 Grant	49,436	25,000	-	-	-	-	-	-	\$ -	-
Choc II Grant	2,850,180	50,000	-	-	-	-	-	-	\$ -	-
EDBG 99-688 Grant	20,205	17,404	17,344	16,168	16,168	-	0%	16,168	\$ -	0%
EDBG 99-405 Grant	1,274	80	-	-	-	-	-	-	\$ -	-
EDBG 392 Grant	-	-	-	-	-	-	-	-	\$ -	-
Housing Rehab RLF	6,218	25,825	249,431	6,697	6,697	-	0%	6,697	\$ -	0%
First Time Homebuyer RIF	29,702	45,941	12,487	1,145	-	(1,145)	-100%	-	\$ -	-
HOME RLF	50,015	27,439	1,626	-	-	-	-	-	\$ -	-
Small Business RLF	35,444	35,839	28,508	1,838	1,838	-	0%	1,838	\$ -	0%
Winters Library and Arts	23,841	20,932	10,829	9,970	500	(9,470)	-95%	500	\$ -	0%
Winters Swim Team	71,945	73,887	67,625	72,627	71,250	(1,377)	-2%	71,250	\$ -	0%
Masters Swim Program	11,287	11,287	8,438	3,000	3,000	-	0%	3,000	\$ -	0%
Festival	-	-	6,659	6,400	6,400	-	0%	6,400	\$ -	0%
Emergency Plan Update	-	-	-	-	-	-	-	-	\$ -	-
Community Development LIH-Tax Increment	446,081	400,356	413,687	384,102	342,806	(41,296)	-11%	346,234	\$ 3,428	1%
Community Development LIH-Project Area	1,588,384	115,653	69,048	19,435	8,250	(11,185)	-58%	4,125	\$ (4,125)	-50%
Street Impact Fee	297,997	58,182	22,708	448,277	155,858	(292,419)	-65%	152,163	\$ (3,695)	-2%
Storm Impact Fee	7,784	6,177	3,215	5,143	1,728	(3,415)	-66%	98,788	\$ 97,060	5617%
Park Impact Fee	747,694	39,200	16,755	232,630	98,568	(134,062)	-58%	-	\$ (98,568)	-100%
Police Impact Fee	98,707	14,544	4,152	200,836	71,542	(129,294)	-64%	27,172	\$ (44,370)	-62%
Fire Impact Fee	44,570	12,297	2,336	88,112	69,086	(19,026)	-22%	55,974	\$ (13,112)	-19%
General Facility Impact Fee	63,745	16,782	7,626	129,506	102,318	(27,188)	-21%	101,080	\$ (1,238)	-1%
Water Impact Fee	91,247	29,551	9,656	176,024	110,452	(65,572)	-37%	55,974	\$ (54,478)	-49%
Sewer Impact Fee	153,205	37,486	4,633	294,958	213,746	(81,212)	-28%	108,145	\$ (105,601)	-49%
General Fund Capital	28,157	22,542	11,874	10,736	-	(10,736)	-100%	-	\$ -	-
Landfill Capital	18,422	15,626	7,478	6,000	1,144	(4,856)	-81%	1,144	\$ -	0%
Park Capital	158,795	5,204	2,677	1,500	390	(1,110)	-74%	390	\$ -	0%
Capital Equipment Replacement	144,254	122,560	16,504	14,788	2,000	(12,788)	-86%	2,000	\$ -	0%
Service Reserve Fund	26,947	23,658	11,182	14,000	5,000	(9,000)	-64%	5,000	\$ -	0%
General Plan 1992	36,157	3,619	280	88,612	88,744	132	0%	34,780	\$ (53,964)	-61%
Storm Drain Capital	10	10	5	5	-	(5)	-100%	-	\$ -	-
Flood Control	60	53	28	25	-	(25)	-100%	-	\$ -	-
RAJA Storm Drain Capital	1,796	1,568	827	748	-	(748)	-100%	-	\$ -	-
Capital Asset Recovery Fund	6,959	7,673	8,947	2,075	500	(1,575)	-76%	300	\$ (200)	-40%
Monitoring Fee	36,311	3,027	-	88,612	88,744	132	0%	34,780	\$ (53,964)	-61%
General Debt Service	3,566	1,672	1,208	1,092	275	(817)	-75%	275	\$ -	0%
Community Development Tax Increment	2,272,745	1,712,540	1,676,305	2,376,289	1,437,563	(938,726)	-40%	1,448,300	\$ 10,737	1%
Community Development Project Fund	10,417,701	465,485	271,875	64,513	-	(64,513)	-100%	-	\$ -	-
Community Development Long Term Debt	9,413,064	52,576	8,639	29,397	30,663	1,266	4%	30,663	\$ -	0%
Internal Service Fund	-	11,133	-	-	-	-	-	-	\$ -	-
Water Revenue Bonds	-	174,558	2,949,455	-	-	-	-	-	\$ -	-
Sewer Revenue Bonds	-	62,214	3,483,140	-	-	-	-	-	\$ -	-
Water Enterprise Fund	727,513	1,193,394	950,596	1,044,247	1,038,059	(6,188)	-1%	1,058,103	\$ 20,044	2%
Sewer Enterprise Fund	860,400	1,073,045	1,100,261	1,215,628	1,318,570	102,942	8%	1,463,063	\$ 144,493	11%
<b>Total Revenues</b>	<b>\$ 35,334,885</b>	<b>\$ 11,534,287</b>	<b>\$ 16,163,186</b>	<b>\$ 12,162,628</b>	<b>\$ 12,238,468</b>	<b>75,840</b>	<b>1%</b>	<b>\$ 9,349,100</b>	<b>\$ (2,889,368)</b>	<b>-24%</b>

# Budget Summary

# Expenditure Summary

## Expenditure Summary by Activity 2007/2008 through 2011/2012

Uses of Funds	Actual	Actual	Actual	Estimated	Budgeted	Changes from prior Year		% of Total	Cumulative	Budgeted	Changes from prior Year		% of Total	Cumulative
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	Estimated In \$	In %	Expenditures 2010-2011	% of Total 2010-2011	2011-2012	Estimated In \$	In %	Expenditures 2011-2012	% of Total 2011-2012
<i>General Fund, Special Revenue Funds, Debt Service</i>														
<i>Capital and Community Development Agency Fund</i>														
General Fund	\$ 3,147,072	\$ 3,359,931	\$ 3,366,562	\$ 3,410,581	\$ 3,496,804	\$ 86,223	3%	16%	16%	\$ 3,476,643	\$ (20,160)	-1%	49%	49%
Impact Funds	95,265	648,604	305,591	95,362	494,420	399,058	418%	2%	18%	196,596	\$ (297,824)	-60%	3%	52%
Streets & Transportation	452,930	722,566	469,579	1,372,808	1,871,683	498,875	36%	8%	26%	244,079	\$ (1,627,604)	-87%	3%	55%
City Wide Assmt/Parks	427,218	315,286	573,918	470,728	1,507,305	1,036,578	220%	7%	33%	247,135	\$ (1,260,171)	-84%	3%	58%
Swim Team	91,749	76,236	74,376	29,571	57,374	27,803	94%	0%	33%	57,374	\$ -	0%	1%	59%
Recreation Grants	98,732	314,103	453,935	146,958	173,067	26,109	18%	1%	34%	173,067	\$ -	0%	2%	62%
Police Grant Activities	141,712	196,246	218,260	121,415	86,767	(34,647)	-29%	0%	34%	89,871	\$ 3,104	4%	1%	63%
Storm Drain	530	-	-	-	-	-	-	0%	34%	-	\$ -	-	0%	63%
Infrastructure Bonds		555,194	(122,076)	623,861	3,416,878	2,793,017	448%	15%	50%	-	\$ (3,416,878)	-100%	0%	63%
Capital Funds	150,302	297,706	217,684	47,740	5,000	(42,740)	-90%	0%	50%	500	\$ (4,500)	-90%	0%	63%
Community Development Activities	2,973,672	265,477	335,829	22,829	30,392	7,563	33%	0%	50%	30,642	\$ 250	1%	0%	63%
Community Development Agency	4,156,023	2,686,327	5,565,987	4,104,560	11,276,053	7,171,493	175%	50%	100%	2,606,562	\$ (8,669,491)	-77%	37%	100%
<b>Total</b>	<b>11,735,206</b>	<b>9,437,678</b>	<b>11,459,645</b>	<b>10,446,414</b>	<b>22,415,744</b>	<b>11,969,330</b>	<b>115%</b>	<b>100%</b>		<b>7,122,469</b>	<b>\$ (15,293,275)</b>	<b>-68%</b>	<b>100%</b>	
<i>Enterprise Funds</i>														
Water Fund	678,830	976,060	846,027	718,843	946,390	227,548	32%	0	44%	1,096,270	\$ 149,880	16%	0	47%
Sewer Fund	1,143,238	1,136,458	829,639	766,828	1,223,840	457,012	60%	1	100%	1,213,043	\$ (10,797)	-1%	1	100%
<b>Total</b>	<b>1,822,068</b>	<b>2,112,519</b>	<b>1,675,666</b>	<b>1,485,671</b>	<b>2,170,230</b>	<b>684,559</b>	<b>46%</b>	<b>100%</b>		<b>2,309,313</b>	<b>\$ 139,083</b>	<b>6%</b>	<b>100%</b>	
<b>Grand Total All Funds</b>	<b>\$ 13,557,274</b>	<b>\$ 11,550,197</b>	<b>\$ 13,135,311</b>	<b>\$ 11,932,085</b>	<b>\$ 24,585,975</b>	<b>12,653,890</b>	<b>106%</b>			<b>\$ 9,431,783</b>	<b>\$ (15,154,192)</b>	<b>-62%</b>		

The above expenditure summary by activity shows a comparative schedule of expenditures by major activity type. The table shows actual results for 2006/2007, 2007/2008, 2008/2009, estimated results for 2009/2010 and budget amounts for both 2010/2011 and 2011/2012. The table also compares 2010/2011 to 2009/2010 estimates both in dollars and in percentages, and compares the 2010/2011 budget to the 2011/2012 budget both in dollars and percentages as well.

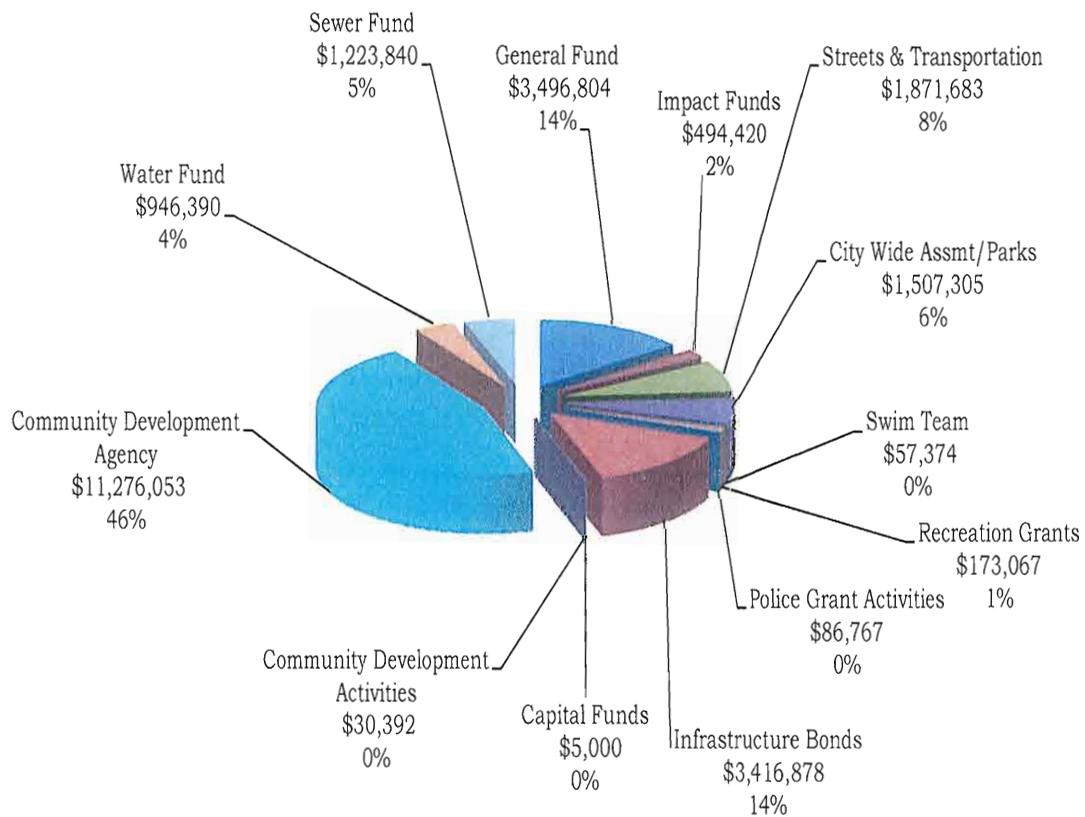
Budget  
Summary

Expenditure Summary

Below is a graphic representation of the expenditures by activity for 2010-2011

**Total Annual Expenditures by Activity for Fiscal Year 2010-2011**

**Total \$24,585,975**



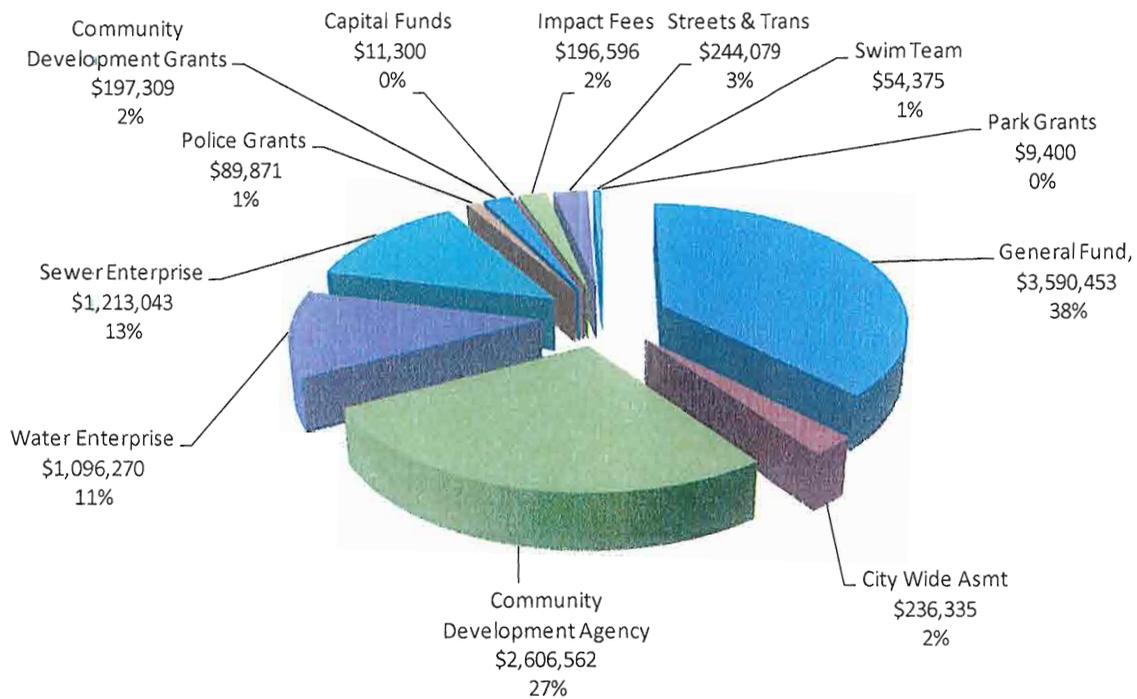
# Budget Summary

## Expenditure Summary

Below is a graphic representation of the expenditures by activity for 2011-2012

### Total Annual Expenditures by Activity for Fiscal Year 2011-2012

Total \$9,545,593



# Budget Summary

## Expenditure Summary

### Expenditure Summary by Department for Fiscal Year 2010-2011

Department	General Fund	City Wide Assmt	Community Development Agency	Water Enterprise	Sewer Enterprise	Police Grants	Community Development Grants	Capital Funds	Impact Fees	Streets & Trans	Swim Team	Park Grants	Total
City Council	\$ 97,872	\$ 1,436	\$ -	\$ 3,590	\$ 8,258					\$ 4,664			\$ 115,821
City Clerk	8,441												8,441
City Treasurer	338												338
City Attorney	-		4,971		-								4,971
City Manager	35,271		146,738	101,319	55,900								339,228
Administrative Services	170,107		2,341	16,387	16,387								205,223
Finance	3,134	18,804	59,545	68,947	90,884					34,473			275,787
Police	1,750,033					86,767			-				1,836,800
Fire	701,746								-				701,746
Community Development	245,863		9,941	1,243	1,243		-						258,289
Building Inspection	100,177						500						100,677
Public Works	220,889	-		108,095	54,048		5,000			73,425			461,456
General Recreation	8,050			-	-		25,000						33,050
Afterschool Program							141,667						141,667
Swimming	69,863										54,374		124,237
Community Center	85,019												85,019
Community Development Agency			11,052,518										11,052,518
Capital Projects								10,800	47,192	-			57,992
City Wide Assmt/Parks		214,933						-	447,228			1,270,732	1,932,893
Yolo Bus										116,961			116,961
Street Maintenance	-									1,642,160			1,642,160
RLF Funds							24,892						24,892
Transfers to other funds	-							5,000					5,000
Water Fund				646,809				1,208,808	-				1,855,617
Sewer Fund					997,120			2,208,070	-				3,205,190

The expenditure summary for 2010-2011 shows funding per department. This includes all expenditures for that department. Please note that the Police Department and the Community Center have costs allocated from other General Fund Departments and therefore, the total cost for these departments on this table will not match the total expenditures for the department on the Department Schedules.

# Budget Summary

## Expenditure Summary

### Expenditure Summary by Department for Fiscal Year 2011-2012

Department	General Fund	City Wide Asmt	Community Development Agency	Water Enterprise	Sewer Enterprise	Police Grants	Community Development Grants	Capital Funds	Impact Fees	Streets & Trans	Swim Team	Park Grants	Total
City Council	\$ 22,870	\$ 1,435	\$ -	\$ 3,588	\$ 8,252					\$ 4,664			\$ 40,810
City Clerk	15,441												15,441
City Treasurer	338												338
City Attorney	-		4,843		-								4,843
City Manager	35,810		149,251	103,054	56,858								344,973
Administrative Services	171,465		2,363	16,541	16,541								206,909
Finance	3,172	19,033	60,271	69,787	91,992					34,894			279,148
Police	1,875,476					89,871							1,965,347
Fire	741,301												741,301
Community Development	242,983		9,685	1,211	1,211		-						255,089
Building Inspection	101,290						750						102,040
Public Works	217,234			109,312	54,656		5,000			73,711			459,913
General Recreation	8,050						25,000						33,050
Afterschool Program							141,667						141,667
Swimming	69,861										54,375		124,236
Community Center	85,161												85,161
Community Development Agency			2,380,149										2,380,149
Capital Projects								10,800	196,596				207,396
City Wide Assmt/Parks		215,867										9,400	225,267
Yolo Bus										122,810			122,810
Street Maintenance										8,000			8,000
RLF Funds							24,892						24,892
Transfers to other funds								500					500
Water Fund				792,777									792,777
Sewer Fund					983,534								983,534
<b>Total Expenditures</b>	<b>\$ 3,590,453</b>	<b>\$ 236,335</b>	<b>\$ 2,606,562</b>	<b>\$ 1,096,270</b>	<b>\$ 1,213,043</b>	<b>\$ 89,871</b>	<b>\$ 197,309</b>	<b>\$ 11,300</b>	<b>\$ 196,596</b>	<b>\$ 244,079</b>	<b>\$ 54,375</b>	<b>\$ 9,400</b>	<b>\$ 9,545,593</b>

The expenditure summary for 2011-2012 shows funding per department. This includes all expenditures for that department. Please note that the Police Department and the Community Center have costs allocated from other General Fund Departments and therefore, the total cost for these departments on this table will not match the total expenditures for the department on the Department Schedules.

## Budget Summary

### Expenditure Summary

Below is a summary of expenditures by fund for the Fiscal Years 2006/2007 through 2011/2012. The chart shows actual expenditures for 2006/2007, 2007/2008 and 2008/2009. It shows estimated expenditures for 2009/2010 and budgeted expenditures for 2010/2011 and compares the budgeted amount for 2010/2011 to the estimated expenditures for 2009/2010 both by actual dollar difference and a percentage difference. Also shown is the budgeted expenditures for 2011/2012 and compares the 2011/2012 budget to the 2010/2011 budget by both actual dollar difference and a percentage difference

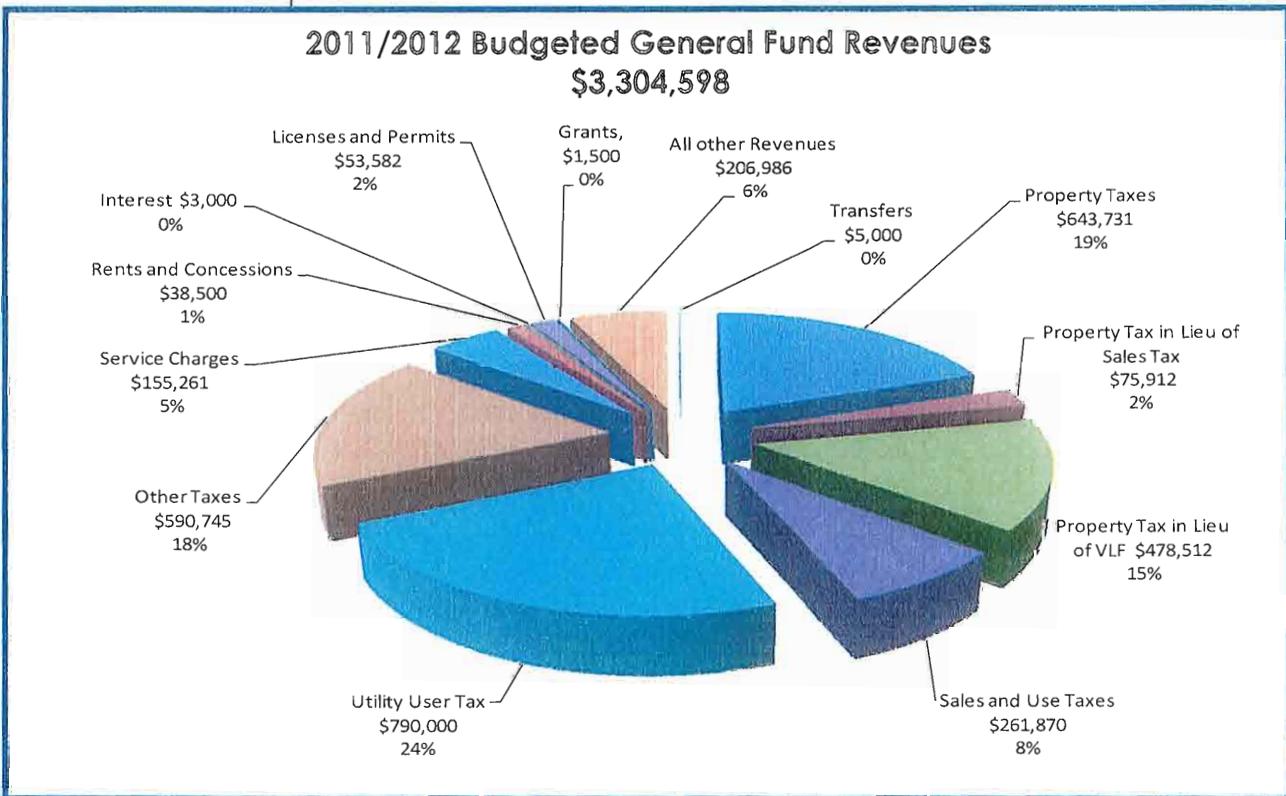
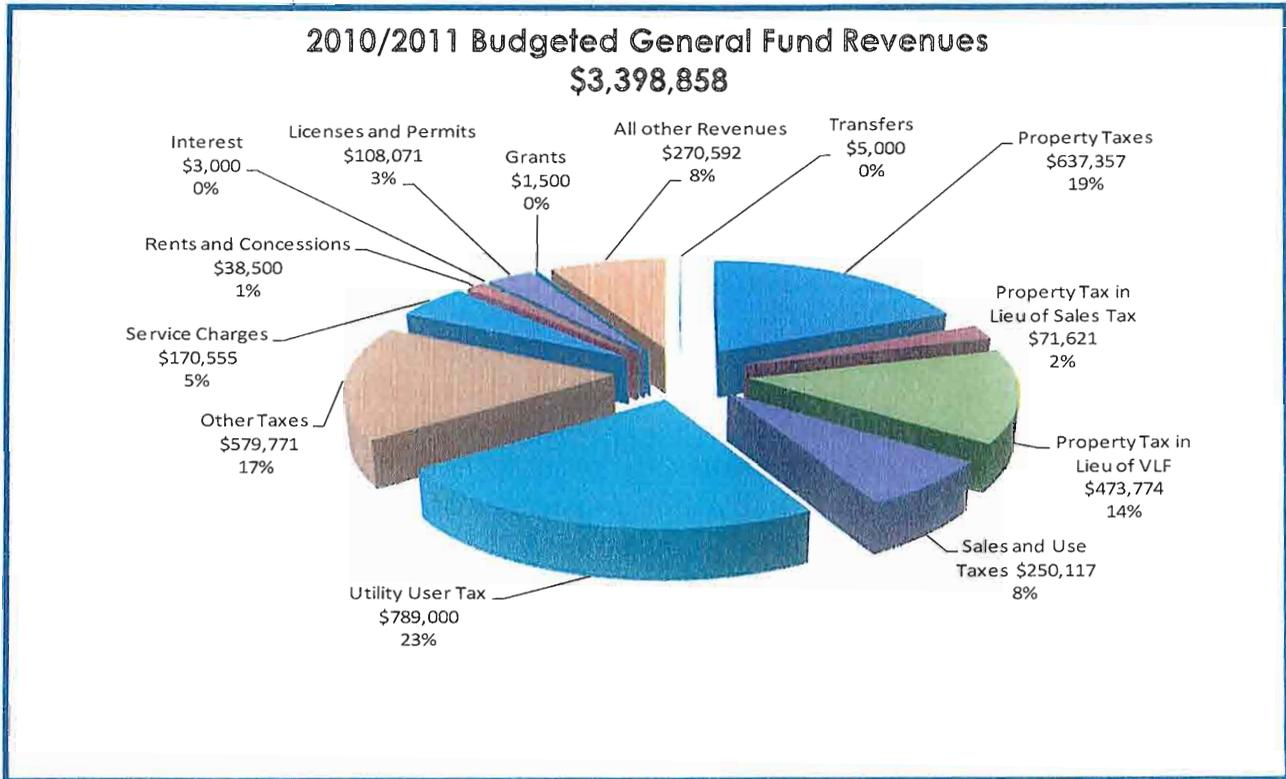
## Expenditure Summary

Fund Title	Actual	Actual	Actual	Estimated	Budget	Change From Prior Year		Budget	Change From Prior Year	
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	In \$	In %	2011-2012	In \$	In %
General Fund	\$ 3,147,072	\$ 3,359,931	\$ 3,366,562	\$ 3,410,581	\$ 3,496,804	\$ 86,223	2.53%	\$ 3,590,453	\$ 93,649	3%
Fire Prevention Grant	-	403	215	19	500	481	25	750	250	50%
City Wide Assessment	260,953	265,539	273,971	285,097	235,173	(49,924)	-17.51%	236,335	1,161	0%
Gas Tax Fund	157,758	110,288	108,351	104,125	112,562	8,437	8.10%	113,269	707	1%
PERS Trust	-	160,000	65,330	-	-	-	-	-	-	-
State Cops 1913	129,626	196,166	213,844	121,340	86,767	(34,572)	-28.49%	89,871	3,104	4%
Cops More	-	-	1,661	8	-	(8)	-100.00%	-	-	-
Traffic Safety	9,169	80	2,755	67	-	(67)	-100.00%	-	-	-
Asset Forfeiture	2,918	-	-	-	-	-	-	-	-	-
Traffic Grant	-	-	-	-	-	-	-	-	-	-
Traffic Congestion Relief	-	-	85,071	49,481	35,000	(14,481)	-29.27%	-	(35,000)	-100%
Street Grants	-	-	-	-	-	-	-	-	-	-
Safe Routes to School	-	22,509	112,506	-	-	-	-	-	-	-
STBG1414-Jackson/McArthur	708	393,795	-	-	-	-	-	-	-	-
Prop 1B	-	1,750	12,550	496,268	-	(496,268)	-100.00%	-	-	-
Grant Ave Widening (Stimulus)	-	-	37,694	375,444	70,000	(305,444)	-81.36%	-	(70,000)	-100%
Putah Creek Car Bndge	-	-	-	-	1,372,950	1,372,950	-	-	(1,372,950)	-100%
Trestle Bridge Grant	-	-	-	-	-	-	-	-	-	-
Prop 40	-	-	-	-	-	-	-	-	-	-
Park Grant	29,110	19,178	-	-	-	-	-	-	-	-
North Bank Improvements	-	-	118,232	157,576	1,261,332	1,103,756	700.46%	-	(1,261,332)	-100%
Recycling Grant	5,159	3,534	3,019	473	5,000	4,527	957.44%	5,000	-	0%
Transportation/Bus Service	294,463	194,224	113,407	347,490	281,171	(66,319)	-19.09%	130,810	(150,361)	-53%
Workforce Housing Grant	24,234	95,836	-	-	-	-	-	-	-	-
After-school Grant	98,732	314,103	447,326	116,233	141,667	25,434	21.88%	141,667	-	0%
PTA Grant	-	-	55,777	-	-	-	-	-	-	-
Used Oil Grant	-	3,000	-	-	-	-	-	-	-	-
STBG 700 Grant	10,653	59,529	8,689	1,105	-	(1,105)	-100.00%	-	-	-
STBG 96-1043 Grant	8,651	9,451	8,784	5,064	8,724	3,660	72.27%	8,724	-	0%
HOME 98-0347 Grant	49,436	25,000	-	-	-	-	-	-	-	-
EDBG 99-688 Grant	18,965	18,644	17,344	16,168	16,168	-	0.00%	16,168	-	0%
EDBG 99-405 Grant	-	80	-	-	-	-	-	-	-	-
EDBG 392 Grant	-	-	-	-	-	-	-	-	-	-
Home Grant	2,850,180	50,000	-	-	-	-	-	-	-	-
Housing Rehab RLF	-	-	-	-	-	-	-	-	-	-
First Time Homebuyer RLF	1,450	-	99,000	-	-	-	-	-	-	-
HOME RLF	4,944	-	-	-	-	-	-	-	-	-
Small Business RLF	-	-	143,000	-	-	-	-	-	-	-
Winters Library	-	-	-	25,000	25,000	-	0.00%	25,000	-	0%
Winters Swim Team	91,749	65,176	66,269	26,296	54,374	28,078	106.77%	54,374	-	0%
Masters Swim Program	-	11,060	8,107	3,275	3,000	(275)	-8.39%	3,000	-	0%
Festival	-	-	6,609	5,725	6,400	675	11.79%	6,400	-	0%
Emergency Plan Update	-	-	-	-	-	-	-	-	-	-
Community Development LIH-Tax Increment	273,404	484,459	641,406	342,644	566,526	223,881	65.34%	582,360	15,834	3%
Community Development LIH-Project Area	1,391,409	25,408	79,242	-	1,354,365	1,354,365	-	245,635	(1,108,730)	-82%
Street Impact Fee	1,466	433,791	11,622	-	47,192	47,192	-	196,596	149,404	317%
Storm Impact Fee	560	-	-	-	-	-	-	-	-	-
Park Impact Fee	70,200	7,364	2,680	-	447,228	447,228	-	-	(447,228)	-100%
Police Impact Fee	7,313	62,329	145,810	9,165	-	(9,165)	-100.00%	-	-	-
Fire Impact Fee	-	63,144	145,479	21,784	-	(21,784)	-100.00%	-	-	-
General Facility Impact Fee	19	75,960	-	15,656	-	(15,656)	-100.00%	-	-	-
Water Impact Fee	3,218	2,953	-	48,757	-	(48,757)	-100.00%	-	-	-
Sewer Impact Fee	12,489	3,064	-	-	-	-	-	-	-	-
General Fund Capital	23,582	-	-	-	-	-	-	-	-	-
Landfill Capital	12,154	13,480	129,144	4,230	10,800	6,570	155.33%	10,800	-	0%
Park Capital	125,000	17,090	52,570	23,825	-	(23,825)	-100.00%	-	-	-
Capital Equipment Replacement	90,408	134,602	77,043	12,706	-	(12,706)	-100.00%	-	-	-
RAJA Storm Drain Capital	530	-	-	-	-	-	-	-	-	-
Capital Asset Recovery Fund	-	-	16,075	23,813	-	(23,813)	-100.00%	-	-	-
Monitoring Fee	36,311	3,104	-	221	-	(221)	-100.00%	-	-	-
Service Reserve Fund	-	-	59,236	11,000	5,000	(6,000)	-54.55%	500	(4,500)	-90%
Community Development Tax Increment	1,772,901	1,684,452	3,188,004	3,171,954	1,791,761	(1,380,193)	-43.51%	1,778,567	(13,193)	-1%
Community Development Project Fund	718,308	492,009	1,657,335	589,962	7,563,402	6,973,440	1182.01%	-	(7,563,402)	-100%
Water Enterprise Fund	678,830	976,060	846,027	718,843	946,390	227,548	31.65%	1,096,270	149,880	16%
2007 Water Revenue Bonds	-	365,190	(122,076)	383,905	1,208,808	824,903	214.87%	-	(1,208,808)	-100%
Sewer Enterprise Fund	1,143,238	1,136,458	829,639	766,828	1,223,840	457,012	59.60%	1,213,043	(10,797)	-1%
2007 Sewer Revenue Bonds	-	190,004	-	239,956	2,208,070	1,968,114	820.20%	-	(2,208,070)	-100%
<b>Total Expenditures</b>	<b>\$ 13,557,274</b>	<b>\$ 11,550,197</b>	<b>\$ 13,135,311</b>	<b>\$ 11,932,085</b>	<b>\$ 24,585,975</b>	<b>12,653,890</b>	<b>106.05%</b>	<b>\$ 9,545,592</b>	<b>(15,040,383)</b>	<b>-61%</b>

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# General Fund

The General Fund is the primary source for discretionary spending, that is, spending not restricted by the source of the funds received.



## General Fund

### Analysis of General Fund Revenues

There are five (5) major revenue sources that comprise more than 80% of the City's discretionary General Fund revenues, Property Taxes, Utility User Tax, Property Tax in Lieu of VLF, Municipal Services Tax and Sales Taxes and Other Taxes.

### Utility User Tax

With the passage of Measure W on June 8, 2010, and the decline in Assessed Values throughout the City of Winters, the Utility User Tax is projected to be the top revenue source for the City of Winters for the next 2-5 years. Measure W, approved by 51.3% of the voters, increased the Utility User Tax from 4.75% to 9.5% effective July 1, 2010. This tax is applied to all electricity, natural gas and telephone services, including cellular phone services. This source of revenue provides approximately 23% of the General Fund Revenues for 2010-2011 and 24% for 2011-2012. The amount of funds received from the Utility User Tax will increase as development occurs, both residential and commercial development.

### Budget Assumptions:

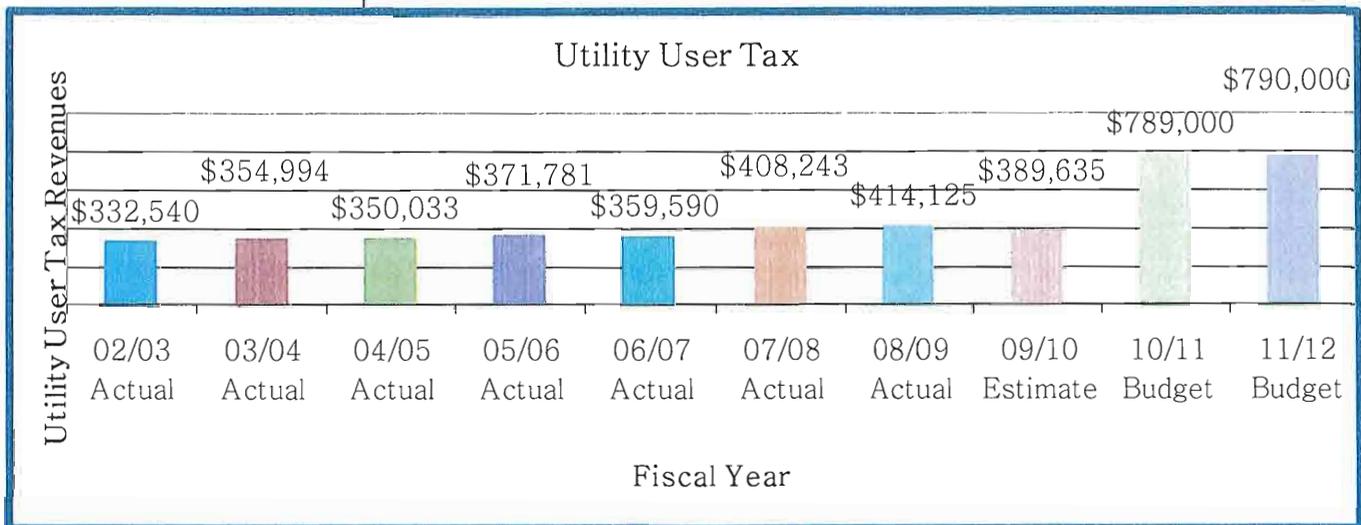
The Utility User Tax is a tax of 9.5% of the cost of the electricity, natural gas and telephone service (including cellular) and satellite television service charge and can fluctuate based on prices of those services. Prior to the passage of Measure W, the City was projecting no growth in the Utility User Tax due to the lack of additional units being built throughout the City and the number of residential units that have been left vacant during the recession due to foreclosures. With the passage of Measure W, the City has projected an increase of \$400,000 for 2010-2011 due to the doubling of the rate and an increase in the cap on the residential Utility User Rate from \$300.00 to \$450.00. There is no substantial development planned for completion in the 2010-2011 year, however, in 2011-2012 the completion of an 74 unit income restricted apartment complex is anticipated and a small increase for 2011-2012 is included.

# General Fund

Below is a chart that shows the change in Utility User Tax since 2002/2003.

Fiscal Year	Utility User Tax	Increase (Decrease)
02/03 Actual	\$ 332,540	15.25%
03/04 Actual	\$ 354,994	6.75%
04/05 Actual	\$ 350,033	-1.40%
05/06 Actual	\$ 371,781	6.21%
06/07 Actual	\$ 359,590	-3.28%
07/08 Actual	\$ 408,243	13.53%
08/09 Actual	\$ 414,125	1.44%
09/10 Estimate	\$ 389,635	-5.91%
10/11 Budget	\$ 789,000	102.50%
11/12 Budget	\$ 790,000	0.13%

The graph below shows the growth in the Utility User Tax since 2002-2003, the projected increase in the tax for 2010-2011 and 2011-2012 is clearly indicated on the graph.



## General Fund

### Property Taxes

Property taxes are the second highest revenue source for the City of Winters General Fund and are estimated to be 19% of the City's total General Fund Revenue for 2010-2011 and 2011-2012. The property tax revenue is derived from a one-percent levy on the assessed valuation of real property within the City of Winters. The assessed valuation is equal to the market price when real estate is sold, but limited by the California State Constitution (Proposition 13) to a 2% annual increase thereafter. This has the effect of limiting growth in this revenue source to less than the average inflation rate unless, (1) property is resold in an appreciating real estate market, or (2) significant new development activity bolsters the remaining stagnating tax base.

While fiscal year 2010-2011 should see the completion of the Public Safety Facility (Joint Police and Fire Station) and the completion at year end of the Orchard Village 74 unit affordable housing complex, there will be no increase in assessed value from these projects for the City of Winters. The Public Safety Facility is a city facility, and therefore is not subject to property tax, and the Orchard Village Apartment Complex has qualified for a welfare tax credit, and therefore will provide no taxable increase in assessed value.

In addition to the limit in the increase in assessed values due to Proposition 13, the City of Winters has seen significant decreases in assessed value of property since the current recession began. The City's assessed value decreased by 4.12% in 2009/2010 and the City has been notified of an additional decrease of 9.46% for the 2010-2011 fiscal year.

Budget Assumptions: The City has used the 9.46% reduction as provided by the Yolo County Assessor and Yolo County Auditors officer to calculate the decrease of property tax revenue in 2010/2011. After meeting with the Yolo County Assessor, we are cautiously optimistic that the majority of properties eligible for reduction in assessed value have received those reductions and we are projecting a 1% increase in the assessed value and

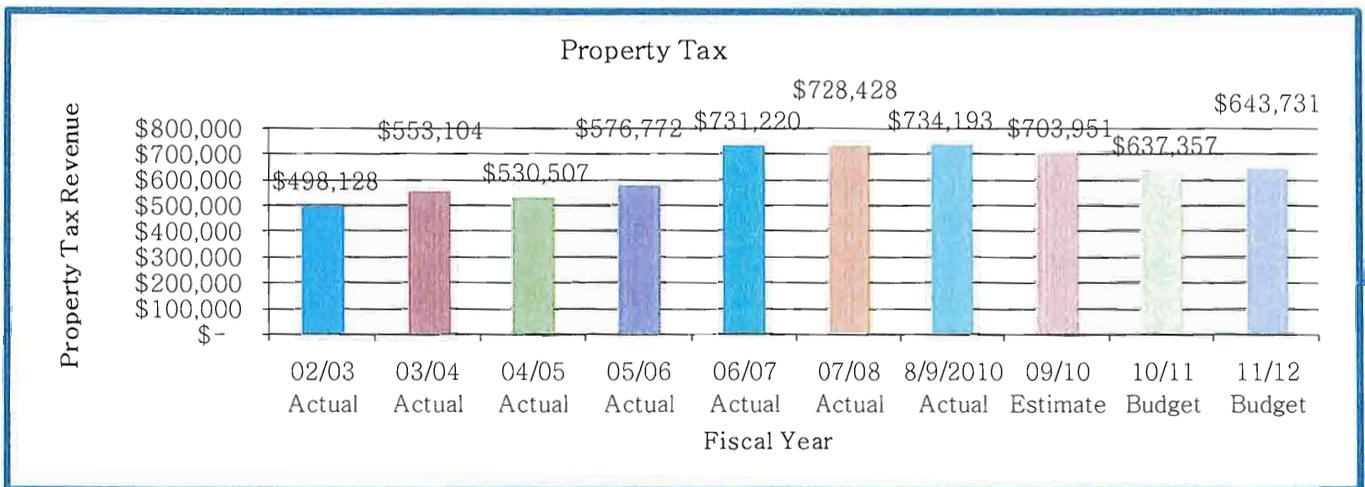
# General Fund

therefore in the property tax revenue for 2011-2012.

Below is a chart of the growth in property tax revenues since 2002/2003.

Property Tax		
Fiscal Year	Property Tax	Increase (Decrease)
02/03 Actual	\$ 498,128	-0.20%
03/04 Actual	\$ 553,104	11.04%
04/05 Actual	\$ 530,507	-4.09%
05/06 Actual	\$ 576,772	8.72%
06/07 Actual	\$ 731,220	26.78%
07/08 Actual	\$ 728,428	-0.38%
8/9/2010 Actual	\$ 734,193	0.79%
09/10 Estimate	\$ 703,951	-4.12%
10/11 Budget	\$ 637,357	-9.46%
11/12 Budget	\$ 643,731	1.00%

Below is a graph showing the changes in Property Tax Revenue for the City of Winters since 2002/2003.



# General Fund

## Other Taxes

Other taxes, in aggregate, are the third largest revenue source for the City of Winters General Fund. These taxes include: Franchise Fees, Property Transfer Tax, Municipal Services Tax, Business License Fee, the remaining Motor Vehicle in Lieu (VLF) fee and the Homeowner Relief Property Tax.

### Budget Assumptions:

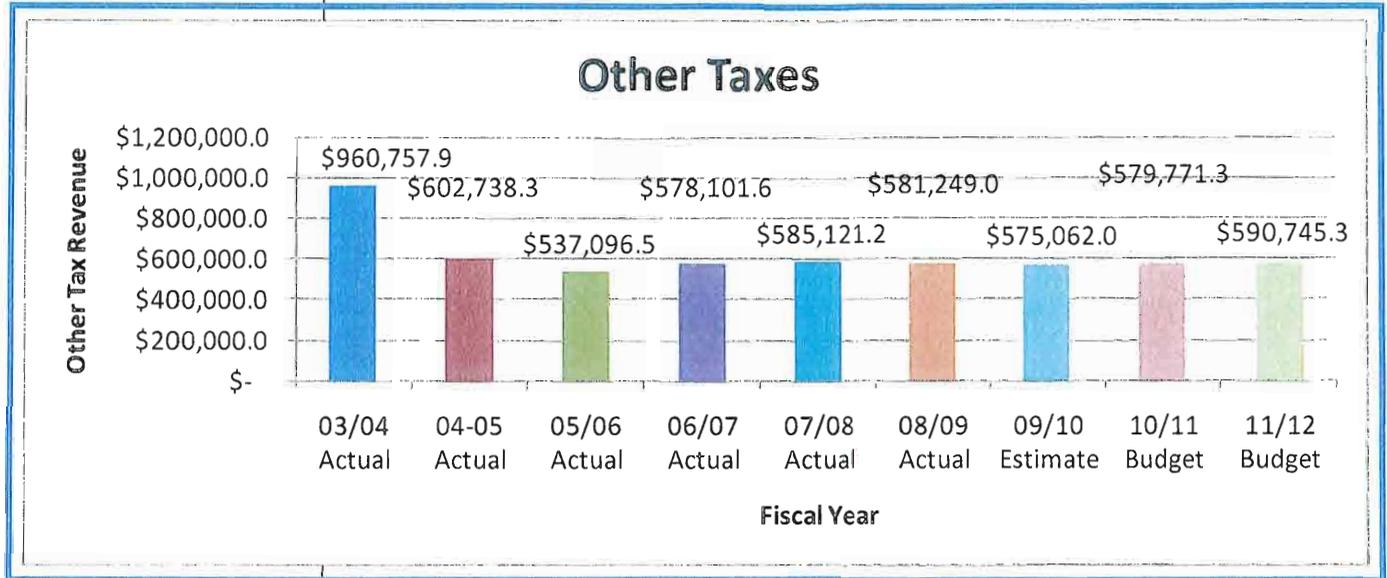
Different factors are used to develop the budget for each of the various taxes included in this category. The Franchise Fee is based on contracts with PG& E and the local Cable Television provider. The Property Transfer Tax is based on an estimate of the number and value of property transactions within the City of Winters. This was developed by looking at the number of vacant homes at the time the budget was organized as well as utilizing a list of the homes that have been notified of foreclosure proceedings. The Municipal Services Tax is \$120 per year per unit, therefore it remains a steady revenue source for the City's General Fund. The Business License fee is based upon the number of existing businesses that operate within the City limits. Even with the recession, this remains a fairly constant revenue source. The VLF is based upon estimates provided from the CaliforniaCityFinance.com site and is the "remaining" VLF available to the City of Winters. The Homeowner Relief Property Tax is base on the number of owner occupied homes, and remains a fairly constant revenue source for the City of Winters.

Below is a chart that shows the change in the Other Taxes since 2003-2004.

Other Taxes		
Fiscal Year	Other Taxes	Increase (Decrease)
03/04 Actual	\$ 960,757.9	1%
04-05 Actual	\$ 602,738.3	-37%
05/06 Actual	\$ 537,096.5	-11%
06/07 Actual	\$ 578,101.6	8%
07/08 Actual	\$ 585,121.2	1%
08/09 Actual	\$ 581,249.0	-1%
09/10 Estimate	\$ 575,062.0	-1%
10/11 Budget	\$ 579,771.3	1%
11/12 Budget	\$ 590,745.3	2%

## General Fund

The graph below shows the change in the Other Taxes category since 2003-2004



### Property Tax In Lieu of Motor Vehicle License Fee

Property Tax in Lieu of Motor Vehicle License Fees (Property Tax in Lieu of VLF) is a General Fund revenue source for the City of Winters since the passage of Proposition 1A by the people of the State of California and represents 14% of General Fund revenues for both 2010-2011 and 2011-2012.

Proposition 1A permanently reduced the Motor Vehicle License Fee from 2% to .65% of the value of an automobile. These fees are from the registration of vehicles throughout the state and are distributed to the cities and counties based largely on population. To replace these constitutionally based Motor Vehicle License Fees, the implementation of a "Property Tax in Lieu of Motor Vehicle License Fees" was enacted. The budgeted amount increases or decreases by the percentage increase or decrease in the assessed value of property within the City of Winters based on the same year as the Property tax.

Budget Assumptions: A budgeted decrease of 10.03% for 2010-2011 is based on the information received from the Yolo County Assessor as discussed earlier in the Property

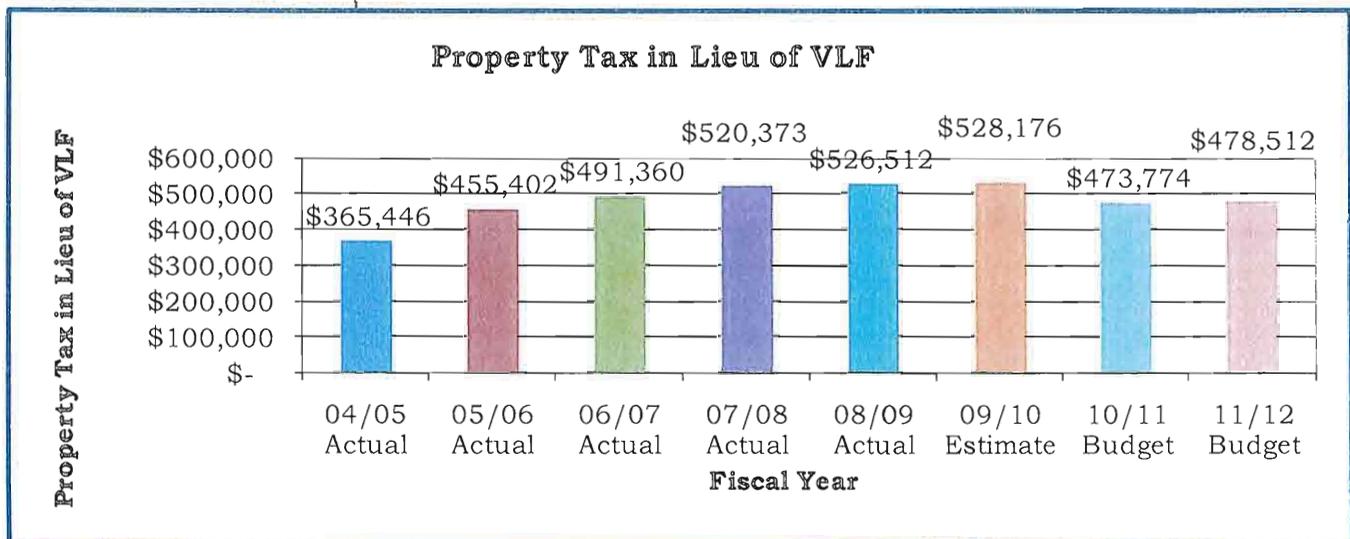
# General Fund

Tax section of this budget . Staff is assuming a 1% increase in revenue for 2011-2012 as indicated in the Property Tax section of this budget

Below is a chart that shows the growth in Property Tax in Lieu of VLF.

Fiscal Year	Property Tax	Increase (Decrease)
04/05 Actual	\$ 365,446	0.00%
05/06 Actual	\$ 455,402	24.62%
06/07 Actual	\$ 491,360	7.90%
07/08 Actual	\$ 520,373	5.90%
08/09 Actual	\$ 526,512	1.18%
09/10 Estimate	\$ 528,176	0.32%
10/11 Budget	\$ 473,774	-10.30%
11/12 Budget	\$ 478,512	1.00%

Below is a graph that shows the growth in Property Tax in Lieu of VLF.



# General Fund

## Sales Tax

Sales tax revenue is derived from one percent of the sales price on taxable products sold within the City of Winters and is approximately 9% of the general fund revenues for 2010-2011 and 10% for 2011-2012.

The City is implementing some Economic Development programs that should increase sales tax revenues in future years; however a review of the current sales tax situation indicates that the sales tax revenues will be 5% less in 2010-2011 than in 2009-2010, further review indicates that revenues for 2011-2012 will be 5% less than that budgeted for 2010-2011

Budget Assumptions: Budgeted revenues are actually predicted to have a decrease for 2010/2011 A review with our sales tax consultant Hinderliter, De Llamas and Associates (HdL) provided the estimate for the 2010-2011 year. Below is a chart that shows the growth in sales tax since 2003/2004.

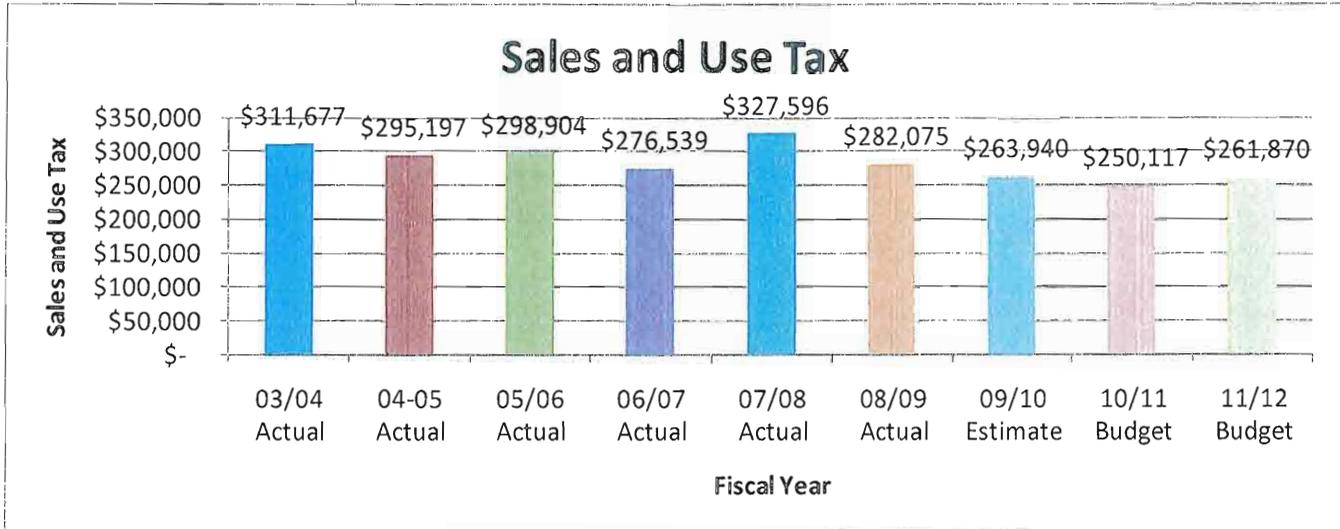
Below is a chart that shows the revenues from Sales and Use Tax since 2003/2004.

Fiscal Year	Sales Tax	Increase (Decrease)
03/04 Actual	\$ 311,677	1%
04-05 Actual	\$ 295,197	-5%
05/06 Actual	\$ 298,904	1%
06/07 Actual	\$ 276,539	-7%
07/08 Actual	\$ 327,596	18%
08/09 Actual	\$ 282,075	-14%
09/10 Estimate	\$ 263,940	-6%
10/11 Budget	\$ 250,117	-5%
11/12 Budget	\$ 261,870	5%

In 2002/2003 the City contracted with Hinderliter, DeLlamas and Associates (HdL) to do a sales tax audit, the result of which was the significant increase in sales tax collections in 02/03. Currently 25% of the local sales tax has been pledged as a repayment source for the State of

## General Fund

California Deficit Reduction Bonds approved in March 2004, we now receive the 25% as "Property Tax in Lieu of Sales Tax". This is known as part of the "triple-flip" in California. The graph below shows the growth in sales tax since 2003/2004.



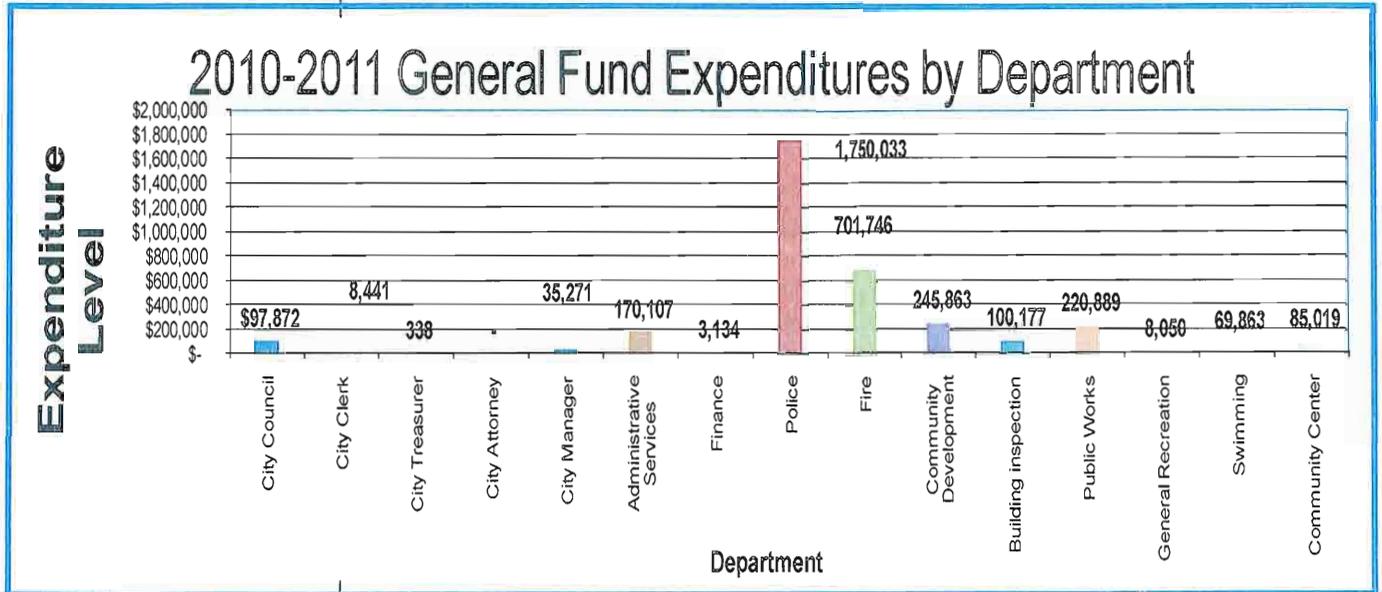
# General Fund

## City of Winters 2007-2012 Budget Comparison

	2007 Actual	2008 Actual	2009 Actual	2010 Estimated	2011 Proposed	2011 Change from 2010 Estimated		2012 Proposed	2012 Change from 2011 Year Proposed	
						In \$	In%		In \$	In%
<b>Financial Sources:</b>										
Property Taxes	\$ 731,220	\$ 728,428	\$ 734,193	\$ 703,951	\$ 637,357	\$ (66,594)	-9.46%	\$ 643,731	\$ 6,374	1.00%
Property Tax in Lieu of VLF	491,360	520,373	526,512	528,176	473,774	(54,402)	-10.30%	478,512	4,738	1.00%
Property Taxes in Lieu of Sales	93,199	70,177	130,808	66,353	71,621	5,268	7.94%	75,912	4,291	5.99%
Sales and Use Taxes	276,539	327,596	282,075	263,940	250,117	(13,823)	-5.24%	261,870	11,753	4.70%
Other Taxes	937,692	993,364	995,374	964,697	1,368,771	404,074	41.89%	1,380,745	11,974	0.87%
Service Charges	93,519	93,145	112,964	146,406	170,555	24,149	16.49%	155,261	(15,294)	-8.97%
Fines and Penalties	1,184	45	1,300	1,000	-	(1,000)	-100.00%	-	-	0.00%
Rents and Concessions	38,561	35,574	38,500	38,500	38,500	-	0.00%	38,500	-	0.00%
Interest	92,070	55,074	46,420	3,000	3,000	-	0.00%	3,000	-	0.00%
Licenses and Permits	146,149	85,267	139,614	72,275	108,071	35,796	49.53%	53,582	(54,489)	-50.42%
Grants	3,152	4,960	1,500	1,600	1,500	(100)	-6.25%	1,500	-	0.00%
All other Revenues	76,038	100,992	21,081	15,093	270,592	255,499	1692.83%	206,986	(63,606)	-23.51%
<b>Total Estimated Financial Source:</b>	<b>\$ 2,980,683</b>	<b>\$ 3,014,993</b>	<b>\$ 3,030,341</b>	<b>\$ 2,804,990</b>	<b>\$ 3,393,858</b>	<b>\$588,868</b>	<b>20.99%</b>	<b>\$ 3,299,598</b>	<b>\$(94,260)</b>	<b>-2.78%</b>
<b>Expenditures:</b>										
City Council	\$ 485	\$ 683	\$ 92	\$ 1,591	\$ 97,872	\$ 96,281	6052.06%	\$ 22,870	\$(75,002)	-76.63%
City Clerk	11,515	5,990	11,938	14,158	8,441	(5,716)	-40.38%	15,441	7,000	82.93%
City Treasurer	324	341	348	323	338	15	4.68%	338	(0)	-0.01%
City Attorney	65,183	61,807	-	-	-	-	0.00%	-	-	0.00%
City Manager	23,473	39,790	29,419	36,836	35,271	(1,564)	-4.25%	35,810	539	1.53%
Administrative Services	139,662	180,945	155,219	167,856	170,107	2,250	1.34%	171,465	1,358	0.80%
Finance	2,131	5,201	2,017	2,750	3,134	384	13.97%	3,172	38	1.22%
Police	1,566,397	1,588,778	1,662,137	1,799,603	1,750,033	(49,570)	-2.75%	1,875,476	125,443	7.17%
Fire	376,300	410,312	412,658	410,741	701,746	291,005		741,301	39,555	5.64%
Community Development	343,246	398,181	392,997	295,341	245,863	(49,478)		242,983	(2,880)	
Building Inspection	117,249	134,630	106,796	121,569	100,177	(21,393)	-17.60%	101,290	1,113	1.11%
Public Works	291,325	236,520	305,026	339,956	220,889	(119,067)	-35.02%	217,234	(3,655)	-1.65%
General Recreation	96,878	116,282	133,436	56,906	8,050	(48,856)		8,050	-	
Swimming	18,510	93,399	77,567	77,274	69,863	(7,411)	-9.59%	69,861	(2)	0.00%
Community Center	94,395	87,512	76,913	85,677	85,019	(657)	-0.77%	85,161	142	0.17%
<b>Total Budgeted Expenditures</b>	<b>\$ 3,147,073</b>	<b>\$ 3,360,372</b>	<b>\$ 3,366,562</b>	<b>\$ 3,410,581</b>	<b>\$ 3,496,804</b>	<b>\$ 86,223</b>	<b>2.53%</b>	<b>\$ 3,590,453</b>	<b>\$ 93,649</b>	<b>2.68%</b>
Net Increase(Decrease) in Fund Bal	\$ (166,390)	\$ (345,379)	\$ (336,222)	\$ (605,591)	\$ (102,945)			\$ (290,855)		
Fund Balance July 1	\$ 2,595,860	\$ 2,601,265	\$ 2,458,886	\$ 2,263,075	\$ 1,668,485			\$ 1,570,539		
Transfers	\$ 171,944	\$ 203,000	\$ 140,411	\$ 11,000	\$ 5,000			\$ 5,000		
Adjustments	-	-	-	-	-			-		
Fund Balance June 30	\$ 2,601,414	\$ 2,458,886	\$ 2,263,075	\$ 1,668,485	\$ 1,570,539			\$ 1,284,685		

## General Fund

Below is a chart of the expenditures of the General fund by Department for the City of Winters for 2010-2011.

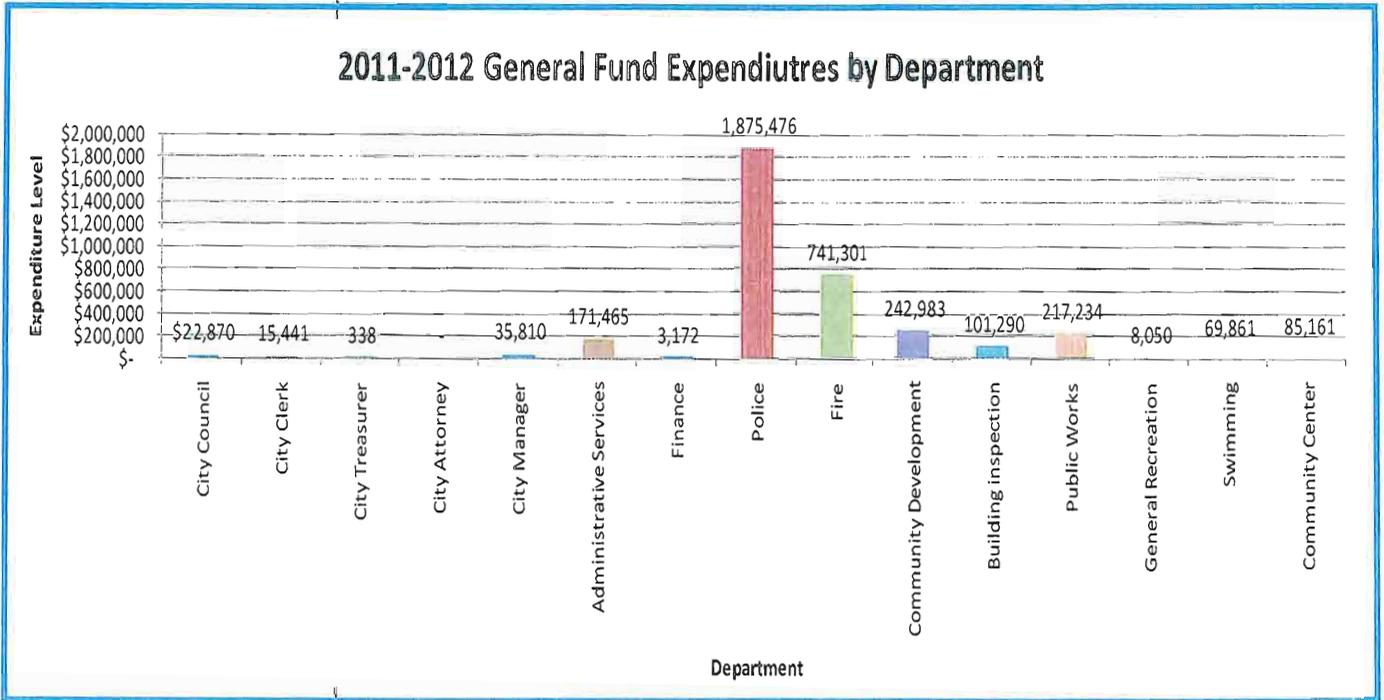


For Fiscal Year 2010-2011 the General Fund Expenditures points of interest include:

- Addition of One (1) Police Officer Position.
- Reduction of one (1) Sergeant Position
- Addition of Fire Department as a City Department (Previously a Contract Department)
- Reduction of Recreation Coordinator
- Reduction in Recreation Programs offered by the City of Winters including Summer Adventure Day Camp and Fun in the Park Programs.
- Reduction of one (1) Account Technician
- Reclassification of one (1) Administrative Assistant.
- Start up funding for a "Sleeper" program in the Fire Department to facilitate moving to 24/7 coverage from the new Fire Station.
- Inclusion of Contingency funds of \$95,000 in the City Council budget. These are funds anticipated to be received from the Measure W revenues that have not been assigned to a specific project as of the passage of this budget.

# General Fund

Below is a chart of the expenditures of the General fund by Department for the City of Winters for 2011-2012.



For Fiscal Year 2011-2012 the General Fund Expenditures points of interest include:

- The Addition of one (1) Police Officer
- Full funding for the "Sleeper" program to move towards 24/7 coverage at the Fire Station.
- Inclusion of Contingency funds of \$20,000 in the City Council budget. These are funds anticipated to be received from the Measure W revenues that have not been assigned to a specific project as of the passage of this budget.

# General Fund

## General Fund Reserves

The Fiscal Policies of the City of Winters include cash and emergency reserves for specific funds. For the General Fund, the policy is a reserved fund balance of 50% of annual expenditures and 25% of the fund balance is to be un-appropriated at year-end.

City of Winters	
Fund Balance and ability to meet Reserve Policy Requirements	
Estimated General Fund fund Balance 6/30/10	\$ 1,668,485
Cash Reserve \$3,496,801 X 50%	1,748,402
Fund balance used to fund 2010-11	97,945
Un-appropriated, unreserved Fund Balance	<u>\$ (177,862)</u>
Required Emergency Reserve (Per Policy) \$1,668,485 x 25% of Fund Balance	<u>417,121</u>
Fund Balance Available	\$ (177,862)
Unappropriated Unreserved Fund Balance	\$ -
Required Unappropriated Unreserved Fund Balance	417,121
Unappropriated Unreserved Fund Balance below Policy	<u>\$ (594,984)</u>

The estimated un-appropriated unreserved fund balance for 2010-2011 is (\$177,862) or \$594,984 less than required, based on the estimated fund balance as of June 30, 2010. The City understands that the undesignated, unreserved fund balance is below the policy amount, however, due to decreasing revenues, the ability to use our fund balance to maintain services to the citizens of Winters is considered appropriate.

City of Winters	
Fund Balance and ability to meet Reserve Policy Requirements	
Estimated General Fund fund Balance 6/30/11	\$ 1,570,539
Cash Reserve \$3,205,880 X 50%	1,795,226
Fund balance used to fund 2011-12	285,855
Un-appropriated, unreserved Fund Balance	<u>\$ (510,542)</u>
Required Emergency Reserve (Per Policy) \$1,557,317 x 25% of Fund Balance	<u>392,635</u>
Fund Balance Available	\$ (510,542)
Unappropriated Unreserved Fund Balance	\$ -
Required Unappropriated Unreserved Fund Balance	392,635
Unappropriated Unreserved Fund Balance below Policy	<u>\$ (903,177)</u>

## **General Fund**

### **General Fund Reserves**

The estimated un-appropriated unreserved fund balance for 2011-2012 is (\$339,827) or \$732,462 less than required, based on the estimated fund balance as of June 30, 2011. The City understands that the undesignated, unreserved fund balance is below the policy amount, however, due to decreasing revenues, the ability to use our fund balance to maintain services to the citizens of Winters is considered appropriate. The City of Winters has a 5 year plan that anticipated just this issue, and we have planned on how to avoid further reserve policy issues in years after 2011-2012, however, we do fully expect to be in a similar position for 2012-2013 until the current efforts at Economic Development within the City of Winters has produced recurring revenues to sustain the level of services the public considers appropriate.

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## Other Funds

Other Funds included in the City of Winters budget are:

- Special Revenue Funds
- Capital Project Funds
- Enterprise Funds (also known as Proprietary Funds)
- Internal Service Funds
- Debt Service Funds

Each fund group will be presented separately in this section.

Special revenue funds account for activities funded by special purpose revenue that is legally restricted to expenditure for specific use. The City currently has 35 active special revenue funds. Ten (10) of these funds are on-going special revenue funds, that is, they are each active on a year-to-year basis. The balance of the special revenue funds reflect one-time or limited duration funding from grants from the State of California or the Federal Government and may take several years to properly expend the funds.

The on-going special revenue funds are:

- City Wide Assessment District
- Gas Tax
- Transportation Development Act Funds
- Winters Swim Team
- Community Development Agency Low Income Housing Tax Increment
- Community Development Agency Low Income Housing Project Area
- Masters Swim Program
- Community Festival
- Recycling Grant Program
- Winters Library Fund

These funds will be discussed in more detail in this section.

Additional special revenue funds can be categorized as follows:

- Police Grant Funds
- Park Grant Funds
- CDBG Grant Funds

## Other Funds

### Special Revenue Funds

- EDBG Grant Funds
- Revolving Loan Funds
- Miscellaneous Grant Funds

These categories of special revenue funds are single purpose funds receiving revenue from specific grants and will be included on the schedule with beginning fund balance, expected revenues and expenditures and projected ending fund balance, but additional detail information will not be included,

#### City Wide Assessment District

The City Wide Assessment District is the most active Special Revenue Fund. This fund is supported by a special assessment on all property within the City of Winters. This is a voter-approved assessment. The revenues are based on an assessment of \$82.50 per residential unit and \$41.25 per business unit per year. As the number of units in the City increase, the revenue base increases, however, the revenues are not keeping pace with the cost of providing the service of maintaining the parks and paying the cost of street lighting.

Budget Assumptions: The revenue estimates are based on the engineers report prepared by our consultant, Muni-Financial. Each year an Engineer's Annual Levy Report is prepared to initiate proceedings for the annual levy and collection of assessment according to the Landscaping and Lighting Act of 1972. Muni-Financial receives a list of all parcels located within the city limits of the City of Winters and prepares a levy report.

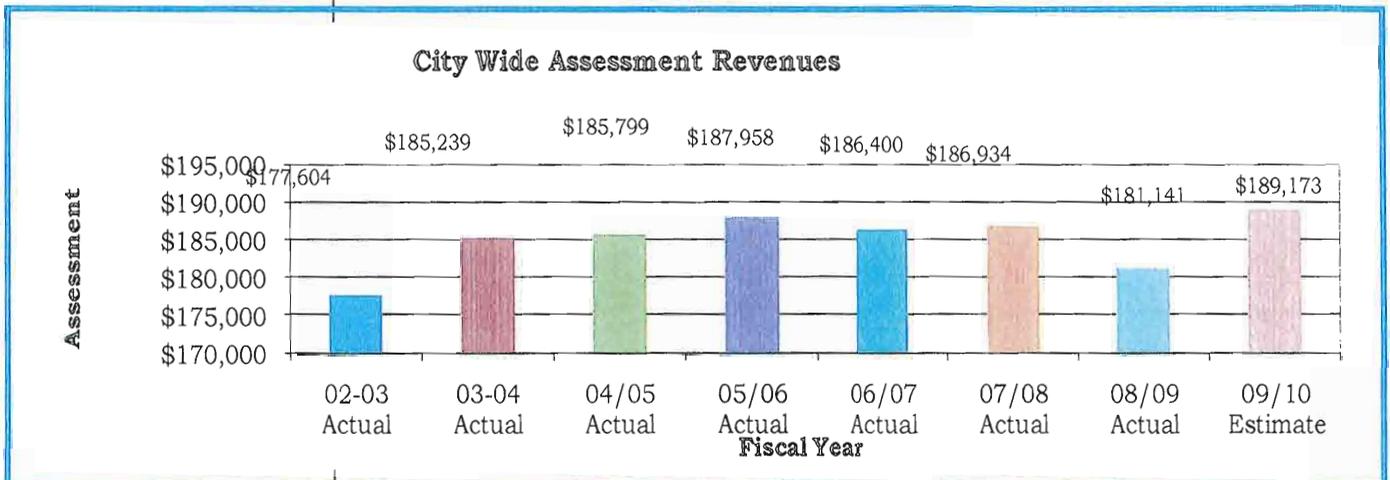
The following chart shows the level of assessments for 2002/2003 through 2011/2012.

## Other Funds

### Special Revenue Funds

Fiscal Year	Amount	Increase/ (Decrease)
02-03 Actual	\$ 177,604	11%
03-04 Actual	\$ 185,239	4%
04/05 Actual	\$ 185,799	0%
05/06 Actual	\$ 187,958	1%
06/07 Actual	\$ 186,400	-1%
07/08 Actual	\$ 186,934	0%
08/09 Actual	\$ 181,141	-3%
09/10 Estimate	\$ 189,173	4%
10/11 Budget	\$ 189,173	0%
11/12 Budget	\$ 195,278	3%

The following graph shows the City Wide Assessment Revenues for 2002-2003 through 2011-2012.



In addition to the assessment indicated above, the General Fund began subsidizing the City Wide Assessment District in 2005/2006. Due to the recession, and the decrease in the assessed value of property within the City of Winters, the City Council made budget decisions to reclassify and restructure personnel assigned to park maintenance in order to reduce the subsidy for 2010-2011 and 2011-2012 to approximately 50% of the prior year subsidies.

## Other Funds

### Special Revenue Funds

The subsidy is estimated to be as follows:

Fiscal Year	Amount	Increase/ (Decrease)
02-03 Actual	\$ -	
03-04 Actual	\$ -	
04/05 Actual	\$ -	
05/06 Actual	\$ 108,782	
06/07 Actual	\$ 83,991	-23%
07/08 Actual	\$ 82,904	-1%
08/09 Actual	\$ 101,463	22%
09/10 Estimate	\$ 95,924	-5%
10/11 Budget	\$ 46,000	-52%
11/12 Budget	\$ 41,057	-11%

The cost of maintaining all City Parks and the cost of operating streetlights, stoplights, and park lights is paid from the City Wide Assessment Fund. The following table shows the expenditures for 2002/2003 through 2011/2012.

Fiscal year	Amount	Increase/ (Decrease)
02/03 Actual	\$ 204,607	-6%
03/04 Actual	\$ 201,277	-2%
04/05 Actual	\$ 193,392	-4%
05/06 Actual	\$ 260,986	35%
06/07 Actual	\$ 260,953	0%
07/08 Actual	\$ 265,539	2%
08/09 Actual	\$ 273,971	3%
9/10 Estimate	\$ 285,097	4%
10/11 Budget	\$ 235,173	-18%
11/12 Budget	\$ 235,173	0%

**Other Funds**

**Special Revenue Funds**



The City Wide Assessment District is the only Special Revenue Fund that has a reserve policy. The policy is to have an un-appropriated unreserved fund balance of 75% of estimated expenditures. The fund balance is as follows:

## Other Funds

### Special Revenue Funds

Estimated Fund Balance as of 6/30/10	\$ (22,577)
Reserves:	
Dry Creek Stabilization	61,081
Rancho Arroyo Bank Stabilization	9,172
Unappropriated/Unreserved Fund Balance	<u>\$ (92,830)</u>

The City Wide Assessment District is not self-supporting as of 2005/2006. The assessment amount is a flat amount, not subject to increases; therefore, only additional units will increase the assessment revenue. All additional funding requirements will require a subsidy from the General Fund. The reserve policy for this fund will need to be reviewed and revised in 2011-2012 due to the limitation on assessment revenue growth.

#### Gas Tax Fund

The Gas Tax fund supports staffing for road repairs and capital projects for rehabilitation of City streets and roads. These funds are legally restricted for use in maintaining streets and roads.

Budget Assumptions: The gas tax is apportioned on Vehicle Registration Assessed Valuation and on population, the assumption is that the City of Winters will see no increase in the gas tax revenues due to the fact that population within the city limits increased by only 46 residents from January 1, 2009 to January 1, 2010.

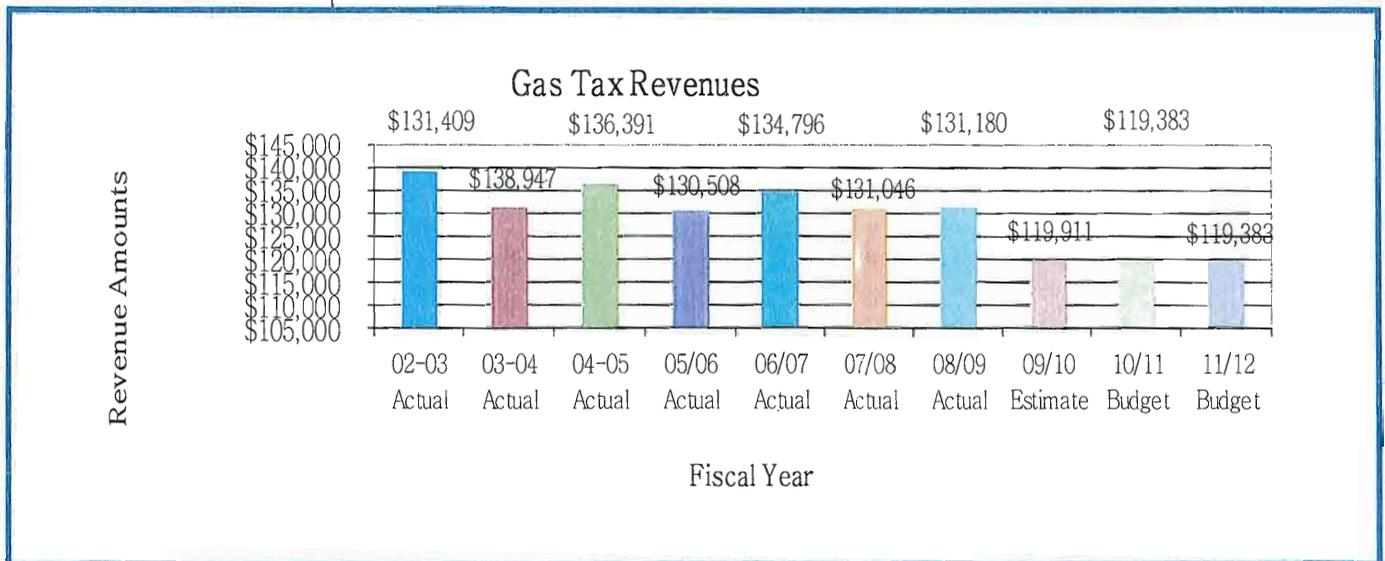
The chart below shows Gas Tax Revenues for 2002-2003 through 2011/2012.

## Other Funds

## Special Revenue Funds

Gas Tax Revenues		
Fiscal Year	Amount	Increase/ (Decrease)
02-03 Actual	\$ 138,947	27%
03-04 Actual	\$ 131,409	-5%
04-05 Actual	\$ 136,391	4%
05/06 Actual	\$ 130,508	-4%
06/07 Actual	\$ 134,796	3%
07/08 Actual	\$ 131,046	-3%
08/09 Actual	\$ 131,180	0%
09/10 Estimate	\$ 119,911	-9%
10/11 Budget	\$ 119,383	0%
11/12 Budget	\$ 119,383	0%

The graph below shows the revenues from the Gas Tax Fund for 2002-2003 through 2011/2012.



The Gas Tax funds are expended for staffing for street repairs and maintenance, road signs and the appropriate materials and supplies for the repair of the streets throughout the city. The gas tax fund expenditures vary from year to year depending on the level of street projects undertaken, or for budget purposes, the projects expected to be implemented during the budget year. Most major street projects require funding from other sources in addition to the gas tax funds in order to have enough resources for the

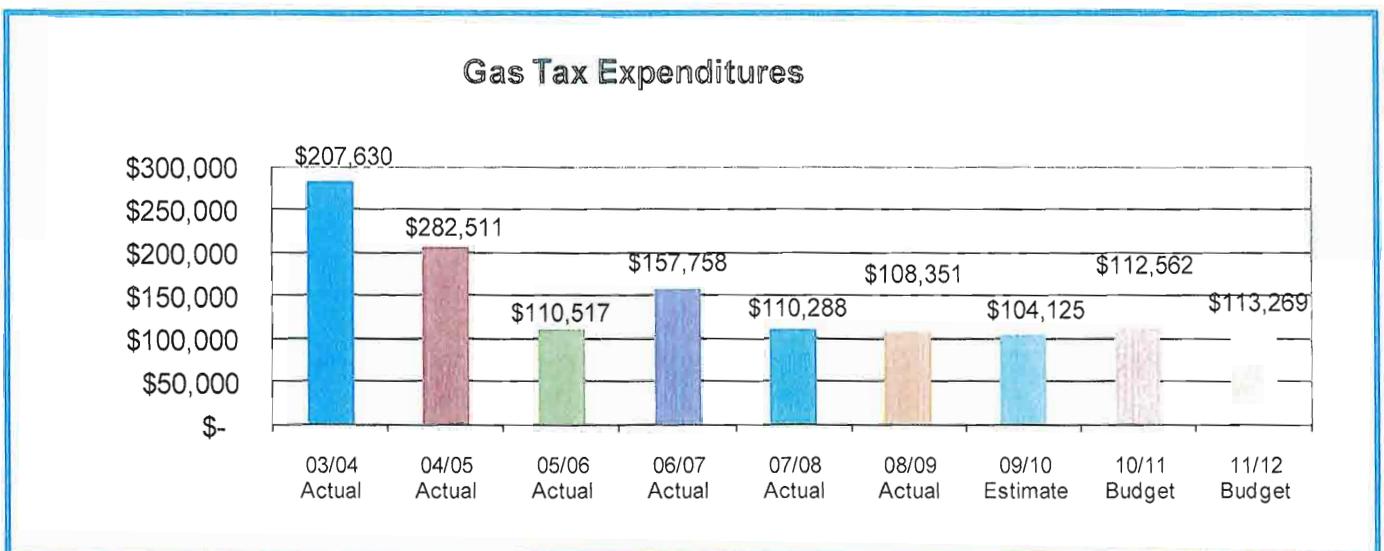
# Other Funds

## Special Revenue Funds

project. Therefore, major projects occur sporadically as additional funding is obtained. Currently most of the gas tax funds are used for patching and filling potholes throughout the city, painting of cross walks and stop lines, and right of way maintenance, as well as maintaining proper street and stop signs throughout the city.

The spending chart and graph below show the one year that all available funds were expended for a major street project, and then expenditures for normal maintenance in the following years.

Fiscal year	Amount	Increase/ (Decrease)
02/03 Actual	\$ 622,155	382%
03/04 Actual	\$ 282,511	-55%
04/05 Actual	\$ 207,630	-27%
05/06 Actual	\$ 110,517	-47%
06/07 Actual	\$ 157,758	43%
07/08 Actual	\$ 110,288	-30%
08/09 Actual	\$ 108,351	-2%
09/10 Estimate	\$ 104,125	-4%
10/11 Budget	\$ 112,562	8%
11/12 Budget	\$ 113,269	1%



## Other Funds

### Special Revenue Funds

#### Transportation Development Act Funds

This fund is used to account for revenue from the Transportation Development Act. The source of funds is the Local Transportation Fund (LTF) and the State Transit Assistance Fund (STA). The LTF are derived from ¼ cent of the retail 8.25% sales tax collected statewide and are generally apportioned by population. The STA are from statewide sales tax on gasoline and diesel fuel and are apportioned 50% by population and 50% according to operator revenues on public transportation from the preceding fiscal year.

Budget Assumptions: The City of Winters receives its allocation for LTF and STA from the Sacramento Area Council of Governments (SACOG). Each year a Findings of Apportionment is adopted by SACOG and the City is responsible for filing a claim for the amount apportioned to it. We have received the Finding of Apportionment for 2010-2011 and the budgeted revenues are based on that finding. Budgeted revenues for 2011-2012 are based on a minor decline in expected fuel prices, and therefore the resulting decline in sales tax.

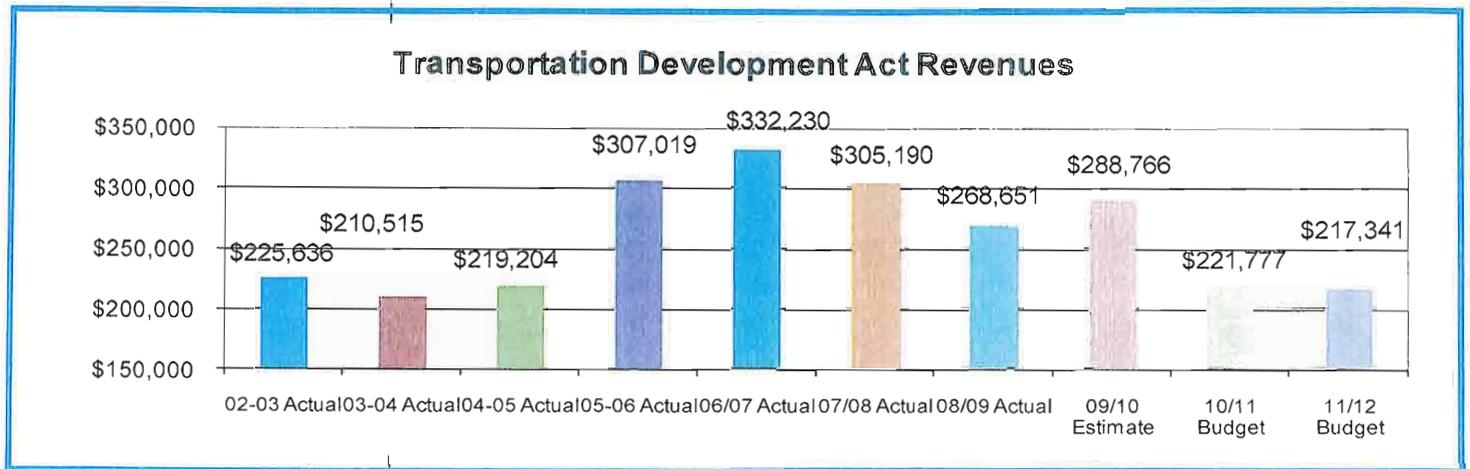
The chart below shows the Revenues since 2002-2003 for the Transportation Development Act Fund.

Fiscal Year	LTF	STA	Total	Increase/ (Decrease)
02-03 Actual	221,228	4,408	\$ 225,636	-41%
03-04 Actual	210,515	-	\$ 210,515	-7%
04-05 Actual	219,204	-	\$ 219,204	4%
05-06 Actual	268,019	39,000	\$ 307,019	40%
06/07 Actual	332,230	-	\$ 332,230	8%
07/08 Actual	305,190	-	\$ 305,190	-8%
08/09 Actual	268,651	-	\$ 268,651	-12%
09/10 Estimate	288,766	-	\$ 288,766	7%
10/11 Budget	221,777	-	\$ 221,777	0%
11/12 Budget	217,341	-	\$ 217,341	-2%

## Other Funds

### Special Revenue Funds

The graph below shows the growth in the Transportation Development Act funding since 2002-2003.



The primary purpose of the The graph below shows the growth in the Transportation Development Act funding since 2002-2003.

Transportation Development Act Fund is to provide public transportation to the residents of our community. The primary expenditure is for the bus service provided by the Yolo County Transportation District. Any funds available after the bus service is funded may be used for street engineering cost, and the cost of construction and maintenance of local streets, roads, gutters and sidewalks. Funds available after paying for the bus service have typically been saved up for a number of years and then combined with other funding sources to implement a street project within the City of Winters.

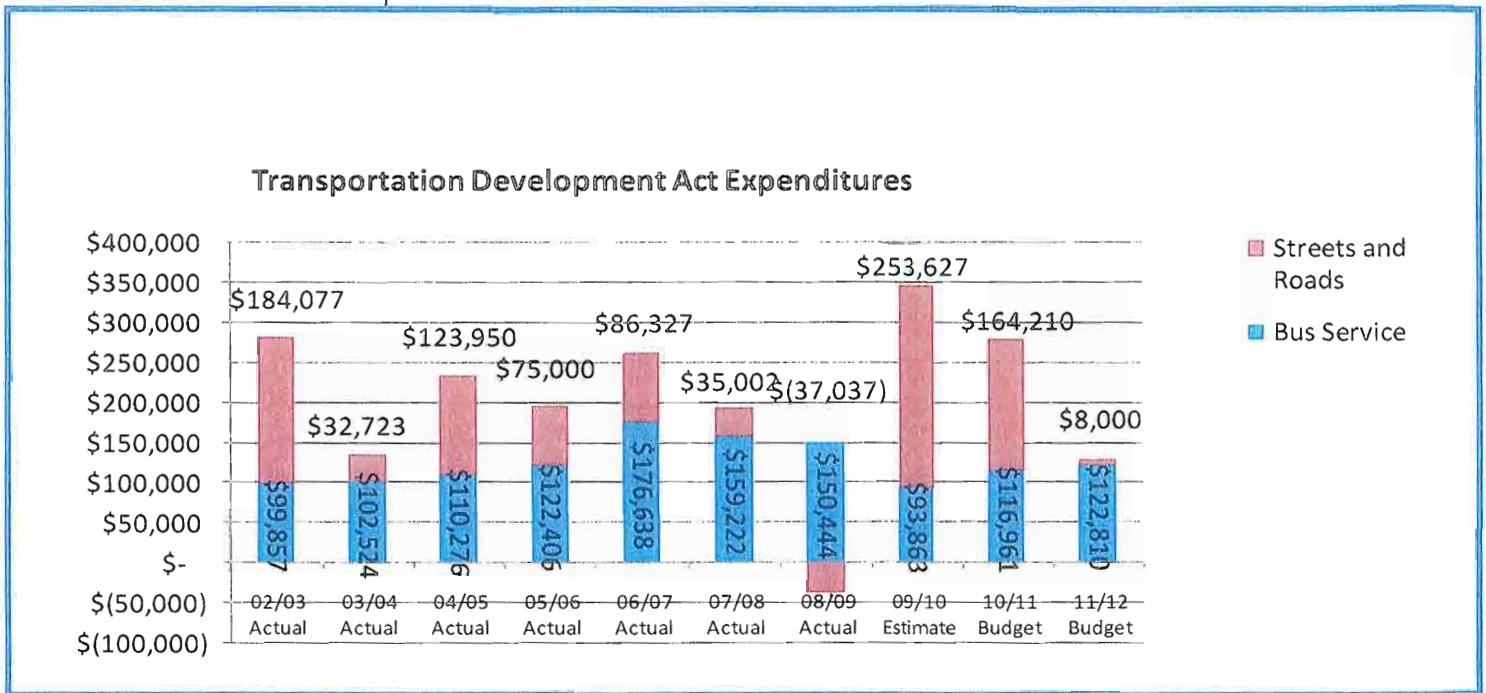
The Chart below details the expenditures from the Transportation Development Act Fund since 2002-2003.

# Other Funds

## Special Revenue Funds

Transportation Development Act Expenditures			
Fiscal year	Bus Service	Streets & Roads	Total
02/03 Actual	\$ 99,857	\$ 184,077	\$ -
03/04 Actual	\$ 102,524	\$ 32,723	\$ 283,934
04/05 Actual	\$ 110,276	\$ 123,950	\$ 135,247
05/06 Actual	\$ 122,406	\$ 75,000	\$ 234,226
06/07 Actual	\$ 176,638	\$ 86,327	\$ 197,406
07/08 Actual	\$ 159,222	\$ 35,002	\$ 262,965
08/09 Actual	\$ 150,444	\$ (37,037)	\$ 194,224
09/10 Estimate	\$ 93,863	\$ 253,627	\$ 347,490
10/11 Budget	\$ 116,961	\$ 164,210	\$ 281,171
11/12 Budget	\$ 122,810	\$ 8,000	\$ 130,810

The graph below shows expenditures for 2002/2003 through 2011/2012



## Other Funds

### Special Revenue Funds

#### Winters Swim Team Fund

In 2004-2005 the City of Winters took over the Winters Swim Team program as a City activity. Previously, the Winters Swim Team was run as a private organization.

#### Budget Assumptions:

Revenues are from registration fees and sales of fireworks. The Swim Team runs a fireworks booth from June 28 to July 4 of each year. The fireworks booth is the single largest source of revenue to support the swim team. No City funds are used to provide for the swim team program, it is entirely self-supporting. The chart below shows the revenue generated by the Swim Team registration and Fireworks sales.

Fiscal Year	Amount	Increase (Decrease)
04/05 Actual	67,678	
05/06 Actual	66,488	-2%
06/07 Actual	71,945	8%
07/08 Actual	73,887	3%
08/09 Actual	67,625	-8%
09/10 Estimate	72,627	7%
10/11 Budget	71,250	-2%
11/12 Budget	71,250	0%

Swim team expenditures are made for the cost of fireworks and the associated sales tax collected during the sales process that must be remitted to the State of California State Board of Equalization. The Swim Team employs coaches and provides team swimsuits and various other supplies as needed for training and swim meets.

## Other Funds

### Special Revenue Funds

#### Community Development LIH Tax Increment Fund

The Redevelopment Agency is the City of Winters Community Development Agency. Funding for redevelopment is derived from incremental property tax and 20% of all tax increment is required by redevelopment law to be set-aside for Affordable Housing (LIH). This fund accounts for the receipt and expenditure of the 20% set-aside.

Budget Assumptions: We project a 10.07% decrease for 2010/2011 based on information received from the Yolo County Assessor and the Yolo County Auditor Office, for 2011/2012 we predict a modest 1% increase.

The tax increment received for 2003/2004 and 2004/2005 was a substantial increase over 2002/2003. This is due to the building of a subdivision consisting of approximately 142 market rate-single family homes inside the Community Development Project Area.

The chart below shows the change in LIH Increment set aside since 2002/2003.

Fiscal Year	20% Set Aside	Increase over prior year
02/03 Actual	\$ 144,256	31%
03/04 Actual	\$ 250,788	74%
04/05 Actual	\$ 293,896	17%
05/06 Actual	\$ 330,098	12%
06/07 Actual	\$ 420,158	27%
07/08 Actual	\$ 370,668	-12%
08/09 Actual	402,736	9%
09/10 Estimate	381,192	-5%
10/11 Budget	342,806	-10%
11/12 Budget	346,234	1%

## Other Funds

### Special Revenue Funds

Expenditures from the Community Development LIH increment may be used to support the development of Affordable Housing within the project area, Expenditures have increased as the Community Development Agency has accumulated enough funds to develop projects. One important project is the 2002/2003 loan/grant of funds to the Community Housing Opportunity Corporation (CHOC) to help with gap financing to prevent an apartment complex that was an affordable housing complex from being sold and rented as a market rate complex. It was a top priority for the City that the complex remain affordable for our residents. In 2010/2011 the Community Development Agency will grant money to the Orchard Village project to acquire land to allow for the development 74 affordable units. Construction is expected to be underway on the project in July 2010.

The chart below shows the expenditures for the Community Development Agency Low Income Housing Fund.

	Community Development Low Income Housing Fund							
	Actual 2004-2005	Actual 2005-2006	Actual 2006-2007	Actual 2007-2008	Actual 2008/2009	Estimate 2009/2010	Budget 2010/2011	Budget 2011/2012
Allocated Cost	46,211	44,828	63,837	68,117	127,088	76,537	115,483	116,803
Personnel Cost				121,120	137,444	76,326	137,045	148,952
Other Costs	132,495	10,450	6,574	43,232	91,348	5,000	32,710	32,710
Debt Service	305,754	199,343	202,993	251,990	285,526	184,782	281,288	283,894
Capital Projects								
<b>Total Expenditures</b>	<b>\$ 484,460</b>	<b>\$ 254,621</b>	<b>\$ 273,404</b>	<b>\$ 484,459</b>	<b>\$ 641,406</b>	<b>\$ 342,644</b>	<b>\$566,526</b>	<b>\$582,360</b>

The expenditures budgeted for 2010/2011 and 2011/2012 are for the payment of debt service on the 2004 and 2007 tax allocation bonds issued for the Community Development Agency. Staff time is included as an allocation for the time spent in actively pursuing projects to provide affordable housing within the City of Winters. As affordable housing opportunities are presented to staff, projects may be prepared for submission to the Board of Directors of the Winters Community Development Agency along with the appropriate budget adjustment that may

## Other Funds

### **Special Revenue Funds**

be required in order to fund the project. All approvals and budget adjustments will be submitted to the Board of Directors on a project-by-project basis.

### **Community Development LIH Project Area Fund**

The funding source for this fund is the 2004 and 2007 Tax Allocation Bonds, housing portion. The bond issue provided \$3,062,878 in 2004 and \$1,466,595 in 2007 for the development of affordable housing within the project area.

Budget Assumptions: No additional bonds are anticipated for the current year. The only income is the interest on the amount of the bond proceeds that remain invested in the Local Agency Investment Fund (LAIF).

The City of Winters Community Development Agency participated with CHOC in financing the addition of 34 affordable units and a community room located adjacent to the current CHOC owned property. In 2010/2011 the Community Development Agency will provide funding to purchase the land for the Orchard Village project, a 74 unit affordable housing project. Agency staff is currently organizing a neighborhood revitalization program that would purchase homes that have been foreclosed on, rehabilitate the homes and then offer them for sale as affordable housing with affordability restrictions in order to increase the supply of affordable housing within the Redevelopment Project area and eliminate the blighting experience of having vacant and non-maintained homes in neighborhoods. As the program is developed, guidelines will be submitted to the Board of Directors for the Community Development Agency for approval and a program budget will be developed and submitted for approval. In 2011/2012 housing rehabilitation grants are planned to help those low income individuals in improving their homes in areas such as windows, roofing and other items to maintain the habitability of their homes. As additional projects come to staff's attention, the projects will be submitted to the Board of Directors of the Community Development Agency for approval, and project budgets will be submitted for approval on a project by project basis.

# Other Funds

## Special Revenue Funds

Expenditures from the Community Development Low Income Housing Project Fund are included in the chart below.

Community Development Low Income Housing Project Fund								
	Actual 2004-2005	Actual 2005-2006	Actual 2006-2007	Actual 2007-2008	Actual 2008/2009	Estimate 2009/2010	Budget 2010/2011	Budget 2011/2012
Professional Services	40,100	950	28,932	-	-	-	-	-
Housing Grants	-	-	-	-	26	-	-	245,635
Housing Programs	464,994	158,591	1,391,409	-	-	-	1,354,365	-
Total Expenditures	<u>\$ 505,094</u>	<u>\$ 159,541</u>	<u>\$ 1,420,341</u>	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 1,354,365</u>	<u>\$ 245,635</u>

# Other Funds

# Special Revenue Funds

## Community Development Agency-Special Revenue Funds 2008-2012 Summary of Estimated Revenues, Expenditures and Changes in Fund Balance

(For Budgetary Purposes Only)

	Low Income Housing Set Aside					Low Income Housing Project Funds					Total Community Development Agency Special Project Funds				
	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget
<b>Financial Sources:</b>															
Property Taxes	\$ 370,668	\$ 402,736	\$ 381,192	\$ 342,806	\$ 346,234						\$ 370,668	\$ 402,736	\$ 381,192	\$ 342,806	\$ 346,234
Interest	24,926	8,057	2,910	-	-	115,653	69,048	19,435	8,250	4,125	140,579	77,105	22,344	8,250	4,125
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	2,000	-	-	-	-	-	-	-	-	-	2,000	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Estimated Financial Sources</b>	<b>\$ 397,594</b>	<b>\$ 410,793</b>	<b>\$ 384,102</b>	<b>\$ 342,806</b>	<b>\$ 346,234</b>	<b>\$ 115,653</b>	<b>\$ 69,048</b>	<b>\$ 19,435</b>	<b>\$ 8,250</b>	<b>\$ 4,125</b>	<b>\$ 513,246</b>	<b>\$ 479,841</b>	<b>\$ 403,536</b>	<b>\$ 351,056</b>	<b>\$ 350,359</b>
<b>Expenditures:</b>															
Personnel Cost	\$ 121,120	\$ 137,444	\$ 76,326	\$ 137,045	\$ 148,952	\$ -	\$ -	\$ -			\$ 121,120	\$ 137,444	\$ 76,326	\$ 137,045	\$ 148,952
Allocated Cost	68,117	127,088	76,537	115,483	116,803						68,117	127,088	76,537	115,483	116,803
Supplies and Material															
Other Operating Expenses	43,232	91,348	5,000	32,710	32,710	-	30,797				43,232	122,145	5,000	32,710	32,710
Pass through															
Cost of Issuance															
Housing Grants									1,354,365	245,635				1,354,365	245,635
Housing Programs							48,445					48,445			
Debt Service	251,990	285,526	184,782	281,288	283,894						251,990	285,526	184,782	281,288	283,894
Capital Projects															
<b>Total Budget</b>	<b>\$ 484,459</b>	<b>\$ 641,406</b>	<b>\$ 342,644</b>	<b>\$ 566,526</b>	<b>\$ 582,360</b>	<b>\$ -</b>	<b>\$ 79,242</b>	<b>\$ -</b>	<b>\$ 1,354,365</b>	<b>\$ 245,635</b>	<b>\$ 484,459</b>	<b>\$ 720,648</b>	<b>\$ 342,644</b>	<b>\$ 1,920,891</b>	<b>\$ 827,995</b>
<b>Net Increase(decrease)</b>															
In Fund Balance	\$(86,865)	\$(230,613)	\$ 41,458	\$(223,720)	\$(236,126)	\$ 115,653	\$ (10,195)	\$ 19,435	\$(1,346,115)	\$(241,510)	\$ 28,787	\$(240,807)	\$ 60,892	\$(1,569,835)	\$(477,636)
Transfer In	2,763	2,894	-	-	-						2,763				
Transfer Out	-	-	-	-	-						-				
Adjustments															
<b>Fund Balance July 1</b>	<b>759,672</b>	<b>675,569</b>	<b>447,850</b>	<b>489,308</b>	<b>265,588</b>	<b>2,751,624</b>	<b>2,867,277</b>	<b>2,857,082</b>	<b>2,876,517</b>	<b>1,530,402</b>	<b>\$ 3,511,296</b>	<b>\$ 3,542,846</b>	<b>\$ 3,304,933</b>	<b>\$ 3,365,825</b>	<b>\$ 1,795,990</b>
<b>Fund Balance June 30</b>	<b>\$ 675,589</b>	<b>\$ 447,850</b>	<b>\$ 489,308</b>	<b>\$ 265,588</b>	<b>\$ 29,463</b>	<b>\$ 2,867,277</b>	<b>\$ 2,857,082</b>	<b>\$ 2,876,517</b>	<b>\$ 1,530,402</b>	<b>\$ 1,288,892</b>	<b>\$ 3,542,846</b>	<b>\$ 3,304,933</b>	<b>\$ 3,365,825</b>	<b>\$ 1,795,990</b>	<b>\$ 1,318,354</b>

# Other Funds

# Special Revenue Funds

## City of Winters Estimated Fund Balances for Special Revenues Funds

City of Winters  
Estimated Fund Balances for Special Revenue Funds

Fund	Estimated Fund Balance 7/1/2010	Budgeted Revenues 2010/2011	Budgeted Expenditures 2010/2011	Budgeted Transfers 2010/2011	Estimated Fund Balance 6/30/2011	Budgeted Revenues 2010/2011	Budgeted Expenditures 2011/2012	Budgeted Transfers 2011/2012	Estimated Fund Balance 6/30/2012
Fire Protection Grant	\$ 1,906	\$ -	\$ 500		\$ 1,406	\$ -	\$ 750		\$ 656
City Wide Assessment	(22,577)	189,173	235,173	46,000	(22,577)	195,278	236,335	41,057	(22,576)
First Time Homebuyer in Lieu	85,000	-			85,000	-			85,000
Flood Assessment District	3,854	416			4,270	416			4,686
Gas Tax Fund	60,093	119,383	112,562		66,914	119,383	113,269		73,028
PERS Trust Fund	249	-			249	-			249
State COPS 1913	(73,736)	100,000	86,767		(60,504)	100,000	89,871		(50,375)
COPS MORE Grant	(0)	-			(0)	-			(0)
Traffic Safety Fund	208,207	10,500			218,707	10,500			229,207
Asset Forfeiture	13,574	300			13,874	300			14,174
Vehicle Theft Deterrent	1,000	250			1,250	250			1,500
Traffic Congestion Relief	17,015	70,226	35,000		52,241	70,226			122,467
Safe Routes to School	-	-			-	-			-
Prop 1B	(496,268)	-			(496,268)	-			(496,268)
Grant Ave Widening	(13,138)	-	70,000		(83,138)	-			(83,138)
Putah Creek Car Bridge	-	1,372,950	1,372,950		-	-			-
2000 Bond Park Grant	145	-			145	-			145
North Bank Improvements	153,864	1,261,332	1,261,332		153,864	-			153,864
Recycling Grant	4,727	5,050	5,000		4,777	5,050	5,000		4,827
Transportation/Bus Service	493,537	221,777	281,171		434,143	217,341	130,810		520,675
Workforce Housing Grant	16,804	-			16,804	-			16,804
After School Program	19,378	141,670	141,667		19,381	141,670	141,667		19,384
PTA Grant	32,962	-			32,962	-			32,962
STBG 700 Grant	518	-			518	-			518
STBG 96-1043 Grant	(25,410)	8,724		(8,724)	(25,410)	8,724		(8,724)	(25,410)
EDBG 99-688 Grant	(12,200)	-			(12,200)	-			(12,200)
EDBG 99-405 Grant	(0)	16,168		(16,168)	(0)	16,168		(16,168)	(0)
Housing Rehab RLF	323,762	6,048		649	330,459	6,048		649	337,156
First Time Homebuyer RLF	27,827	-			27,827	-			27,827
Small Business RLF	99,620	1,838			101,458	1,838			103,296
Home Fund RLF	74,136	-			74,136	-			74,136
Winters Library	235,835	500	25,000		211,335	500	25,000		186,835
Winters Swim Team	109,913	71,250	54,374		126,789	71,250	54,374		143,665
Masters	283	3,000	3,000		283	3,000	3,000		283
Festival	725	6,400	6,400		725	6,400	6,400		725
<b>Totals</b>	<b>\$ 1,341,605</b>	<b>\$ 3,606,955</b>	<b>\$ 3,690,897</b>	<b>\$ 21,757</b>	<b>\$ 1,279,420</b>	<b>\$ 974,342</b>	<b>\$ 806,476</b>	<b>\$ 16,814</b>	<b>\$ 1,464,101</b>

## Other Funds

### Capital Project Funds

The Capital Project Funds are used to account for financial resources used to acquire or construct major capital facilities for the City of Winters. The City of Winters has three (3) types of Capital Project Funds, Impact Fee Funds, and Winters Community Development Agency Funds.

### Impact Fee Funds

Impact fees are collected at the issuance of building permits based on the "City of Winters Public Facilities Development Impact Fee Nexus Study", also called our AB 1600 document. AB 1600 legislation, as codified by California Government Code Section 66000 etc. seq. sets forth the procedural requirements for establishing and collecting development impact fees. This study provided the nexus for collecting the fee, and was last updated in March 2003. These fees must be accounted for separately. The funds used to account for these funds are as follows:

- Street Impact Fee Fund
- Storm Drain Impact Fee Fund
- Parks Impact Fee Fund
- Police Impact Fee Fund
- Fire Impact Fee Fund
- General Facilities Impact Fee Fund
- Water Impact Fee Fund
- Sewer Impact Fee Fund
- Monitoring Fee

Budget Assumptions: Revenues for the above funds were calculated as follows:

- Street, Storm, Parks, Water, Sewer, Police, Fire, General Facilities and Monitoring Fee impact were calculated based on the estimated building permits to be issued for new construction for the 2010/2011 and 2011/2012 budget years.

## Other Funds

### Capital Project Funds

Below is a schedule of the fees anticipated to be collected based on the issuance of permits for one (1) new multi-family development, one (1) new church and one (1) commercial project for 2010-2011. Permits anticipated in 2011-2012 are for 2 new commercial projects.

Projected Impact Fee Revenues		
	2010-2011	2011-2012
Water Impact Fee	\$ 110,452	\$ 55,974
Sewer Impact Fee	213,746	108,145
General Storm Drain Fee	1,728	98,788
Street Impact Fee	155,858	152,163
Police Impact Fee	71,542	27,172
Fire Impact Fee	69,086	55,974
Park Impact Fee	98,568	-
Monitoring Impact Fee	88,744	34,780
General Impact Fee	102,318	101,080
	<u>\$ 912,042</u>	<u>\$ 634,076</u>

Projects are proposed for the various impact fee funds totaling \$524,240 for 2010-2011 and are detailed below:

- Putah Creek Car Bridge
- Putah Creek North Bank Improvements.

Projects are proposed for 2011-2012 for the impact fee fund total \$196,596 for the Putah Creek Car Bridge.

Specific project information for these projects can be found in the Capital Improvement Section of this budget. The budgeted amounts are estimates, budget adjustments will be requested as each project is approved by the City Council and bids are received and accepted.

### Winters Community Development Agency Funds

The City of Winters redevelopment agency is known as the "City of Winters Community Development Agency". Funding for redevelopment is derived from tax increment and is used to develop and revitalize a designated area within the City of Winters known as the "Project Area"

## Other Funds

### Capital Project Funds

The City Council sits as the Board of Directors of the City of Winters Community Development Agency, the City Manager is the Executive Director, the City Clerk is the Secretary, and the City Director of Financial Management is the Finance Officer for the agency.

The City of Winters Community Development Agency receives tax increment, 20% of which goes to the Community Development Agency LIH Tax Increment Fund discussed in the Special Revenues section of this budget, and the balance goes to the Community Development Agency Tax Increment Fund.

Budget Assumptions: We project a 10.07% decrease in property tax increment 2010/2011 based on information received from the Yolo County Assessor and Yolo County Auditor Office regarding the decrease in the assessed value of property within the Redevelopment Project Area. Based on discussions with the Yolo County Assessor office, staff projects that revenues will increase by 1% in the 2011/2012 fiscal year.

The tax increment received by the Community Development Tax Increment fund for 2002/2003 through 2011/2012 is shown in the table below.

Community Development Tax Increment		
Fiscal Year	Tax Increment	Increase over prior year
02/03 Actual	578,311	32%
03/04 Actual	1,003,150	73%
04/05 Actual	1,175,583	17%
05/06 Actual	1,320,390	12%
06/07 Actual	1,680,633	27%
07/08 Actual	1,482,671	-12%
08/09 Actual	1,610,946	9%
09/10 Estimate	1,524,769	-5%
10/11 Budget	1,371,225	-10%
11/12 Budget	1,384,937	1%

## Other Funds

### Capital Project Funds

Expenditures from the Community Development Tax Increment Fund may be for projects and activities that develop and revitalize, or eliminate blight, in the project area. Expenditures can also be for the payment of Debt Service on Tax Increment bonds issued by the Community Development Agency.

The Community Development Agency employs one Housing Manager and a part-time intern. All other staff is provided by the City of Winters and therefore costs are allocated to the Community Development Agency from the City of Winters Cost Allocation Plan.

The Community Development Agency staff is currently developing projects with estimated funding included in the budget. As projects are presented to the Board of Directors for approval, budget adjustments will be submitted for approval on a project-by-project basis.

	Community Development Agency Fund							
	Actual 2004-2005	Actual 2005-2006	Actual 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimated 2009-2010	Budget 2010-2011	Budget 2011-2012
Personnel Cost	\$ 121,289	\$ 38,971	\$ 84,229	\$ 135,453	\$ 89,152	\$ 68,929	\$ 85,874	\$ 85,874
Allocated Cost	86,579	113,862	129,582	160,524	175,919	177,026	177,716	179,772
Supplies and Material	459	268	179	354	199	248	-	-
Other Operating Expe	148,728	216,839	864,256	212,000	463,330	1,029,054	234,317	58,009
Pass Through	277,227	335,728	311,472	363,024	360,476	314,218	346,701	344,090
Debt Service	382,408	343,483	344,434	662,386	785,274	941,986	947,153	1,110,822
Capital Projects	-	5,066	38,750	150,712	1,313,655	640,493	-	-
<b>Total Expenditures</b>	<b>\$1,016,690</b>	<b>\$1,054,217</b>	<b>\$1,772,901</b>	<b>\$1,684,452</b>	<b>\$ 3,188,004</b>	<b>\$ 3,171,954</b>	<b>\$1,791,761</b>	<b>\$ 1,778,567</b>

### Community Development Project Area Fund

This fund is used to account for non-housing proceeds of the 2004 and 2007 Tax Allocation bonds.

# Other Funds

## Capital Project Funds

### Budget Assumptions:

No additional bonds are anticipated in the 2008-2009 budget year; therefore, the only revenues are the interest on the bond proceeds that are invested in the Local Agency Investment Fund (LAIF).

Projects are proposed for the Community Development Project Area in the amount of \$7,498,951 and are detailed below:

- Downtown Streetscape Project Phase II
- New Police/Fire Station
- Façade Improvement Grants
- Various potential property acquisitions.

Specific project information for these items can be found in the Capital Improvement Plan Section of this budget.

The budgeted amounts are estimates, and budget adjustments will be requested at the time the projects are approved by the Board of Directors and contracts are issued to carry out the projects.

### Community Development Agency-Capital Project Funds 2008-2012 Summary of Estimated Revenues, Expenditures and Changes in Fund Balance

(For Budgetary Purposes Only)

	Community Development Agency					Capital Projects Funds					Total Community Development Capital Project Funds				
	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	2012 Budget
<b>Financial Sources:</b>															
Property Taxes	\$ 1,482,671	1,610,946	1,524,769	1,371,225	1,384,937	\$ -	-	-	-	-	\$ 1,482,671	\$ 1,610,946	\$ 1,524,769	\$ 1,371,225	\$ 1,384,937
Interest	99,297	41,721	5,000	-	-	465,485	223,650	64,513	22,000	8,900	564,782	265,371	69,513	22,000	8,900
Bond Proceeds	-	-	-	-	-	0	-	-	-	-	-	-	-	-	-
Bond Premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	5,500	14,955	35,675	35,675	32,700	-	63,222	-	-	-	5,500	78,177	35,675	35,675	32,700
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Estimated Financial Sources</b>	<b>\$ 1,587,468</b>	<b>\$ 1,667,622</b>	<b>\$ 1,565,444</b>	<b>\$ 1,406,900</b>	<b>\$ 1,417,637</b>	<b>\$ 465,485</b>	<b>\$ 286,872</b>	<b>\$ 64,513</b>	<b>\$ 22,000</b>	<b>\$ 8,900</b>	<b>\$ 2,052,953</b>	<b>\$ 1,954,494</b>	<b>\$ 1,629,957</b>	<b>\$ 1,428,900</b>	<b>\$ 1,426,537</b>
<b>Expenditures:</b>															
Personnel Cost	\$ 135,453	\$ 89,152	\$ 68,929	\$ 85,874	\$ 85,874	\$ -	-	-	-	-	\$ 135,453	\$ 89,152	\$ 68,929	\$ 85,874	\$ 85,874
Allocated Cost	160,524	175,919	177,026	177,716	179,772	-	-	-	-	-	160,524	175,919	177,026	177,716	179,772
Supplies and Material	354	199	248	-	-	800	-	-	-	-	1,154	199	248	-	-
Other Operating Expenses	212,000	463,330	1,029,054	234,317	58,009	395,797	92,189	-	-	-	607,797	555,518	1,029,054	234,317	58,009
Pass through	363,024	360,476	314,218	346,701	344,090	-	-	-	-	-	363,024	360,476	314,218	346,701	344,090
Cost of Issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service	662,386	785,274	941,986	947,153	1,110,822	-	-	-	-	-	662,386	785,274	941,986	947,153	1,110,822
Capital Projects	150,712	1,313,635	640,493	-	-	95,411	1,599,721	589,500	7,563,402	1,354,834	246,123	2,913,376	1,229,993	7,563,402	1,354,834
<b>Total Budget</b>	<b>\$ 1,684,453</b>	<b>\$ 3,188,004</b>	<b>\$ 3,171,954</b>	<b>\$ 1,791,761</b>	<b>\$ 1,778,567</b>	<b>\$ 492,008</b>	<b>\$ 1,691,909</b>	<b>\$ 589,500</b>	<b>\$ 7,563,402</b>	<b>\$ 1,354,834</b>	<b>\$ 2,176,461</b>	<b>\$ 4,879,913</b>	<b>\$ 3,761,453</b>	<b>\$ 9,355,163</b>	<b>\$ 3,133,401</b>
<b>Net Increase(decrease)</b>															
In Fund Balance	\$ (96,985)	\$ (1,520,382)	\$ (1,606,510)	\$ (384,861)	\$ (380,930)	\$ (26,523)	\$ (1,405,037)	\$ (524,987)	\$ (7,541,402)	\$ (1,345,934)	(123,508)	(2,925,419)	(2,131,497)	(7,926,263)	(1,706,864)
Transfer In	131,599	8,683	810,845	30,663	30,663	-	-	-	-	-	131,599	8,683	810,845	30,663	30,663
Transfer Out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Fund Balance July 1</b>	<b>2,848,476</b>	<b>2,883,090</b>	<b>1,371,392</b>	<b>575,727</b>	<b>221,529</b>	<b>10,843,883</b>	<b>10,817,360</b>	<b>9,412,323</b>	<b>8,887,336</b>	<b>1,345,934</b>	<b>13,692,359</b>	<b>13,700,450</b>	<b>10,783,714</b>	<b>9,463,063</b>	<b>1,567,463</b>
<b>Fund Balance June 30</b>	<b>\$ 2,883,090</b>	<b>\$ 1,371,392</b>	<b>\$ 575,727</b>	<b>\$ 221,529</b>	<b>\$ (108,738)</b>	<b>\$ 10,817,360</b>	<b>\$ 9,412,323</b>	<b>\$ 8,887,336</b>	<b>\$ 1,345,934</b>	<b>\$ (0)</b>	<b>\$ 13,700,450</b>	<b>\$ 10,783,714</b>	<b>\$ 9,463,063</b>	<b>\$ 1,567,463</b>	<b>\$ (108,738)</b>

## Other Funds

### Capital Project Funds

#### Other Sources of Capital

Other sources of capital are:

- from a transfer of accumulated fund balance to a capital fund to be used to replace capital assets
- from the sale of property or equipment from which policy dictates the proceeds should be placed in a capital fund to provide for the replacement or maintenance of capital assets
- from donation or payment received from other sources, such as capital received as part of a development agreement.

The following capital funds receive revenue from these other sources and are included on the Estimated Fund Balance Schedule that follows:

- General Fund Capital
- Landfill Capital
- Park Capital
- Equipment Replacement Fund
- 1992 General Plan Update
- Flood Control Capital
- Rancho Arroyo Storm Drain Capital
- Capital Asset Replacement Fund
- Street Capital
- Water Revenue Bonds
- Sewer Revenue Bonds

Budget Assumptions: Transfers are expected for the Equipment Replacement Fund and the 1992 General plan update based on the financial policies of the City of Winters. The rest of the funds budgeted revenues are for interest received as a result of the funds invested in LAIF.

## Other Funds

### Capital Project Funds

Expenditures are budgeted for the Landfill Capital Fund for the cost of monitoring the test wells installed at the closed landfill once all reports are obtained indicating that the site is usable. The remaining funds will be used to convert the site to a Community Park containing soccer and Little League facilities.

The Water Bond and Sewer Bond funds were established in 2007/2008 with the issuance of Water and Sewer Revenue Bonds. Projects have been identified and are in the design phase for the expenditure of these funds. Projects include:

- Reroute Well Water Discharge from surface to Storm Drain.
- Upgrades to East Street Pump Station
- Upgrades to El Rio Villa Pump Station
- Upgrades to Walnut Lane Pump Station
- Replace Control Panel at Waste Water Treatment Facility
- Install SCADA System
- Replace Water Infrastructure
- Extend Water Infrastructure along Grant Avenue
- Replace Sewer Infrastructure
- Extend Sewer Infrastructure along Grant Avenue

# Other Funds

# Capital Project Funds

City of Winters Estimated Fund Balances for Capital Funds									
Fund	Estimated Fund Balance 7/1/2010	Budgeted Revenues 2010-2011	Budgeted Expenditures 2010-2011	Budgeted Transfers 2010-2011	Estimated Fund Balance 6/30/2011	Budgeted Revenues 2011-2012	Budgeted Expenditures 2011-2012	Budgeted Transfers 2011-2012	Estimated Fund Balance 6/30/2012
Street Impact Fee	\$ 1,570,049	\$155,858	\$ 47,192		\$1,678,715	\$152,163	\$ 196,596		\$1,634,282
Storm Impact Fee	181,736	1,728	-		183,464	98,788	-		282,252
Parks Impact Fee	975,583	98,568	447,228		626,923	-	-		626,923
Police Impact Fee	295,844	71,542	-		367,386	27,172	-		394,558
Fire Impact Fee	89,919	69,086	-		159,005	55,974	-		214,979
General Facility Impact Fee	357,238	102,318	-		459,556	101,080	-		560,636
Water Impact Fee	694,443	110,453	-		804,896	55,976	-		860,872
Sewer Impact Fee	104,796	213,746	-		318,542	108,145	-		426,687
General Fund Capital	552,135	-	-		552,135	-	-		552,135
Landfill Capital	237,660	1,144	10,800		228,004	1,144	10,800		218,348
Park Capital	78,990	390	-		79,380	390	-		79,770
Capital Equipment Replacement	389,108	2,000	-		391,108	2,000	-		393,108
Service Reserve Fund	510,692	5,000	5,000	-	510,692	5,000	500	-	515,192
General Plan Capital	(487,519)	-	-	88,744	(398,775)	-	-	34,780	(363,995)
Flood Control Capital	(123,704)	-	-		(123,704)	-	-		(123,704)
RAJA Storm Drain	28,877	-	-		28,877	-	-		28,877
Capital Asset Recovery Fund	35,594	500	-		36,094	300	-		36,394
Monitoring Fee	88,391	88,744	-	-	177,135	34,780	-	-	211,915
Non Flood Storm Drain Capital	234	-	-		234	-	-		234
2007 Water Revenue Bonds	2,730,385		1,208,808		1,521,577		-		1,521,577
2007 Sewer Revenue Bonds	3,233,386		2,208,070		1,025,316		-		1,025,316
<b>Totals</b>	<b>\$11,543,837</b>	<b>\$921,077</b>	<b>\$3,927,098</b>	<b>\$ 88,744</b>	<b>\$8,626,560</b>	<b>\$642,912</b>	<b>\$ 207,896</b>	<b>\$ 34,780</b>	<b>\$9,096,356</b>

## Other Funds

### Enterprise Funds

The City operates two Enterprise type funds, the Water Fund and the Sewer Fund.

- The Water Fund is used to account for revenues and expenditures related to providing water service to the residents and businesses of the City.
- The Sewer Fund is used to account for revenues and expenditures related to providing sewer service to the residents and businesses of the City

### Water Enterprise Fund

The City of Winters fiscal policies require an un-appropriated un-reserved fund balance of 50% annual expenditures. The projected fund balance reserve for 2010-2011 is as follows:

Estimated Water fund Balance 6/30/10	\$	1,172,398
Cash Reserve \$946,390 X 50%		473,195
Un-appropriated, unreserved Fund Balance 6/30/11	\$	<u>699,203</u>

The projected fund balance reserve for 2011-2012 is as follows:

Estimated Water fund Balance 6/30/11		1,264,067
Cash Reserve \$1,096,270 X 50%		548,135
Un-appropriated, unreserved Fund Balance 6/30/11	\$	<u>715,931</u>

## Other Funds

## Enterprise Funds

The following chart shows the 2007/2008 and 2008/2009 actual income and expenses, the 2009/2010 estimated income and expenses and the 2010/2011 and 2011-2012 budgeted income and expenditures.

City of Winters Water Enterprise Fund									
	2008 Actual	2009 Actual	2010 Estimate	2011 Budget	Change from Prior Year		2011 Budget	Change from Prior Year	
					In \$	In %		In \$	In %
<b>Operating Revenues</b>									
Charges for Services	\$ 902,538	\$ 919,554	\$ 1,004,883	\$ 1,002,207	\$ (2,676)	0%	\$ 1,022,251	\$ 20,044	2%
Other Revenues	17,352	31,042	27,862	24,350	(3,512)	-13%	24,350	0	0%
<b>Total Operating Revenues</b>	<b>\$ 919,890</b>	<b>\$ 950,596</b>	<b>\$ 1,032,745</b>	<b>\$ 1,026,557</b>	<b>\$ (6,188)</b>	<b>-1%</b>	<b>\$ 1,046,601</b>	<b>\$ 20,044</b>	<b>2%</b>
<b>Operating Expenses</b>									
Allocated Cost	\$ 312,116	\$ 340,692	\$ 347,632	\$ 367,294	\$ 19,662	6%	\$ 371,206	\$ 3,912	1%
Salaries and Benefits	122,217	103,408	140,774	217,401	76,627	54%	217,401	-	0%
Contractual Services	-	-	-	2,000	2,000		2,000	-	0%
Professional Services	46,206	36,277	12,500	22,575	10,075	81%	22,575	-	0%
Supplies and Material	12,884	10,045	15,266	20,300	5,034	33%	20,300	-	0%
Utilities	145,450	139,621	118,740	-	(118,740)	-100%	-	-	
Other Operating Expenses	45,412	50,796	72,429	130,000	57,571	79%	130,000	-	0%
Depreciation	21,296	21,068	-	-	-		-	-	
Capital Projects	143,552	22,043	-	175,318	175,318		321,286	145,968	83%
<b>Total Operating Expenses</b>	<b>\$ 849,133</b>	<b>\$ 723,951</b>	<b>\$ 707,341</b>	<b>\$ 934,888</b>	<b>\$ 227,548</b>	<b>32%</b>	<b>\$ 1,084,768</b>	<b>\$ 149,880</b>	<b>16%</b>
<b>Operating Income (Loss)</b>	<b>\$ 70,757</b>	<b>\$ 226,645</b>	<b>\$ 325,404</b>	<b>\$ 91,669</b>	<b>\$ (233,736)</b>	<b>-72%</b>	<b>\$ (38,167)</b>	<b>\$ (129,836)</b>	<b>-142%</b>
<b>Non Operating Revenues(Expenses)</b>									
Income(Loss) before Operating	70,757	226,645	325,404	91,669	(233,736)	-72%	(38,167)	(129,836)	-142%
Operating Transfers In	273,504	-	11,502	11,502	-	0%	11,502	-	0%
Operating Transfers Out	(126,928)	(122,076)	(11,502)	(11,502)	-	0%	(11,502)	-	0%
<b>Net Income(Loss)</b>	<b>\$ 217,333</b>	<b>\$ 104,569</b>	<b>\$ 325,404</b>	<b>\$ 91,669</b>	<b>\$ (233,736)</b>	<b>0%</b>	<b>\$ (38,167)</b>	<b>(129,836)</b>	<b>-142%</b>
Retained Earnings July 1 Adjustments	525,091	742,424	846,993	\$ 1,172,397	\$ 325,404	38%	\$ 1,264,066	\$ 91,669	8%
<b>Retained Earnings June 30</b>	<b>\$ 742,424</b>	<b>\$ 846,993</b>	<b>\$ 1,172,397</b>	<b>\$ 1,264,066</b>	<b>\$ 91,669</b>	<b>8%</b>	<b>\$ 1,225,899</b>	<b>\$ (38,167)</b>	<b>-3%</b>

## Other Funds

### Enterprise Funds Sewer Enterprise Fund

The Sewer Enterprise Fund reserve policy requires an un-appropriated, unreserved fund balance of 50% of annual expenditures. The projected fund balance reserve for 2010/2011 is as follows:

The projected fund balance reserve for 2010/2011 is as follows:

Estimated Sewer fund Balance 6/30/10	\$	3,263,860
Cash Reserve \$1,223,840 X 50%		611,920
Un-appropriated, unreserved Fund Balance 6/30/11	\$	<u>2,651,940</u>

The following chart shows the actual revenues and expenses for 2007/2008 and 2008/2009, estimated revenues and expenses for 2009/2010 and budgeted revenues and expenses for 2009/2010 and 2011/2012.

Estimated Sewer fund Balance 6/30/11	\$	3,358,590
Cash Reserve \$1,213,043 X 50%		606,522
Un-appropriated, unreserved Fund Balance 6/30/12	\$	<u>2,752,068</u>

# Other Funds

# Enterprise Funds

City of Winters Sewer Enterprise Fund									
	2008 Actual	2009 Estimated	2010 Budget	2011 Budget	Change from Prior Year		2011 Budget	Change from Prior Year	
					In \$	In %		In \$	In %
<b>Operating Revenues</b>									
Charges for Services	\$1,011,084	\$1,048,742	\$1,209,074	\$1,313,570	\$ (1,554)	9%	\$1,458,063	\$ 144,493	11%
Other Revenues	3,104	\$ 51,520	\$ 6,554	5,000	102,942	-24%	5,000	-	0%
<b>Total Operating Revenues</b>	<b>\$1,014,188</b>	<b>\$1,100,261</b>	<b>\$1,215,628</b>	<b>\$1,318,570</b>	<b>\$101,388</b>	<b>8%</b>	<b>\$1,463,063</b>	<b>\$ 144,493</b>	<b>11%</b>
<b>Operating Expenses</b>									
Allocated Cost	\$ 245,679	\$ 260,798	\$ 261,433	\$ 275,240	\$ 13,808	5%	\$ 278,030	\$ 2,789	1%
Contractual Services	298,894	305,126	325,188	335,916	10,728	3%	337,016	1,100	0%
Professional Services	77,703	59,720	15,976	34,000	18,024	113%	34,000	-	0%
Supplies and Material	6,417	728	5,500	23,000	17,500	318%	23,000	-	0%
Utilities	83,567	77,011	112,271	100,000	(12,271)	-11%	100,000	-	0%
Other Operating Expenses	202,885	87,023	46,461	301,789	255,328	550%	380,997	79,209	26%
Depreciation	39,677	38,222	-	-	-	-	-	-	-
Capital Projects	181,636	1,010	-	153,895	153,895	-	60,000	(93,895)	-61%
<b>Total Operating Expenses</b>	<b>\$1,136,458</b>	<b>\$ 829,639</b>	<b>\$ 766,828</b>	<b>\$1,223,840</b>	<b>457,012</b>	<b>60%</b>	<b>\$1,213,043</b>	<b>(10,797)</b>	<b>-1%</b>
<b>Operating Income (Loss)</b>	<b>\$ (122,270)</b>	<b>\$ 270,623</b>	<b>\$ 448,800</b>	<b>\$ 94,730</b>	<b>\$101,388</b>	<b>-79%</b>	<b>\$ 250,020</b>	<b>\$ 155,289</b>	<b>164%</b>
<b>Non Operating Revenues(Expenses)</b>									
<b>Income(Loss) before Operating</b>	<b>\$ (122,270)</b>	<b>\$ 270,623</b>	<b>\$ 448,800</b>	<b>94,730</b>	<b>101,388</b>	<b>-79%</b>	<b>250,020</b>	<b>155,289</b>	<b>164%</b>
Operating Transfers In	58,857	-	-	-	-	0%	-	-	-
Operating Transfers Out	-	-	-	-	-	0%	-	-	-
<b>Net Income(Loss)</b>	<b>\$ (63,413)</b>	<b>\$ 270,623</b>	<b>\$ 448,800</b>	<b>\$ 94,730</b>	<b>\$101,388</b>	<b>0%</b>	<b>\$ 250,020</b>	<b>250,020</b>	<b>164%</b>
<b>Retained Earnings July 1</b>	<b>2,607,850</b>	<b>2,544,437</b>	<b>2,815,060</b>	<b>\$3,263,860</b>	<b>\$ -</b>	<b>16%</b>	<b>\$3,358,590</b>	<b>\$3,358,590</b>	<b>3%</b>
Adjustments	-	-	-	-	-	-	-	-	-
<b>Retained Earnings June 30</b>	<b>\$2,544,437</b>	<b>\$2,815,060</b>	<b>\$3,263,860</b>	<b>\$3,358,590</b>	<b>\$101,388</b>	<b>3%</b>	<b>\$3,608,609</b>	<b>\$3,608,609</b>	<b>7%</b>

## Other Funds

### Internal Service Fund

The City of Winters has one internal service fund, the Central Service Overhead fund.

### Central Service Overhead

The Central Service Overhead fund is used for expenditures that cannot be specifically charged to a particular fund or department, and therefore, are allocated to departments based on the City of Winters allocation plan. The following table has 2006/2007 and 2007/2008 actual expenditures and allocations, 2008/2009 estimated expenditures and allocations, and 2009/2010 budgeted expenditures and allocations.

Central Service Overhead	Central Service Overhead Expenditures				Change from Prior Year		Change from Prior Year		
	Actual 2007-2008	Actual 2008-2009	Estimated 2009-2010	Budgeted 2010-2011	In \$	In %	Budgeted 2010-2012	In \$	In %
Beginning Fund Balance	\$ (4,372)	\$ (4,372)	\$ 4,207	\$ 4,206	\$ (0)	0%	\$ 4,206	\$ (0)	(0)
Food and Water	2,331	2,562	2,200	3,000	800	36%	3,000	-	-
Computer (It) Services	60,785	68,236	69,000	75,800	6,800	10%	75,800	-	-
Computer Software	1,754	4,941	-	-	-	-	-	-	-
Printing	9,907	10,052	10,000	8,000	(2,000)	-20%	8,000	-	-
Equipment Repairs	1,567	5,365	3,400	4,500	1,100	32%	4,500	-	-
Repairs	673	1,431	1,600	3,000	1,400	88%	3,000	-	-
Supplies	2,849	2,228	2,700	2,500	(200)	-7%	2,500	-	-
Professional Services	22,898	28,459	31,297	27,304	(3,993)	-13%	27,304	-	-
Natural Gas	5,274	4,222	3,700	3,720	20	1%	3,720	-	-
Maintenance Supplies	2,772	3,407	2,351	2,900	549	23%	2,900	-	-
Postage and Mail	16,006	14,932	25,726	25,000	(726)	-3%	25,000	-	-
Auditing	16,184	11,950	25,400	25,400	-	0%	25,400	-	-
Legal Services		118,448	129,812	108,000	(21,812)	-17%	108,000	-	-
Fuel	51,312	38,857	35,000	40,000	5,000	14%	40,000	-	-
Telephone	32,280	28,223	28,000	28,788	788	3%	28,788	-	-
Office Supply	36,073	38,823	36,500	38,000	1,500	4%	38,000	-	-
Electricity	19,317	21,632	25,000	32,000	7,000	28%	32,000	-	-
Equipment Rental	33,352	32,923	35,000	41,830	6,830	20%	41,830	-	-
Insurance and Bonding	44,905	76,880	83,309	65,691	(17,618)	-21%	65,691	-	-
Office Equipment		450	-	-	-	-	-	-	-
City Memberships	-	115	130	130	-	0%	130	-	-
Permits	367	757	540	550	10	2%	550	-	-
Miscellaneous Fees	364	926	82	-	(82)	-100%	-	-	-
Staff Development	3,117	4,752	2,500	3,000	500	20%	3,000	-	-
Total Expenditures	\$364,088	\$520,569	\$553,248	\$539,113	\$(14,135)	-3%	\$539,113	-	-
Costs Allocated Out	(364,088)	(511,990)	(553,248)	(539,113)	14,135	-3%	(539,113)	-	-
Ending Fund Balance	\$ (4,372)	\$ 4,207	\$ 4,206	\$ 4,206	\$ (0)	0%	\$ 4,206	\$ (0)	(0)

## Other Funds

### Internal Service Fund

The following areas have increases for 2010-2011

- Food and Water
  - Computer (IT) Services
  - Equipment Repairs
  - Building Repairs
  - Natural Gas
  - Maintenance Supplies
  - Fuel
  - Telephone Service
  - Office Supplies
  - Electricity
- 
- Equipment Rental
  - Staff Development

Areas of significant decreases for 2010-2011 are:

- Legal Services
- Insurance and Bonding
- Miscellaneous Professional Services

### Debt Service Fund Group

The Debt Service Fund Group consists of General Debt Service and the City of Winters Community Development Agency Debt Service Fund.

The General Debt Service Fund currently is accumulating cash for estimated cash out of leave balances in the event of the retirement of a long-standing employee. The amount of the estimated leave balance is calculated at each year-end, and cash is deposited in this fund as a reserve. The fund receives only interest revenue throughout the year, and there is no other activity in this fund. Information on this fund is included in the Summary Financial Section of this budget.

The City of Winters Community Development Agency Debt Service fund was established in 2004/2005. This fund was established as a result of issuing the 2004 Tax Allocation Bonds. The only activity in this fund is for interest received on the amount of the bond reserve fund. This information is included in the Summary Financial Section of this budget.

## City Council

The City Council is comprised of five (5) elected individuals that are elected for a four (4) year term. The City Council is the policy making legislative body of the City of Winters. The City Council acts upon all legislative matters concerning the City, approving and adopting ordinances, resolutions and other matters requiring overall policy decisions and leadership. The City Council appoints the City Manager and the City Attorney as well as various commissions, boards and citizen advisory committees to ensure broad based citizen input into the City's affairs. In reaching policy decisions, the City Council reviews proposals designed to meet community needs and sustain demanded service levels; directs staff to initiate new programs to update existing services; determines the ability of the City to provide financing for the proposed budget; and oversees the financial condition of the city. The City Council also serves as the Board of Directors for the City of Winters Community Development Agency.

### *City Council Mission*

*To provide policy direction and oversight for the City of Winters; to serve as the elected representatives for the citizens of the City of Winters in guiding municipal operations and services.*

### **Long Term Objectives**

- Provide policy guidance in the development of resolutions, ordinances and fiscal initiatives.
- Allow for an inclusive municipal government, allowing for a diversity of issues and opinions when considering key policy decisions.

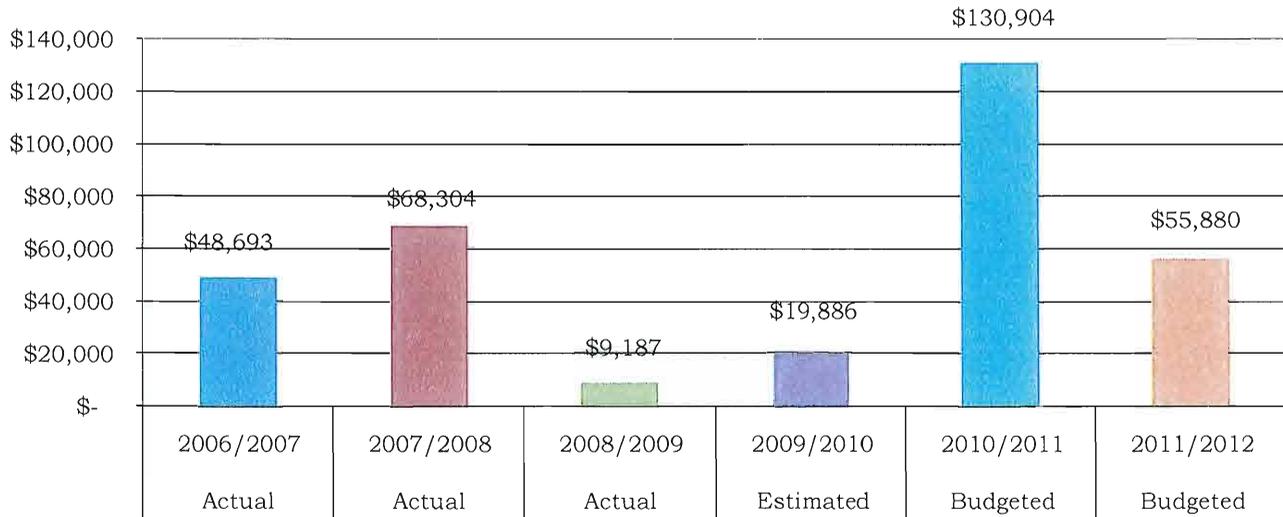
# City Council

The chart below shows the historical expenditures for the City Council as well as budgeted expenditures for 2010/2011 and 2011/2012, the graph below the chart illustrates expenditures for same time period.

City of Winters City Council Expenditures

	Actual 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Stipends	\$ 12,347	\$ 11,864	\$ 12,059	\$ 9,892	\$ 11,941	\$ 11,941
Operating Expenditures	36,346	56,440	(2,872)	9,994	23,963	23,939
Contingencies	-	-	-	-	95,000	20,000
<b>Total Expenditures</b>	<b>\$ 48,693</b>	<b>\$ 68,304</b>	<b>\$ 9,187</b>	<b>\$ 19,886</b>	<b>\$ 130,904</b>	<b>\$ 55,880</b>

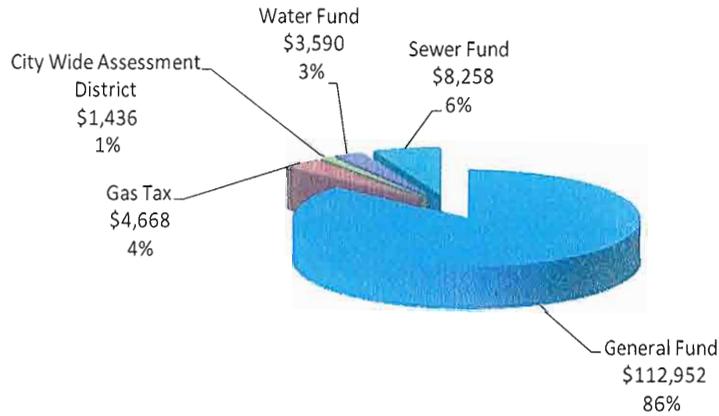
City Council Expenditures



# City Council

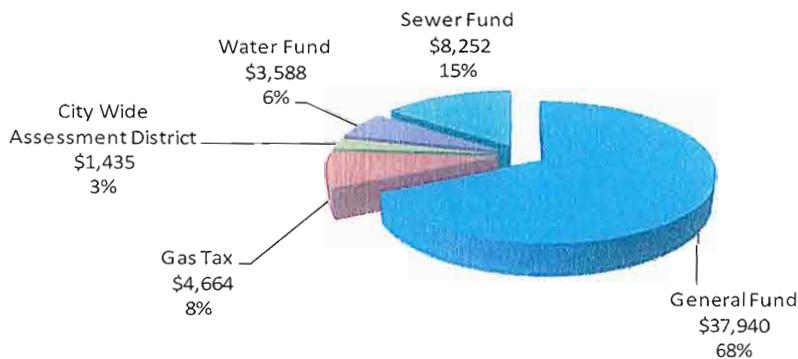
The sources of funding for 2010-2011 for the City Council are shown in the graph below.

### City Council Sources of Funding 2010-2011



The sources of funding for 2011-2012 for the City Council are shown in the graph below.

### City Council Sources of Funding 2011-2012



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# City Treasurer

The City Treasurer is an elected position for a four (4) year term. The Treasurer is responsible for all financial accounts of the City and these responsibilities are typically delegated to the Director of Financial Management. The Treasurer pays warrants signed by any two of the following:

- Treasurer
- City Manager
- City Clerk
- Council-member

## City Treasurer Mission

The mission of the City Treasurer is to effectively serve as the elected fiduciary for fiscal matters within the City of Winters.

### Long Term Objectives

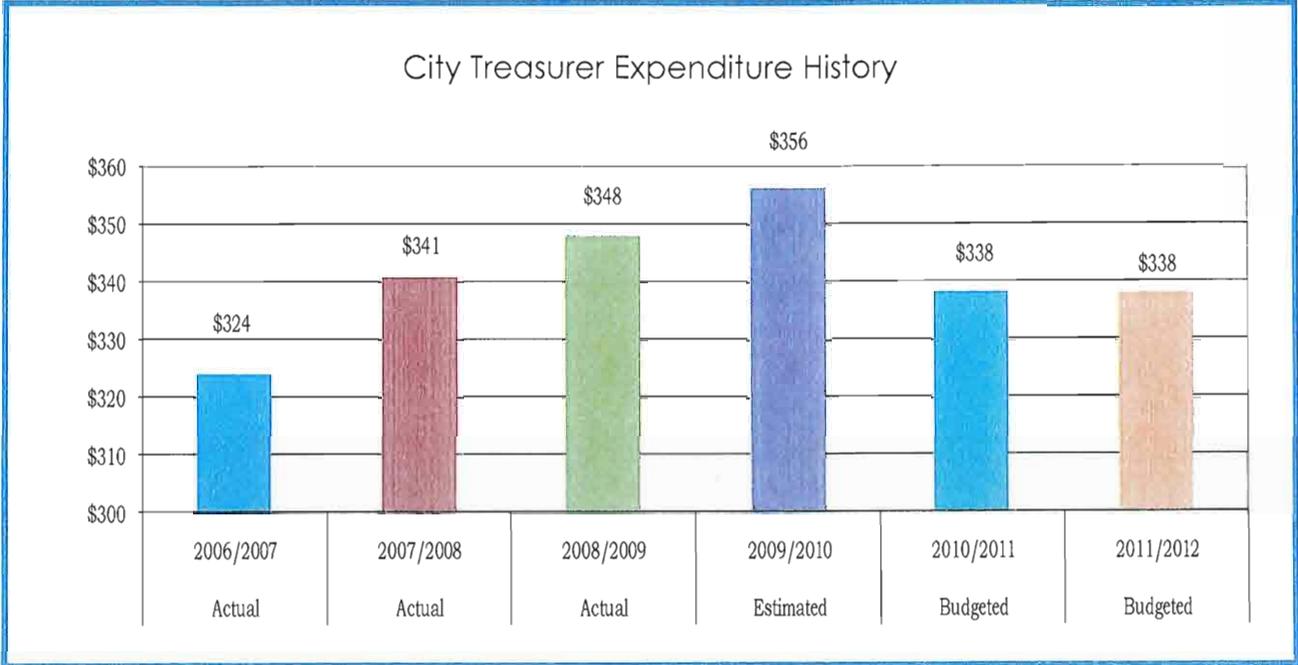
- Annual review of City Budgets and fiscal policies.
- Consideration of spending for conformance with adopted financial policies and procedures.

Below is a chart and graph showing historical expenditures of the City Treasurer Department.

### City of Winters City Treasurer Expenditures

	Actual 2006-2007	Actual 2007-2008	Estimated 2008-2009	Proposed 2009-2010	Proposed 2009-2010	Proposed 2009-2010
Stipends	\$ 324	\$ 341	\$ 348	\$ 356	\$ 338	\$ 338
Operating Expenditures						
Contingencies						
<b>Total Expenditures</b>	<b>\$ 324</b>	<b>\$ 341</b>	<b>\$ 348</b>	<b>\$ 356</b>	<b>\$ 338</b>	<b>\$ 338</b>

# City Treasurer



The City Treasurer Department is fully funded by the General Fund.

## City Clerk

The City Clerk is an elected position with a four (4) year term. The principal responsibility of the City Clerk is to attend all City Council meetings and record the minutes and actions of the City Council. The City Clerk is responsible for filing and safeguarding all City Ordinances, Resolutions, Minutes, Contracts and Agreements. The City Clerk is also responsible for assuring compliance with the Brown Act (Open Meeting Law). The City Clerk has no staff allocated to its budget; the City's Administrative Services Department fulfills all but the official acts of the City Clerk, such as signing all adopted Ordinances and Resolutions.

### City Clerk Mission

To ensure efficient, high quality customer service is provided to the community and ensure timely, accurate and responsive communications.

#### **2009/2010 Accomplishments**

- Continued enhancement of Records Management adding 5 additional years as well as contracts/Agreements

#### **Long-term Objectives**

- Add Additional years to the Archives
- Continued Enhancement of Records Management

The Chart below shows the historical and projected expenditures for the City Clerk Department.

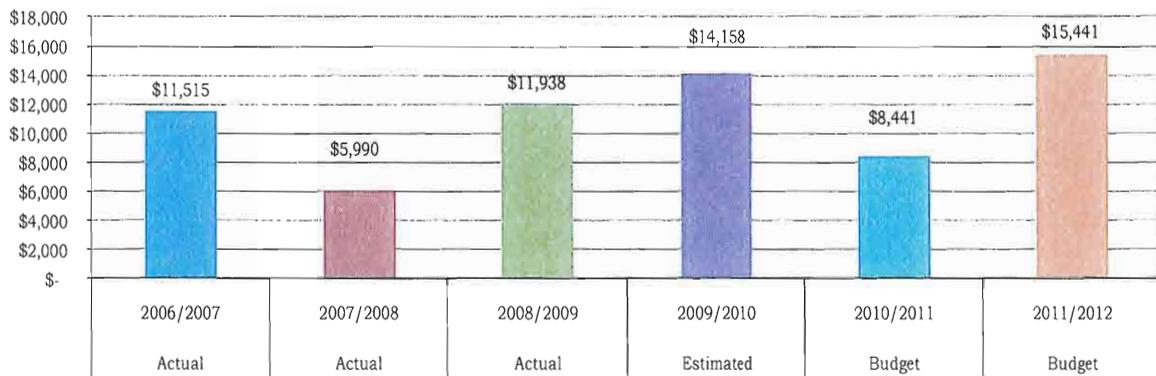
# City Clerk

## City of Winters City Clerk Expenditures

	Estimated 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Stipends	\$ 1,077	\$ 1,075	\$ 1,071	\$ 964	\$ 1,081	\$ 1,081
Operating Expenditures	5,466	197	4,233	6,001	351	7,351
Allocated Costs	4,972	4,718	6,634	7,192	7,008	7,008
<b>Total Expenditures</b>	<b>\$ 11,515</b>	<b>\$ 5,990</b>	<b>\$ 11,938</b>	<b>\$ 14,158</b>	<b>\$ 8,441</b>	<b>\$ 15,441</b>

The graph below shows the level of expenditures for the City Clerk Department over the years. The fluctuation in expenditures is generally due to the cost of elections every other year.

### City Clerk Expenditure History



The City Clerk has no staff assigned to it, and therefore, with the exception of fluctuations due to the cost of elections, its costs are fairly constant. The City Clerk stipend is set by the City Council and can only be increased or decreased by their actions. The City Clerk department is funded solely by the General Fund.

## City Manager

The City Manager is appointed by the City Council and is the Chief Administrative Officer of the City. The City Manager is responsible for providing support and advice to the City Council; offering leadership and policy support for departments; fostering community partnerships and inter-agency collaboration; connecting citizens with their community; providing legislative policy support; and guiding the City's continuing transformation to a highly customer focused team. The City Manager advises the City Council on the financial conditions of the City. The City Manager makes recommendations to the City Council on the affairs of the City, and advises the City Council on all legislative policy matters. The City Manager supervises all of the appointed department directors, except the City Attorney, who is appointed by the City Council. The City Manager is responsible for the efficient and effective operation of all City department programs and services.

### *City Manager Mission*

*The City Manager will provide effective policy recommendations to the City Council and leadership and guidance to the City of Winters organization in providing services to the Citizens of Winters.*

#### **2009/2010 Accomplishments**

- Maintained a positive relationship with the City Council, keeping them well informed and focusing on carrying out the policies the Council set forth.
- Under the policies set forth by the City Council, and in conjunction with the Finance Department, fiscal sustainability has been addressed with the City Council as a top priority.

## City Manager

- Negotiated the purchase of two properties on Railroad Avenue. These are critical properties for the implementation of the Downtown Master Plan located adjacent to Winters Fire Station #26 once the Fire Department has moved to the new station at the corner of Grant Avenue and East Main St.
- Completion of the Winters Community Library. The library is a joint effort by the three managing partners, the City of Winters, County of Yolo and Winters Joint Unified School District with support from the Winters Friends of the Library and the Margaret Parsons Trust.
- Begun Construction of the Public Safety Facility at the corner of Grant Avenue and East Main Street.
- Completed Construction of Well #7 and begun testing.
- Sewer and water infrastructure is continuing, with almost \$8 million in improvements.
- Continued outreach to the Latino community of Winters as evidenced by the translation of materials of public interest, a full time bi-lingual staff member and the continued support of the City of Winters Hispanic Advisory Committee and its activities.
- Expanded offerings at the Bobbie Greenwood pool.
- Maintenance of the After School Program.
- Development of a Winters Visitor Center.
- Construction of utilities (water and sewer lines) to the I-505 interchange in order to encourage economic development along the Grant Avenue corridor.
- Developed an Economic Development Program to attract new business opportunities to the City.
- Purchased commercial property on Grant Avenue and issued a request for proposals for the development of the property. The City is currently in exclusive negotiations with a developer for the development of the property.

## City Manager

### Long term Objectives

- Implement the policies established by the City Council and provide staff support to the Council.
- Maintain positive working relationship with the City Council with regular communication in a timely manner.
- Attract and maintain high performing city staff with an emphasis on community mindedness.
- Maintain the fiscal stability of the City with continued use of the 10 year fiscal forecast model.
- Revise and update Strategic Plan for the City of Winters.
- Public Safety retention of personnel and expansion of services.
- Continued expansion of community services with an emphasis on the expansion of programs for teens.
- Increased involvement of the Latino community through the activities of the Hispanic Advisory Committee.
- Consolidation with the Winters Fire District and the City of Winters.
- Facilitate the construction of Phase 2 of the Downtown Improvement Project.
- Continued focus on Green energy practices by the City and encouragement and education of citizens to use environmentally friendly methods.
- Continued assistance for first time and low income homebuyers and rehabilitation programs for Senior owned homes.
- Focus on Economic Development to provide recurring General Fund Revenues.
  
- The Grant Administrator will
  - act as a consultant to all departments; researching fund requests and grant opportunities.
  - actively seek funding through grants and other sources to enable the City of Winters to meet its goals as set forth the in the Strategic Action Plan.
  -

## City Manager

- Track other funding sources that are available to the city through allocation and legislation
- Administrate grants once obtained and provide Director of Financial Management with all required documentation.
- Act as support staff and liaison to the City Manager and City Council

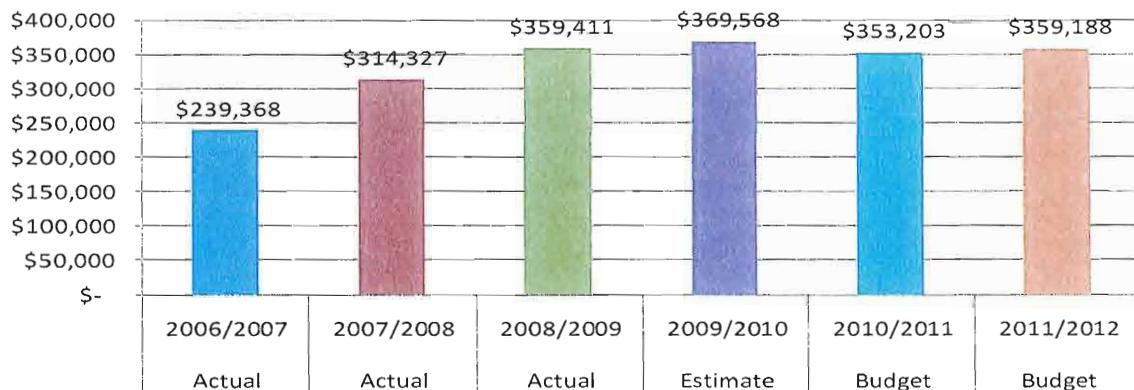
Below is a chart of historical expenditures for the City Manager Department as well as proposed expenditures for 2010/2011 and 2011/2012.

City of Winters City Management Expenditures

	Actual 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries and Benefits	\$ 223,343	\$ 302,915	\$ 349,246	\$ 363,656	\$ 344,795	\$ 350,791
Operating Expenditures	13,326	8,844	6,553	1,985	4,580	4,569
Capital	-	-	-	-	-	-
Allocated Costs	2,699	2,569	3,612	3,928	3,828	3,828
<b>Total Expenditures</b>	<b>\$ 239,368</b>	<b>\$ 314,327</b>	<b>\$ 359,411</b>	<b>\$ 369,568</b>	<b>\$ 353,203</b>	<b>\$ 359,188</b>

The graph below shows the historical and proposed expenditures of the City Manager Department.

City Manager Expenditure History

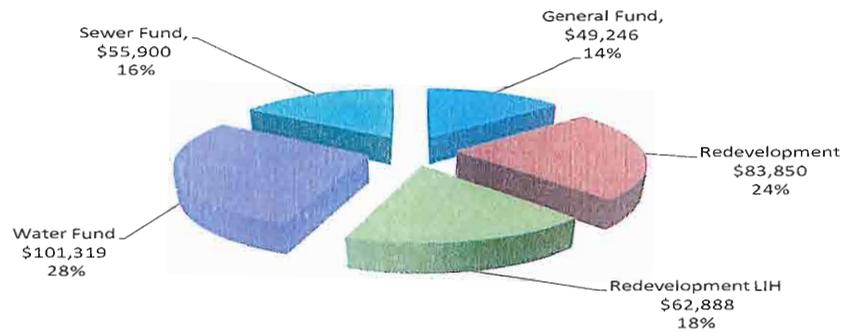


# City Manager

The City Manager Department budget has decreased expenditures for 2010/2011 due concessions from staff in the area of salaries and benefits. There is an increase in 2011/2012 due to the increase in the employer contributions to the CALPERS retirement system and health care related costs.

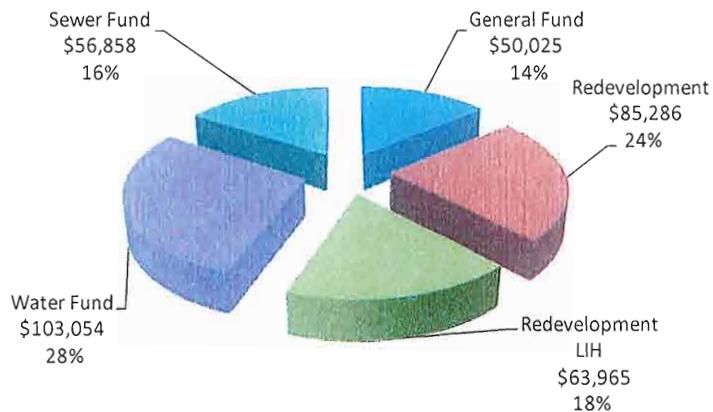
The City Manager Department oversees and contributes to the operation of many funds and departments. The source of funding for the department for 2010/2011 is shown in the graph below.

### City Manager Sources of Funding for 2010-2011



The source of funding for the City Manager Department for 2011/2012 is shown in the graph below

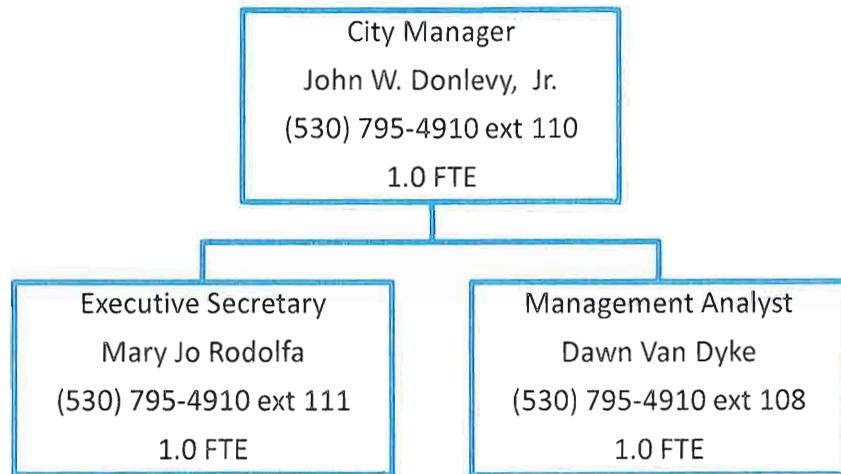
### City Manager Source of Funding for 2011-2012



# City Manager

## City Manager Department Organizational Chart

Staffing for the City Manager Department is shown in the Organizational chart below.



## Administrative Services

The Administrative Services Department has two main functions:

1. Administrative Services
2. Recreation (See separate department for recreation detail).

The principal purpose of the Administrative Services Department is to provide administrative support to all departments as needed, including:

- General management of Citywide records
- Human Resources
- Risk Management
- Central Purchasing
- Support for City Clerk

### *Administrative Services Mission*

*The Administrative Services Team is dedicated to providing the highest quality of customer service delivered with a sense of warmth, friendliness, timeliness and pride to both the community and employees.*

#### **2009/2010 Accomplishments**

- New Employee Handbooks
- Held Benefit Faire
- Employee Training

#### **Long term Objectives**

- Review and Revise Personnel Rules and Policies.
- Enhanced Employee Training

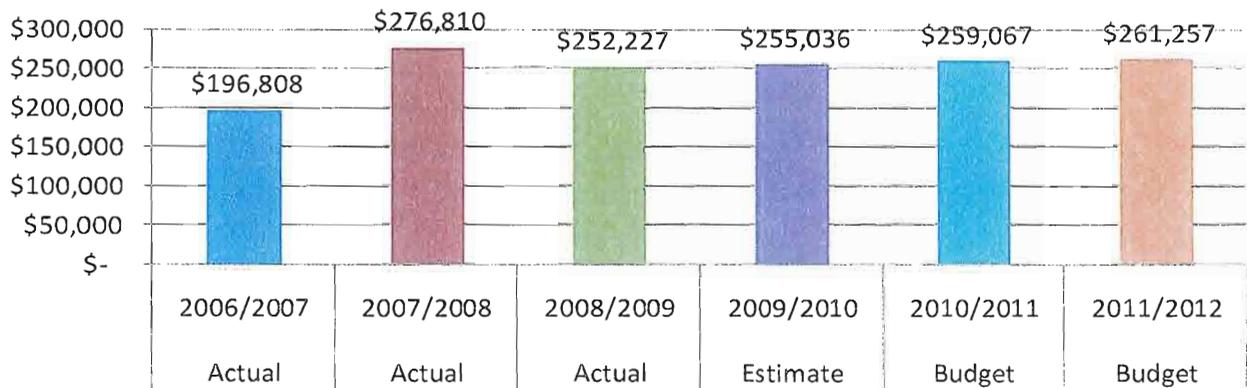
The chart and graph below show the historical expenditures for the Administrative Services Department as well as the proposed expenditures for 2010/2011 and 2011/2012.

## Administrative Services

### City of Winters Administrative Services Department Expenditures

	Actual 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries and Benefits	\$ 185,380	\$ 206,539	\$ 224,336	\$ 225,215	\$ 221,276	\$ 223,475
Operating Expenditures	11,428	53,403	4,171	4,206	12,830	12,821
Capital	-	-	-	-	-	-
Allocated Costs	57,147	16,868	23,720	25,615	24,961	24,961
<b>Total Expenditures</b>	<b>\$ 196,808</b>	<b>\$ 276,810</b>	<b>\$ 252,227</b>	<b>\$ 255,036</b>	<b>\$ 259,067</b>	<b>\$ 261,257</b>

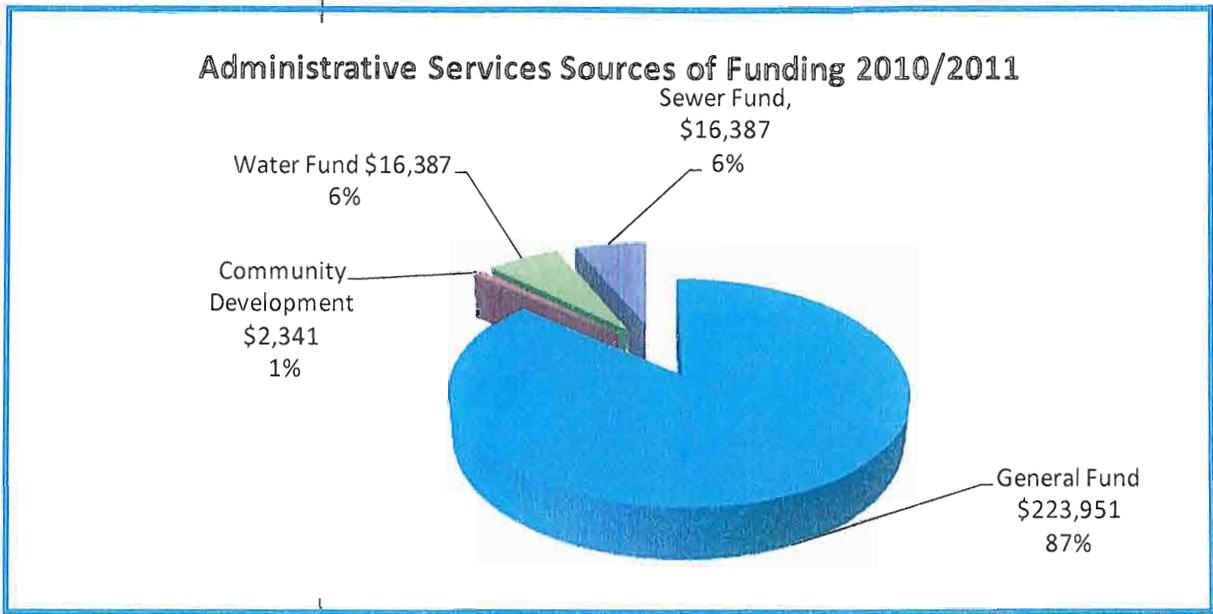
### Administration Services Department Expenditures



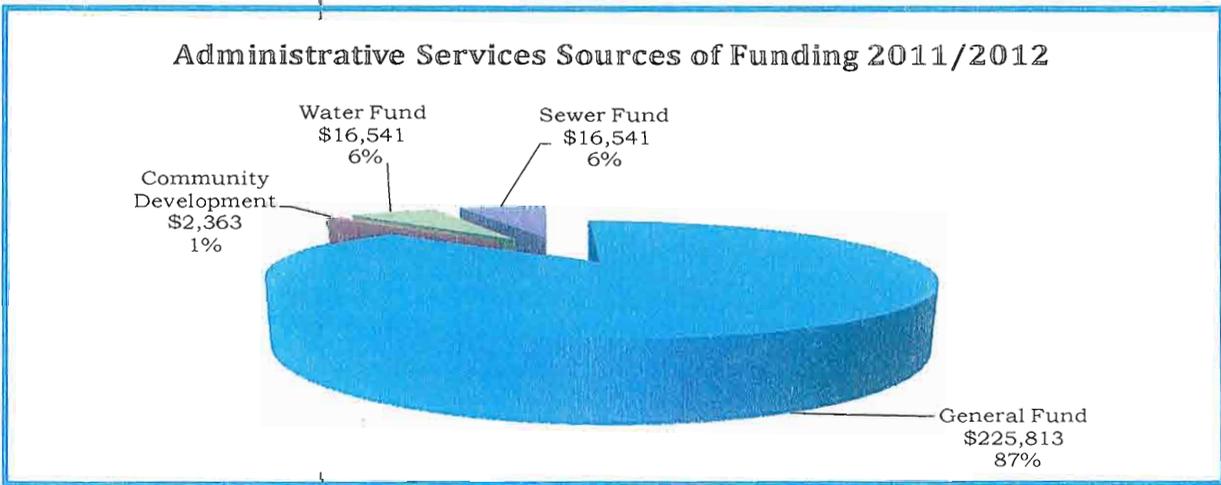
The Administrative Services Department has an increased budget for allocated costs in 2010/2011 and increases in 2011/2012 due to increases in employer contribution for CALPERS.

The Administrative Services Department contributes to the operations of many departments and funds, the graph below shows the funding sources for the department for 2010/2011.

# Administrative Services



The graph below shows the funding sources for the Administrative Services department for 2011/2012.



## Administrative Services

### Administrative Services Department Organizational Chart

Staffing for the Administrative Services Department is shown in the Organizational chart below



## Finance

The Finance Department plans, directs and coordinates the fiscal affairs of the city in accordance with specific objectives established by legal and professional standards. It provides for the maintenance of the City's financial records, develops related systems, and provides management with information necessary for sound fiscal decisions. This includes appropriation control, cost and revenue accounting, accounts receivable, utility billing, payroll, accounts payable and business licensing. The Finance Department is also responsible for investing and safeguarding the City's cash in accordance with City Council adopted investment policies.

### *Finance Mission*

*To assist the City Council, City Management and operating departments in prudently managing financial resources through accurate information and high quality business planning and financial services, including budgeting, debt management, accounting, revenue management and accounts payable.*

### **2009/2010 Accomplishments**

- Worked with Public Works in creating and implementing the city wide water meter installation program.
- Maintained the fiscal forecasting model.
- Assisted in the Fire District Consolidation Plan
- Updated the Impact Fee schedule for 2010/2011.
- Provided financial management support to the Winters Community Development Agency.
- Provided financial management support to the Winters Fire Protection District.
- Worked with other management staff with staff reorganization as a result of retirement of staff throughout the organization.

# Finance

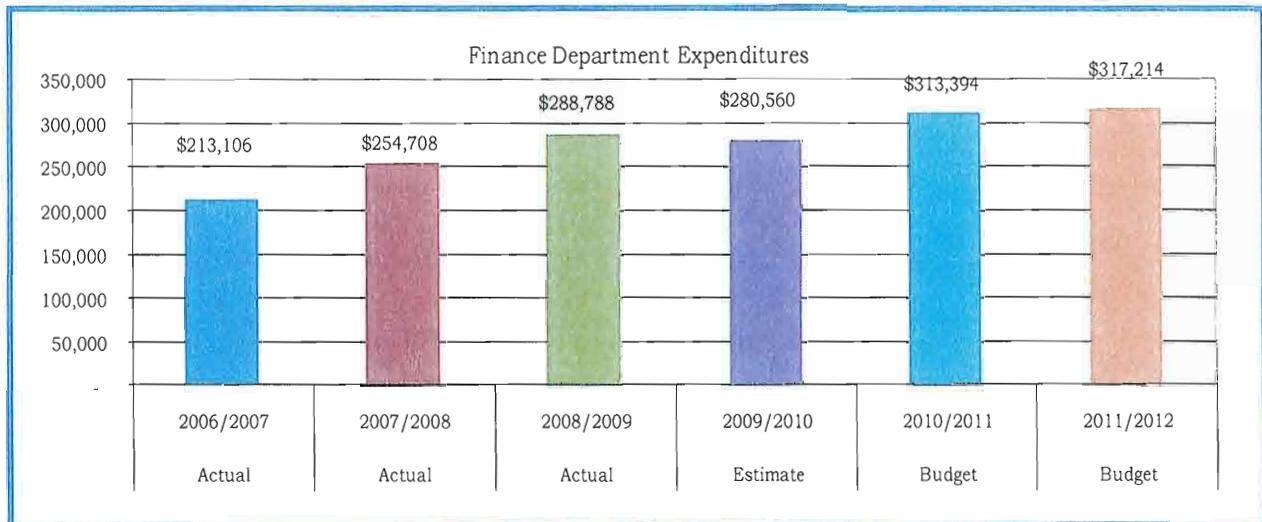
## Long term Objectives

- Continue to provide financial management support to the Winters Community Development Agency
- Continue to provide financial management support to the Winters Fire Protection District.
- Prepare a Finance Department Procedures manual
- Maintain the fiscal forecasting model.
- Assist in the Fire District/City of Winters consolidation project
- Prepare a 5-year capital improvement plan for adoption by the City Council
- Prepare an update of the Major Project Financing Plan (MPFP) and resultant update in the AB1600 document for assessing development impact fees.

The chart and graph below show the historical as well as the proposed budget for 2010/2011 and 2011/2012.

**City of Winters Finance Department Expenditures**

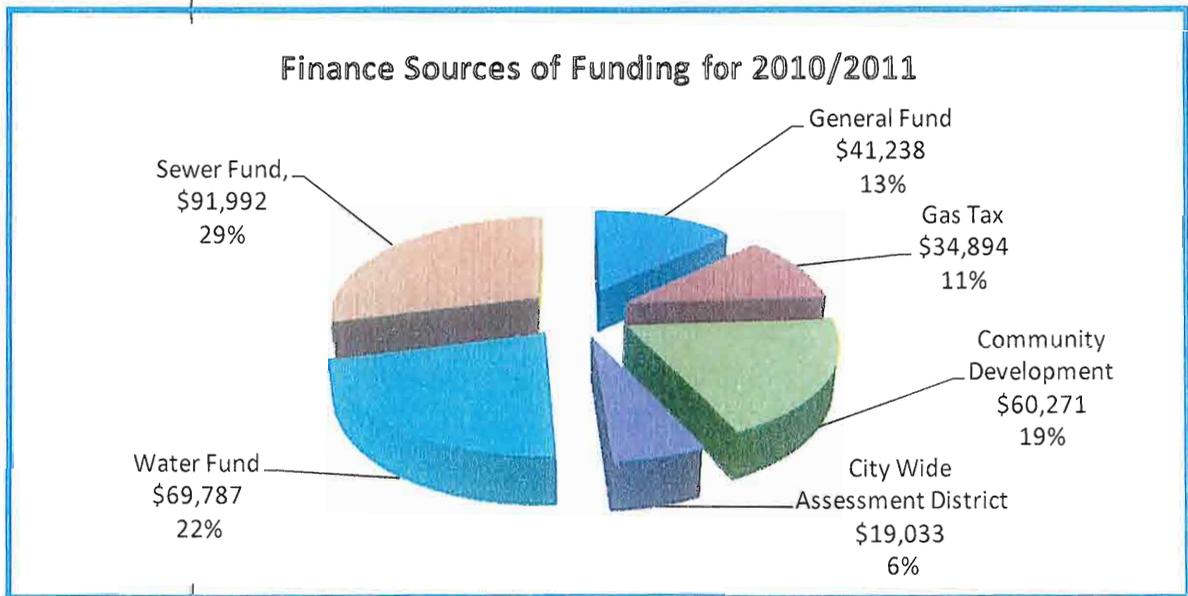
	Actual 2006-2007	Actual 2007-2008	Estimated 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries and Benefits	\$ 203,848	\$ 245,160	\$ 282,750	\$ 277,154	\$ 310,082	\$ 313,911
Operating Expenditures	9,258	9,548	6,038	3,406	3,312	3,303
<b>Total Expenditures</b>	<b>\$ 213,106</b>	<b>\$ 254,708</b>	<b>\$ 288,788</b>	<b>\$ 280,560</b>	<b>\$ 313,394</b>	<b>\$ 317,214</b>



# Finance

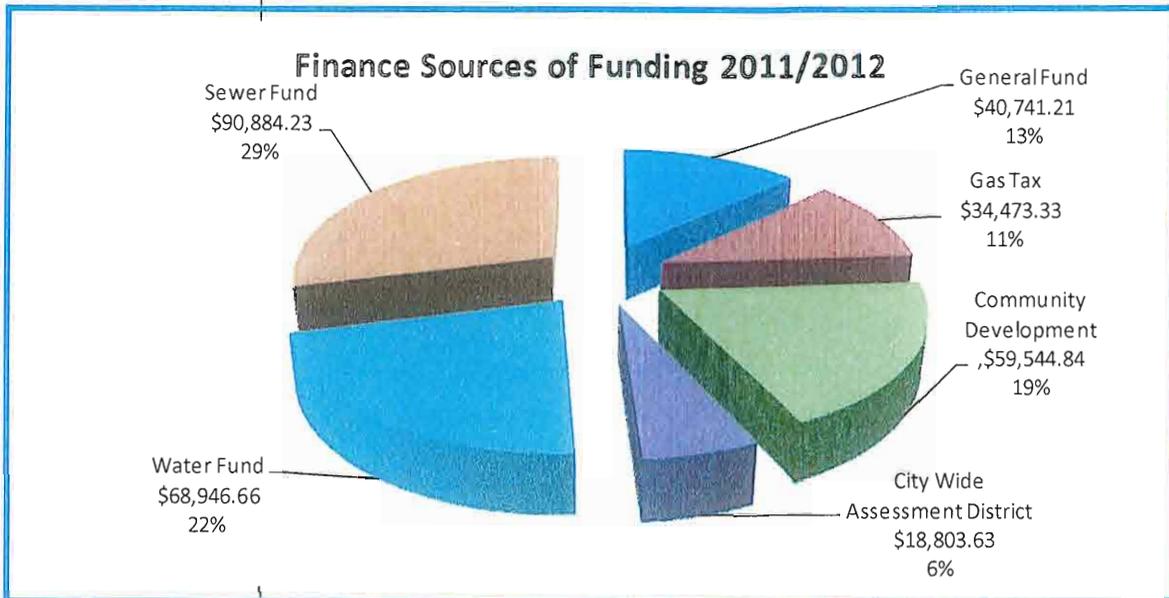
Expenditures in the Finance Department increased in 2010/2011 due to re-organization of staff due to retirements and due to the reduction in building activity to support the Community Development Department. In 2011/2012 the increase in expenditures is due to the increase in health insurance costs for staff and due to the increase in employer contributions for CALPERS.

The Finance Department provides support services to many other departments and funds in its day to day activities. The graph below shows the funding sources for the Finance Department for 2010/2011.



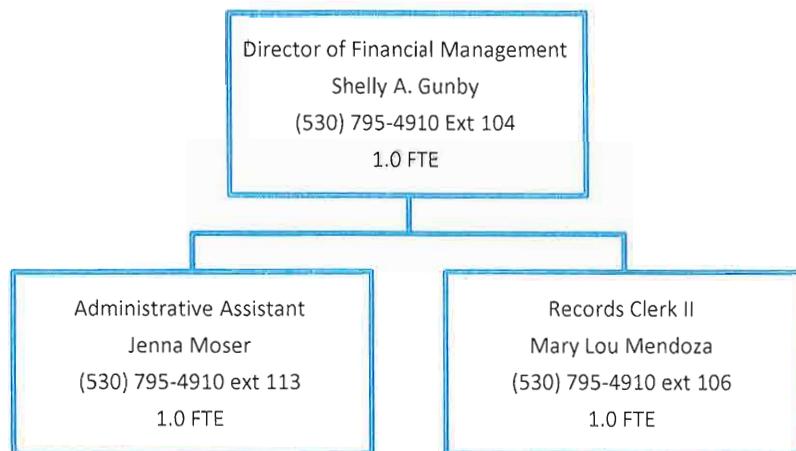
# Finance

The graph below shows the funding sources for the Finance Department for 2011/2012



## Finance Department Organization Chart

Staffing for the Finance Department is shown in the organizational chart below.



## Police

The Police Department's primary responsibilities are to respond to crime related issues, both reactively and proactively. Reactively, the police department responds to crime scenes, investigates and records facts, gathers evidence, identifies and apprehends criminal suspects, and prepares cases for prosecution in court. The general types of crimes responded to are:

- Burglaries, both residential and business related
- Reports of child abuse
- Domestic violence
- Sexual assaults
- Narcotics enforcement
- Traffic collisions and violations
- Abandoned vehicles

The police department also responds to citizens' requests for a variety of services related to keeping the peace and preserving life and property, as well as assisting persons in distress.

Proactively, the police department works with diverse neighborhoods educating people in crime prevention, crime reporting, school programs and neighborhood meetings. The goal of the police department is to work with the community in order to impact and reduce the number of incidents of crime, thereby maintaining safe neighborhoods.

### *Police Department Slogan*

*"Dedicated to Going Beyond Traditional Policing, with a Continued Commitment to Improve Protection and Service to Our Community"*

## Police

**POLICE DEPARTMENT MISSION STATEMENT**

**THE WINTERS POLICE DEPARTMENT IS DEDICATED TO PROTECTING THE LIVES AND PROPERTY OF OUR CITIZENS.**

**OUR GOAL IS TO ENSURE THE SAFETY OF EVERY PERSON AND TO SERVE THE PUBLIC WITH PROFESSIONALISM AND COURTESY.**

**TO ACCOMPLISH THIS, WE ARE COMMITTED TO EXCELLENCE AND WILL NOT ACCEPT ANYTHING LESS.**

**WE SHALL DILIGENTLY PURSUE EVERY INVESTIGATION UNTIL EVERY POSSIBLE LEAD HAS BEEN EXHAUSTED.**

**WE TAKE PRIDE IN SERVING OUR COMMUNITY AND PRESERVING THE COMMUNITY'S SOCIAL MORALS AND VALUES.**

**“PROTECTION OUR DUTY  
SERVICE OUR GOAL”**

### **2009/2010 Accomplishments**

- One(1) DUI and one DUI (1) Saturation Patrol conducted.
- Website is a work in progress
- Use of internet social networks like Facebook to send information to the public.
- New Public Safety Facility is about ten (10) months into construction.
- Sgt Gutierrez promoted to Lieutenant
- Second Corporal position approved and in recruiting process.
- New Police Officer hired.
- Joint MCI (major casualty incident) drill conducted with fire personnel and non-city agencies.
- New Officer recruiting underway
- CSO (Community Services Officer) and Police Officers have participated in several special community events regarding crime prevention and safety.

# Police

- Implementation of Program requiring Designated Driver and DUI Program banner with ABC Permit approval.
- Completion of a major homicide case and conviction of suspect.
- New police patch finalized and awaiting production.

## Long term Objectives

- Complete construction of the Public Safety Facility.
- Increase Safety Belt compliance from 82% to 87%
- Update and improve department website
- Conduct at least two (2) DUI checkpoint(s) saturation patrol operations during the fiscal year.
- Work with the Winters Joint Unified School District on video surveillance of school sites.

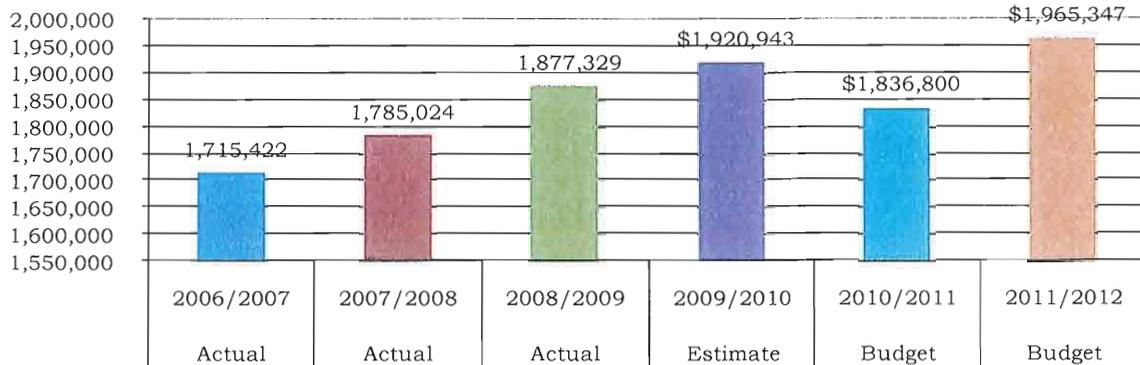
The chart and graph below show the historical expenditures for the police department as well as the proposed expenditures for 2009/2010.

### City of Winters Police Department Expenditures

	Actual 2006-2007	Actual 2007-2008	Estimated 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries and Benefits	\$1,251,946	\$1,336,511	\$1,427,521	\$1,468,458	\$1,383,169	\$1,510,404
Operating Expenditures	329,725	294,656	304,843	313,336	305,451	305,535
Allocated Cost	126,438	153,857	144,964	139,149	148,180	149,407
Capital	7,313	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$1,715,422</b>	<b>\$1,785,024</b>	<b>\$1,877,329</b>	<b>\$1,920,943</b>	<b>\$1,836,800</b>	<b>\$1,965,347</b>

# Police

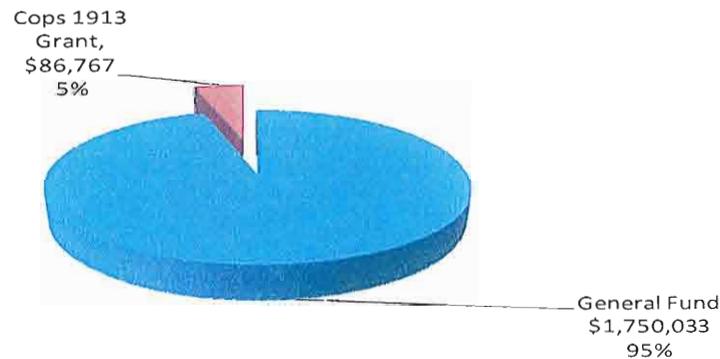
## Police Department Expenditure History



The Police Department has increased expenditures for 2010/2011 due to the anticipated hire of one (1) additional police officer funded with the Measure W funds approved by the citizens of the City of Winters on June 8, 2010. In 2011/2012 another new police officer is expected to be hired with the Measure W funding.

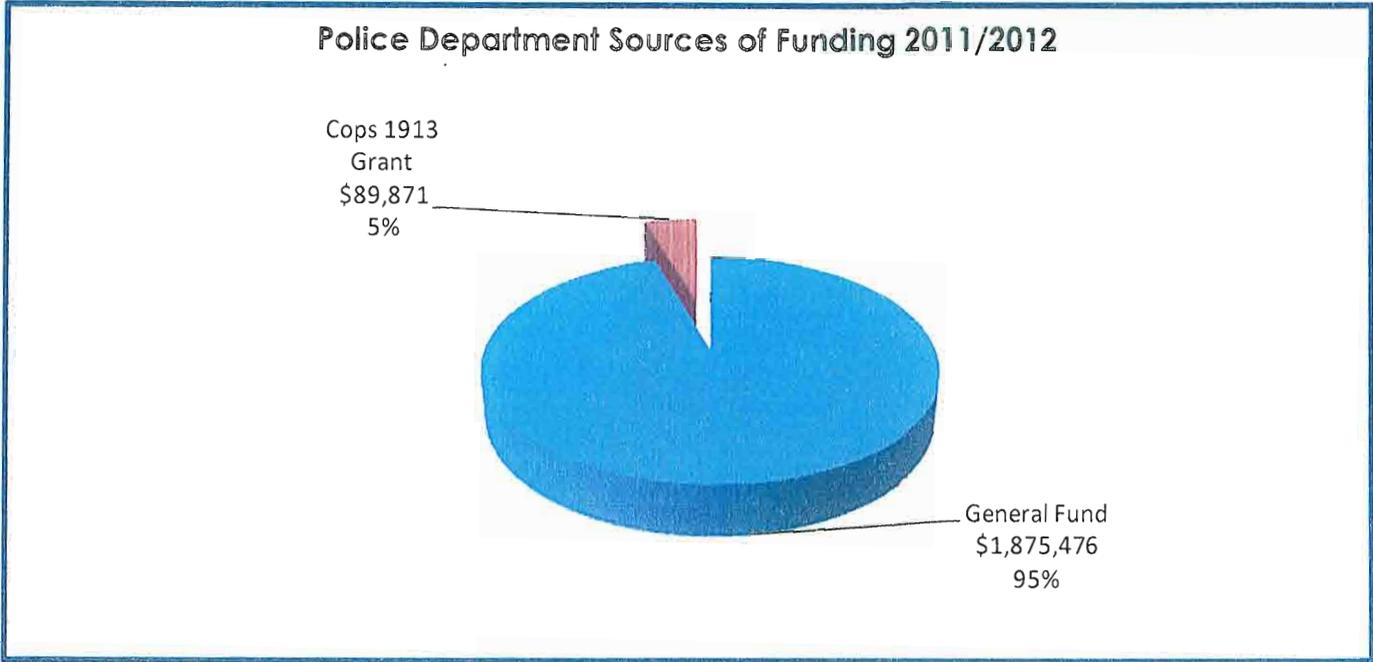
The Police Department is primarily funded through the General Fund. The other funding sources are the Cops 1913 Grant. The graph below shows the funding sources for police spending for 2010/2011.

## Police Department Sources of Funding 2010/2011



# Police

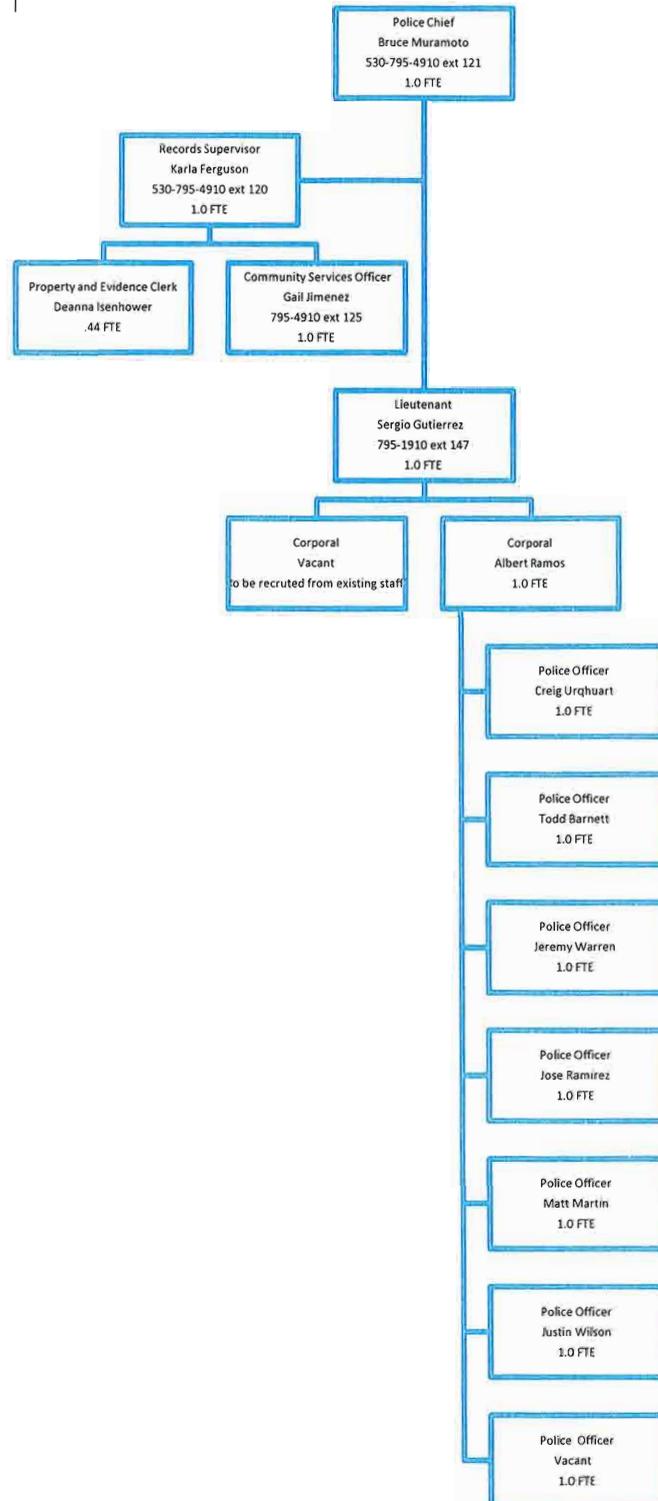
The graph below shows the funding sources for police spending for 2011/2012.



# Police

## Police Department Organizational Chart

Staffing for the Police Department is shown in the organizational chart below. One additional Police Officer position will be added in 2011-2012.



## Fire

The City contracts with the Winters Fire Protection District for all fire prevention, suppression and inspection functions required by the City. The Fire District contract also provides emergency medical response and weed abatement activities for the City. The Fire District includes a volunteer and cadet program.

### *Fire Department Mission*

*To provide the highest standard of services through public education, emergency medical services, fire prevention, and suppression, to the citizens and visitors of Winters.*

*"Our Duty" to protect life, environment and property is endless. We value excellent teamwork, strong financial planning and infinite commitment to always performing to the best of our abilities*

Beginning January 1, 2011, the City of Winters Fire Department will begin. The creation of the City of Winters Fire Department will include the employment of the current Winters Fire Protection District employees, and will create a reversal in the relationship between the Fire Protection District and the City of Winters. Beginning January 1, 2011 the City of Winters Fire Department will contract with the Winters Fire Protection District to provide fire protection services to the district. The department will be a city department responsible to the City Manager and the City Council.

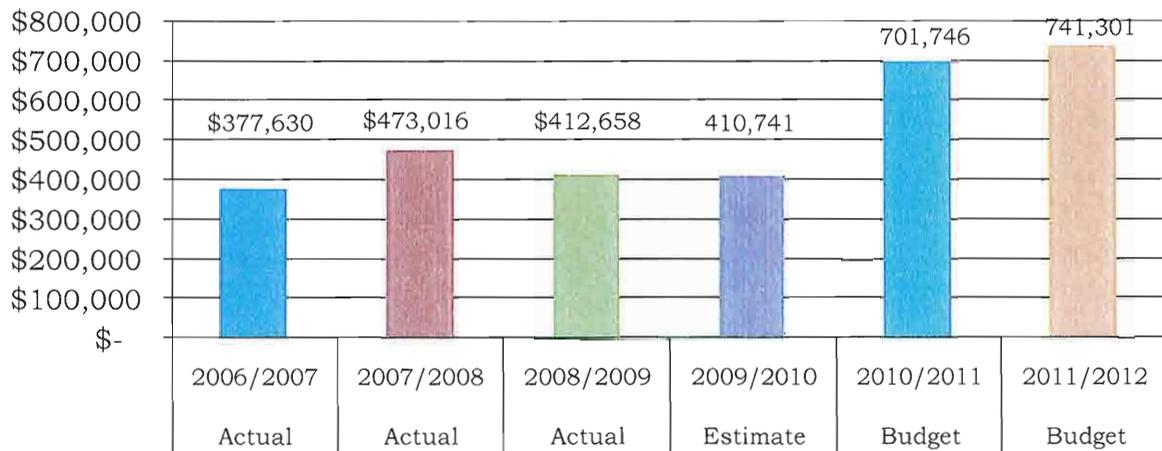
The chart and graph below shows the historical expenditures for the Winters Fire Protection District as well as proposed expenditures for 2010-2012.

# Fire

## City of Winters Fire Department Expenditures

	Actual 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries and Benefits					520,663	607,119
Operating Expenditures	376,000	409,872	412,658	\$ 410,741	\$ 160,866	\$ 113,965
Allocated Costs					\$ 20,217	\$ 20,217
Capital Expenditures	1,630	63,144	-	-		
<b>Total Expenditures</b>	<b>\$ 377,630</b>	<b>\$ 473,016</b>	<b>\$ 412,658</b>	<b>\$ 410,741</b>	<b>\$ 701,746</b>	<b>\$ 741,301</b>

## Winters Fire District Expenditure History

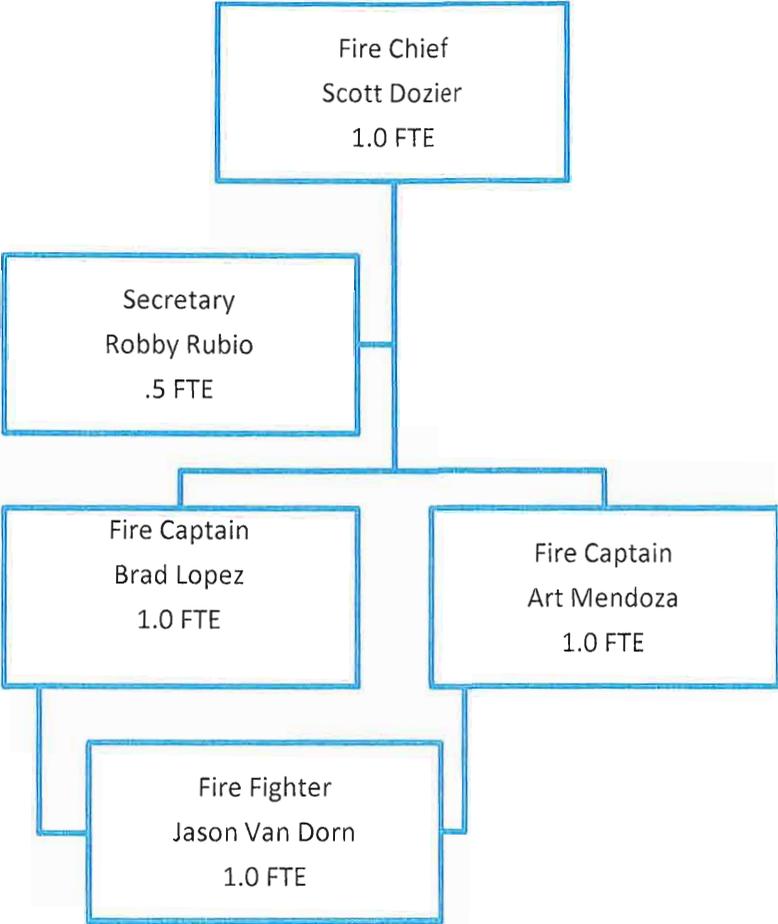


The expenditures of the Winters Fire Department are all General Fund expenditures. The expenditures for 2010-2011 are higher than in the past because we will be paying a contract price to the Fire Protection District through December 31, 2010 and then begin employing fire personnel in January 2011. The budget anticipated that the change in contract status would happen on July 1, 2010, however, contract negotiations were not complete at that time, and funding will be shifted from the Salary and benefit line to the operating expenditure line to account for the payment the City of Winters will need to provide to the Fire Protection District for services through December 31, 2010.

# Fire

## Fire Department Organizational Chart

Staffing for the Fire Department is shown in the organizational chart below.



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## Community Development Department

The Winters Community Development Department is comprised of the Planning Division and the Building Inspection Division. These two divisions provide comprehensive development services to the public.

The Planning Division is responsible for the implementation of the City of Winters General Plan Policy Document and the administration and enforcement of current and long-range land use development programs for the City.

The Building Inspection Division is responsible for the proper implementation of the various building codes, health and safety codes, and other codes related to proper construction practices.

Both the Planning Division and the Building Inspection Division provide direct assistance to the public and ensure that the proper development review process is fulfilled.

The Community Development Department reviews proposals for permit decisions by staff or the Planning Commission based on policies in the General Plan, State Law and local ordinances. The department ensures compliance with a number of constantly changing land use and environmental laws pertinent to development proposals. The department also provides staff support to the City of Winters Planning Commission.

### *Community Development Department Mission*

*To ensure the General Plan Policy Document and any applicable regulations regarding development are properly administered.*

**Community  
Development  
Department**

**2009-2010 Accomplishments**

- Implemented EnerGov, a planning/building software program.
- Adopted Housing Element for the 2006-2014 period.
- Added Code Enforcement Ordinance to Winters Municipal Code.
- Extended the General Plan Horizon from 2010 to 2018.
- Processed and issued more than 190 building permits.
- Adopted the Form Based Code for Downtown Winters.

**Long Term Objectives**

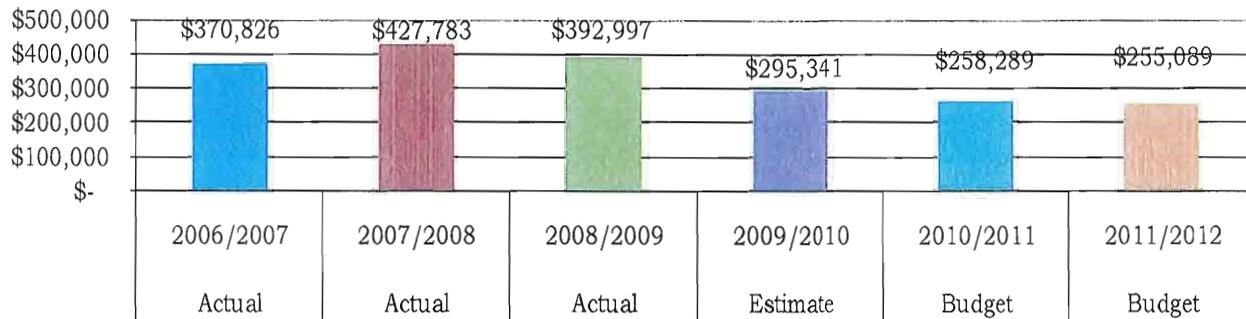
- Develop Climate Action Plan for City.
- Adopt Fee Program for Flood Overlay Area.
- Update and add new ordinance to Winters Zoning Code.
- Update and add new ordinances to Winters Municipal Code concerning enforcement of 2010 California Building Codes.
- Provide contractor and citizen training on the adoption of the 2010 California Building Codes.

Below are the historical expenditures for the Planning Division of the Community Development Department as well as the proposed 2009/2010 expenditures.

Community Development Planning Division						
	Estimated 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries & Benefits	\$ 201,931	167,653	200,703	134,932	73,099	73,902
Operating Expenditures	73,789	169,604	94,601	40,406	51,167	47,164
Capital Expenditures						
Allocated Costs	95,106	90,526	97,694	120,004	134,023	134,023
<b>Total Expenditures</b>	<b>\$ 370,826</b>	<b>\$ 427,783</b>	<b>\$ 392,997</b>	<b>\$ 295,341</b>	<b>\$ 258,289</b>	<b>\$ 255,089</b>

**Community  
Development  
Department**

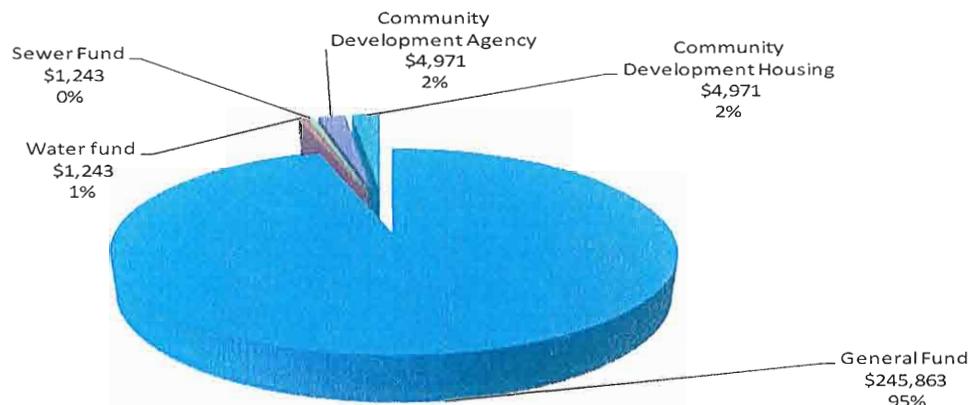
**Community Development Planning Division Expenditure History**



The Planning Division has a decrease in expenditures due to the reclassification of the Building Permit Technician to the Finance Department, the position is now responsible for finance duties instead of building permit issuance. This reclassification is due to the decreased level of building permits.

The Planning Division provides support services to other departments and funds. The funding sources for the Planning Division for 2010-2011 are shown in the chart below.

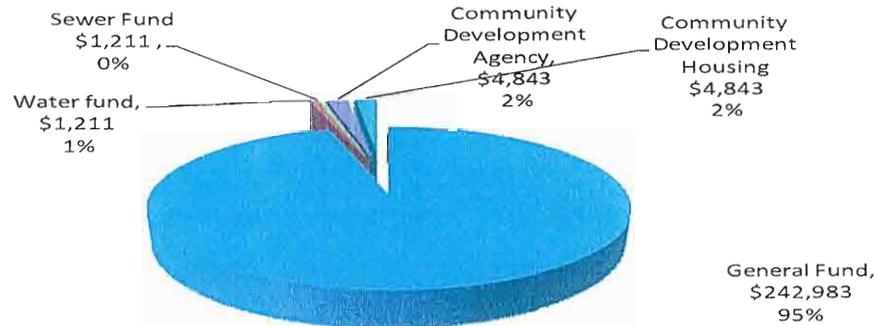
**Community Development Department Planning Division Sources of Funding 2010-2011**



**Community Development Department**

The funding sources for the Planning Division for 2011-2012 are shown in the chart below.

**Community Development Department Planning Division Sources of Funding 2011-2012**

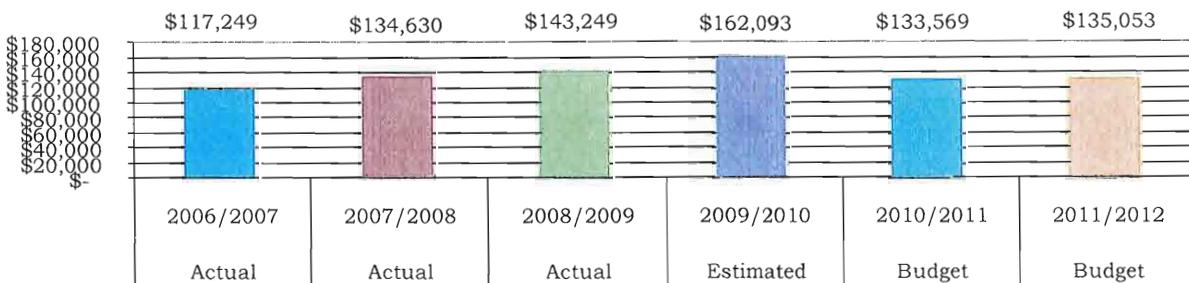


The chart and graph below show historical expenditures as well as the proposed expenditures for 2010-2011 and 2011-2012 for the Building Inspection Division.

**City of Winters Community Development Building Inspection Division Expenditures**

	Actual 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries & Benefits	\$ 105,833	\$ 127,115	\$ 134,513	\$ 129,229	\$ 125,086	\$ 126,705
Operating Expenditures	11,416	7,514	8,737	32,864	8,483	8,349
Allocated Costs			-	-	-	-
<b>Total Expenditures</b>	<b>\$ 117,249</b>	<b>\$ 134,630</b>	<b>\$ 143,249</b>	<b>\$ 162,093</b>	<b>\$ 133,569</b>	<b>\$ 135,053</b>

**Building Inspection Division Expenditure History**

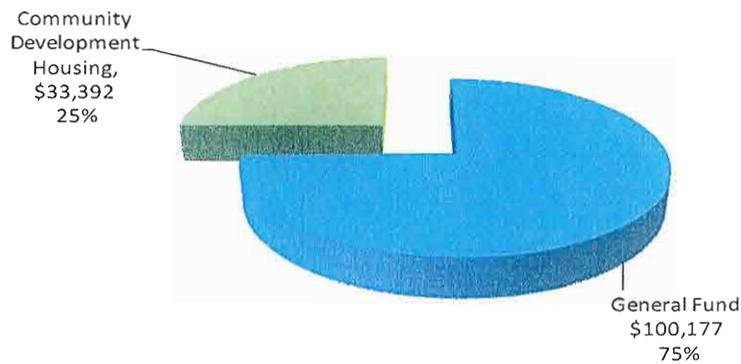


**Community Development Department**

The Building Inspection Division expenditures have decreased due to wage and benefit concessions and a decrease in the use of consultants for 2010-2011 and 2011-2012.

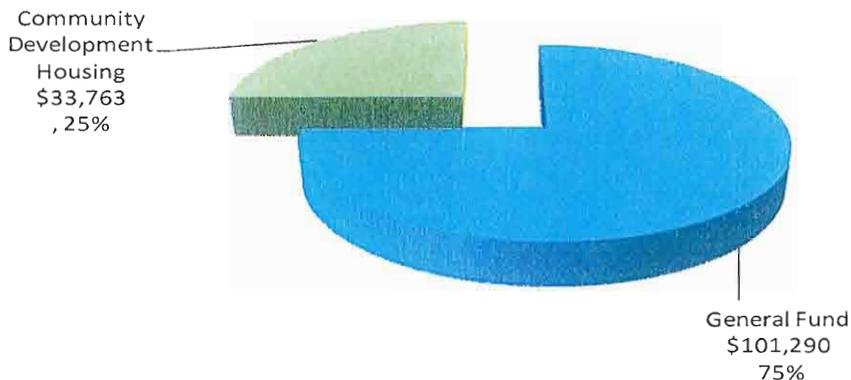
The Building Inspection Division is funded by the General Fund and the Community Development Housing Fund. The graph below shows funding sources for the Building Inspection Division for 2010-2011.

**Community Development Department Building Inspection Division Sources of Funding 2010-2011**



The graph below shows funding sources for the Building Inspection Division for 2011-2012.

**Community Development Department Building Inspection Division Sources of Funding 2010-2011**



**Community  
Development  
Department**

**Community Development Department Organizational  
Chart**

Staffing for the Community Development Department is shown in the organizational chart below.



## Public Works

The Public Works Department consists of the following Divisions:

- Administration and Engineering
- Maintenance.

The divisions are responsible for planning, maintaining, operating and inspecting infrastructure systems and managing the capital improvements to these systems.

Public Works functions include:

- Streets
- Water system
- Wastewater system
- Lighting and landscaping
- Storm drains
- Landfill
- Maintenance of all City properties.

Divisional responsibilities are described below.

### **Administration and Engineering**

Administration is responsible for the management, supervision and coordination of the Public Works Department, including the preparation and monitoring of operating and capital improvement budgets. This division is responsible for planning, organizing, implementing and evaluating the various public works functions and activities to include administrative and clerical activities. Administration is also responsible for managing the development of capital Master Plans and the solid waste reduction program.

Engineering is responsible for the operation of engineering functions including:

- Development services
- Capital project design
- Construction inspection
- Traffic Engineering

### **Maintenance Division**

Maintenance is responsible for the operation and maintenance of the following:

- Streets  
The street system includes signs and markings, City trees, traffic signals, and parking lots. There

## Public Works

are approximately 22 lane miles of streets within the City of Winters

- Water system  
The water system responsibilities include the operation and maintenance of the water system, including water wells, water production, water service installations, water distribution system maintenance, and water quality testing and reporting. There are approximately 20 miles of water distribution lines, 5 wells and 2 non-operational water storage tanks.
- Wastewater system  
The operation and maintenance responsibilities for the wastewater system include sewage collection system maintenance, and wastewater treatment facility operation and maintenance. The City of Winters currently contracts with ECO Resources to provide the wastewater treatment facility operation and maintenance functions.
- Lighting and landscaping  
The responsibilities for the maintenance functions associated with the City Wide Assessment District include the maintenance of sound walls, median islands, parks, street lighting, curbside landscaping, riparian area maintenance and bank stabilization.
- Building and property maintenance  
Responsibilities include the maintenance function associated with buildings (and properties not covered by other public works units) including City Hall, Public Works Corporation Yard, Community Center, Police Station and the Landfill.
- Storm drains  
Responsibilities cover the operation and maintenance of the storm drainage system including collection lines, catch basin, curb inlets, ditches and detention ponds.

## Public Works

*Public Works Department Mission*  
*To provide quality public works services with pride and dedication to ensure a higher quality of life for the residents of the City of Winters.*

### **2009-2010 Accomplishments**

- Staff reorganization with hiring of Water Meter personnel.
- Purchased and installed 2 brush aerators at the Waste Water Treatment Facility.
- Installed the Solar Array System at the Waste Water Treatment Facility.
- Entered into a contract with the Yolo Housing authority for the maintenance and financial of maintenance for the El Rio Villa facility.
- Implemented a SCADA (Supervisory Control and Data Acquisition) system at all Water wells.
- Completed construction of Water Well #7.
- Implemented valve exercising program.
- Began hydrant flushing program.
- Purchased new picnic tables for City Park.
- Installed new sidewalks on Abbey street at City Park.
- Sidewalk Repair program is ongoing.

### **Long term Objectives**

- Purchase 1 new truck for Water Meter Crew.
- Installation of Water meters city wide. Estimated completion is October 2010.
- Water Well # 7 on line in July 2010.
- Fully implement SCADA (Supervisory Control and Data Acquisition) and utilize for all water well sites.
- Continue program of numbering, inspection and replacement of fire hydrants.
- Evaluate and rehabilitate Water wells # 2 and #6.
- Continue the water conservation and water meter education program.
- Implement water leak detection program.
- Water monitoring schedules will meet or exceed CDPH ( California Department of Public Health) requirements.
- Install rag removal system at East Street head works.

## Public Works

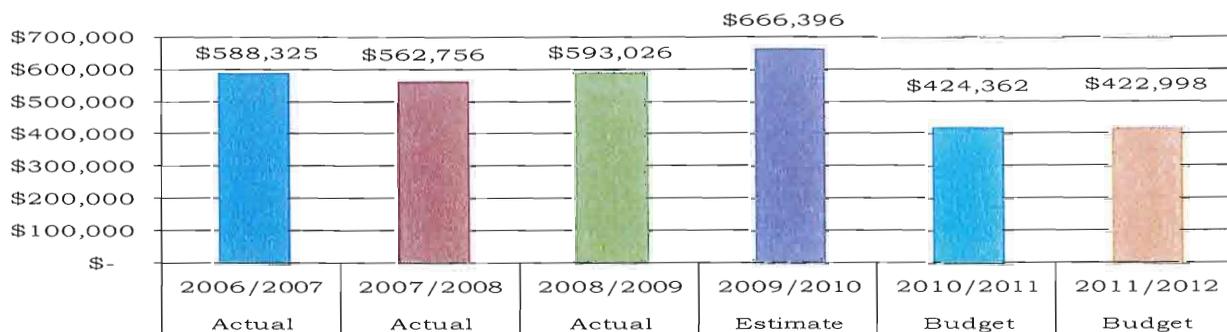
- Replace East Street Master Control Center System.
- Complete SCADA (supervisory control and data acquisition) installation at sewer lift stations.
- Evaluate City operation of sewer system as opposed to contract operator of sewer system.
- Review water recycling program.
- Complete Downtown Streetscape Improvement Phase II.
- Update priority list for sidewalk replacement and implement replacement program.
- Remodel City Hall downstairs restroom.
- Continued improvement and implementation of Maintenance and Management System known as GBA.
- Early review of CRWQB (California Regional Water Quality Control Board) for waste discharge requirements for the Waste Water Treatment Facility.

The chart and graph below show historical expenditures for the public works department as well as projected expenditures for 2010-2011 and 2011-2012.

### City of Winters Public Works Expenditures

	Actual 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries & Benefits	\$ 414,381	\$ 386,917	\$ 420,312	\$ 486,986	\$ 283,285	\$ 286,868
Operating Expenditures	50,019	52,135	30,916	23,077	34,642	34,638
Allocated Costs	42,864	40,799	57,373	62,019	60,435	60,435
Transfers	81,061	82,905	84,425	94,314	46,000	41,057
<b>Total Expenditures</b>	<b>\$ 588,325</b>	<b>\$ 562,756</b>	<b>\$ 593,026</b>	<b>\$ 666,396</b>	<b>\$ 424,362</b>	<b>\$ 422,998</b>

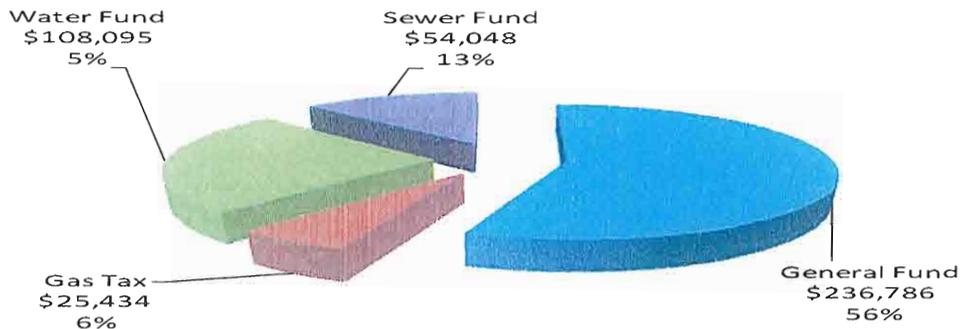
### Public Works Department Expenditure History



# Public Works

The public works department provides support and services to many other funds and department. The graph below shows the funding sources for the public works department for 2010-2011.

### Public Works Department Source of Funding 2010-2011



The graph below shows the funding sources for the public works department for 2011-2012.

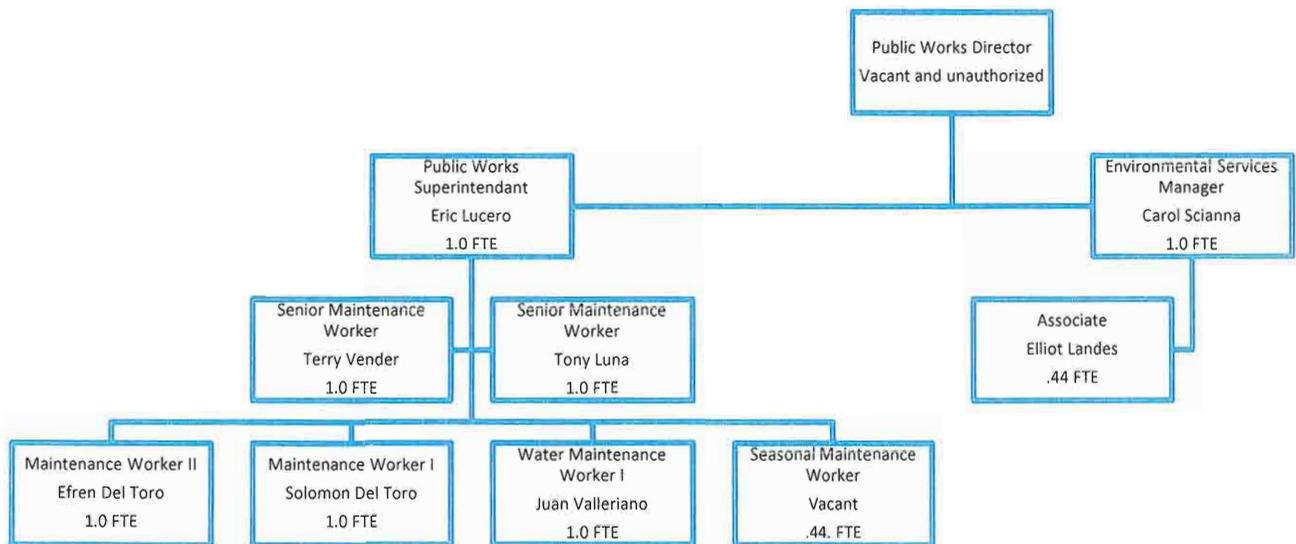
### Public Works Department Source of Funding 2011-2012



# Public Works

## Public Works Department Organizational chart

Staffing for the Public Works Department is shown in the organizational chart below.



## Recreation

The principal purpose of the Recreation Department is to plan, conduct, supervise and evaluate various recreation programs including:

- Swimming
- Dance
- Drama
- Martial Arts
- Men's Basketball
- Youth Basketball
- Co-Ed Volleyball
- Outstanding Youth Award
- Special interest classes
- Community events
- Adult Co-ed Softball
- After School Program
- Wellness Program
- Aquatics Program

In 2003/2004 the Recreation Department was separated into 3 divisions:

- General Recreation
- Community Center
- Swimming Pool

The General Recreation Division is responsible for overseeing and providing all the recreational opportunities within the City of Winters.

The Community Center Division includes a diverse array of leisure, environmental, social, human services, general services, educational, cultural and recreational activities.

The Swimming program consists of the Recreational Swim Program and the Winters Swim Team Program

## Recreation

### Recreation Department Mission

The Recreation Department is committed to increasing youth services and recreational programs for fulfilling and productive experiences for all ages of our community

#### 2009/2010 Accomplishments

- Third year of Adult Co-ed softball
- Bobbie Greenwood Community Pool open for programs for six (6) months of the year.
- Winters Aquatic Masters Program operating at Community Pool.
- Adult Lap Swim program operated morning session, noon session and evening session
- The After School program recruited and retained qualified staff for the program.
- The After School Program implemented an Accelerated Readers Program.
- The After School Program implemented an Academic Enrichment program with Dance, Hip Hop, and Ballet.
- The After School Program maintained staff training.
- The After School program collaborated with personnel with the Winters Joint Unified School District.
- The After School program provided time for Police Department presentations for bike/skateboard safety, bullying and peer pressure, drug free environment and gang violence.
- The After School program was involved in community events such as the Earthquake Festival and Youth Day.
- Students involved in the After School program experienced improvement in grades, behavior and reading.

# Recreation

## Long Term Objectives

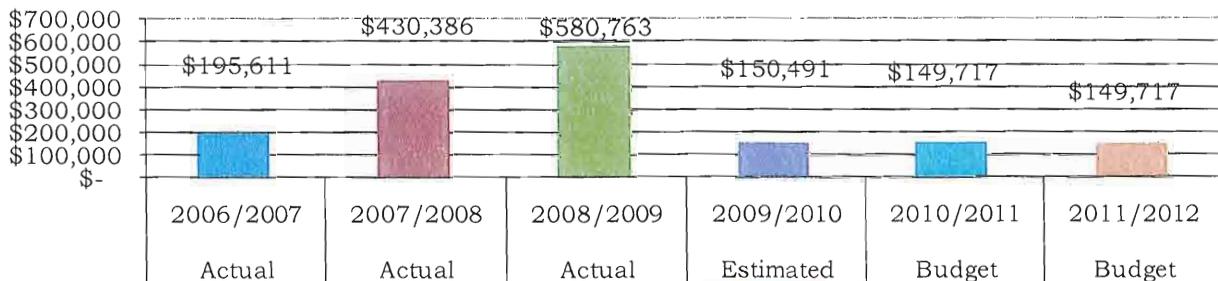
- Create recreation guide for all facilities.
- Provide additional swim lessons in the evenings and weekends at the Community Pool.
- Manage Community Pool to run smoothly and efficiently
- The After School Program will provide a successful and engaging program for children enrolled.
- The After School Program will implement new and fresh ideas for academic enrichment.
- The After School Program will have a monthly calendar of themed curriculum.
- The After School Program will have attendance at capacity.

The chart and graph below show the historical expenditures for general recreation as well as proposed expenditures for 2010-2011 and 2011-2012.

**City of Winters General Recreation Expenditures**

	Actual 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries & Benefits	\$ 150,214	\$ 388,336	\$ 301,481	\$ 60,091	\$ 111,890	\$ 111,890
Operating Expenditures	34,775	33,896	265,366	69,653	37,828	37,828
Allocated Costs	10,622	8,154	13,915	20,747	-	-
<b>Total Expenditures</b>	<b>\$ 195,611</b>	<b>\$ 430,386</b>	<b>\$ 580,763</b>	<b>\$ 150,491</b>	<b>\$ 149,717</b>	<b>\$ 149,717</b>

**General Recreation Expenditure History**



## Recreation

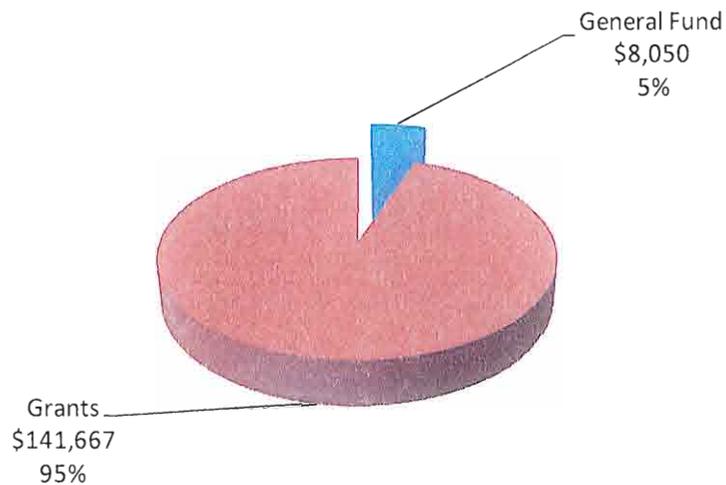
### General Recreation

Expenditures for 2009-2010 are less than prior years due to the following:

- Reduced grant amount for the Afterschool Program, which led to a reduction in the program expenditures. The entire Afterschool program is grant funded, no general funds are utilized for the Afterschool program.
- The Recreation Coordinator resigned in September of 2009 and the position has remain frozen since. It will remain frozen for 2010-2011 and 2011-2012.
- Summer recreation programs such as Summer in the Park and Summer Adventure Day Camp have been discontinued for 2009-2010, 2010-2011 and 2011-2012.

The graph below shows funding sources for General Recreation for 2010-2011.

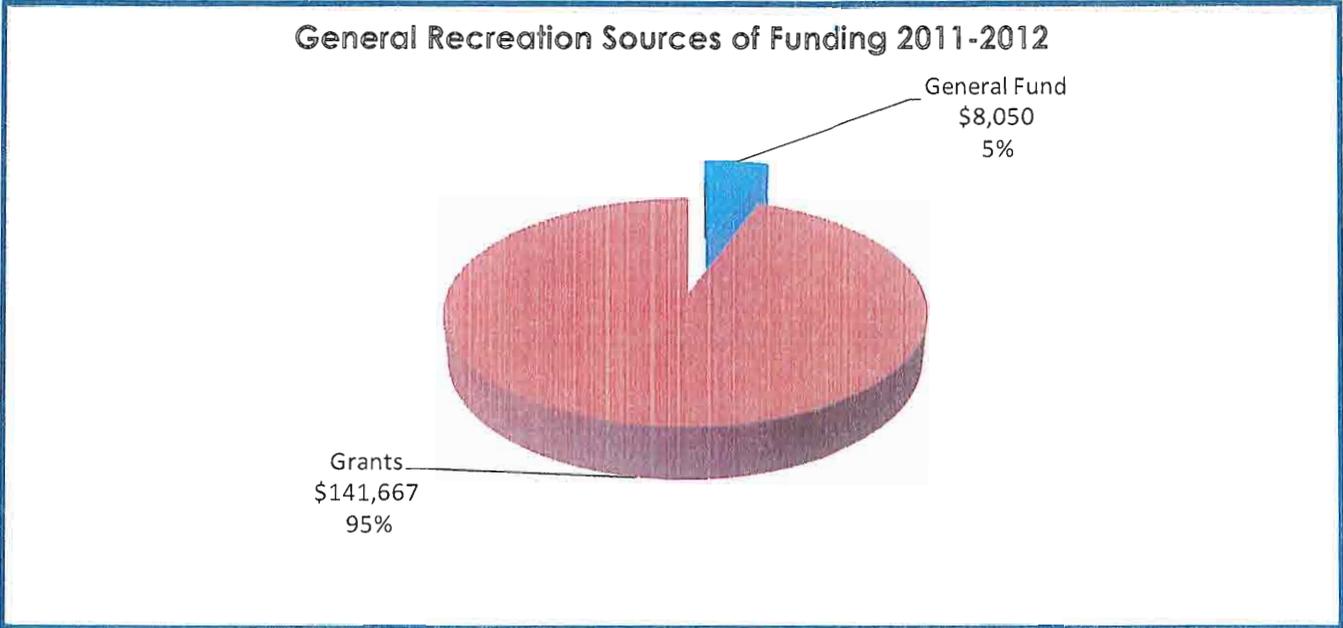
**General Recreation Sources of Funding 2010-2011**



**Recreation**

**General Recreation**

The graph below shows funding sources for General Recreation for 2011-2012.



## Recreation

### Winters Community Center

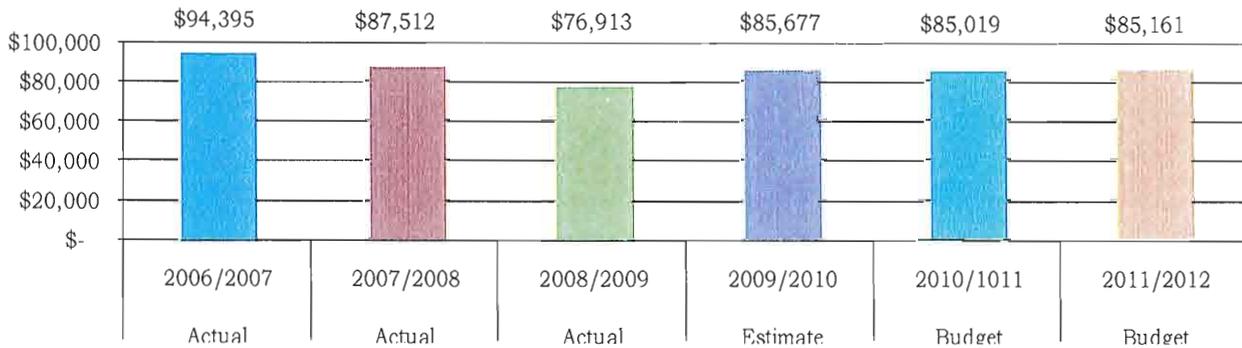
The Community Center is funded entirely by the General Fund. The 2010/2011 budget is a status quo budget.

The chart and graph below show the historical expenditures for the Community Center as well as the Budgeted expenditures for 2010/2011 and 2011/2012.

#### City of Winters Community Center Expenditures

	Actual 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimated 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries & Benefits	\$ 16,769	\$ 23,962	\$ 15,668	\$ 16,768	\$ 16,768	\$ 16,768
Operating Expenditures	49,232	33,583	30,646	34,808	42,021	42,020
Allocated Costs	28,393	29,967	30,599	34,101	26,231	26,373
<b>Total Expenditures</b>	<b>\$ 94,395</b>	<b>\$ 87,512</b>	<b>\$ 76,913</b>	<b>\$ 85,677</b>	<b>\$ 85,019</b>	<b>\$ 85,161</b>

#### Community Center Expenditure History



## Recreation

### Winters Swimming Program

The Swimming program consists of Swim Team, swim lessons, recreational swimming, adult lap swim, Winters Aquatic Masters Club, and water aerobics.

The Winters Swim Team is funded completely by swim team registration fees and by sales of fireworks by Swim Team parents. No General Fund monies are expended for this program.

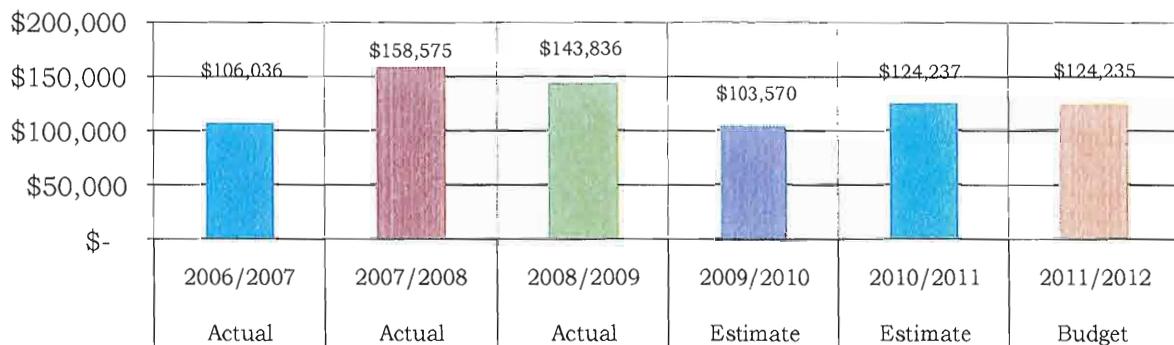
The chart and graph below show the historical expenditures as well as budgeted expenditures for 2010/2011 and 2011/2012 for the Swimming Program.

#### City of Winters Swimming Expenditures

	Actual 2006-2007	Actual 2007-2008	Actual 2008-2009	Estimate 2009-2010	Proposed 2010-2011	Proposed 2011-2012
Salaries & Benefits	\$ 24,466	41,990	63,024	39,145	42,882	42,882
Operating Expenditures	81,571	116,585	80,812	64,425	81,354	81,353
<b>Total Expenditures</b>	<b>\$ 106,036</b>	<b>\$ 158,575</b>	<b>\$ 143,836</b>	<b>\$ 103,570</b>	<b>\$ 124,237</b>	<b>\$ 124,235</b>

Decreased expenditures for 2009-2010 are due to the reduction of the swim season. A decision was made to reduce the swim season in an effort to conserve energy and staff time. Some reductions were left in place for 2010-2011 and 2011-2012.

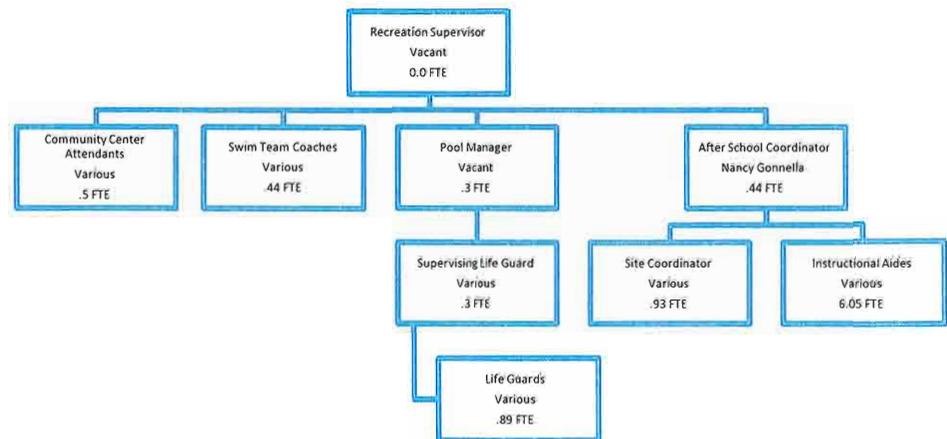
#### Swimming Program Expenditure History



# Recreation

## Recreation Department Organization Chart

Staffing for the Recreation Department is shown in the organizational chart below.



# Staffing

## Staffin Comparison by Department In Full Time Equivalent

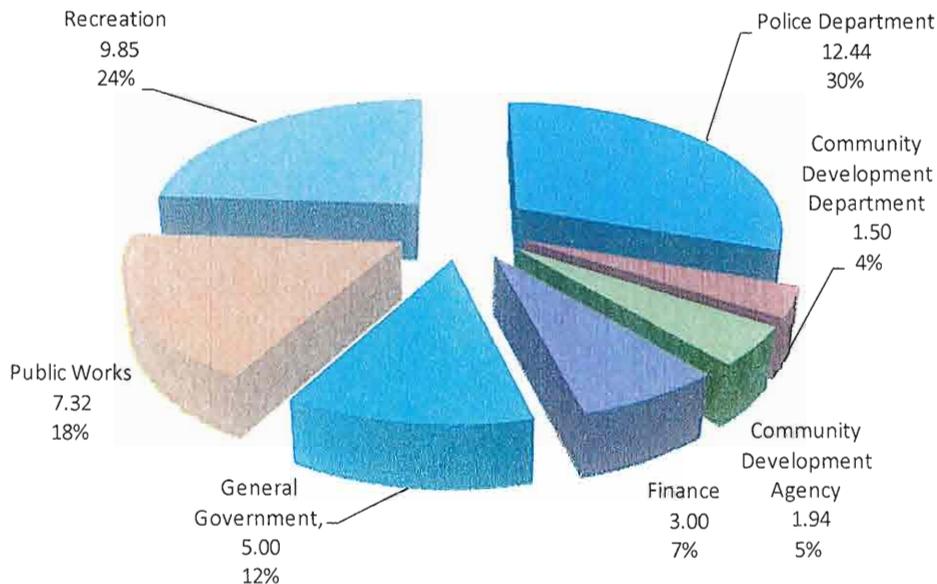
Department	06/07 Adopted	07/08 Adopted	08/09 Adopted	09/10 Approved	10/11 Approved	11/12 Approved
Community Development Department	4.00	3.33	3.00	2.50	1.50	1.50
Community Development Director (.5)						
Building Inspector (1)						
Administrative Assistant (0)						
Community Development Agency	1.44	2.11	2.44	1.94	1.94	1.94
Redevelopment Director (.5)						
Housing Manager (1)						
Intern (.44)						
Finance	2.60	2.44	3.00	3.00	3.00	3.00
Director of Financial Management(1)						
Administrative Assistant (1)						
Records Clerk (1)						
General Government	4.44	4.88	5.00	5.00	5.00	5.00
City Manager (1)						
Director of Administrative Services (1)						
Management Analyst (1)						
Administrative Assistant (1)						
Executive Assistant (1.0)						
Police Department	13.88	13.21	13.19	12.44	12.44	13.44
Police Chief (1)						
Sergeant (1)						
Records Supervisor (1)						
Corporal (1)						
Police Officers (7.0) (8)						
Community Services Officer (1)						
Property and Records Clerk (.44)						
Public Works	9.32	8.44	6.82	7.32	7.32	7.32
Public Works Superintendant (1.0)						
Environmental Services Manager (1)						
Senior Maintenance Worker (2)						
Maintenance Worker II (2)						
Seasonal Workers (.88)						
Intern (.44)						
Recreation	3.33	12.09	11.81	11.81	9.85	9.85
Recreation Supervisor (0)						
Community Center Attendants (.5)						
Swim Coaches (.44)						
Pool Manager (.30)						
Supervising Lifeguard (.30)						
Lifeguard (.89)						
Summer Recreation Leader (.0)						
Summer Recreation Directors (.0)						
After School Coordinator (.44)						
Site Coordinator (.93)						
Instructional Aides (6.05)						
<b>Total FTE's</b>	<b>39.01</b>	<b>46.50</b>	<b>45.26</b>	<b>44.01</b>	<b>41.05</b>	<b>42.05</b>

## Staffing

The above charts reflect the following:

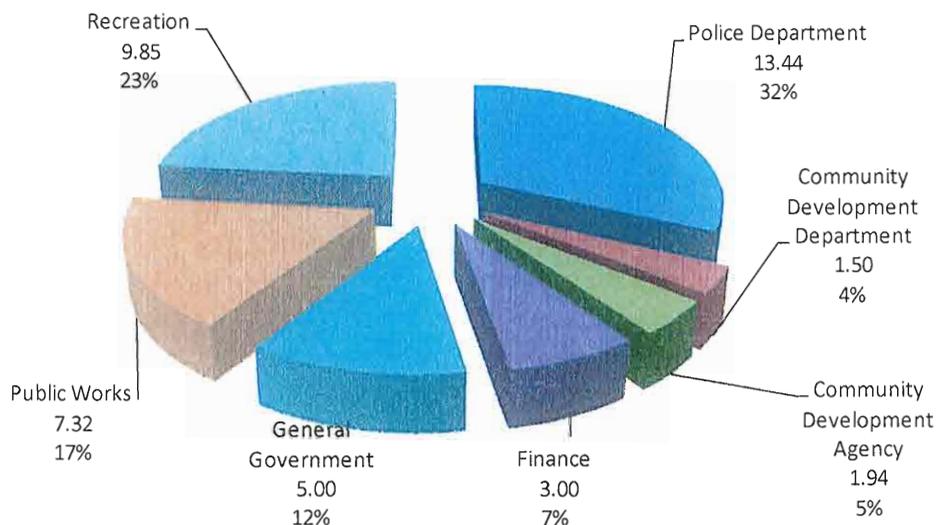
- The Community Development Department decreased staffing by 1.0 FTE in 2010-2011 due to the reclassification of Permit Technician to the Finance Department due to the lack of development throughout the city due to the current economic environment. This reclassification is expected to continue through 2011-2012.
- The Recreation Department has decreased staffing due to the discontinuance of the Summer in the Park and Summer Adventure Day Camp programs for 2010-2011 and is expected to continue through 2011-2012.
- The Police Department has increased staffing of 1.0 FTE in 2011-2012 due to the authority to hire an additional Police Officer in that fiscal year.<sup>9</sup>

2010-2011 Staffing by Department



## Staffing

2011-2012 Staffing by Department



### Employee Compensation

The City of Winters has six employee associations that represent the interests of the employees of the City of Winters:

- Winters Employee Association (WEA) is comprised of all non-public safety, non-management employees.
- The Winters Police Officer Association (WPOA) is comprised of the sworn police officers of the City.
- The Winters Police Sergeant Association is comprised of the sworn police sergeants of the City.
- The Winters Mid Management Association is comprised of those individuals whose job title classifies them as mid-managers
- The Winters Management Association is for those individuals whose job title classifies them as managers
- The Winters Department Directors Association is comprised of the Department Directors within the City.

## Staffing

At the time of the preparation of this budget, all associations are still in negotiations with management for salary and benefits. Currently the salary and benefit increases for budgeting purposes are:

- No cost of living increases are budgeted for 2010/2011 and 2011/2012
- Department Directors, Managers, Mid-Managers and the Winters Employee Association have all agreed to wage freezes for the 2010/2011 and 2011/2012 fiscal years, and the other associations are being asked to do the same.
- City matching employee contributions to 457K (Deferred Compensation Plans) to a maximum of \$500 per year are being suspended for all employees for both 2010/2011 and 2011/2012.
- City Management employees have agreed to a suspension of the City contribution to the 457 Deferred Compensation plan for both 2010/2011 and 2011/2012, for Department heads, this is 7% of salary, for Management staff this is 4% of salary and for Mid-management this is 2% of salary.
- City Management employees have agreed to not have the ability to take leave time in cash in lieu of time off for both fiscal years.

Any changes resulting from completion of negotiations approved by the City Council will be adjusted as necessary.



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## FISCAL POLICIES

### BUDGET

The City of Winters is adopting the following policies to guide in the preparation of the City of Winters annual budget.

1. The City shall maintain a balanced budget.
  - a. Operating revenues must fully cover operating expenditures, including debt service.
  - b. End of year balance carry forwards shall not be used as a continuing method of balancing the budget
  - c. Ending fund balances must meet minimum policy levels (50% of expenditures for the General Fund and Enterprise Funds
2. One-time revenues will only be used for one-time expenditures.
3. Budgetary procedures that fund current expenditures at the expense of future needs, such as postponing expenditures, accruing future revenues, or rolling over short-term debt, will be avoided.
4. Structural deficits will be avoided by balancing expected annual revenues with expected annual expenditures.
5. Proceeds from long-term debt will not be used for current, ongoing activities.
6. All revenue forecasts shall be conservative. Revenues projections will be evaluated annually to maintain an error rate of less than 5%
7. All non-salary benefits, such as vacation pay, holiday pay, and educational incentives will be costed out, and their impact on future budgets will be assessed. Cost analysis of salary increases will include the effect of such increases on employer share of related fringe benefits.

8. All compensation negotiations will focus on total compensation: direct salary plus employer share of fringe benefits.
9. Future maintenance needs for all new capital facilities will be fully costed out.
10. The budget will provide sufficient funding for adequate maintenance and orderly replacement of capital plant and equipment.
11. Utility rate increases shall be smaller and more frequent (e.g. annually) rather than larger and less frequent.
12. The number and classifications of positions shall be approved in the annual budget. Changes to the number or classification of Full Time Equivalent (FTEs) shall require City Council approval.
13. The City Council will approve the annual budget by resolution that appropriates the funds. New revenue sources and their expenditures identified after the annual budget appropriation must be approved and appropriated by the City Council. Revenues for current sources that exceed their budgeted amounts by more than 10% must be appropriated by the City Council prior to expenditure of those revenues. Expenditures for contract services reimbursed by developers do not require City Council appropriations provided the City Council policies on development reimbursements are followed.

Under this policy, it is allowable for total expenditures to exceed revenues in a given year; however, in this situation, beginning fund balance can only be used to fund capital improvement projects or other "one-time", non-recurring expenditures.

## **FINANCIAL REPORTING AND BUDGET ADMINISTRATION**

The City of Winters is adopting the following policies to set procedures for monitoring the financial status of the City's various funds and cash flow.

1. **Annual Reporting.** The City will prepare annual financial statements as follows:
  - a. The City will contract for an annual audit by a qualified independent certified public accountant. The City will strive for an unqualified auditor's opinion.
  - b. The City will use generally accepted accounting principles in preparing its annual financial statements and will strive to meet the requirements of the GFOA's Award for Excellence in Financial Reporting program.
  - c. The City will issue audited financial statements within 180 days after year-end.
2. **Interim Reporting** The City will prepare and issue timely reports on the City's fiscal status to the Council and staff. This includes:
  - a. Monthly budget status reports to all Department Heads
  - b. Monthly Investment report to the City Council.
  - c. Monthly budget status and cash flow reports to the City Council
  - d. Mid Year budget reviews
3. **Budget Administration.** The Council may amend or supplement the budget at any time after its adoption by majority vote of the Council members. The City

Manager has authority to make transfers between account codes and departments within a fund, except for contingencies, without City Council approval.

## GENERAL REVENUE MANAGEMENT

The City is establishing the following policies to guide the City in managing the revenues available for current and future programs within the City of Winters.

1. **Stable Base.** The City will seek to maintain a diversified and stable revenue base to protect it from short-term fluctuations in any one revenue source.
2. **Long Range Planning.** The City will institute a five-year projection of revenues beginning in the fiscal year 2003-2004, and will update the projections on an annual basis; therefore, the City will maintain a five-year projection of revenues to assist in long-range financial planning.
3. **Current Revenues for Current Uses.** The City will fund current year expenditures from current year revenues and avoid procedures that balance current budgets by postponing needed expenditures, accruing future revenues or rolling over short-term debt.
4. **Interfund Transfers and Loans.** In order to achieve important public policy goals, the City has established various special revenue, capital project, debt service and enterprise funds to account for revenues whose use should be restricted to certain activities. Accordingly, each fund exists as a separate financing entity from other funds, with its own revenue sources, expenditures and fund equity. Such transfers will be subsequently reported to the City Council in budget reports, mid-year adjustment and other fiscal reports.

Any transfers between funds for operating purposes can only be made during the budget process, as approved by the City Council in the adopted budget, or upon majority vote of the City Council as a budget adjustment. These operating transfers, under which financial resources are transferred from one fund to another, are distinctly different from interfund borrowings, which are usually made for temporary cash flow reasons, and are not intended to result in a transfer of financial resources by the end of the fiscal year.

In summary, interfund transfers result in a change in fund equity; interfund borrowings do not, as the intent is to repay the loan in the near term.

From time to time, interfund borrowings may be appropriate; however, these are subject to the following criteria in ensuring that the fiduciary purpose of the fund is met:

1. The Director of Financial Management is authorized to approve temporary interfund borrowings for cash flow purposes whenever the cash shortfall is expected to be resolved in 60 days. The most common use of interfund

borrowing under this circumstance is for grant programs like the Community Development Block Grant, where costs are incurred before drawdowns are initiated and received. However, receipt of funds is typically received shortly after the request for funds have been made.

2. The Director of Financial Management is authorized to approve temporary interfund borrowing for the City Wide Assessment District Special Revenue Fund. This fund receives revenues in January and May of each year, while expenditures occur relatively evenly throughout the fiscal year, causing temporary cash shortfalls for the City Wide Assessment District Fund.
3. Any other interfund borrowings for cash flow or other purposes require a case-by-case approval of the City Council.
4. Any transfers between funds where reimbursement is not expected within one fiscal year shall not be recorded as interfund borrowings; they shall be recorded as interfund operating transfers that affect equity by moving financial resources from one fund to another.

## **USER FEE COST RECOVERY GOALS**

The City is establishing the following to guide the City in setting fees for services provided by the City of Winters.

### **1. Ongoing Review**

Fees will be reviewed and updated on an ongoing basis to ensure that they keep pace with changes in the cost of living as well as changes in methods or levels of service delivery

### **2. User Fee Cost Recovery Levels**

In setting user fees and cost recovery levels, the following factors will be considered:

#### **a. Community Wide vs. Special Benefit.**

The level of user fee cost recovery should consider the community wide vs. special service nature of the program or activity. The use of general purpose revenue is appropriate for community wide services, while user fees are appropriate for services that are of special benefit to easily identified individuals or group.

#### **b. Service Recipient vs. Service Driver.**

After considering community wide vs. special benefit of the service, the concept of service recipient vs. service driver should be considered. For example, it could be argued that the applicant is not the beneficiary of the City's development review efforts, that the community is the primary beneficiary. However, the applicant is the driver of the development review costs, and therefore, cost recovery from the applicant is appropriate.

#### **c. Effect of Pricing on the Demand for Services**

The level of cost recovery and related pricing of services can significantly affect the demand and subsequent level of services provided. At full cost

recovery, this has the specific advantage of ensuring that the City is providing services for which there is a market that is not overly stimulated by artificially low prices. However, high levels of cost recovery will negatively impact the delivery of services to lower income groups. This negative feature is especially pronounced, and works against public policy, if the services are specifically targeted to low income groups.

**d. Feasibility of Collection and Recovery.**

Although it may be determined that a high level of cost recovery is appropriate for specific services, it may be impractical or too costly to establish a system to identify and charge the user. Therefore, the feasibility of assessing and collecting charges should also be considered in developing user fees, especially if significant program costs are intended to be financed from that source.

**3. Factors Favoring Low Cost Recovery Levels.**

Very low cost recovery levels are appropriate under the following circumstances:

- a. There is no intended relationship between the amount paid and the benefit received. Almost all social service programs fall into this category. It is expected that one group will subsidize another.
- b. Collecting fees is not cost effective, or will significantly impact the efficient delivery of the service.
- c. There is no intent to limit the use of (or entitlement to) the service. Again, most social service programs fit into this category as well as many police and fire emergency response services. Access to neighborhood and community parks fit into this category as well.
- d. The service is non-recurring, generally delivered on a peak demand or emergency basis, cannot be planned for on an individual basis, and is not readily available from a private sector source. Many police and fire services also fall into this category.
- e. Collecting fees would discourage compliance with regulatory requirements and adherence is primarily self-identified, and as such, failure to comply would not be readily detected by the City. Many small scale licenses and permits might fall into this category.

**4. Factors Favoring High Cost Recovery Levels**

- a. The service is similar to services provided through the private sector.
- b. Other private or public sector alternatives could or do exist for the delivery of the service.
- c. For equity or demand management purposes, it is intended that there be a direct relationship between the amount paid and the level and cost of the service received.
- d. The use of the service is specifically discouraged. Police responses to false alarms might fall into this category.
- e. The service is regulatory in nature and voluntary compliance is not expected to be the primary method of detecting failure to meet regulatory

requirements. Building permit, plan checks, and subdivision review fees for large projects would fall into this category.

#### 5. **General Concepts Regarding the Use of Service Charges**

The following general concepts will be used in developing and implementing service charges:

- a. Revenues should not exceed the reasonable cost of providing the service.
- b. Cost recovery goals should be based on the total cost of delivering the service, including direct costs, departmental administration costs, and organization wide support costs such as accounting, personnel, data processing, vehicle maintenance and insurance.
- c. The method of assessing and collecting fees should be as simple as possible in order to reduce the administrative cost of collection.
- d. Rate structures should be sensitive to the "market" for similar services as well as to smaller, infrequent users of the service.
- e. A unified approach should be used in determining cost recovery levels for various programs based on the factors discussed above.

#### 6. **Low Cost Recovery Services**

Based on the criteria discussed above, the following types of services should have very low cost recovery goals. In selected circumstances, there may be specific activities that should have user fees associated with them. However, the primary source of funding for the operation should be general purpose revenues, not user fees.

- a. Delivering public safety emergency response services such as police patrol services and fire suppression.
- b. Maintaining and developing public facilities that are provided on a uniform, community wide basis such as streets, parks and general purpose buildings.
- c. Providing social service programs and economic development activities.

#### 6. **Recreation Programs**

The following cost recovery policies apply to the City's recreation programs:

- a. Cost recovery for activities directed to adults should be relatively high.
- b. Cost recovery for activities directed to youth and seniors should be relatively low. In those circumstances where services are similar to those provided in the private sector, cost recovery levels should be higher.

Although ability to pay may not be a concern for all youth and senior participants, these are desired program activities and the cost of determining need may be greater than the cost of providing a uniform service fee structure for all participants. Further, there is a community wide benefit in encouraging high levels of participation in youth and senior recreation activities regardless of financial status.

- c. Cost recovery goals for recreation activities are set as follows:

*High Cost Recovery Activities (60%-100%)*

- 1. Classes

2. Adult athletics
3. Community Center rentals

*Mid Range Cost Recovery Activities (30%-60%)*

1. City library room rental
2. Youth sports
3. Outdoor facility and equipment rentals

*Low Range Cost Recovery Activities (0%-30%)*

1. Public swim
2. Swim lessons
3. Adventure Day Camp
4. Fun in the Park

- d. For cost recovery activities of less than 100%, there should be a differential in rates between residents and nonresidents. However, the Recreation Supervisor is authorized to reduce or eliminate nonresident fee differentials when it can be determined that the fee is reducing attendance and that there are no appreciable expenditure savings from the reduced attendance.
- e. Absent formalized agreements with youth groups and sports leagues, charges will be assessed for use of the Community Center, ball fields, library rooms and recreation facilities not sponsored or co-sponsored by the City. Such charges will generally conform to the fee guidelines described above.

**7. Development Review Programs**

The following cost recovery policies apply to the development review programs:

- a. Services provided under this category include:
  1. Planning (planned development permits, tentative maps, rezonings, General Plan amendments, variances, use permits.)
  2. Building and safety (building permits and inspections).
  3. Engineering (public improvement plan checks, inspections, subdivision requirements, encroachments)
  4. Fire plan check
- b. Cost recovery for these services should generally be very high. In most instances the City's cost recovery goal should be 100%. However, in charging high cost recovery levels, the City needs to clearly establish and articulate standards for its performance in reviewing developer applications to ensure there is "value for cost"

**8. Comparability With Other Communities**

In setting user fees, the City will consider fees charged by other agencies in accordance with the following criteria:

- a. Surveying the comparability of the City's fees to other communities provides useful background information in setting fees for several reasons:
  1. They reflect the market for these fees and can assist in assessing the reasonableness of the City's fees.

2. They can serve as a benchmark for how cost effective the City provides its services.
- b. Fee surveys should not be the only criteria in setting City fees because many factors affect how communities set their fees, as such, comparing our fees to other communities should only be one factor used to set the City of Winters fees.

## **ENTERPRISE FUND FEES AND RATES**

The City is establishing the following to manage the revenues of the Water and Sewer enterprise funds to provide for current and future operating costs, as well as capital requirements.

### **1. Water and Sewer**

The City will set fees and rates at levels that fully cover the total direct and indirect cost, including operations, capital outlay and debt service of the water and sewer enterprise funds.

### **2. Ongoing Rate Review**

The City will review and adjust enterprise fees and rate structures as required to ensure that they remain appropriate and equitable.

## **REVENUE DISTRIBUTION**

The City is establishing the following to provide a manner of distributing revenue sources received by the City of Winters.

The Council recognizes that generally accepted accounting principles for local governments discourage the "earmarking" of General Fund revenues, and therefore, the practice of designating General Fund revenues for specific programs should be minimized in the City's management of its fiscal affairs. The following revenue distribution policies do not prevent the City Council from directing General Fund resources to other functions and programs as necessary.

### **1. Property Tax Revenues**

With the passage of Proposition 13 in 1978, California Cities no longer are allowed to set their own property tax rates. Proposition 13 not only limited the annual increases in market value, it placed a ceiling on voter-approved indebtedness and redefined assessed valuations. Proposition 13 established a maximum countywide levy for general revenue purposes of 1% of market value. Under subsequent state legislation, which adopted formulas for the distribution of this countywide levy, the City now receives a percentage of total property tax revenues collected countywide as determined by the County Auditor-Controller.

The Property Tax revenues received by the City of Winters are General Fund revenues.

2. **Gas Tax Revenues**

All gas tax revenues (which are restricted by the State for street related purposes) will be used for maintenance and capital projects. The City expends no General Fund revenues for streets and roads and therefore the fund balance of the Gas Tax Fund is allowed to build up for several years before major projects can be funded from these revenues.

3. **Transportation Development Act Revenues (TDA)**

All TDA revenues will be expended first for the Winters Route of the Yolo County Transportation District, and the remaining unspent revenues will be used in conjunction with the Gas Tax revenue for street and road purposes.



## **City of Winters and City of Winters Community Development Agency Investment Policy**

Updated 1/6/06

The City is establishing the following policies to provide the means for investing the public funds held by the City of Winters and the City of Winters Community Development Agency.

### **1. Policy**

It is the policy of the City of Winters and the City of Winters Community Development Agency to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all Federal, State and local statutes governing the investment of public funds

### **2. Scope**

This investment policy applies to all financial assets of the City of Winters and the City of Winters Community Development Agency. These funds are accounted for in the monthly and annual financial reports as well as in the annual audit performed by an independent certified public accountant.

### **3. Responsibility**

The authority for investment for municipal governments is set forth in Article 1, Chapter 4 of the California Government Code (Section 53600 et.seq.). The responsibilities for investing excess cash and transferring funds for immediate use are assigned to the Director of Financial Management, Director of Administrative Services, or the City Manager.

### **4. Objectives**

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the objectives of the City shall be to safeguard the principal of the funds invested, to meet the liquidity needs of the City, and to achieve a reasonable rate of return on the invested funds.

#### **5. Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts with the proper execution of the investment program, or impairs their ability to make impartial investment decisions. Additionally, the City Manager, Director of Financial Management, Director of Administrative Services and City Treasurer are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC).

#### **6. Authorized Investments**

Investment of City funds is governed by the California Government Code Sections 53600 et seq. Within the context of the limitations, the following investments are authorized, as further limited herein:

- a. United State Treasury Bills, Bonds and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.
- b. Obligations issued by Federal Government Agencies, such as the Government National Mortgage Association (GNMA), the Federal Farm Credit System (FFCB), the Federal Home Loan Bank Board (FHLB), the Federal National Mortgage Association (FNMA), the Student Loan Marketing Association (SLMA), and the Federal Home Loan Mortgage Association (FHLMC). There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.
- c. Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale or other agreement of the City of Winters or City of Winters Community Development Agency, or certificates of participation in those bonds, indebtedness, or lease installment sale or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the of the City of Winters, or City of Winters Community Development Agency providing for the issuance.

Investments in items c through j are further restricted to percentage of the cost value of the portfolio in any one issuer name to a maximum of 15%. The total value

invested in any one issuer shall not exceed 15% of the issuer's net worth. A five-year maximum maturity limitation is applicable unless further restricted in this policy.

- d. Bills of exchange or time drafts drawn on and accepted by commercial banks, otherwise known as banker's acceptances. Bankers acceptances purchased may not exceed 180 days to maturity or 40% of the cost value of the portfolio, however no more than 30% of the agency's money may be invested in the bankers acceptances of any one commercial bank.
- e. Commercial paper of "prime quality of the highest ranking or of the highest letter and number rating as provided for by an nationally recognized statistical –rating organization (NRSRO). The issuer shall meet all of the following conditions in either paragraph (1) or paragraph (2)
  - a. The issuing entity must meet the following criteria:
    - ❖ Is organized and operating in the United States as a general corporation.
    - ❖ Has total assets in excess of five hundred million dollars (\$500,000,000)
    - ❖ Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical rating organization (NRSRO)
  - b. The issuing entity must meet the following criteria.
    - i. Is organized within the United States as a special purpose corporation, trust or limited liability company.
    - ii. Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit or surety bond.
    - iii. Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating organization (NRSRO). Purchase of eligible commercial paper may not exceed 270 days to maturity nor represent more than 10% of the outstanding paper of the issuing corporation. Purchases of commercial paper may not exceed 25% of the cost value of the portfolio. Purchases of commercial paper from any one issuer cannot exceed 10%.
- f. Negotiable Certificates of Deposit issued by nationally or state chartered banks or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of total portfolio. A maturity limitation of 5 years is applicable.
- g. Repurchase agreements that specify terms and conditions may be transacted with banks and broker dealers. The maturity of the repurchase agreements shall not exceed 90 days. The market value of the securities used as collateral for the repurchase agreements shall be monitored by the investment staff and shall not be allowed to fall below 102% of the value of the repurchase agreement. A PSA Master Repurchase Agreement is required between the City of Winters and the broker dealer or financial institution for all repurchase agreements transacted.
- h. Local Agency Investment Fund (LAIF) which is a State of California managed investment pool may be used up to the maximum permitted by California State Law.

- i. Time deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 25% of the investment portfolio may be invested in this investment type.
- j. Medium Term Corporate Notes with a maximum maturity of five years may be purchased. Securities eligible for investment shall be rated AA or better by Moody's or Standard & Poor's rating services. Purchase of medium term notes may not exceed 30% of the market value of the portfolio and no more than 15% of the market value of the portfolio may be invested in notes issued by one corporation. Commercial paper holdings should also be included when calculating the 15% maximum.
- k. Ineligible investments are those that are not described herein, including, but not limited to, common stocks, reverse repurchase agreements, inverse floaters, range notes, mortgage derived interest only strips, derivatives securities, any security that could result in zero interest accrual, and long term (over five years in maturity) notes and bonds are prohibited from use in this portfolio. It is noted that special circumstances arise that necessitate the purchase of securities beyond the five-year limitation. On such occasions, requests must be approved by the City Council prior to purchase.
- l. Various daily cash funds administered for or by trustees, paying agents and custodian banks contracted by the City of Winters may be purchased as allowed under State of California Government Code. Only funds holding US Treasury or Government agency obligations can be utilized.

**7. Diversification**

Investments will be diversified by security type and institution. With the exception of U.S. Treasury security and authorized pools, no more than 50% of the total investment portfolio will be invested in single security type or with single financial institution.

**8. Authorized Financial Dealers and Institutions**

The City of Winters shall transact business only with banks, savings and loans, and with broker/dealers. The broker/dealers will be primary dealers regularly reporting to the New York Federal Reserve Bank.

**9. Collateral Requirements**

Collateral is required for investments in certificates of deposit and repurchase agreements. In order to reduce market risk, the collateral level will be at least 102% of market value of principal and accrued interest.

In order to conform with the provisions of the Federal Bankruptcy Code which provides for liquidation of securities held as collateral, the only securities acceptable as collateral shall be certificates of deposit, commercial paper, eligible banker's acceptances, medium term notes or securities that are the

direct obligation of, or are fully guaranteed as to principal and interest by the United States or any agency of the United States.

#### **10. Safekeeping of Securities**

To protect against fraud or embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by the City of Winters shall be held in safekeeping by a third party bank trust department, acting as agent for the City under the terms of a custody agreement or PSA agreement (repurchase agreement collateral). All trades executed by a dealer will settle delivery vs. payment (DVP) through the City's safekeeping agent. Securities held in custody for the City shall be independently audited on an annual basis to verify investment holdings.

#### **11. Internal Control**

Existing separation of functions is designed to provide an ongoing internal review to prevent the potential for converting assets or concealing transactions.

Existing procedures require all wire transfers to be confirmed by the appropriate financial institution. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Director of Financial Management on a monthly basis.

#### **12. Reporting**

The Director of Financial Management will prepare monthly financial and investment reports for the City Manager to review and then report to the City Council.

#### **13. Interest Earnings**

All investment earnings earned and collected from investments authorized in this policy will be allocated monthly to various fund accounts based on the cash balance in each fund as a percentage of the entire pooled portfolio.

#### **14. Legislative Changes**

Any State of California legislative action that further restricts allowable maturities, investment type or percentage allocation, will be incorporated into the City of Winters investment policy and supersede any and all previous applicable language.

## **15. Policy Review**

The City of Winters investment policy has been adopted by Resolution of the City Council, and shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. Any amendments to the policy shall be forwarded to the City Council for approval.

## APPROPRIATION LIMITATION

The following policies are established to provide for compliance with the Appropriation Limitation requirement of the California Constitution.

1. The City Council will annually adopt a resolution establishing the City of Winters appropriation limit calculated in accordance with Article XIII-B of the Constitution of the State of California, section 7900 of the State of California Government Code, and any other voter approved amendments or state legislation that affect the City's appropriation limit.
2. The supporting documentation used in calculating the City's appropriation limit will be available for public and Council review at least 7 days before Council consideration of a resolution to adopt an appropriation limit.
3. The City will strive to develop revenue sources, both new and existing, which are considered non-tax proceeds in calculating its appropriations subject to limitation.
4. The City will seek voter approval to amend its appropriation limit at such time that tax proceeds are in excess of allowable limits.

## FUND BALANCES RESERVES

The following are established to provide for a prudent reserve policy for the City of Winters.

The City of Winters has established three types of reserves: Contingencies, Capital Reserves, and Cash and Emergency Reserves.

1. The City of Winters has two Contingency Reserves: General Contingency and CalPERs Contingency.
  - a. General contingencies are budgeted in each fiscal year to account for unanticipated expenditures during the year. These are usually smaller amounts and are not for catastrophic emergencies, but rather for unforeseen expenditures at budget time that the City Council deems necessary to allocate funding throughout the fiscal year.
  - b. CalPERS contingencies are budgeted in fiscal years that the City is in a surplus or super funded status with CalPERS for contributions for employee retirement plans. These amounts are included as an expenditure in each fund to which they apply, and the amount not remitted to CalPERS is then transferred to a separate fund in anticipation of contract changes resulting in significant increases in CalPERS rates.
2. Capital Reserves have been established for a variety of reserve purposes. Capital Reserves are used to pay for replacement of infrastructure (such as replacing water mains), renovation of existing infrastructure (such as modernizing a City building), and building new City facilities (such as ball fields). The City has three types of Capital Reserve funds:
  - a. Impact Fee Reserve Funds are fees collected from development established in accordance with AB1600. The specific projects to be funded from the Impact Fees are established in accordance with AB1600 procedures. These funds may only be used for those identified projects, and if not used for those projects must be returned to the developer. Impact fees are used to accommodate facilities required to accommodate new development within the City of Winters.
  - b. Capital Reserves are funds set aside from sources other than development fees to build, renovate, or improve capital assets. Capital Reserves are used for existing or new infrastructure that benefit the community in general. In some cases an improvement is partially funded from Capital reserves, and partially funded by Impact fees. The City Council may designate specific fund balance levels for future development of Capital projects that it has determined to be in the best long-term interest of the City.

- c. An Equipment Replacement fund has been established in the fiscal year 2002-2003 to provide for the timely replacement of vehicles and capital equipment (General Fund assets) with an individual replacement cost of \$15,000 or more. The City of Winters will use revenues received from the reimbursement of mandated costs, sale of any surplus equipment and any City Council approved transfer of year end revenues in excess of expenditures to provide a funding source for replacement of vehicles and capital equipment. The City has also established Equipment Replacement funds for both the Water and Sewer Enterprise Funds in the fiscal year 2002-2003. These equipment replacement funds will account for all assets of the enterprise fund, and the annual amount of depreciation for each asset will be transferred as a cash transfer from the individual enterprise fund to its corresponding equipment replacement fund. The City will strive to maintain a fund balance of approximately 20% of the original purchase price of the items accounted for in this fund.
3. Cash and Emergency Reserves-Each year when the City Council approves the annual budget, the budgeted amounts will be appropriated to the various revenue and expenditure accounts in the City's financial system. In the operating funds, the fund balances will be made up of: annual appropriations, money reserves, and unappropriated, unreserved fund balances.
- a. Annual appropriations are the amounts in the annual budget approved by the City Council for expenditure during the budget year.
  - b. Money Reserves are funds that are specifically reserved by the City Council as a baseline amount for cash and extreme emergency purposes. To avoid short term borrowing, adequate cash must be maintained to cover ongoing expenses. For example, property tax revenues are received by the City twice per year, but the expenses paid with these revenues are fairly constant each month, thus, the fund must maintain a cash balance sufficient to pay for expenses until the revenues are received.
  - c. Unappropriated, unreserved fund balances are also a type of reserve and serve as a cash and/or emergency reserve in each fund. The unappropriated, unreserved fund balances are available to handle the effects of such occurrences as a sudden economic downturn that would result in receiving less revenues than budgeted. (this would give the City time to make appropriate adjustments in subsequent budgets).
  - d. Cash and emergency reserves are established for the following operating funds;
    - 1. General Fund: The money reserve goal is 50% of annual expenditures and the unappropriated, unreserved end of year estimated fund balance goal is 25% of annual expenditures.

2. City Wide Assessment District: The unappropriated, unreserved end of year estimated fund balance goal is 75% of annual expenditures.
3. Water Enterprise Fund: The unappropriated, unreserved end of year estimated fund balance goal is 50% of annual expenditures. This goal is in addition to transferring adequate funds to meet any City Council directed Water Capital Reserve requirements
4. Wastewater Enterprise Fund: The unappropriated, unreserved end of year estimated fund balance goal is 50% of annual expenditures. This is in addition to any City Council directed Wastewater Capital Reserve Requirements.

In addition to the designations noted above, fund balance levels will be sufficient to meet funding requirements for projects approved in prior years which are carried forward into the new year, debt service requirements, reserves for encumbrances, and other reserves or designations required by contractual obligations, state law, or generally accepted accounting principles.

## **CAPITAL IMPROVEMENT MANAGEMENT**

The following is established to provide for the management of Capital equipment purchases and Construction projects.

1. Construction projects and equipment purchases which cost \$15,000 or more will be included in the Capital Improvement Plan (CIP). Minor equipment purchases of less than \$15,000 will be included in the operating budget.
2. The purpose of the CIP is to systematically plan, schedule and finance capital projects to ensure cost effectiveness as well as conformance with established policies. The CIP is a five-year plan organized into the same functional groupings used for the operating budget. The CIP will reflect a balance between Capital replacement projects that repair, replace, or enhance existing facilities, equipment or infrastructure that significantly expand or add to the City's existing fixed assets.
3. Each CIP project will have a project manager who will prepare the project proposal, ensure that required phases are completed on schedule, authorize all project expenditures, ensure that all regulations and laws are observed, and periodically report project status.
4. The City's annual CIP appropriations for study, design, acquisition and/or construction is adopted through the annual budget process. Having the project appropriations included in the annual budget does not automatically authorize the project for funding. The project is approved for funding when the City Council has reviewed and approved costs for each phase of the project.

## CAPITAL FINANCING AND DEBT MANAGEMENT

The following is established to provide for the basis of when debt financing may be appropriate for the City of Winters, management of the debt, and the establishment of a debt capacity for the City.

1. The City will consider the use of debt financing only for one time capital improvement projects and only under the following circumstances;
  - a. When the projects useful life will exceed the term of the financing.
  - b. When the project revenues or specific resources will be sufficient to service the long- term debt.
2. Debt financing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures. The issuance of short-term instruments such as tax revenue bonds or bond anticipation notes is excluded from this limitation.
3. Capital improvements will be financed primarily through user fees, service charges, assessments, special taxes or developer agreements when benefits can be specifically attributed to users of the facility. Accordingly, development impact fees have been created and implemented at levels sufficient to ensure that new development pays its fair share of the cost of constructing necessary community facilities.
4. The City will use the following criteria to evaluate pay as you go vs. long term financing in funding capital projects;
  - A. Factors favoring pay as you go financing:
    1. Current revenues and adequate fund balances are available or project phasing can be accomplished.
    2. Existing debt levels adversely affect the City's credit rating.
    3. Market conditions are unstable or present difficulties in marketing.
  - B. Factors Favoring Long Term Financing
    1. Revenues available for debt service are deemed sufficient and reliable so that long-term financings can be marketed with investment grade credit ratings.
    2. The project securing the financing is of the type, which will support an investment grade credit rating.
    3. Market conditions present favorable interest rates and demand for City financing.
    4. A project is mandated by state or federal requirements, and resources are insufficient or unavailable.
    5. The project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.
    6. The life of the project or asset to be financed is 10 years or more.
5. Debt Management:

- a. The City will not obligate the General Fund to secure long-term financings except when marketability can be significantly enhanced.
  - b. An internal feasibility analysis will be prepared for each long term financing which analyzes the impact on current and future budgets for debt service and operations. This analysis will also address the reliability of revenues to support debt service.
  - c. The City will generally conduct financings on a competitive basis. However, negotiated financings may be used due to market volatility or the use of an unusual or complex financing or security structure.
  - d. The City will seek an investment grade rating (BAA/BBB or greater) on any direct debt and will seek credit enhancements such as letters of credit or insurance when necessary for marketing purposes, availability and cost effectiveness.
  - e. The City will monitor all forms of debt annually coinciding with the preparation of the annual budget.
  - f. The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
  - g. The City will maintain good, ongoing communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement).
6. Debt Capacity:
- a. General Purpose Debt Capacity. The City will carefully monitor its level of general purpose debt. General purpose debt capacity is limited, and should only be used for high priority projects where other financing methods cannot be reasonably used.
    - 1. General purpose funds committed to a project are not available for funding operations
    - 2. In evaluating debt capacity, general purpose debt service payments will not exceed 10% of General Fund Revenues
  - b. Enterprise Fund Debt Capacity. The City will set enterprise fund rates at levels needed to fully cover debt service requirements as well as operations, maintenance, administration and capital improvement costs. The ability to afford new debt for enterprise operations will be evaluated as an integral part of the City's rate review and setting process.
7. The City will retain a Financial Advisor in connection with any debt issuance.



## Fixed Asset Capitalization and Inventory Control Policy

### Purpose:

The purpose of this policy is to ensure adequate control and appropriate use of City Fixed Assets. These procedures are designed to define fixed assets and to establish guidelines for budgeting, purchasing, using, financial reporting, depreciating and disposing of fixed assets. This policy does not apply to infrastructure assets.

### Policy:

It is the policy of the City of Winters that fixed assets be used for appropriate City purposes and be properly accounted for and secured. It is the responsibility of the Finance Department to ensure fixed assets will be tagged, inventoried on a regular basis, and accounted for by fund and asset category. It is the responsibility of Department Heads to ensure that proper budgeting and purchasing guidelines are followed, and that fixed assets are adequately controlled and used for appropriate City purposes, and to secure such fixed assets.

### Scope

All City Departments are subject to the provisions of this policy.

### Objectives

1. **Accounting and Reporting.** To accurately account for and report fixed assets in financial reports issued to the City Council, external-reporting agencies, granting agencies and the public.

2. **Safeguarding.** To protect the City's fixed assets from loss or theft.

To meet the two objectives above, the City has established a Capitalization Policy and an Inventory control policy, providing guidelines to determine which fixed assets are subject to separate accounting and reporting (capitalization) and safeguarding, (inventory control) respectively.

The Finance Department is responsible for, and has established, systems and procedures through which both objectives are met. These systems and procedures are used to identify, process, track, control and report City fixed assets.

### **Capitalization Policy**

Fixed assets will be identified as:

1. Equipment and Machinery
2. Office Equipment
3. Land
4. Buildings
5. Vehicles

In General, items classified as equipment or machinery, office equipment or vehicles with an original cost of \$5,000 or more will be subject to capitalization. All costs associated with the purchase should be considered, including such costs as freight and transportation charges and installation charges attributable to asset acquisition.

Items classified as Land and Buildings with an original cost of \$50,000 or more will be subject to capitalization. All costs associated with the purchase should be considered, including site preparation, professional fees and legal costs directly attributable to asset acquisition.

Specific capitalization requirements are described below:

- The capitalization threshold is applied to individual units of fixed assets. For example, ten desks purchased through a single purchase order each costing \$1,000 will not qualify for capitalization even though the total cost of \$10,000 exceeds the threshold of \$5,000.
- The capitalization threshold will generally not be applied to components of fixed assets. For example, a keyboard, monitor, and central processing unit purchased as components of a computer system will not be evaluated individually against the capitalization threshold. The entire computer system will be treated as a single fixed asset.
- Repairs to fixed assets will generally not be subject to capitalization unless the repair extends the useful life of the asset. In this case, it represents an

improvement and is subject to the capitalization policy and should be evaluated separately.

- Improvements to existing fixed assets will be presumed (by definition) to extend the useful life of the related fixed asset and, therefore will be subject to capitalization only if the cost of the improvement meets the threshold. In theory, an improvement to a fixed asset that had an original cost of less than the threshold (\$5,000 or \$50,000), but now exceeds the threshold as a result of the improvement, should be combined as a single asset at the total cost (original cost plus the cost of the improvement) and capitalized.
- Capital projects will be capitalized as "construction in progress" until completed. Costs to be capitalized include direct costs, such as labor, materials, and transportation, indirect costs such as engineering and construction management, and ancillary costs such as construction period interest.

### **Inventory Control Policy**

Department heads are responsible for safeguarding fixed assets under their control from theft or loss. However, the Finance Department is responsible for establishing and maintaining systems and procedures that enable Department Heads to properly safeguard assets.

In general, Inventory Control is applied only to movable fixed assets such as machinery and equipment, and office equipment, and not to land, buildings or other immovable fixed assets. Fixed assets subject to inventory control will be accounted for and controlled through the same systems and procedures used to account and control fixed assets subject to capitalization.

Fixed assets will be subject to inventory control if they meet at least one of the following criteria:

1. The original cost of the fixed asset is equal to or greater than \$5,000.
2. All Computers
3. Any asset that cost less than \$5,000 as requested from a Department. This may include certain machinery and equipment that due to portability, value outside the office, or character, are susceptible to theft or loss. It may also include an asset that has been requested by a department to be controlled in order to satisfy an internal or external requirement.
4. An asset required to be controlled and separately reported pursuant to grant conditions or other externally imposed reporting requirements. For example, a grant program that has funded the acquisition of a fixed asset may impose a requirement that the fixed asset be tracked and identified as a grant-funded asset.

## **Tagging**

The purpose for tagging assets is to provide an efficient mechanism for inventorying fixed assets. A tag is a bar coded label that is affixed to each asset that is to be inventoried. The tag should be placed in an inconspicuous, but accessible place on the asset, for example, on the back of a computer component or the inside leg of a chair.

## **Why Tag an Asset**

1. To provide accountability for the assets, ensuring the asset assigned to a Department is controlled and accounted for by a specific department/person.
2. To help determine asset replacement cost and life
3. To provide the City's outside auditors with a mechanism to verify that the City is in control of fixed assets and to provide an accurate record of the City's capital expenditures

## **Should the Asset be tagged?**

1. Yes, if the cost of the asset is greater than \$5,000 and the useful life is greater than one year.
2. Yes, if it is physically possible/practical to tag and meets the dollar and life guidelines.
3. Yes, if it is an asset that is handled frequently, has a high cost, and/or is likely to be stolen.
4. Yes, if the asset needs to be controlled due to high incidence of theft/misplacement/borrowing.
5. Yes, if the asset is a computer, or computer component.
6. Generally no, if the asset cost is less than \$5,000. However, the Department Head and/or Finance may choose to tag items that cost less than \$5,000.
7. No, if the asset will be used up within one year.

## **Who is responsible for tagging the asset?**

The Finance Department with assistance from the other Department Heads will be responsible for tagging fixed assets.

## **Purchasing Fixed Assets**

1. Fill out purchase order. Include information in the comments section indicating whether the item is to be tagged or not.
2. The requested asset should have already been included in the current year's budget. Verify this, by reviewing your department's budget.
3. If the asset is not in the budget, you must contact Finance to determine appropriate action.

## **Disposal of Surplus Property**

Department Heads will submit a list of items to the City Manager to be declared as surplus for purposes of sale or disposal for record keeping purposes. Surplus property, with the approval of the City Manager, can be sold to any public or private person or entity, recycled or disposed of as junk to a landfill or other appropriate waste removal facility.

Proceeds from the disposal of surplus property will be allocated to the City's Equipment Replacement Fund.

## **Depreciable Lives**

<b>Category Description</b>	<b>Depreciable Life</b>
Land	n/a
Buildings	50
Improvements other than Buildings	50
Machinery and Equipment	10
Vehicles	5
Furniture and Fixtures	5
Office Equipment	3
Capital Improvement Project (CIP) in progress	n/a

## **Depreciation Convention**

Depreciation is computed using the half-month convention. Depreciation is computed from the beginning of the month it is placed in service if it was acquired

by the 15<sup>th</sup> of the month, if not it is depreciated from the beginning of the next month. Similarly, depreciation for the month of disposition is computed for that month if it is disposed of after the 15<sup>th</sup>.



## **Infrastructure Asset Capitalization and Inventory Control Policy**

### **Purpose**

The purpose of this policy is to ensure adequate control and appropriate use of City Infrastructure assets and to establish guidelines for budgeting, purchasing, using, financial reporting, logging, inventorying, depreciating, and disposing of infrastructure. This policy does not apply to fixed assets.

### **Policy**

It is the policy of the City of Winters that infrastructure assets be used for appropriate City purposes and be properly accounted for and secured. It is the responsibility of the Public Works Department to ensure infrastructure assets are identified and inventoried on a regular basis. It is the responsibility of the Finance Department to assure that infrastructure assets are accounted for by fund and asset category. It is the responsibility of all Department Heads to ensure that proper budgeting and purchasing guidelines are followed, that infrastructure assets are adequately controlled and used for appropriate City purposes, and to secure such infrastructure assets.

### **Scope**

All City Departments are subject to the provisions of this policy.

## **Objectives**

The City of Winters infrastructure asset policy has 2 objectives:

1. **Accounting and Reporting**. To accurately account for and report infrastructure assets in financial reports to the City Council, external-reporting agencies, granting agencies and the public.
2. **Safeguarding**. To maintain its infrastructure assets for the use and enjoyment of its citizens.

In meeting the two objectives, the City has established a Capitalization Policy and an Inventory Control Policy, providing specific guidance to determine which infrastructure assets are subject to capitalization and safeguarding.

The Finance Department is responsible for, and will establish systems and procedures through which both objectives are met. These systems are used to identify, process, control, track and report City infrastructure.

## ***Capitalization Policy***

In general, all infrastructure assets, including streets, roads, sewer lines, water lines, sidewalks, traffic signals, with an original cost of \$200,000 or more will be subject to capitalization. All costs associated with the purchase or construction should be considered, including ancillary costs such as design engineering, construction management, inspection, permits, insurance, freight and transportation charges, site preparation expenditures, installation charges, professional fees, and legal costs directly attributable to asset acquisition. Specific capitalization requirements are described below.

1. The capitalization threshold is applied to major general infrastructure assets.
2. The capitalization threshold will generally not be applied to components of infrastructure assets. For example, a manhole which is a component of a sewer system will not be evaluated individually against the capitalization threshold. The sewer system will be treated as a single infrastructure asset.
3. Repairs to infrastructure assets will generally not be subject to capitalization unless the repair extends the useful life of the asset. In this case, it represents an improvement and is subject to the capitalization policy and should be evaluated separately.

4. Capital projects will be capitalized as “construction in process” until completed. Costs to be capitalized include direct costs, such as labor, materials, and transportation, indirect costs such as engineering and construction management, and ancillary costs such as construction period interest.

### ***Inventory Control***

The Public Works Department is responsible for safeguarding infrastructure assets. However, the Finance Department is responsible for establishing and maintaining systems and procedures that enable the Public Works Department to properly safeguard assets.

### ***Purchasing Infrastructure Assets***

The construction or acquisition of infrastructure assets are approved by the City Council.

### **How to Retire/Dispose of and Infrastructure Asset**

An infrastructure asset is usually only disposed of in connection with its replacement or reconstruction. The Public Works Department and the Finance Department must coordinate the identification of the new and old assets so the proper financial reporting may be accomplished.

### **Depreciation**

Infrastructure assets will be depreciated using the following guidelines:

<b>Category Description</b>	<b>Depreciable Life</b>
Streets, including grading, base, paving and striping	50
Sidewalks, curb, and gutter	50
Street trees	50
Traffic Signals	30
Landscaped Medians	50
Signs, street name, directional, caution, stop etc	30
Sewer laterals and mains	50
Water lines	50
Storm Drains	50

**Depreciation convention.**

Depreciation is computed using the half-month convention. Depreciation is computed from the beginning of the month it is placed in service if it was acquired by the 15<sup>th</sup> of the month, if not it is depreciated from the beginning of the next month. Similarly, depreciation for the month of disposition is computed for that month if it is disposed of after the 15<sup>th</sup>.

## Capital Improvement Plan

Included in the budget are capital expenditures and capital improvements. The following information is the City of Winters capital improvement plan for 2010-2011 and 2011-2012.

The City had begun a 5-year capital improvement plan that was placed on hold until policies regarding certain development issues were put in place. Those policies are now in place, and an update of the prior plan is now in process. This plan includes detailed policies and procedures for budgeting and managing the projects included in the plan. The 5-Year Capital Improvement Plan is a separate document that will be available once approved by the City Council.

Included in this document are draft project budget sheets (pbs) for projects included in this year's budget. Some sheets do not contain approving signatures at this point due to the fact that the City Council has not reviewed and approved the entire project, and that the costs are estimates only at this time.

The budgeted amounts for each project are included in the appropriate General Fund, Special Revenue Fund or Capital Fund as indicated on the project budget sheet.

Funds identified with "099" are grants or other sources of funding that have been applied for but not approved at the time of the preparation of this budget. As the funding is approved, budget adjustments will be requested as the project is approved and contracts issued.

**City of Winters  
Police and Fire Station (Public Safety Facility)**

**Project Budget Sheet**

**CIP#: 05-03**

**MPFP#(s): #N/A**

**Last Updated:** August 2010

**Original Approval:** November 2006

**Project Owner:** Bruce Muramoto, Scott Dozier

**Project Manager:** Bruce Muramoto

**Project Resource:** Calpo Hom & Dong-Architect

Bobo Construction-General Contractor

**Description:**

Design and Construction of the joint Police/Fire Station. Design includes Schematic Design, Design Development, and Construction Documents. Design Services provided by Calpo hom, & Dong, Architects. Project Management to be provided by the City of Winters Police Chief Bruce Muramoto, and Winters Fire District Chief Scott Dozier. Project Team is Police Chief Bruce Muramoto, Fire Chief Scott Dozier and Director of Financial Management Shelly Gunby. Miscellaneous Project Management Assistance Provided by Ponticello Enterprises. General Contractor is unknown until bids are received and approved.

**Authority:**

Expanded headquarters buildings are required for both departments to serve the needs of the growing city. Funding will come from a combination of Community Development Agency Tax Allocation Bond Proceeds, Police Impact Fees, Fire Impact Fees and General Facility Impact Fees.

<b>Budget:</b>						
Item	%	Amount	Item	%	Amount	
Project Management	0%	\$ -	Investigations	0%	\$ -	
Construction Management	0%	\$ 100,680	Land	0%	\$ -	
Preliminary Studies	0%	\$ -	Construction	83%	\$ 7,000,000	
Consultant Design	5%	\$ 393,800	Other	3%	\$ 227,002	
Furniture/fixtures/Equip	9%	\$ 750,000	<b>Project Total:</b>	<b>100%</b>	<b>\$ 8,471,482</b>	

<b>Financing Schedule:</b>		Project Start: 9/15/2009		Project Completion: #N/A			
Phases: Project Studies, CEQA, Land Acquisition, Design, Bidding/Award, Construction							
Fund Code:	416	703	414	415	701	000	
Name:	Gen Fac Impact Fee	Project Fund	Police Impact Fee	Fire Impact Fee	Redevelopment (CDA)	#N/A	FY Totals
Prior FY:			\$ -				\$ -
FY 06/07:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 07/08:		\$ -	\$ 3,180	\$ 3,140		\$ -	\$ 6,320
FY 08/09:	\$ -	\$ -	\$ 209,043	\$ 198,166	\$ 71,482	\$ -	\$ 478,691
FY 09/10:	\$ 242,471	\$ 399,101	\$ 9,165	\$ 21,783			\$ 672,520
FY 10/11:		\$ 7,313,951					\$ 7,313,951
<b>Fund Totals:</b>	<b>\$ 242,471</b>	<b>\$ 7,713,052</b>	<b>\$ 221,388</b>	<b>\$ 223,089</b>	<b>\$ 71,482</b>	<b>\$ -</b>	<b>\$ 8,471,482</b>
<b>Ratios:</b>	2.9%	91.0%	2.6%	2.6%	0.8%	0.0%	100.0%

**Recommended for Submittal**

**Recommended for Approval (Dept. Head)**

**Finance Department Approval**

**City Manager Approval**

_____	_____
(name/title)	(date)
_____	_____
(name/title)	(date)
Shelly Gunby, Director of Finance	_____
	(date)
John Donlevy, City Manager	_____
	(date)



# Putah Creek Vehicle Bridge Upgrade

## Project Budget Sheet

**CIP#: 01-05**

**MPFP#(s): ST-11**

**Last Updated:** August 2010

**Original Approval:** June 2003

**Project Owner:** Public Works

**Project Manager:** Nick Ponticello

**Project Resource:** Solano County

**Description:**

Replace the existing vehicle bridge since it is structurally deficient and functionally obsolete. Solano County is the lead agency with funding also provided by Winters and Caltrans (Federal). Construction is scheduled for FY 10/11.

**Authority:**

General authority to maintain the existing city street in fra-structure. This project qualifies for state funding to replace this historically significant and vital transportation link. Timing of funding from state or federal sources is not known.

<b><u>Budget:</u></b>						
Item		Amount	Item		Amount	
Project Coordination		\$ 100,000				
Design & Environmental		\$ 770,000		Land		\$ 200,000
Construction Management		\$ 308,000		Construction		\$ 3,850,000
				Other		\$ 50,000
				<b>Project Total:</b>	<b>0%</b>	<b>\$ 5,278,000</b>

<b><u>Financing Schedule:</u></b>		Project Start: 2000		Project Completion: 2011		
Phases: Project Studies, CEQA, RW Acquisition, Design, Bidding/Award, Construction						
Fund Code:	008	411		294		
Name:	Federal HBRR	City Portion	County Portion	TDA		FY Totals
<b>Prior FY:</b>		\$ 6,301		\$ 22,585		<b>\$ 28,887</b>
<b>FY 06/07:</b>		\$ -	\$ 25,000	\$ 1,588		<b>\$ 26,588</b>
<b>FY 7/08:</b>	\$ 265,590	\$ 8,255	\$ 17,205	\$ 13,633		<b>\$ 304,683</b>
<b>FY 08/09:</b>	\$ 442,650	\$ 28,675	\$ 28,672			<b>\$ 499,997</b>
<b>FY 09/10:</b>	\$ -	\$ -	\$ -			<b>\$ -</b>
<b>FY 10/11:</b>	\$ 3,920,108	\$ 243,791	\$ 253,946			<b>\$ 4,417,845</b>
<b>Fund Totals:</b>	<b>\$ 4,628,348</b>	<b>\$ 287,022</b>	<b>\$ 324,823</b>	<b>\$ 37,806</b>		<b>\$ 5,278,000</b>
<b>Ratios:</b>	87.7%	5.4%	6.2%			100.0%

**Recommended for Submittal**

**Recommended for Approval (Dept. Head)**

**Finance Department Approval**

**City Manager Approval**

(name/title)	(date)
(name/title)	(date)
Shelly Gunby, Director of Finance	(date)
John Donlevy, City Manager	(date)



# Putah Creek North Bank Improvements

## Project Budget Sheet

**CIP#: 5-Aug**

**MPFP#(s):**

**Last Updated:** May 2009

**Original Approval:** NA

**Project Owner:** Public Works

**Project Manager:** Alan Mitchell

**Project Resource:** Solano County

**Description:**

Pedestrian and bicycle interconnectivity will be enhanced as a component of the bridge replacement project through construction of a paved path and other improvements along top of the north bank of Putah Creek, and installation of a pre-fab pedestrian bridge. Construction is scheduled for FY 10/11.

**Authority:**

General authority to maintain the existing city circulation and park infra-structure. This project complies with the Putah Creek Parkway Master Plan.

<b>Budget:</b>					
	<b>Item</b>	<b>Amount</b>	<b>Item</b>		<b>Amount</b>
	Project Coordination	\$ 50,000			
	Design & Environmental	\$315,000	Land		\$ 10,000
	Construction Management	\$ 80,000	Construction		\$ 1,530,000
			Other		\$ 25,000
			<b>Project Total:</b>	<b>100%</b>	<b>\$ 2,010,000</b>

<b>Financing Schedule:</b>					
Project Start:		2008		Project Completion: 2010	
Phases: Project Studies, CEQA, RW Acquisition, Design, Bidding/Award, Construction					
Fund Code:		<b>413</b>			
Name:	Federal	Park Impact			<b>FY Totals</b>
Prior FY:					\$ -
FY 06/07:					
FY 7/08:					
FY 08/09:	\$ 116,790	\$ 33,210			\$ 150,000
FY 09/10:	\$ 194,650	\$ 55,350			\$ 250,000
FY 10/11:	\$ 1,261,332	\$358,668			\$ 1,620,000
Grand Totals:	\$ 1,572,772	\$447,228			\$ 2,020,000
Ratios:	77.86%	22.14%			100.0%

**Recommended for Submittal**  
**Recommended for Approval (Dept. Head)**  
**Finance Department Approval**  
**City Manager Approval**

Alan Mitchell, Assist. City Engineer	May-09
_____	(date)
_____	(date)
Shelly Gunby, Director of Finance	(date)
John Donlevy, City Manager	(date)

## Capital Improvement Plan

Some of the above detailed items will include some on-going maintenance when completed. The following is a summary of how the on-going maintenance is to be addressed within the City of Winters' operating budget.

- Putah Creek Vehicle Bridge Upgrade-the portion budgeted for 2010-2011 is for design only. Construction is scheduled no earlier than 2011/2012
- Downtown Streetscape Improvements Phase II - When completed, the landscaped planters will require maintenance by the parks crew, this amount is included in the City Wide Assessment District budget.
- Grant Avenue Widening Phase II- This project will realign Walnut Lane at Grant Avenue to improve vehicular safety movement. This will not add any additional expenditure for maintenance in future years because maintenance for the existing street is in the budget.
- North Bank Putah Creek Improvements: This project will include a pedestrian bridge across Putah Creek as a component of the Putah Creek Car Bridge Project. Additional maintenance costs will be included in the parks budgets for maintaining the bridge and paths after they are installed.
- Police and Fire Station-The completion of the joint Police and Fire Station is anticipated in December 2010 or January 2011. Additional maintenance and utility costs are anticipated. The Police and Fire Department have included best guess amounts in planning the budget for 2010-2011 and 2011-2012. Staff understands that until actual occupancy, we won't know for sure how much the utility costs will be.

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## **Future Financial Forecasting**

As discussed earlier in this document, the City of Winters has been focusing on the financial well being of the community, and in doing so has completed a ten-year forecast for the City's General Fund and City Wide Assessment District. The City also recently completed a seven year financing plan for both the Water and Sewer Funds.

The purpose of a long-term forecast is to provide a long-term view of the revenues and expenditures for the funds listed above. The four (4) funds listed provide the services that most impact the citizens of the City of Winters. The information provided in this section of the budget will enable to City Council to evaluate the impact of policy choices on the long-term fiscal health of the City.

The City Council can change the City's long-term financial outlook based upon actions taken or policies enacted. The ten-year forecast will enable the City Council to act more strategically and to understand the impact of its decisions.

The City Council is often faced with making decisions that have long-term fiscal impacts. These decisions include but are not limited to:

- Long-term consequence of employee pay and benefit policies
- Long-term financial responsibilities for increased City maintained park space.
- Financial implications of growth policies adopted by the City Council.
- Long-term consequences of water and sewer rate levels.
- Long-term consequences of economic development policies.

### **Forecasting Assumptions**

The overall fiscal strategy will be based on compliance with the City's General Plan and the achievement of a variety of community service and infrastructure goals. While acknowledging a current deficiency in meeting certain objectives outlined in the General Plan, the program provides for an incremental achievement over a five-year period. Assumptions include:

## Future Financial Forecasting

- The City will not achieve General Plan ratios for parks or police, but they will significantly improve and service goals will advance.
- Population will reach 9,178 by 2020
- No assumptions are made for increased tax revenues from industrial or commercial sectors.

### **Public Safety Services:**

The General Plan provides for a police officer staffing ratio of 1.7 officers per 1,000 population. The funded staffing ratio is 1.42 based on 10 funded sworn personnel positions (Sworn personnel include the police Chief). At 2020 the Department would be as follows:

- 13 Police officers (Including Chief) ratio is 1.53
- 1 Community Services Officer
- 2 Records Personnel

The General Plan currently does not contain a staffing ratio for fire services. Using the industry standard of 1 per 1,000 the current ratio is .58. The City also pays approximately 68% of the current operating budget for the Winters Fire Protection District and a consolidation plan for a City of Winters Fire Department contracted to provide fire protection to the Winters Fire Protection District is being developed and is anticipated to be implemented on January 1, 2011. At 2020 the Department would be as follows:

- 7 FTE (ratio .95 with seasonal)
- 2 Seasonal

Additionally, the city has begun the construction of a new public safety facility and anticipates a consolidation of administrative clerical operations for both police and fire by 1/1/2011. Staffing at the fire station would increase from five (5) day per week (8am-5pm) to seven (7) day three-shift operation (10 hours per day).

## **Future Financial Forecasting**

### **Parks**

The General Plan goal for parks is seven (7) acres per land per 1,000 population. The City presently operates with seven (7) total acres of parks, generating a present ratio of 1.01 acre per 1,000. This fiscal assumption includes a projection that by 2017 a sports park will be developed at the former landfill facility and a 10.68-acre neighborhood park will be developed. At 2017 the parks would include the following:

- 32.68 acres of new parks to a new total of 39.68 acres of parks within the city. A ratio of 4.67 acres per 1,000, a 567% increase.
- Maintenance services will increase proportionally to parkland growth.

### **Infrastructure Improvements**

Based on the overall citywide pavement management system (PMS), staff estimates a current overall deficiency of approximately \$4.5 million of maintenance need. This includes a combination of need for reconstruction and overlays of current streets and a preventative maintenance program that should be budgeted at approximately \$100,000 annually. Typically, using a 50/50 ratio of expenditures for infrastructure maintenance, you would spend an equal amount of funding toward preventative maintenance. Staff has been unable to identify a source of funding for infrastructure maintenance, and it is not included in this forecasting model.

### **Fiscal Assumptions**

In the development of the fiscal model for the General Fund, the following revenue and expenditure assumptions are being made:

1. Revenues
  - Beginning in 2012-2013 Property taxes increase by 2% per year as allowed by law.
  - Each new market rate home projected assessed value at \$325,000
  - Each new affordable home projected at assessed value \$150,000
  - Each new home increases population by 3.248 persons

## Future Financial Forecasting

- UUT (based on regression analysis) increases by \$754.00 (overall due to the cap in residential property) per unit added due to the increase in the rate from 4.75% to 9.5%
  - Taxable sales (based on regression analysis) increases by \$11,971 per person
  - Includes investment earnings of 4.2% for a Guaranteed Investment Contract investment for Development Agreement General Fund one-time fee.
  - Building Permit Fees increase by 2.22% inflationary factor
  - Property tax in Lieu of VLF increase by increase in Assessed Value for the City, not by population increase.
  - All other revenues increase by 2.22% per year.
2. Expenditures
- Wages increase by 2.5% per year after expiration of current Memorandum of Understanding
  - Cafeteria Plan increases by 5% per year for those employees accessing city health insurance options.
  - PERS contributions based on actual for 10-11 and 11-12 and increase 2% per year thereafter
  - Increased building maintenance for new Public Safety Facility at \$36,000 per year.
  - Parks Cost estimated at \$14,000 per acre for maintenance of new park space.
  - Include \$20,000 annually for Park Equipment Replacement
  - City Wide Assessment deficit fully funded by General Fund.
  - All other expenditures will increase at 2.22% inflationary factor per year.
  - The City has established a Service Reserve Fund and transfers an amount of General Fund revenues equal to a percentage of Development Fees to an investment fund based on the following schedule:
    1. 09-10 10%
    2. 10-11 20%
    3. 11-12 30%
    4. 12-13 40%
    5. 13-14 and thereafter 50%

## **Future Financial Forecasting**

### **3. Other Assumptions**

- Utility User Tax Rate increased from 4.75% to 9.5% beginning 7/1/10.
- No Increase in Municipal Services Tax Rate
- No Increase in City Wide Assessment District Assessment amount.
- Services implemented ahead of or in conjunction with development
- General Plan compliance in 12-13 with development

### **4. Fiscal Policy Assumptions**

- Implementation of General Plan Service/Facility Standards
- Services in place in conjunction with new development
- Make non-recurring revenues become recurring revenues
- New Parks in 16-17
- Service Reserve Fund established
- Fire District revenues increase by 2% per year.
- Property tax calculations based on CDA vs. outside CDA
- Public Safety Facility opens in 10-11
- GIC revenue based on interest rates on GIC for CDA bond reserve account.

### **City Wide Assessment Lighting and Landscaping District**

- Assessments are fixed at \$82.50 per residential unit per year and \$42.50 per commercial unit per year with no inflationary escalator included per voter approval.
- Service levels increase as additional parks are completed and on line.
- No increase in staffing for parks.

### **Water Enterprise Funds**

- Next anticipated rate increase is scheduled for 7/1/10.
- Capital projects included in rate computation
- City will be fully metered and billed on a metered rate effective January 1, 2012.

## **Future Financial Forecasting**

- The City issued revenue bonds in 07/08, for major infrastructure work and to install water meters.
- The monthly water rate consists of the following components:
  - Operations & Maintenance
  - Capital Improvement
  - Capital Replacement
  - Debt Service
  - Operating Reserves

### **Sewer Enterprise fund**

- Next anticipated rate increase is scheduled for 7/1/10.
- Capital projects included in the rate computation
- The City issued revenue bonds in 07/08 for major infrastructure work.
- The monthly sewer rate consists of the following components:
  - Operations and Maintenance
  - Capital Repair and Replacement
  - Debt Service
  - Operating Reserves

# Future Financial Forecasting

## General Fund

### City of Winters General Fund Revenue Projections 2010-2011 through 2019-2020

Description	Budget 2010-2011	Budget 2011-2012	Forecast 2012-2013	Forecast 2013-2014	Forecast 2014-2015	Forecast 2015-2016	Forecast 2016-2017	Forecast 2017-2018	Forecast 2018-2019	Forecast 2019-2020
Property Tax	637,357	643,731	686,663	753,082	834,519	957,850	1,012,525	1,059,348	1,106,638	1,136,547
Property Tax in Lieu of Sales Tax	71,621	75,912	85,580	99,618	104,335	123,755	126,252	129,766	129,766	519,063
Property Tax in Lieu of VLF	473,774	478,512	510,425	559,797	620,333	712,010	752,652	787,457	822,610	844,842
Sales & Use Tax	227,379	238,063	256,741	352,855	421,004	479,265	486,755	497,298	497,298	237,766
Prop 172 Sales Tax	22,738	23,806	26,448	29,860	35,534	37,310	38,057	39,039	40,021	41,028
Franchise Tax	209,401	211,495	211,495	238,445	254,895	322,795	331,545	343,795	356,045	356,045
Prop. Trnsf Tax	10,000	10,000	21,516	29,535	26,796	17,737	13,381	9,817	9,817	9,817
Utility Tax	789,000	790,000	790,000	848,058	883,496	1,029,772	1,048,622	1,075,012	1,101,402	1,101,402
Muni. Ser Tax	286,080	294,960	294,960	304,200	309,840	333,120	336,120	340,320	344,520	344,520
Bus. Lic. Tax	24,000	24,000	26,285	26,285	26,285	26,285	26,285	26,285	26,285	26,285
Tot Tax	5,500	5,500	5,675	5,675	5,675	5,675	5,675	5,675	5,675	5,675
Motor Veh. in Lieu	28,490	28,490	29,915	31,709	32,661	33,640	34,313	35,000	35,700	36,414
Homeowner Prop Tax Relief	16,300	16,300	17,147	18,302	19,521	20,346	21,127	21,512	21,897	22,282
<b>Total Taxes</b>	<b>2,801,640</b>	<b>2,840,769</b>	<b>2,962,850</b>	<b>3,297,423</b>	<b>3,574,893</b>	<b>4,099,560</b>	<b>4,233,309</b>	<b>4,370,322</b>	<b>4,497,673</b>	<b>4,681,686</b>
Copy Fees	50	50	50	50	50	50	50	50	50	50
Plan Check Fees	33,875	18,581	122,159	133,593	90,114	73,916	47,386	47,386	47,386	47,386
Planning Application Fees	10,000	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717
Sales of Maps/Publications	-	-	-	-	-	-	-	-	-	-
Investigation Fees	500	500	500	500	500	500	500	500	500	500
Police Reports	500	500	511	522	534	546	558	570	583	596
Fingerprint Fees	3,500	3,500	3,578	3,657	3,738	3,821	3,906	3,993	4,081	4,172
Towing/DUI Reimbursement	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Ticket Sign Off Fees	250	250	250	250	250	250	250	250	250	250
Recreation Fees	3,660	3,660	3,660	3,660	3,660	3,660	3,660	3,660	3,660	3,660
Youth Drama Revenue	-	-	-	-	-	-	-	-	-	-
Basketball Revenues	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400
Pool Ticket Sales	14,850	14,850	14,850	14,850	14,850	14,850	14,850	14,850	14,850	14,850
Swim Passes	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Swim Lessons	11,800	11,800	11,800	11,800	11,800	11,800	11,800	11,800	11,800	11,800
Swim Team Reimbursement	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Lifeguard class	-	-	-	-	-	-	-	-	-	-
Park Rental	750	750	850	850	850	850	850	850	850	850
Library Hall Rental	-	-	-	-	-	-	-	-	-	-
Community Center Rental	63,920	63,920	63,920	63,920	63,920	63,920	63,920	63,920	63,920	63,920
fun in the Park	-	-	-	-	-	-	-	-	-	-
Summer Field Trips	-	-	-	-	-	-	-	-	-	-
Building Permit Fines	-	-	-	-	-	-	-	-	-	-
Ambulance Charges	7,500	7,500	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
<b>Total Service Charges</b>	<b>170,555</b>	<b>155,261</b>	<b>256,728</b>	<b>268,457</b>	<b>225,276</b>	<b>209,388</b>	<b>183,171</b>	<b>183,491</b>	<b>183,818</b>	<b>184,151</b>
Rents/Leases	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500	38,500
Interest Revenues	3,000	3,000	3,067	3,135	3,204	3,275	3,348	3,422	3,498	3,576
<b>Total Rents, Interest, Concessi</b>	<b>41,500</b>	<b>41,500</b>	<b>41,567</b>	<b>41,635</b>	<b>41,704</b>	<b>41,775</b>	<b>41,848</b>	<b>41,922</b>	<b>41,998</b>	<b>42,076</b>
Building Permit Surcharge	-	-	-	-	-	-	-	-	-	-
Building Permits	75,164	42,193	182,552	200,143	133,251	108,332	67,517	67,517	67,517	67,517
Encroachment Permits	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Reinspect Fee	250	250	-	-	-	-	-	-	-	-
Other License & Permits	31,457	9,940	100,592	109,828	74,709	61,626	40,197	40,197	40,197	40,197
<b>Total Licenses and Permits</b>	<b>108,071</b>	<b>53,583</b>	<b>284,344</b>	<b>311,170</b>	<b>209,160</b>	<b>171,158</b>	<b>108,915</b>	<b>108,915</b>	<b>108,915</b>	<b>108,915</b>
P.O.S.T Reimbursement	1,500	1,500	1,533	1,567	1,602	1,638	1,674	1,711	1,749	1,788
<b>Total Grants</b>	<b>1,500</b>	<b>1,500</b>	<b>1,533</b>	<b>1,567</b>	<b>1,602</b>	<b>1,638</b>	<b>1,674</b>	<b>1,711</b>	<b>1,749</b>	<b>1,788</b>
Miscellaneous Revenues	1,000	1,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Commissions on Coke Machine	-	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Fireworks donation	-	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Developer Planning Reimburs	80,950	15,457	-	-	-	-	-	-	-	-
<b>Total Other Revenues</b>	<b>81,950</b>	<b>16,457</b>	<b>23,000</b>							
Gift Income transferred in	5,000	5,000	52,281	74,556	94,394	107,961	116,256	124,551	132,847	132,847
Use of Unrestricted Fund Balance	-	-	-	-	-	-	-	-	-	-
Fire District Contribution	188,642	190,528	194,339	198,225	202,190	206,234	210,358	214,565	218,857	223,234
Pers Transfer	-	-	-	-	-	-	-	-	-	-
<b>Total Transfer</b>	<b>193,642</b>	<b>195,528</b>	<b>246,619</b>	<b>272,781</b>	<b>296,584</b>	<b>314,195</b>	<b>326,614</b>	<b>339,117</b>	<b>351,703</b>	<b>356,080</b>
<b>Total General Fund Revenues</b>	<b>3,398,858</b>	<b>3,304,598</b>	<b>3,816,641</b>	<b>4,216,032</b>	<b>4,372,222</b>	<b>4,860,714</b>	<b>4,918,532</b>	<b>5,068,479</b>	<b>5,208,856</b>	<b>5,397,696</b>

# Future Financial Forecasting

## General Fund

The General Fund Projected Revenues in excess/(less than) projected expenditures is shown in the table below:

### City of Winters General Fund Revenues in excess/(less than) expenditures

	Budget 2010-2011	Budget 2011-2012	Forecast 2012-2013	Forecast 2013-2014	Forecast 2014-2015	Forecast 2015-2016	Forecast 2016-2017	Forecast 2017-2018	Forecast 2018-2019	Forecast 2019-2020
Projected Revenues	\$3,398,858	\$ 3,304,598	\$ 3,816,641	\$ 4,216,032	\$ 4,372,222	\$ 4,860,714	\$ 4,918,532	\$ 5,068,479	\$ 5,208,856	#####
Projected Expenditures	3,496,803	3,590,453	4,256,186	4,583,749	4,851,882	5,047,619	5,363,402	5,552,554	6,083,548	5,885,552
Revenue in Excess/(less than Expenditures)	\$ (97,945)	\$ (285,855)	\$ (439,545)	\$ (367,717)	\$ (479,661)	\$ (186,905)	\$ (444,870)	\$ (484,075)	\$ (874,692)	\$ (487,856)

The Chart below shows the impact of the current projections on the general fund balance and the City of Winters ability to meet reserve requirements as adopted in our financial policies. City Staff and City Council will need to review our current policies and projections during this current fiscal year in order to avoid depleting all of the City's General Fund Reserves.

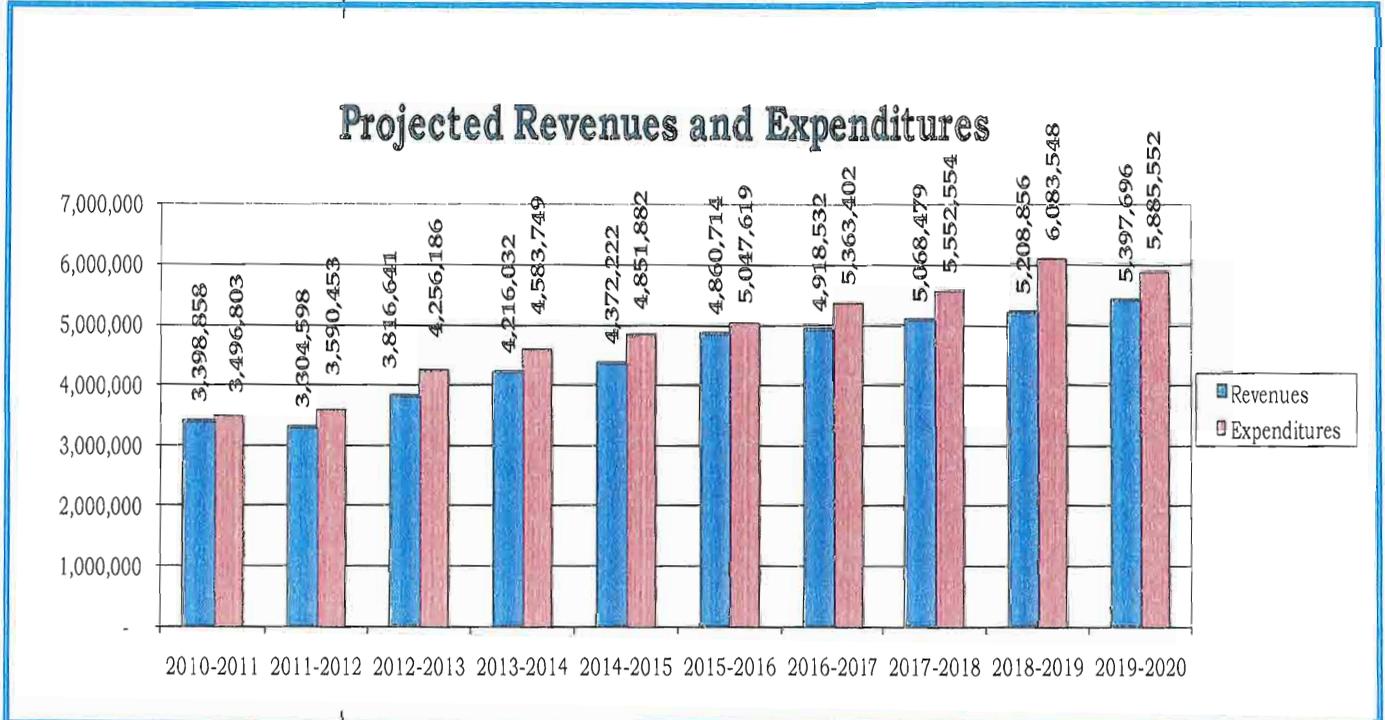
### Calculation of Reserve Balances

	Budget 2010-2011	Budget 2011-2012	Forecast 2012-2013	Forecast 2013-2014	Forecast 2014-2015	Forecast 2015-2016	Forecast 2016-2017	Forecast 2017-2018	Forecast 2018-2019	Forecast 2019-2020
Estimated Fund Balance Prior Year	\$ 1,668,687	\$ 1,570,742	\$ 1,284,887	\$ 845,342	\$ 477,625	\$ (2,036)	\$ (188,941)	\$ (633,811)	\$ (1,117,886)	\$ (1,992,577)
Less Reduction due to Deficit	(97,945)	(285,855)	(439,545)	(367,717)	(479,661)	(186,905)	(444,870)	(484,075)	(874,692)	(487,856)
Available Balance	\$ 1,570,742	\$ 1,284,887	\$ 845,342	\$ 477,625	\$ (2,036)	\$ (188,941)	\$ (633,811)	\$ (1,117,886)	\$ (1,992,577)	\$ (2,480,433)
Required Cash Reserve	1,748,401	1,795,227	2,128,093	2,291,875	2,425,941	2,523,809	2,681,701	2,776,277	3,041,774	2,942,776
Fund Balance After Cash Reserve	\$ (177,659)	\$ (510,339)	\$ (1,282,751)	\$ (1,814,250)	\$ (2,427,977)	\$ (2,712,750)	\$ (3,315,511)	\$ (3,894,163)	\$ (5,034,351)	\$ (5,423,210)
Required Per Policy	417,172	392,686	321,222	211,336	119,406	(509)	(47,235)	(158,453)	(279,471)	(498,144)
Deficit Fund Balance	\$ (594,831)	\$ (903,025)	\$ (1,603,973)	\$ (2,025,585)	\$ (2,547,383)	\$ (2,712,241)	\$ (3,268,276)	\$ (3,735,710)	\$ (4,754,880)	\$ (4,925,065)

## Future Financial Forecasting

### General Fund

The Graph below shows the trend of revenues and expenditures for 2010-2011 through 2019/2020 as projected by staff.



### City of Winters General Fund Revenue and Expenditures

Fiscal Year	Type	Revenues	Expenditures
00-01	Actual	2,417,610	1,557,200
01-02	Actual	2,592,750	2,189,753
02-03	Actual	2,799,279	2,035,205
03-04	Actual	2,807,521	2,015,904
04-05	Actual	2,718,615	2,389,363
05-06	Actual	2,706,843	2,822,716
06-07	Actual	3,152,627	3,147,072
07-08	Actual	3,217,993	3,312,598
08-09	Actual	3,163,400	3,147,222
09-10	Estimated	3,021,217	3,366,747
10-11	Budgeted	3,398,858	3,496,803
11-12	Budgeted	3,304,598	3,590,453
12-13	Projected	3,816,641	4,256,186
13-14	Projected	4,216,032	4,583,749
14-15	Projected	4,372,222	4,583,749
15-16	Projected	4,860,714	5,047,619
16-17	Projected	4,918,532	5,363,402
17-18	Projected	5,068,479	5,552,554
18-19	Projected	5,208,856	6,083,548
19-20	Projected	5,397,696	5,885,552

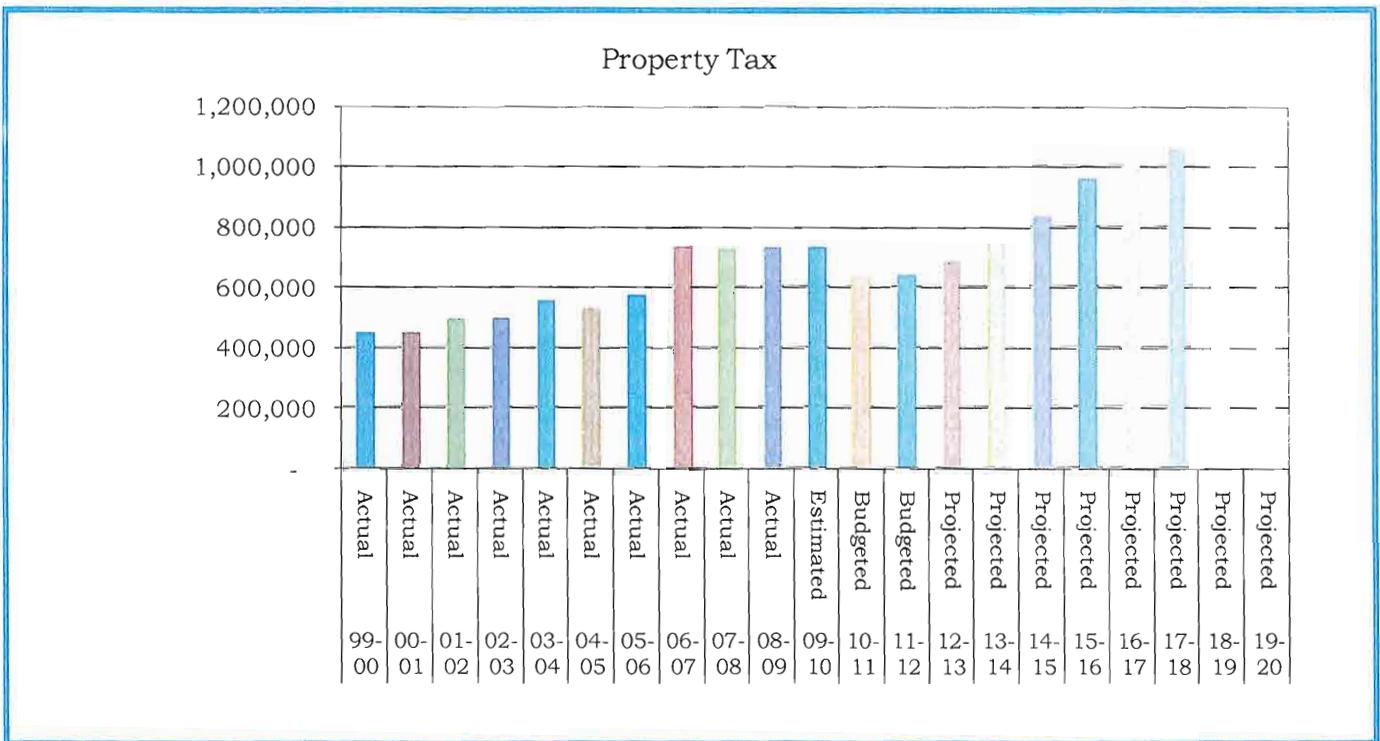
# Future Financial Forecasting

## General Fund

The projections above show that some revenue creating actions need to be undertaken by the City of Winters. The City is currently implementing Economic Development Plans that will provide additional revenues in the future. The economic impact is not included at this time due to the uncertain nature of timing of the projects. The forecast will be updated as more information is available.

The largest revenues for the City of Winters are Property Tax, Utility User Tax, Property Tax in Lieu of VLF, Municipal Services Tax and Sales Tax.

Property tax remains one of the highest revenue sources for the City of Winters. Below is a chart that illustrates the growth and projected growth of the property tax.



**Future  
Financial  
Forecasting**

**General Fund**

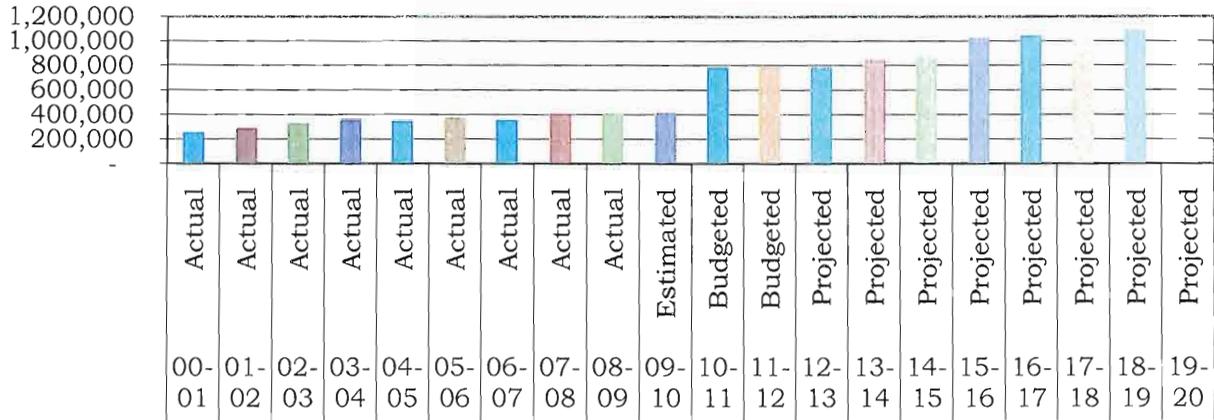
Fiscal Year		Property Tax		% of Assessed
		Assessed Value	Assessed Value	Value received in Taxes
99-00	Actual	449,066	216,791,066	0.207%
00-01	Actual	451,629	235,011,728	0.192%
01-02	Actual	499,038	252,992,011	0.197%
02-03	Actual	498,128	280,287,089	0.178%
03-04	Actual	553,104	311,886,568	0.177%
04-05	Actual	530,507	367,722,629	0.144%
05-06	Actual	576,772	376,975,133	0.153%
06-07	Actual	731,220	464,617,473	0.157%
07-08	Actual	728,428	492,219,254	0.148%
08-09	Actual	734,486	498,026,316	0.147%
09-10	Estimated	734,486	473,823,122	0.155%
10-11	Budgeted	637,357	424,952,997	0.150%
11-12	Budgeted	643,731	429,202,527	0.150%
12-13	Projected	686,663	457,529,894	0.150%
13-14	Projected	753,082	498,707,584	0.151%
14-15	Projected	834,519	563,539,570	0.148%
15-16	Projected	957,850	591,716,549	0.162%
16-17	Projected	1,012,525	615,385,211	0.165%
17-18	Projected	1,059,348	640,000,619	0.166%
18-19	Projected	1,106,638	665,600,644	0.166%
19-20	Projected	1,136,547	692,224,670	0.164%

Beginning 7/1/10 the Utility User Tax is a 9.5% tax imposed on the utilities consumed by the residents of the City of Winters, in prior years the rate was 4.75%. This will make the Utility User Tax the top revenue source for the City of Winters General Fund until such time as the assessed value of real property within the City of Winters recovers. It is charged on gas, electricity and telephone services. As the cost of energy increases, so does the tax collected on the utility. Below is a chart with the actual and projected Utility User Tax.

**Future  
Financial  
Forecasting**

**General Fund**

**Utility User Tax**



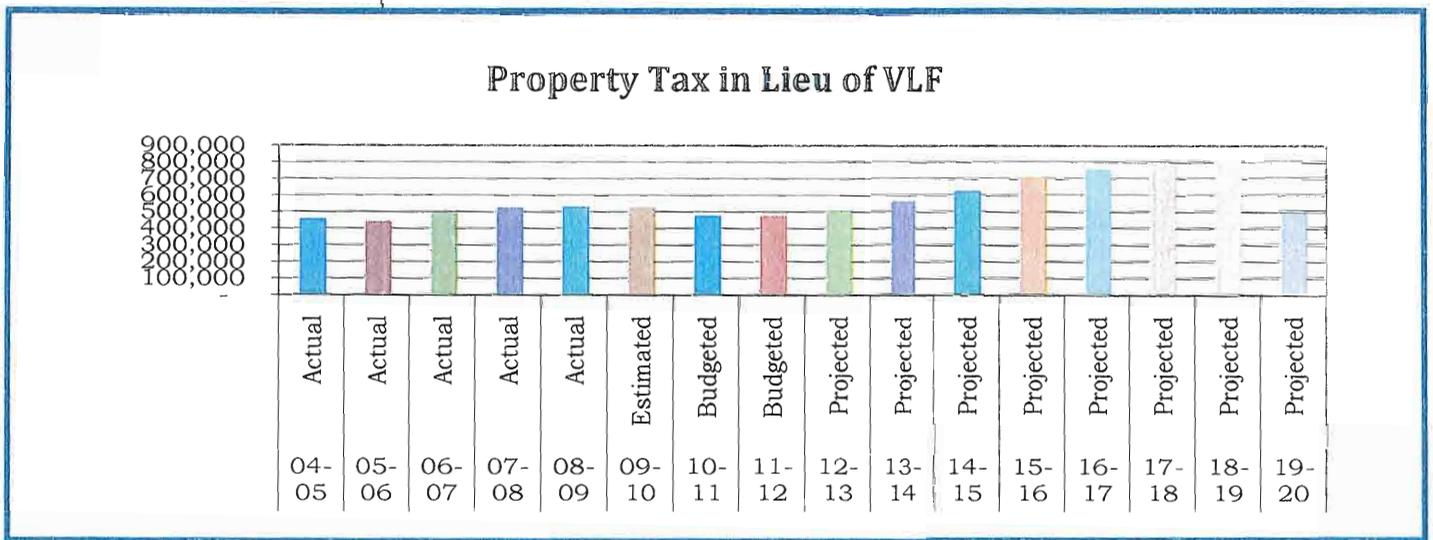
**Utility User Tax**

Fiscal Year	Utility User Tax	Units	Utility User Tax per Unit per year
99-00	Actual	1,889	118.57
00-01	Actual	1,904	136.63
01-02	Actual	1,954	147.67
02-03	Actual	2,000	166.27
03-04	Actual	2,045	173.59
04-05	Actual	2,101	166.60
05-06	Actual	2,116	178.55
06-07	Actual	2,174	165.40
07-08	Actual	2,264	180.32
08-09	Actual	2,264	182.92
09-10	Estimated	2,045	204.53
10-11	Budgeted	2,045	385.82
11-12	Budgeted	2,045	386.31
12-13	Projected	2,045	386.31
13-14	Projected	2,122	399.65
14-15	Projected	2,092	422.32
15-16	Projected	2,286	450.47
16-17	Projected	2,311	453.75
17-18	Projected	2,346	458.23
18-19	Projected	2,381	462.58
19-20	Projected	2,381	462.58

# Future Financial Forecasting

## General Fund

Property tax in lieu of VLF is a new revenue source as of 2004-2005 as a result of the Passage of Prop 1A by the people of the State of California. Prop 1A permanently reduced the Motor Vehicle License Fee from 2% to .65% of the value of the automobile. These fees are from the registration of vehicles throughout the state and are distributed to the cities and counties based largely on population. To replace these constitutionally guaranteed fees, the Property Tax in Lieu of VLF was enacted. Below is a chart that illustrates the amount of Property Tax in Lieu of VLF received and the projected Property Tax in Lieu of VLF.



**Property Tax in lieu of VLF**

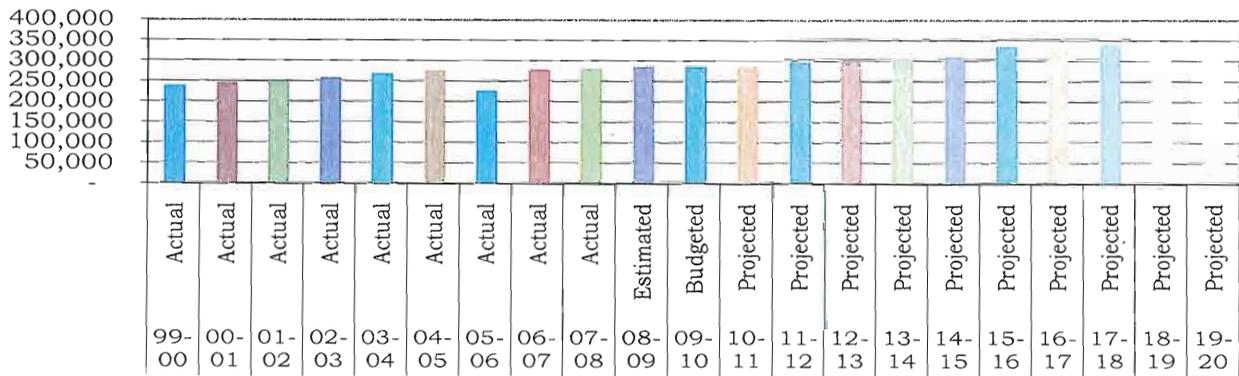
Fiscal Year	Category	Revenues
04-05	Actual	455,002
05-06	Actual	445,055
06-07	Actual	491,360
07-08	Actual	520,373
08-09	Actual	526,512
09-10	Estimated	528,176
10-11	Budgeted	473,774
11-12	Budgeted	478,512
12-13	Projected	510,425
13-14	Projected	559,797
14-15	Projected	620,333
15-16	Projected	712,010
16-17	Projected	752,652
17-18	Projected	787,457
18-19	Projected	822,610
19-20	Projected	497,298

## Future Financial Forecasting

### General Fund

The Municipal Services Tax is a \$120 a year tax on every residential and commercial unit within the City of Winters. It is a voter-approved tax, and the tax amount will not increase unless approved by voters. No increase is scheduled to go to the voters at this time. Below is a chart of the actual and projected Municipal Services Tax for the City of Winters.

### Municipal Services Tax



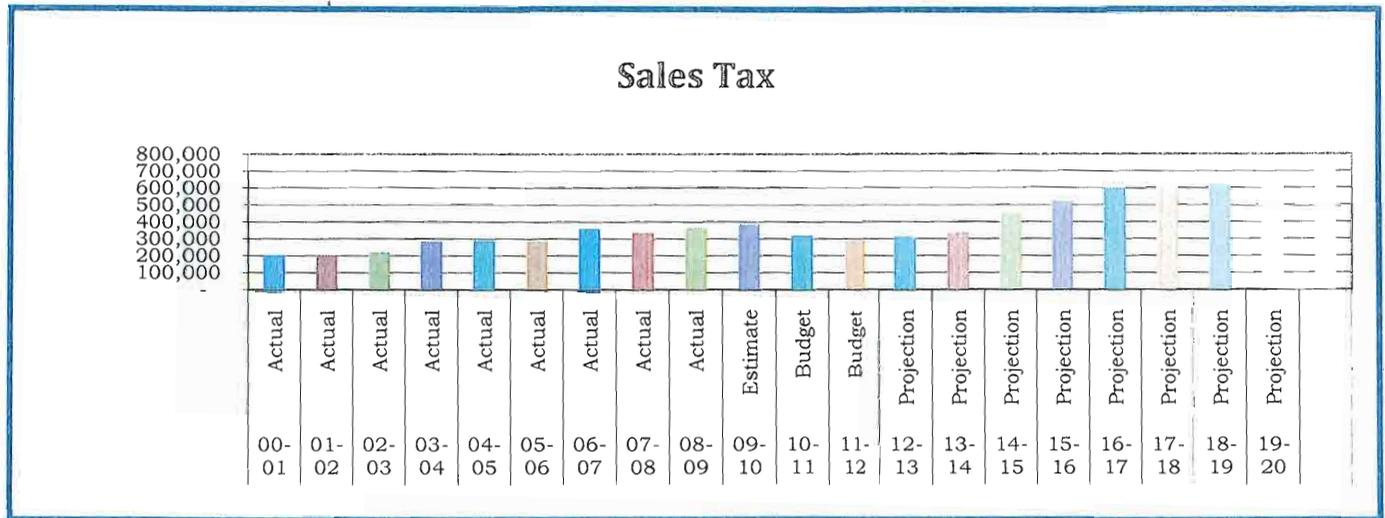
### Municipal Services Tax

Fiscal Year	Municipal Services Tax
99-00	Actual 239,857
00-01	Actual 244,080
01-02	Actual 248,945
02-03	Actual 258,161
03-04	Actual 268,773
04-05	Actual 275,095
05-06	Actual 227,200
06-07	Actual 277,166
07-08	Actual 282,073
08-09	Estimated 285,050
09-10	Budgeted 285,840
10-11	Projected 286,080
11-12	Projected 294,960
12-13	Projected 294,960
13-14	Projected 304,200
14-15	Projected 309,840
15-16	Projected 333,120
16-17	Projected 336,120
17-18	Projected 340,320
18-19	Projected 344,520
19-20	Projected 344,520

## Future Financial Forecasting

### General Fund

Sales tax is another major General Fund revenue source for the City of Winters. The City should receive 1% of the sales tax on every sale subject to sales tax, however, with the "Triple Flip" in place, the City receives 75% of the 1% as sales tax, and 25% of the 1% as Property Tax in Lieu of Sales tax. The State of California has pledged the 25% as a dedicated revenue source for the deficit bonds authorized in 2004. Below is chart with the history of Sales Tax revenue and the forecasted sales tax revenues.



### Sales Tax

Year	Category	Sales Tax	Population	Sales Tax Per Capital
99-00	Actual	203,336	6125	33.20
00-01	Actual	207,815	6160	33.74
01-02	Actual	222,759	6317	35.26
02-03	Actual	285,619	6591	43.33
03-04	Actual	287,769	6899	41.71
04-05	Actual	295,197	7000	42.17
05-06	Actual	361,415	6904	52.35
06-07	Actual	339,616	6936	48.96
07-08	Actual	368,127	7052	52.20
08-09	Actual	385,609	7052	54.68
09-10	Estimate	319,000	7052	45.24
10-11	Budget	299,000	7052	42.40
11-12	Budget	313,975	7052	44.52
12-13	Projection	342,322	7052	48.54
13-14	Projection	452,473	7302	61.97
14-15	Projection	525,339	7455	70.47
15-16	Projection	603,019	8085	74.58
16-17	Projection	613,007	8166	75.07
17-18	Projection	627,063	8280	75.73
18-19	Projection	627,063	8280	75.73
19-20	Projection	756,829	8280	91.40

## Future Financial Forecasting

### City Wide Assessment District

The City Wide Assessment District finances the park maintenance function of the City. It is a per developed parcel/per unit tax of \$82.50 per year that was approved by a vote of the citizens of the City of Winters. The dollar amount is fixed, with no inflationary factor included in the voter approved proposition. Due to the fixed amount of income coming into the City Wide Assessment District, the City's general fund began subsidizing the costs of maintaining the city parks in 2005-2006, this will continue on into the future, the revenues received from the addition of developed parcels within the city will not keep pace with the addition of park space, and therefore the amount of park maintenance required as a result of the developments.

The Chart below shows the estimated subsidy required to fund the City Wide Assessment District for the financial planning period.

	Budgeted 10-11	Budgeted 11-12	Projected 12-13	Projected 13-14	Projected 14-15	Projected 15-16	Projected 16-17	Projected 17-18	Projected 18-19	Projected 19-20
Expenditures	235,173	245,335	248,760	255,966	263,015	270,610	431,024	442,418	806,595	466,385
Revenues	189,173	195,278	203,941	214,996	221,183	227,041	229,928	232,816	235,703	238,591
Required Subsidy	(46,000)	(50,057)	(44,820)	(40,970)	(41,832)	(43,569)	(201,096)	(209,602)	(570,892)	(227,795)

## Future Financial Forecasting

### Water Fund

The City of Winters contracted for and completed a 10 year financing plan for the water fund. Rates were set that will provide funds for operating and maintaining the water system as well as provide funds for payment of debt service. The chart below shows the projected financing plan for the water fund.

	Water Operating and Maintenance Fund									
	Budget 2010-2011	Budget 2011-2012	Projected 2012-2013	Projected 2013-2014	Projected 2014-2015	Projected 2015-2016	Projected 2016-2017	Projected 2017-2018	Projected 2018-2019	Projected 2019-2020
Charges for Services	\$ 1,002,207	\$ 1,022,251	\$ 1,052,919	\$ 1,109,643	\$ 1,153,606	\$ 1,266,538	\$ 1,303,449	\$ 1,345,730	\$ 1,388,857	\$ 1,416,634
Other Revenues	24,350	24,350	24,837	25,334	25,840	26,357	26,884	27,422	27,970	28,530
Total Revenues	\$ 1,026,557	\$ 1,046,601	\$ 1,077,756	\$ 1,134,977	\$ 1,179,447	\$ 1,292,896	\$ 1,330,333	\$ 1,373,152	\$ 1,416,827	\$ 1,445,164
Allocated Cost	367,294	371,206	360,611	375,907	387,161	401,200	415,771	435,585	450,793	462,456
Salaries and Benefits	217,401	217,401	222,836	228,407	234,117	239,970	245,969	252,119	258,421	264,882
Contractual Services	2,000	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343
Professional Services	22,575	22,575	51,260	52,819	54,378	56,035	57,692	59,448	47,903	47,857
Supplies and Material	20,300	20,300	69,500	71,600	73,800	76,000	78,300	80,700	82,314	83,960
Equipment Leases										
Utilities	130,000	130,000	132,600	135,252	137,957	140,716	143,531	146,401	149,329	152,316
Insurance										
Other Operating Expenses	93,050	78,050	79,767	81,522	83,315	85,148	87,021	88,936	90,892	92,892
Depreciation										
Capital Projects										
Debt Service	82,268	243,236	245,534	247,646	244,643	246,509	243,231	244,756	246,001	246,001
Total Expenditures	\$ 934,888	\$ 1,084,768	\$ 1,164,148	\$ 1,195,233	\$ 1,217,493	\$ 1,247,743	\$ 1,273,723	\$ 1,310,196	\$ 1,327,952	\$ 1,352,708
Revenues in Excess of Expenditure	\$ 91,669	\$ (38,167)	\$ (86,392)	\$ (60,256)	\$ (38,046)	\$ 45,152	\$ 56,610	\$ 62,956	\$ 88,876	\$ 92,456

## Future Financial Forecasting

### Sewer Fund

The City of Winters contracted for and completed a 10 year financing plan for the sewer fund. Rates were set that will provide funds for operating and maintaining the sewer system as well as provide funds for payment of debt service. The chart below shows the projected financing plan for the sewer fund.

<b>Sewer Operating and Maintenance Fund</b>										
	Projected 2010-2011	Projected 2011-2012	Projected 2012-2013	Projected 2013-2014	Projected 2014-2015	Projected 2015-2016	Projected 2016-2017	Projected 2017-2018	Projected 2018-2019	Projected 2019-2020
Charges for Services	\$ 1,313,570	\$ 1,458,063	\$ 1,487,224	\$ 1,567,059	\$ 1,628,974	\$ 1,787,754	\$ 1,839,773	\$ 1,899,336	\$ 1,960,091	\$ 1,999,293
Other Revenues	5,000	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858
<b>Total Revenues</b>	<b>\$ 1,318,570</b>	<b>\$ 1,463,063</b>	<b>\$ 1,492,324</b>	<b>\$ 1,572,261</b>	<b>\$ 1,634,280</b>	<b>\$ 1,793,167</b>	<b>\$ 1,845,293</b>	<b>\$ 1,904,967</b>	<b>\$ 1,965,834</b>	<b>\$ 2,005,151</b>
Allocated Cost	275,240	278,030	429,800	442,700	456,000	469,700	483,800	498,300	508,266	518,431
Salaries and Benefits										
Contractual Services	335,916	337,016	344,300	354,600	365,200	376,200	387,500	399,100	407,082	415,224
Professional Services	34,000	34,000	50,100	51,600	53,100	54,700	56,300	58,000	59,160	60,343
Supplies and Material	23,000	23,000	25,900	26,700	27,500	28,300	29,100	30,000	30,600	31,212
Equipment Leases										
Utilities	100,000	100,000	112,600	116,000	119,500	123,100	126,800	130,600	133,212	135,876
Insurance										
Other Operating Expenses	204,094	92,151	126,200	130,000	133,900	137,900	142,000	146,300	149,226	152,211
Depreciation										
Capital Projects	153,895	60,000	91,100	93,800	96,600	99,500	102,500	105,600	107,712	109,866
Debt Service	97,695	288,846	290,653	292,270	288,766	290,124	291,241	292,054	287,659	287,659
<b>Total Expenditures</b>	<b>\$ 1,223,840</b>	<b>\$ 1,213,043</b>	<b>\$ 1,470,653</b>	<b>\$ 1,507,670</b>	<b>\$ 1,540,566</b>	<b>\$ 1,579,524</b>	<b>\$ 1,619,241</b>	<b>\$ 1,659,954</b>	<b>\$ 1,682,917</b>	<b>\$ 1,710,822</b>
Revenues in Excess of Expenditure	\$ 94,730	\$ 250,020	\$ 21,671	\$ 64,591	\$ 93,714	\$ 213,643	\$ 226,052	\$ 245,013	\$ 282,917	\$ 294,329

# Cost Allocation

The City of Winters uses a cost allocation plan to allocate costs to the various funds and departments throughout the organization.

All costs are assigned to the department to which the costs are incurred; for example, all finance department staff are charged to the finance department. The costs for the staff is then allocated to the other departments and funds that the finance department supports based upon a plan prepared by an outside consultant that is updated biannually.

Below is the chart that gives the allocation percentages for each department and fund based on the cost allocation plan prepared by our consultant.

City of Winters Cost Allocation Factors

Dept#	Dept Name	Police	Gas Tax		RDA	RDA lih	water	reservoir	sewer	cwa	Total Allocation
			Fund (Streets)	Community Ctr							
110	City Council	41%	13%	1%	0%	0%	10%	0%	23%	4%	92%
120	City Clerk										0%
130	Treasurer										0%
150	City Attorney	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
160	City Manager	4%	0%		24%	18%	29%	0%	16%	0%	91%
170	Admin Services	23%	0%		1%	0%	7%	0%	7%	0%	38%
180	Finance	12%	11%		19%	0%	22%	0%	29%	6%	99%
210	Police		0%								
310	Fire		0%								
410	Comm Dev	0%	0%		4%	4%	1%	0%	1%	0%	10%
420	Comm Dev-Inspection		0%								
610	public works	1%	8%	4%	0%	0%	34%	0%	17%	0%	64%
710	Recreation	0%	0%		0%	0%	0%	0%	0%	0%	0%

An additional part of the cost allocation process is the charges from the Central Service Overhead Fund (The City's internal service fund) to departments. This is also prepared from the City of Winters cost allocation plan. Below is a chart that gives all the allocation factors for each department and fund for expenditures made from the central service overhead fund.

# Cost Allocation

## Internal Service Fund

Department/Fund	Percentage
Administrative Services	4.63%
Building Inspector	1.82%
City Clerk	1.30%
Community Development	24.86%
City Manager	0.71%
Community Center	2.44%
City Wide Assessment District	11.01%
Fire Department	3.75%
Police Department	4.61%
Public Works	11.21%
Community Development Agency	5.01%
Community Development Agency	
Low Income Housing	2.64%
Sewer Fund	9.00%
Street Fund	4.45%
Water Fund	12.56%

## Comparison to Other Yolo County Cities

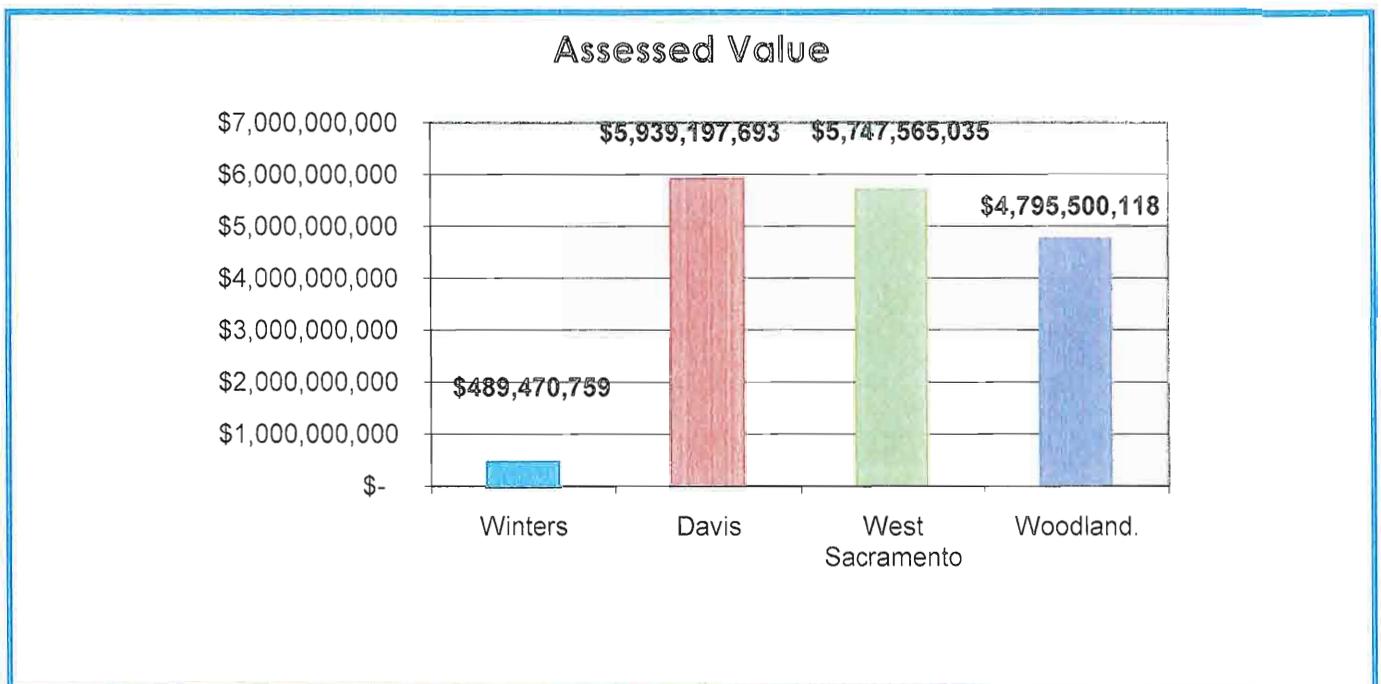
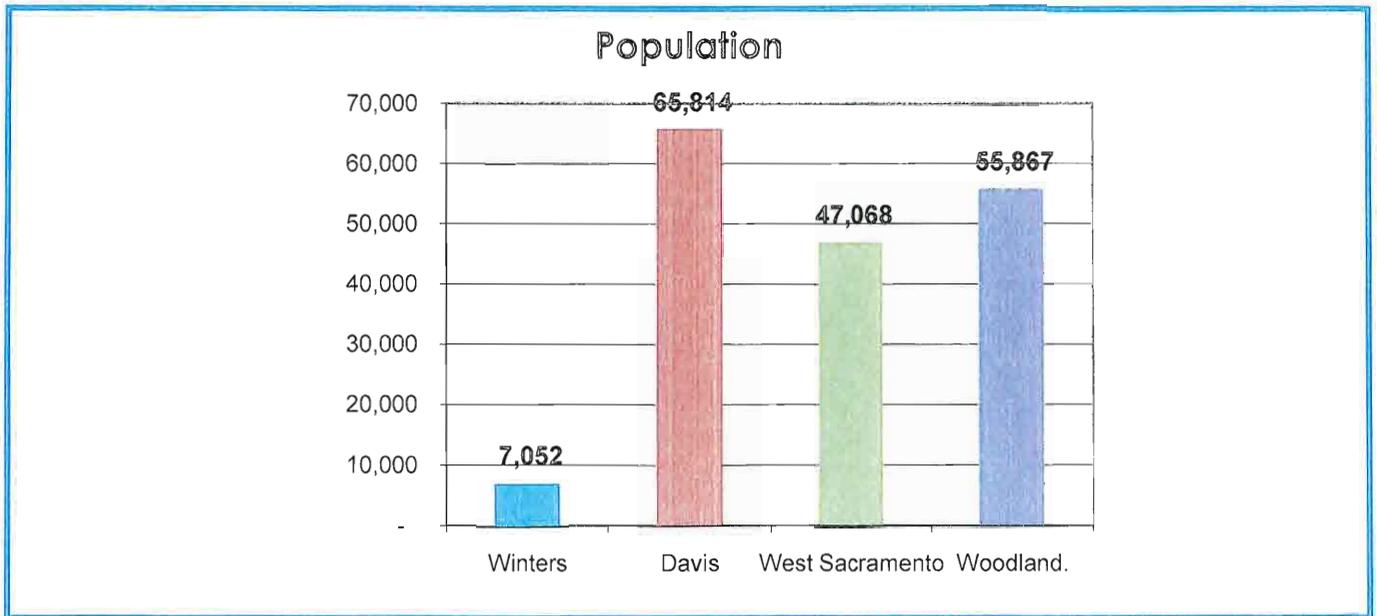
The City of Winters is the smallest City in Yolo County and is the southern most and western most located city. Below is some information that compares the four (4) Yolo County Cities.

### Revenue/Expenditure Comparison-Yolo County Cities Source 2007-2008 Cities Annual Report

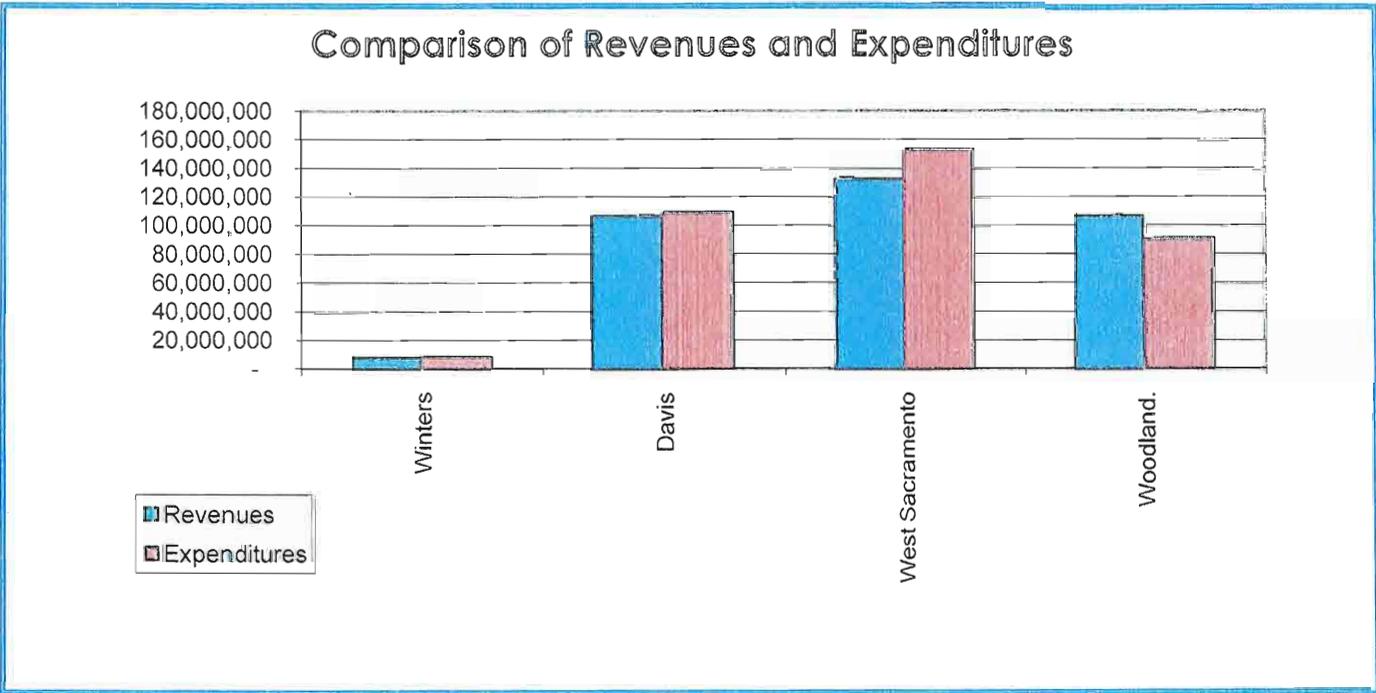
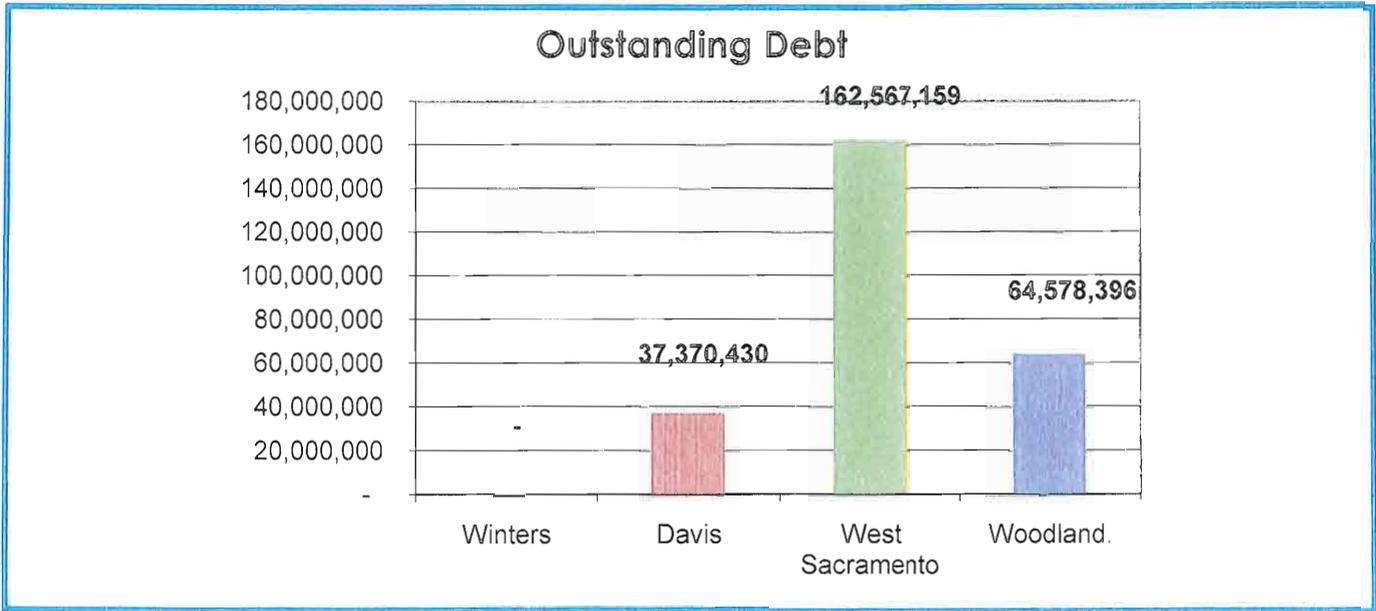
	Winters		Davis		West Sacramento		Woodland	
	City Total	\$ per Capital	City Total	\$ per Capital	City Total	\$ per Capital	City Total	\$ per Capital
Population	7,052		65,814		47,068		55,867	
2008-2009 Assessed Value	489,470,759		5,939,197,693		5,747,565,035		4,795,500,118	
Appropriation Limit	5,342,858		51,481,138		814,717,323		46,231,827	
Appropriations Subject to Limit	1,641,159		35,126,325		41,560,000		24,588,894	
Outstanding Debt	-		37,370,430		162,567,159		64,578,396	
<b>City Revenues:</b>								
Taxes	2,927,412	415.12	41,672,361	633.18	52,355,047	1,112.33	43,037,909	770.36
Special Benefit Assessment	199,145	28.24	-	-	2,012,586	42.76	945,528	16.92
Licenses and Permits	84,567	11.99	869,238	13.21	1,246,580	26.48	12,209,549	218.55
Fines and Forfeitures	50,055	7.10	920,037	13.98	239,524	5.09	568,543	10.18
Use of Money & Property	676,215	95.89	3,600,203	54.70	5,558,552	118.10	1,862,595	33.34
Intergovernmental	1,676,646	237.75	20,276,975	308.10	6,619,216	140.63	10,601,170	189.76
Service Charges	2,097,813	297.48	39,077,396	593.76	31,447,535	668.13	24,466,129	437.94
Other Revenues	90,192	12.79	452,543	6.88	33,491,053	711.55	3,263,519	58.42
Other Financing Sources	-	-	-	-	-	-	10,350,000	0.24
<b>Total Revenues</b>	<b>7,802,045</b>	<b>1,106.36</b>	<b>106,868,753</b>	<b>1,623.80</b>	<b>132,970,093</b>	<b>2,825.06</b>	<b>107,304,942</b>	<b>1,920.72</b>
<b>City Expenditures</b>								
General Government	594,303	84.27	4,902,504	74.49	13,581,489	288.55	9,638,374	172.52
Public Safety	2,516,013	356.78	24,365,012	370.21	36,994,891	785.99	25,089,745	449.10
Transportation	1,140,173	161.68	19,239,745	292.34	40,877,866	868.49	11,752,658	210.37
Community Development	528,041	74.88	5,723,224	86.96	12,056,124	256.14	15,470,124	276.91
Health	1,187,893	168.45	17,655,854	268.27	20,192,324	429.00	7,578,795	135.66
Culture and Leisure	979,665	138.92	29,035,455	441.17	7,255,547	154.15	16,392,634	293.42
Public Utilities	1,284,884	182.20	8,205,334	124.67	22,402,250	475.96	5,067,140	90.70
<b>Total Expenditures</b>	<b>8,230,972</b>	<b>1,167.18</b>	<b>109,127,128</b>	<b>1,658.11</b>	<b>153,360,491</b>	<b>3,258.28</b>	<b>90,989,470</b>	<b>1,628.68</b>

## Comparison to Other Yolo County Cities

Below are graphs that compare Population, Net Assessed Value, Outstanding Debt and Revenues and Expenditures for the 4 Yolo County Cities according to the 2007-2008 Cities Annual Report.



# Comparison to Other Yolo County Cities



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## **Glossary of Budget Terms**

### **Accounting System**

The total set of records and procedures which are used to record, classify and report information on the financial status and operations of an entity

### **Accrual Basis of Accounting**

The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether or not cash disbursements are made at that time.)

### **Adjusted Budget**

An adopted budget, after it has been changed (or adjusted) by the City Council.

### **Adopted Budget**

The budget document formally approved by the City Council.

### **Appropriation**

An authorization made by the City Council of the City of Winters which permits officials to incur obligations against and make expenditures of governmental resources. Appropriations are usually made for fixed amounts and typically are granted for a one-year period.

### **Appropriation Limit (Gann Limit)**

A mandated calculation of how much the City is allowed to expend in one(1) fiscal year. It is mandated on government agencies within California by Article XIII B of the California Constitution. The amount of appropriation subject to the limit is the budgeted proceeds of taxes. Some examples of proceeds of taxes are sales and property taxes. The total of these budgeted revenues cannot exceed the total appropriations limit. Annually, local governments may increase the appropriations limit by a factor comprised of the change in population combined with the California inflation rate as determined by the State Finance Department.

## **Glossary of Budget Terms**

### **Assessment District**

A defined area of land that will be benefited by the acquisition, construction, or maintenance of a public improvement.

### **Assessed Valuation**

The appraised valuation less any exemptions on real estate or other property by the County of Yolo as a basis for levying property taxes.

### **Audit**

A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to:

- Ascertain whether financial statements fairly present financial position as a result of operations
- Test whether transactions have been legally performed.
- Identify areas for possible improvements in accounting practices and procedures
- Ascertain whether transactions have been recorded accurately and consistently.
- Ascertain the stewardship of officials responsible for governmental resources

### **Authorized Positions**

Positions approved by the City Council which may or may not have funding.

### **Base Budget**

Under traditional budgeting, the base budget is that amount that is required, at a minimum, to provide resources for the operations of the organization. Each year, approved amounts are added to the base budget.

### **Basis of Budgeting**

The method used for recognizing revenues and expenditures in the budget. The City uses a base budget budgeting method.

## **Glossary of Budget Terms**

### **Beginning Balance**

Unencumbered resources available in a fund from the prior fiscal year after payment of prior fiscal year expenditures.

### **Benefits-Insurance**

The cost to the City for insurance for all regular full-time employees. This includes the City's cost for health, dental, disability, life and workers compensation insurance.

### **Benefits-Leave time**

Compensation for all leave time to employees who are appointed to regular full-time positions.

### **Benefits-Retirement**

Cost to the City for Public Employee's Retirement for all regular full-time employees, The City participated in the California Public Employee's Retirement System (CalPERS), as well as Social Security

### **Bond**

Capital raised by issuing a written promise to pay a specified sum of money, called the face value or principal amount, with interest at predetermined intervals.

### **Budget**

A plan of financial operation embodying an estimate of proposed expenditures for a given time (usually a fiscal year) and the proposed means of financing them (revenue estimates). This term is sometimes used to describe the officially approved expenditure level under which the City of Winters and its departments operate. The budget must be approved by the City Council prior to the beginning of the fiscal year.

### **Budget Adjustment**

A change of expenditures levels and corresponding resources needed to accomplish an existing service level or unanticipated service. All budget adjustments between departments within a fund may be approved by the City Manager. All budget adjustments increasing total expenditures in a fund or funds are approved by the City Council.

## **Glossary of Budget Terms**

### **Budgetary Basis of Accounting**

The method used for recognizing revenues and expenditures in the budget. The City of Winters uses the modified cash basis of accounting for budgetary purposes.

### **Budget Calendar**

The schedule of key dates or milestones that the City of Winters follows in the preparation and adoption of the budget

### **Budget Document**

The official written statement prepared by the Finance Department and supporting departments and staff that presents the proposed budget to the City Council.

### **Budget Message**

A general discussion of the proposed budget presented in writing as part of the budget document. The budget message explains the principal budget issues against the background of financial experience in recent year and presents recommendations by the City Manager.

### **Budgetary Control**

The management of the City of Winters in accordance with the approved budget for the purposes of keeping expenditures within the limitation of the available appropriations and available revenues.

### **Capital Assets**

Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

### **Capital Budget**

A plan of proposed capital expenditures and the means of financing them.

### **Capital Improvement Projects**

A plan for capital expenditures to be incurred each year over a fixed period of several years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended each year and the method of financing those expenditures.

## **Glossary of Budget Terms**

### **Capital Outlay**

Expenditures for the acquisition of capital assets.

### **Capital Projects**

Projects that purchase or construct capital assets. This could include the purchase of land or the construction of a facility.

### **Cash Basis**

The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

### **City Wide Assessment District**

An assessment district encompassing the entire City of Winters, enacted to provide a funding source for the maintenance of city parks, and to provide a funding source for the payment of electricity costs of all streetlights within the City of Winters.

### **Consultants**

Outside individuals who provide advice or services to the City Council and City Staff.

### **Contingency**

An amount, set aside to be used at the discretion of the City Council to fund emergency or extraordinary items.

### **Contractual**

A type of expenditure. Usually a professional consulting service involving a contract for one or more years.

### **Cost**

The amount of money or other consideration exchanged for property, services or expenses.

### **Cost Accounting**

The branch of accounting that provides for the assembling and recording of all elements of the cost incurred to accomplish a purpose, to carry on an activity or operation or to complete a unity of work or a specified job.

## **Glossary of Budget Terms**

### **Debt Service**

The expense of retiring such debts as loans and bond issues. It includes principal and interest payments and the administrative costs for paying agents registrars, and escrow agents.

### **Deficit**

The excess of expenditures over revenues during an accounting period, or in the case of enterprise funds, the excess of expense over income during an accounting period.

### **Department**

An organizational unit comprised of divisions or functions. It is the basic unit of service responsibility encompassing a broad mandate of related activities. It is possible for a department to be comprised of only one division.

### **Depreciation**

That portion of the cost of a capital asset that is charged as an expense during a particular period.

### **Development Impact Fees**

Fees place on the development of land or condition required for the approval of a development project. Fees must be expended on those projects for which the fees were collected.

### **Discretionary Revenue**

Money that the City Council has the authority to allocate for any purpose. Usually refers to the General Fund, as opposed to special or restricted use funds.

### **Division**

A major section of a department indicating management responsibility for a group of related operations within that department.

### **Encumbrance**

A commitment of funds against an appropriation, it may be in the form of a purchase order or contract; until such time as the goods or services are received, the commitment is referred to as an encumbrance.

## **Glossary of Budget Terms**

### **Enterprise Fund**

A type of fund established for the total cost of those governmental facilities and services that are operated in a manner similar to private enterprise. The programs are entirely or predominately self-supporting. The City has two enterprise funds, the Water Fund and the Sewer Fund. This type of fund is also known as a Proprietary Fund.

### **Expenditure**

Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered, whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purchases are made.

### **Expendable Trust Fund**

An expendable trust fund is a fund that is used to hold funds in trust for a particular project; the funds are invested until the project for which it is designated is ready to be implemented. The City of Winters has one expendable trust fund, Winters Library and Arts. This fund was created when one of our citizens passed away and donated funds to the City to build a library and art center. The City is currently seeking additional funding for this project.

### **Expenses**

Decreases in net total assets. Expenses represent the total cost of operations during a period, regardless of the timing of related expenses.

### **Fees**

Charges for services that are based upon the cost of providing the service.

### **Fiscal Year**

A twelve-month period of time to which a budget applies. The City of Winters' fiscal year is July 1-June 30.

### **Fixed Asset**

A tangible item of a long-term character such as land, buildings, furniture, and other equipment with a unit cost in excess of \$5,000.

## Glossary of Budget Terms

### **Full Faith and Credit**

A pledge of the general taxing power of a government to repay debt obligations. (Usually used in reference to bonds.)

### **Full-Time Equivalent (FTE)**

A measure of effective authorized positions, indicating the percentage of time a position or group of positions is funded. It is calculated by equating 2,080 hours of work per year with the full-time equivalent of one position; thus one position would have an FTE of 1.0

### **Fund**

An independent fiscal and accounting entity with a self-balancing set of accounts, used to record all financial transactions related to the specific purpose for which the fund was created

### **Fund Balance**

The difference between fund assets and fund liabilities.

### **Funding Source**

Identifies funds that will provide resources for City expenditures.

### **Gann Limit**

See Appropriation Limit.

### **Gas Tax**

A tax on fuel used to propel a motor vehicle or aircraft. Its use is restricted to planning, construction, improvement, maintenance and operation of public streets and highways or public mass transit guideways.

### **Generally Accepted Accounting Principles (GAAP)**

Uniform standards used by state and local governments for financial recording and reporting; established by the accounting profession through the Governmental Accounting Standards Board.

### **General Fund**

The governmental accounting fund supported by property taxes, licenses and permits, service charges, and other general revenues to provide for operating services.

## **Glossary of Budget Terms**

### **General Obligation Bonds**

Bonds backed by the full faith and credit of the City that may be used for various purposes and repaid by the regular revenue raising powers (generally taxes and/or other general revenues) of the City.

### **General Revenue**

General sources of income a city collects and receives for public use. There are no restrictions as to the use of the monies. They are often referred to as Discretionary Revenues. General revenues comprise the General Fund.

### **Goal**

A statement that describes the purpose toward which an endeavor is directed, such as a target or target area.

### **Governmental Accounting Standards Board (GASB)**

The body that sets accounting standards specifically for governmental entities at the state and local level.

### **Governmental Funds**

Self-balancing sets of accounts that are maintained for governmental activities. Financial statements of governmental funds are prepared on the modified accrual basis of accounting and the current financial resource flows measurement focus.

### **Grant**

Contributions or gifts of cash or other assets from another governmental entity or foundation to be used or expended for a specific purpose, activity or facility. An example is the Community Development Block Grant provided by the federal government.

### **Interfund Transfers**

Money transferred from one fund to another such as from a fund receiving revenue to the fund through which the expenditures are to be made.

### **Internal Service Fund**

Funds used to account for the financing of goods or services provided by one department of an agency to other departments of the agency on a cost reimbursement basis.

## **Glossary of Budget Terms**

### **Levy**

The total amount of taxes special assessments, or charges imposed by a government.

### **Material, Supplies and Services**

Expenditures for items that are normally consumed within a fiscal year.

### **Memorandum of Understanding**

The result of labor negotiations between the City of Winters and its various bargaining units.

### **Motor Vehicle License Fee (VLF)**

Based on the market value of a vehicle, VLF is a fee for the privilege of operating a vehicle on public streets. A portion of the fee is returned to cities by the State and its use by a city is unrestricted.

### **Municipal Code**

A book that contains City Council approved ordinances presently in effect. The Muni Code defines City law in various categories. The City of Winters Municipal Code can be found online at the City of Winters website.

### **Objective**

A defined method to accomplish and establish goals.

### **Operating Budget**

Annual appropriation of funds for ongoing program costs, including salaries and benefits, services and supplies. This is the primary means by which most of the financing, acquisition, spending and service delivery of the city are controlled.

### **Operating Expenses**

Expenses incurred as a result of day to day operations.

### **Ordinance**

A formal legislative enactment by the City Council. It has the full force and effect of law within the City boundaries unless it is in conflict with a higher form of law, such as a State statute or constitutional provision. An ordinance has a higher legal standing than a resolution. Adopted

## **Glossary of Budget Terms**

ordinances form the Municipal Code. (See Municipal Code)

### **Public Employee's Retirement System (PERS)**

The retirement system administered by the State of California, to which all permanent City employees belong.

### **Personnel Expenditures**

Salaries, wages and benefits paid to employees.

### **Property Tax**

A tax on the assessed value of property, California State Constitution Article XIII A provides that the combined maximum property tax rate on any given property equal 1% of its assessed value unless an additional amount has been approved by voters for special taxes or general obligation bonds. Yolo County collects and remits the City of Winters share of property taxes.

### **Proposed Budget**

The working document for the fiscal year under discussion.

### **Reserve**

An account used to indicate that a portion of a fund's balance is restricted for a specific purpose and is therefore, not available for general appropriation

### **Resolution**

A special order of the City Council that requires less legal formality than an ordinance in terms of public notice, and the number of public readings prior to approval.

### **Retained Earnings**

The excess of an enterprise fund's assets over its liabilities. A negative retained earnings is sometimes called a deficit.

### **Revenue**

Funds that a city receives as income. Revenues include such items as taxes, licenses, user fees, service charges, fines and penalties and grants.

## Glossary of Budget Terms

### **Revenue Estimate**

A formal estimate of how much revenue will be earned from a specific revenue source for some future period, usually a future fiscal year.

### **Salaries and Benefits**

A budget category that generally accounts for full-time and temporary employees, overtime and all employee benefits, such as medical and dental insurance and retirement contributions.

### **Sales Tax**

Taxes assessed on retail sales or leases of tangible personal property in the City. The City of Winters receives 1% of the 8.25% sales tax collected within the City of Winters.

### **Special Assessment**

A compulsory levy imposed on certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

### **Stipend**

A fixed sum of money paid for a specific purpose.

### **Supplies and Services**

Expenditures for materials, supplies and related services which are consumed within a fiscal year.

### **Tax Base**

The total property valuations on which the City of Winters receives property taxes.

### **Tax Increment Financing**

A tax incentive designed to attract business investment by dedicating to the Winters Community Development Agency Project Area (project area) the new property tax revenues generated by redevelopment. The increase in revenues (increment) is used to finance development related costs in the project area.

## **Glossary of Budget Terms**

### **Transfers In and Transfers Out**

Movement of revenue out of one fund to another. The recipient fund uses the money to cover the cost of services provided, or to cover the cost of a contract between two funds.

### **Warrant**

An order drawn by a locality's officers directing the treasurer of the locality to pay a specified amount to the bearer, either after the current or some future date.

### **Year-End**

As of June 30th (end of fiscal year)

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## Gann Limit

Article XIII B of the California Constitution was a ballot initiative adopted in 1980 and modified by Proposition 13 that passed in 1990 to limit the amount of tax proceeds state and local governments can spend each year.

The limit is different for each agency and the limit changes each year. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in fiscal 1978-1979 in each agency modified for changes in inflation and population in each subsequent year.

The formula used in calculating the growth rate is:

% change in population +100/100

times either

% change in per capita income +100/100

or

Change in non-residential assessments +100/100

The calculated rate times the previous appropriation limit equals the new appropriation limit.

The California Department of Finance is mandated to notify each city of the population changes and the per capita personal income factor to be used in calculating the growth rate.

The population of the City of Winters on 1/1/10 was 7,089 compared to 7,052 on 1/1/09, a .54% increase in population.

The change in per capita income for California for 2010/2011 is -2.54%

## Gann Limit

The factor for determining the year-to-year increase is computed as follows:

$$\frac{.54+100}{100} \times \frac{-2.54+100}{100} = .979863$$

The calculation of the 6/30/11 appropriation limits is as follows:

2008-2009 appropriation limit	5,396,412
Calculated growth factor	<u>X .979863</u>
Appropriation Limit 2009-2010	\$5,287,744

Appropriations Subject to Limitation for Fiscal Year Ending June 30, 2011		
Proceeds from Taxes		\$ 3,331,973
Less Exclusions		
Capital Outlay	\$ -	
Debt Service	<u>1,225,462</u>	
Total Exclusions		<u>1,225,462</u>
Appropriations subject to Limitation		\$ 2,106,512
Current Year Limit		<u>5,287,744</u>
Over (Under) Limit		<u>\$ (3,181,232)</u>

As shown in the box below, the city is at 39.84% of its limitation and is not impacted by the appropriation limit at this time.

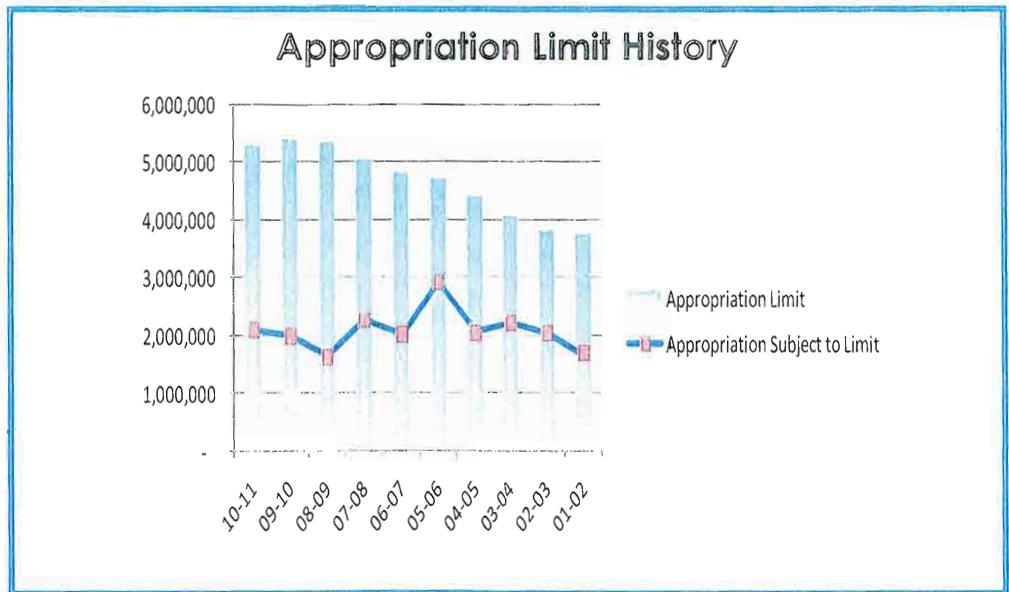
Section 9710 of the California Government Code, added in 1980 by the State Legislature, requires the City Council to adopt the City's Gann Appropriation Limit for the following year by resolution. Resolution 2010-37 was adopted by the City Council on June 15, 2010.

# Gann Limit

Below is information for ten (10) years on the appropriations limit.

Fiscal Year	Appropriation Limit	Appropriation Subject to Limit	% of Limit Used
10-11	5,287,744	\$ 2,106,512	39.84%
09-10	5,396,412	2,003,076	37.12%
08-09	5,342,858	1,641,159	30.72%
07-08	5,038,928	2,276,464	45.18%
06-07	4,817,926	2,028,365	42.10%
05-06	4,705,456	2,931,416	62.30%
04-05	4,402,142	2,063,815	46.88%
03-04	4,073,724	2,230,769	54.76%
02-03	3,791,417	2,059,787	54.33%
01-02	3,756,420	1,721,561	45.83%

The graph below shows the appropriation limit and the appropriations subject to the limit.



## **Gann Limit**

The City of Winters has been cautious about adding costs into the budget over the last several years. This cautious approach has been why we have not approached the appropriation limit for expenditures.

**CITY COUNCIL  
RESOLUTION 2010-34**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS  
APPROVING AND ADOPTING A BUDGET OF ESTIMATED EXPENDITURES  
FOR FISCAL YEARS 2010-2011 AND 2011-2012.**

**WHEREAS**, every local agency is required to adopt a budget for the subsequent fiscal year for estimated revenues and expenditures; and

**WHEREAS**, every local governmental agency shall file with the county auditor of the county in which the agency conducts its principal operations, a budget for the fiscal year then in progress; and

**WHEREAS**, the City of Winters has determined that a 2 year budget is appropriate for the City to prudently plan its financial future; and

**WHEREAS**, the City Council and Staff members have thoroughly reviewed and analyzed the proposed budget in order to determine the needs of the City of Winters:

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Winters that a budget for the Fiscal Year 2010-2011 and 2011-2012, a copy of which is on file in the City Clerk's Office, is hereby adopted for the City of Winters as follows;

Section 1. For the Fiscal Year 2010-2011, General Fund estimated revenues of \$3,094,711, use of available fund balance of \$116,602, for a total source of funds of \$3,211,313 and total appropriations of \$3,211,313.

For the Fiscal Year 2011-2012, General Fund estimated revenues of \$3,058,616, use of available fund balance of \$248,426, for a total source of funds of \$3,307,042 and total appropriations of \$3,307,042.

Section 2. For the Fiscal Year 2010-2011, Special Revenues Funds estimated revenues of \$2,346,272, use of available fund balance of \$-0- for a total source of funds of \$2,346,272 and total appropriations of \$2,283,639.

For the Fiscal Year 2011-2012, Special Revenues Funds estimated revenues of \$974,991, use of available fund balance of \$-0- for a total source of funds of \$974,991 and total appropriations of \$770,983.

Section 3. For Fiscal Year 2010-2011 Capital Revenue Funds estimated revenues of \$1,009,821, use of available fund balance of \$2,917,277 for total source of funds of \$3,927,098 and total appropriations of \$3,927,098.

For Fiscal Year 2011-2012 Capital Revenue Funds estimated revenues of \$677,692, use of available fund balance of \$-0- for total source of funds of \$677,692 and total appropriations of \$207,896.

Section 4. For Fiscal Year 2010-2011 Water O & M Fund estimated revenues of \$1,038,059 use of available fund balance of \$-0- for total source of funds of \$1,038,059 and total expenses of \$844,108.

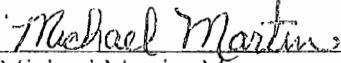
For Fiscal Year 2011-2012 Water O & M Fund estimate estimated revenues of \$1,058,103. use of available fund balance of \$35,888 for total source of funds of \$1,093,991 and total expenses of 1,093,991.

Section 5. For Fiscal Year 2010-2011 Sewer O & M estimated revenues of \$1,318,570. use of available fund balance of \$-0- for a total source of funds of \$1,318,570 and total expenses of \$1,219,648.

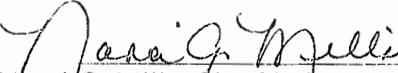
For Fiscal Year 2011-2012 Sewer O & M estimated revenues of \$1,463,063. use of available fund balance of \$-0- for a total source of funds of \$1,463,063 and total expenses of \$1,208,854.

**PASSED AND ADOPTED** by the City of Winters this 15th day of June 2010 by the following vote:

**AYES:** Council Members Aguiar-Curry, Anderson, Fridae, Stone, Mayor Martin  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None

  
\_\_\_\_\_  
Michael Martin, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Nanci G. Mills, City Clerk

**CITY COUNCIL  
RESOLUTION 2010-42**

**A RESOLUTION OF THE CITY OF WINTERS RESCINDING RESOLUTION 2010-34 AND APPROVING AND ADOPTING A BUDGET OF ESTIMATED EXPENDITURES FOR FISCAL YEARS 2010-2011 AND 2011-2012.**

WHEREAS, every local agency is required to adopt a budget for the subsequent fiscal year for estimated revenues and expenditures; and

WHEREAS, every local governmental agency shall file with the county auditor of the county in which the agency conducts its principal operations, a budget for the fiscal year then in progress; and

WHEREAS, the City of Winters has determined that a 2 year budget is appropriate for the City to prudently plan its financial future; and

WHEREAS, the City Council of the City of Winters adopted Resolution 2010-34 prior to the certification of results of the Measure W election held on June 8, 2010; and

WHEREAS, the City of Winters Operating Budget has changed as the result of the passage of Measure W by the citizens of the City of Winters; and

WHEREAS, the City Council and Staff members have thoroughly reviewed and analyzed the proposed budget in order to determine the needs of the City of Winters;

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Winters that:

Resolution 2010-34 adopted on June 15, 2010 is hereby rescinded and

A budget for the Fiscal Year 2010-2011 and 2011-2012, a copy of which is on file in the City Clerk's Office, is hereby adopted for the City of Winters as follows:

Section 1. For the Fiscal Year 2010-2011, General Fund estimated revenues of \$3,398,858, use of available fund balance of \$97,946, for a total source of funds of \$3,496,804 and total appropriations of \$3,496,804.

For the Fiscal Year 2011-2012, General Fund estimated revenues of \$3,304,598, use of available fund balance of \$285,885, for a total source of funds of \$3,590,453 and total appropriations of \$3,590,453.

Section 2. For the Fiscal Year 2010-2011, Special Revenues Funds estimated revenues of \$2,346,272, use of available fund balance of \$-0- for a total source of funds of \$2,346,272 and total appropriations of \$2,283,639.

For the Fiscal Year 2011-2012, Special Revenues Funds estimated revenues of \$974,991, use of available fund balance of \$-0- for a total source of funds of \$974,991 and total appropriations of \$770,983.

Section 3. For Fiscal Year 2010-2011 Capital Revenue Funds estimated revenues of \$1,009,821, use of available fund balance of \$2,917,277 for total source of funds of \$3,927,098 and total appropriations of \$3,927,098.

For Fiscal Year 2011-2012 Capital Revenue Funds estimated revenues of \$677,692, use of available fund balance of \$-0- for total source of funds of \$677,692 and total appropriations of \$207,896

Section 4. For Fiscal Year 2010-2011 Water O & M Fund estimated revenues of \$1,038,059 use of available fund balance of \$-0- for total source of funds of \$1,038,059 and total expenses of \$844,108.

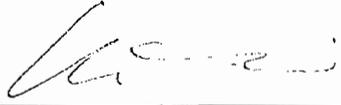
For Fiscal Year 2011-2012 Water O & M Fund estimate estimated revenues of \$1,058,103, use of available fund balance of \$35,888 for total source of funds of \$1,093,991 and total expenses of \$1,093,991.

Section 5. For Fiscal Year 2010-2011 Sewer O & M estimated revenues of \$1,318,570, use of available fund balance of \$-0- for a total source of funds of \$1,318,570 and total expenses of \$1,219,648.

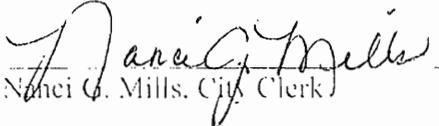
For Fiscal Year 2011-2012 Sewer O & M estimated revenues of \$1,463,063, use of available fund balance of \$-0- for a total source of funds of \$1,463,063 and total expenses of \$1,208,854.

**PASSED AND ADOPTED** by the City of Winters this 3rd day of August 2010 by the following vote:

AYES: Council Members Aguiar-Curry, Anderson, Martin, Stone, Mayor Fridae  
NOES: None  
ABSTAIN: None  
ABSENT: None

  
\_\_\_\_\_  
Woody Fridae, Mayor

ATTEST:

  
\_\_\_\_\_  
Nancy G. Mills, City Clerk

COMMUNITY DEVELOPMENT AGENCY  
RESOLUTION 2010-35

**A RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF WINTERS APPROVING AND ADOPTING A BUDGET OF ESTIMATED REVENUES AND EXPENDITURES FOR FISCAL YEAR 2009-2010**

**WHEREAS**, The Community Development Agency of the City of Winters is required to adopt a budget for the subsequent fiscal year for estimated revenues and expenditures; and

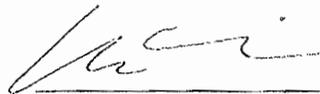
**WHEREAS**, the members of said Community Development Agency and staff members have thoroughly reviewed and analyzed the proposed budget in order to determine the needs of the City of Winters;

**WHEREAS**, the planning and administrative expenditures in the housing fund are necessary for the production, improvement, or preservation of low and moderate income housing;

**NOW, THEREFORE BE IT RESOLVED** by the Community Development Agency of the City of Winters, that a budget for Fiscal Year 2010-2011 is hereby adopted for a total estimated revenues of \$1,901,194, and use of available fund balance of \$9,373,917 for a total source of funds \$11,275,111 and total appropriations of \$11,275,111, and a budget for Fiscal Year 2011-2012 is hereby adopted for a total estimated revenues of \$1,884,816, and use of available fund balance of \$2,075,640 for a total source of funds \$3,960,456 and total appropriations of \$3,960,456. A copy of the budget is on file in the City Clerk's office

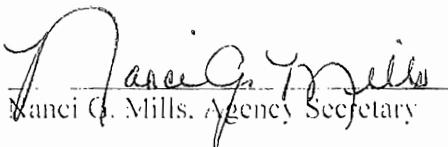
**PASSED AND ADOPTED** by the City of Winters Community Development Agency this 15th day of June 2010 by the following vote:

**AYES:** Council Members Aguiar-Curry, Anderson, Fridae, Stone, Mayor Martin  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None



Woody Fridae, Chairman  
Winters Community Development Agency

**ATTEST:**



Nancy G. Mills, Agency Secretary

COMMUNITY DEVELOPMENT AGENCY  
RESOLUTION 2010-45

RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF WINTERS RESCINDING RESOLUTION 2010-35 AND APPROVING AND ADOPTING A BUDGET OF ESTIMATED REVENUES AND EXPENDITURES FOR FISCAL YEAR 2010-2011 and 2011-2012

WHEREAS, The Community Development Agency of the City of Winters is required to adopt a budget for the subsequent fiscal year for estimated revenues and expenditures: and

WHEREAS, the members of said Community Development Agency and staff members have thoroughly reviewed and analyzed the proposed budget in order to determine the needs of the City of Winters:

WHEREAS, the Community Development Agency has become aware of a significant difference in the projection of revenues for both 2010-2011 and 2011-2012: and

WHEREAS, the planning and administrative expenditures in the housing fund are necessary for the production, improvement, or preservation of low and moderate income housing:

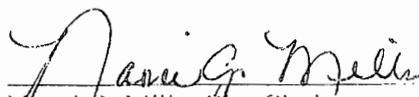
NOW, THEREFORE BE IT RESOLVED by the Community Development Agency of the City of Winters, that Resolution 2010-35 is hereby rescinded and that a budget for Fiscal Year 2010-2011 is hereby adopted for a total estimated revenues of \$1,810,619, and use of available fund balance of \$9,465,435 for a total source of funds \$11,276,054 and total appropriations of \$11,276,054, and a budget for Fiscal Year 2011-2012 is hereby adopted for a total estimated revenues of \$1,807,559, and use of available fund balance of \$2,153,837 for a total source of funds \$3,961,396 and total appropriations of \$3,961,396. A copy of the budget is on file in the City Clerk's office

PASSED AND ADOPTED by the City of Winters Community Development Agency this 3rd day of August by the following vote:

AYES: Agency Members Anderson, Fridae, Martin, Stone, Agency Chairman Aguiar-Curry  
NOES: None  
ABSTAIN: None  
ABSENT: None

  
Cecilia Aguiar-Curry, Agency Chairman

ATTEST:

  
Nancy G. Mills, City Clerk