

City of Winters
Comprehensive Annual Financial Report
Year Ended June 30, 2014

318 First Street
Winters, CA 95694
P.(530) 795-4910
www.cityofwinters.org

City Manager
John W. Donlevy, Jr.

Director of Financial Management
Shelly Gunby



**CITY OF WINTERS
CALIFORNIA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

**CITY OF WINTERS
Finance Department**

**Shelly Gunby
Director of Financial Management**

City of Winters
Comprehensive Annual Financial Report
Year Ended June 30, 2014

TABLE OF CONTENTS

PAGE

I. INTRODUCTORY SECTION

Letter of Transmittal	i - vi
Directory of Officials	vii
Organization Chart	viii
Certificate of Achievement for Excellence in Financial Reporting	ix

II. FINANCIAL SECTION

Independent Auditor's Report	1 - 3
-------------------------------------	-------

Management's Discussion & Analysis	4 - 22
---	--------

Basic Financial Statements:

Government-wide Financial Statements:	
Statement of Position	23
Statement of Activities	24 - 25
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	26 - 27
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	28
Statement of Revenues, Expenditures and Changes in Fund Balances	29 - 30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Proprietary Funds:	
Statement of Net Position	32
Statement of Revenues, Expenses and Changes in Net Position	33
Statement of Cash Flows	34
Fiduciary Fund:	
Statement of Fiduciary Net Position	35
Statement of Changes in Fiduciary Net Position	36
Notes to Financial Statements	37 - 62

Required Supplementary Information:

Major Governmental Funds:	
Budgetary Comparison Schedules:	
General Fund	63
Schedule of Funding Progress:	
Other Post-Employment Benefits Plan	64
Notes to Required Supplementary Information	65

Supplementary Information:

Non-major Governmental Funds:	
Combining Balance Sheet – Non-major Governmental Funds	66 - 70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-major Governmental Funds	71 - 78
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:	
City Wide Assessment Special Revenue Fund	79 - 86
Flood Assessment Special Revenue Fund	87
	88

City of Winters
Comprehensive Annual Financial Report
Year Ended June 30, 2014

TABLE OF CONTENTS - Continued

PAGE

Supplementary Information - Continued:

Gas Tax Special Revenue Fund	89
Traffic Safety Special Revenue Fund	90
Afterschool Program Special Revenue Fund	91
Vehicle Theft Deterrent Special Revenue Fund	92
Transportation Development Act Special Revenue Fund	93
Revolving Loan Funds Special Revenue Fund	94
State COPS 1913 Special Revenue Fund	95
Beverage Recycling Special Revenue Fund	96
STBG 96-1043 Special Revenue Fund	97
EDBG 99-688 Special Revenue Fund	98
EDBG 96-405 Special Revenue Fund	99
Flood Control Study Capital Project Fund	100
Capital Asset Replacement Capital Project Fund	101
General Fund Capital Project Fund	102
Landfill Capital Project Fund	103
Parks and Recreation Capital Project Fund	104
RAJA Storm Drain Capital Project Fund	105
Street Impact Fee Capital Project Fund	106
Storm Drain Impact Fee Capital Project Fund	107
Parks and Recreation Impact Fee Capital Project Fund	108
Police Impact Fee Capital Project Fund	109
Fire Impact Fee Capital Project Fund	110
General Facilities Impact Fee Capital Project Fund	111
Water Impact Fee Capital Project Fund	112
Sewer Impact Fee Capital Project Fund	113
Debt Service Fund	114
Fiduciary Fund:	115
Combining Statement of Changes in Fiduciary Assets and Liabilities - Agency Fund	116 - 118

III. STATISTICAL SECTION

Description of Statistical Section Contents	119
Financial Trends:	
Net Position by Component - Last Ten Fiscal Years	120 - 121
Changes in Net Position - Last Ten Years	122 - 125
Fund Balances of Governmental Funds - Last Ten Fiscal Years	126 - 127
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years	128 - 129
Revenue Capacity:	
Governmental Activities Tax Revenues By Source - Last Ten Fiscal Years	130
General Fund Tax Revenues By Source - Last Ten Fiscal Years	131
Assessed Value of Taxable Property - Last Ten Fiscal Years	132
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	133
Principal Property Tax Payers (Top Ten) - Current Year and Nine Years Ago	134
Property Tax Levies and Collections - Last Ten Fiscal Years	135
Debt Capacity:	
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	136 - 137
Ration of General Bonded Debt Outstanding – Last Ten Fiscal Years	138
Direct and Overlapping Debt	139
Legal Debt Margin Information - Last Ten Fiscal Years	140 - 111
Pledged Revenue Coverage - Last Ten Fiscal Years	142

City of Winters
Comprehensive Annual Financial Report
Year Ended June 30, 2014

TABLE OF CONTENTS - Continued

	PAGE
III. STATISTICAL SECTION - Continued	
Demographic and Economic Information:	
Demographic and Economic Statistics	143
Principal Employers - Current Year and Nine Years Ago	144
Operating Information:	
Full-time and Part-time City Employees by Function - Last Ten Fiscal Years	145
Operating Indicators by Function - Last Ten Calendar Years	146 - 147
Capital Asset Statistics by Function - Last Ten Fiscal Years	148

INTRODUCTORY SECTION



December 17, 2014

To the Honorable Mayor, Members of the
City Council and the Citizens of the City of Winters:

The comprehensive annual financial report of the City of Winters for the year ended June 30, 2014 is hereby submitted as mandated by State statutes. These statutes require that all general-purpose governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the City of Winters. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Winters has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Winters financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Winters comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Winters financial statements have been audited by Van Lant and Fankhanel, LLP, a firm of licensed certified public accountants. The goal of the audit was to provide reasonable assurance that the financial statements of the City of Winters for the fiscal year ended June 30, 2014 are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Winters financial statements for the fiscal year ended June 30, 2014 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that the management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Winters MD&A can be found immediately following the report of the independent auditors.

318 First Street
Winters, CA 95694
Phone.530.795.4910
Fax. 530.795.4935

**COUNCIL
MEMBERS**

Bruce Guelden
Harold Anderson
Wade Cowan

MAYOR

Cecilia Aquiar-Curry

MAYOR PRO TEM

Cecilia Aquiar-Curry

CITY CLERK

Nanci Mills

TREASURER

Michael Sebastian

CITY MANAGER

John W. Donlevy, Jr.

Governmental Profile

The City of Winters, incorporated in 1898, is located in the southwestern corner of Yolo County, immediately north of the Solano County line and just east of the Vaca Mountain Range. The City of Winters is bordered to the east by I-505. 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 the City of Winters and is a major access route to the Napa Valley and recreational opportunities at Lake Berryessa.

The City of Winters is a general law city and employs the Council/Manager form of government. The City Council acts as the legislative and policy making body for the City. The City Council consists of 5 members. The City Council appoints the Mayor after each Council election. The Council appoints the City Manager, City Attorney, and all members of the various boards and commissions, which serve in an advisory capacity to the City Council. The Council sets policy on all public matters relating to the City of Winters, and adopts an annual budget in which the years approved programs, projects and services are financed. The City Council periodically establishes citywide goals and updates the General Plan and Zoning Ordinances as needed. The City Manager is the chief administrator and is responsible for implementing the policies and priorities of the City Council. The City Clerk and Treasurer are elected for four-year terms.

The City of Winters provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; water and sewer services; recreational activities and cultural events. The City of Winters was also responsible for the legally separate Winters Community Development Agency which was dissolved by the State of California on January 31, 2012. The Community Development Agency non-housing assets, liabilities and operations were assumed by the City of Winters as Successor Agency to the Dissolved Winters Community Development Agency and are included as a Private -Purpose Trust Fund in this report. The Housing assets and operations were assumed by the City of Winters and are included as a Special Revenue Fund in this report.

The annual budget serves as the foundation for the City of Winters financial planning and control. All agencies of the City of Winters are required to submit requests for appropriation to the Director of Financial Management each year. The Director of Financial Management uses these requests as the starting point for developing a proposed budget. The Director of Financial Management and the City Manager present this proposed budget to the City Council for review in May and is required to be legally adopted by June 30, the close of the City of Winters fiscal year. The appropriated 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 contingencies. City Council approval is required for transfers between funds, except for those inter-fund transfers approved in the budget. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, the comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds other than the general fund with appropriated annual budgets this comparison is presented in the governmental fund subsection of this report.

Management Approach

Over the past five (5) years, the primary focus of our management of the City has been fiscal and service sustainability. Simply put, we have worked to identify both needed and desired service levels and the associated costs and determined strategies for maintaining the quality of our municipal operations.

The approach has included a collaboration of all departments, the City Council and the community at large to begin a process of strategic planning for the long-term service, facility, park and open space, and capital equipment needs for the City. A significant amount of time has been spent on research and workshops to begin defining both current and long-term needs.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific economy that affects the City of Winters.

With the passage of Proposition 1A, the City has reduced its vulnerability to state raids of city funding sources, but has not eliminated it completely. State legislation has often been directed at local governments to re-direct city revenues to cover the State's fiscal mismanagement. Potential take-away's have presented a real threat to the City's fiscal situation in the past and the Redevelopment Agency was dissolved as of January 31, 2012 based on the Supreme Court's decision on the December 28, 2011.

Economically, Winters, while residing in Yolo County is primarily impacted and influenced by the economies of Solano County and the East San Francisco Bay Area.

- Housing prices have leveled off over this last year and are expected to somewhat start a slow recovery in the coming years.
- Residential construction has remained at a stand-still in the last fiscal year, however, new construction is expected to occur 2014-2015. Grading has begun on the 72 unit Ogando Hudson Subdivision, and other approved subdivisions have begun re-engaging the City of Winters in order to facilitate the construction of the approved residential subdivisions.
- The City's Sales Tax has seen a rebound from \$267,204 in 2009-2010 to \$460,165 in the current fiscal year.
- Freeway serving businesses have begun to develop along the Grant Avenue corridor, with the opening of the AM/PM Burger King at the entrance to the City in September 2012, and the opening of a Taco Bell adjacent to the Burger, which opened in December 2013.
- Winters proximity to the I-80/I-505 corridor has made the location a logical next step in industrial development. The expansion of Solano County industry has driven developers to the Winters area in search of affordable land. The area in and around Vacaville and I-505 has caused many to look towards Winters as a potential area of industrial expansion.
- The development of the PG&E Gas Operations Training Facility on the Eastern side of the City, close to the freeway serving businesses, which will help improve the economic development of the City of Winters tremendously. Staff is currently reviewing the Environmental Impact Report for that facility and construction is anticipated to begin in late 2015.

A key focus of the City Council and Staff has been capital projects to repair infrastructure and modernize facilities. Our vision is toward the future and a strong capital base.

Due to the collapse of the real estate market and the reduction in residential construction, the City has renegotiated most of the previously adopted development agreements for the approved subdivisions. Many of these changes have centered on easing the initial financial demands on developers and the overall reduction of fees.

A key hurdle for development in the Winters industrial area is flood control. Much of the City's northern area is a part of a FEMA Flood Area and is in need of mitigation. The City has developed a Flood Master Plan for this section of the City, which projects the need for almost \$20 million in improvements to mitigate the effects of flooding.

In order to facilitate this growth and maintain a quality community, Staff has initiated a number of internal programs to assure effective review of projects and implementation of the City's economic development strategies. Economic expansion will invariably lead to higher revenues, and higher costs, to the City; therefore, balancing these revenues and costs is a key issue.

Long-Range Financial Planning

The city has developed a long-range financial plan. The goals of developing this long-range plan include the following:

1. Understanding of all the revenue sources used to implement projects and services throughout the community and the impacts to the growth rate of the services.
2. Identifying recurring vs. nonrecurring revenues.
3. Reviewing all services provided by the City and the corresponding costs of those services.
4. Provide service levels consistent with the General Plan.
5. Establish a Service reserve fund from nonrecurring (one-time) revenues.
6. Establish a long term financial strategy and plan.
7. Establish a "living" document that can be updated as identified variables change that will affect the plan.

Relevant Financial Policies

The recession has impacted the City of Winters significantly with a reduction in assessed values and a resulting reduction in property tax revenues. Measure W, enacted in June 2010 by the voters of the City of Winters, increased the Utility User Tax from 4.75% to 9%, however, the tax did not take effect until October 1, 2010. Although these reductions in revenues were of a larger scale than anticipated at the time the budget for 2012-2014 was prepared, and, the City of Winters was unable to adhere to our General Fund policy that "Operating Revenues must fully cover operating expenditures" in the 2013-2014 fiscal year. Our Policy of having reserves on hand, as well as significant concessions from all levels of staff has enabled the City to continue to provide consistent levels of service even with declining revenues.

Capital Projects/Redevelopment

The City of Winters has implemented projects within the community to utilize the \$7.8 million in tax allocation bonds issued by the Winters Community Development Agency(CDA) in March 2004 and the \$11.4 million in tax allocation bonds issued in September 2007. The projects that have been implemented to date include:

- **Downtown Master Planning:** The CDA worked with businesses and property owners within the Main Street and Railroad Avenue corridors to develop an overall strategy and infrastructure plan that will facilitate development within this area.
- **Economic Development:** The CDA worked with consultants to create a marketing program to make it easy for prospective developers to consider projects within the City.
- **Affordable Housing Program:** The CDA worked with developers to provide financing to complete construction of a 72 unit affordable housing development.

- Community Enhancements: The CDA has built an amphitheatre at the community Center, completed a 110 downtown parking lot, rehabilitated the old railroad bridge to a bicycle and pedestrian trail across Putah Creek into the Community Center park area, installed restrooms at Rotary Park, and completed the installation of a shade structure on the Putah Creek entrance patio area of the Community Center.
- The Agency completed a \$1.5 million capital improvement to the intersection of Main St. and Railroad Ave. including roadway, pedestrian and street furnishings.
- First Time Home buyer program: The CDA has, in partnership with the City of Winters, implemented a first time homebuyer program. Approximately 15 first time homebuyers have been assisted through this program since the 04-05 fiscal year.
- The Agency completed construction of a Joint Police and Fire Facility providing a 40,000 square foot facility for both Police and Fire Departments and includes a training facility that also serves as the Emergency Operations Center for the City of Winters, with a generator that will power the facility in case of power failure.
- The Agency completed a \$680,000 capital improvement to the intersection of Main and First Street, along with a Mid-Block crossing.

The City is implementing the Five Year Capital Improvement plan developed in fiscal 03-04 and has prioritized key infrastructure projects within the City. Projects have been implemented utilizing the 2007 Water and Sewer Revenue Bonds.

- Well #7 has been completed. This well was necessary to support economic development throughout the City.
- Water pipes were extended to the area along I-505, the next area of anticipated economic development outside of the downtown core.
- Sewer lines were replaced throughout the oldest part of the City.
- Wells #2 and #4 were rehabilitated to allow them to run more efficiently.
- A SCADA (Supervisory Control and Data Acquisition) system was installed. This allows for computer monitoring of the status of the Water and Sewer Systems at all times.
- Water Meters were installed City Wide and beginning January 2012, all water customers began being billed based on consumption.

The 03-04 Capital Improvement Plan will be reviewed and updated in the 14-15 fiscal year and will coordinate with the master plans for both Water and Sewer Enterprise Functions.

Awards and Acknowledgements

In 2009, the City of Winters was awarded the 2009 SACOG Blueprint Excellence Award for its efforts in planning, engineering and capital project implementation. This award is the highest award given within the five (5) county region in recognition for “smart growth” and the agency’s ability to effectively implement capital projects.

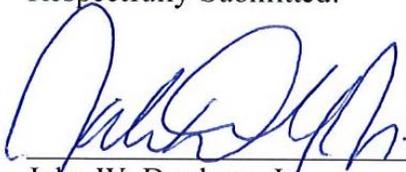
The Government Finance Officer Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winters for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. This is the eleventh year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City of Winters published an

easily readable and efficiently organized CAFR. This report satisfied both the GAAP and applicable legal requirements.

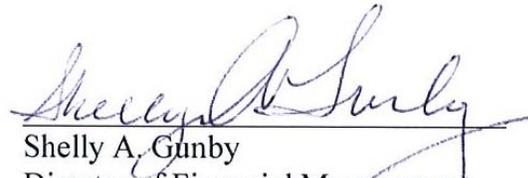
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

This report could not have been prepared without the cooperation of all staff of the City of Winters. Also, we would like to acknowledge the professional work and advice of Van Lant and Fankhanel, LLP.

Respectfully Submitted:



John W. Donlevy, Jr.
City Manger



Shelly A. Gunby
Director of Financial Management

CITY OF WINTERS, CALIFORNIA

ELECTED AND APPOINTED OFFICIALS

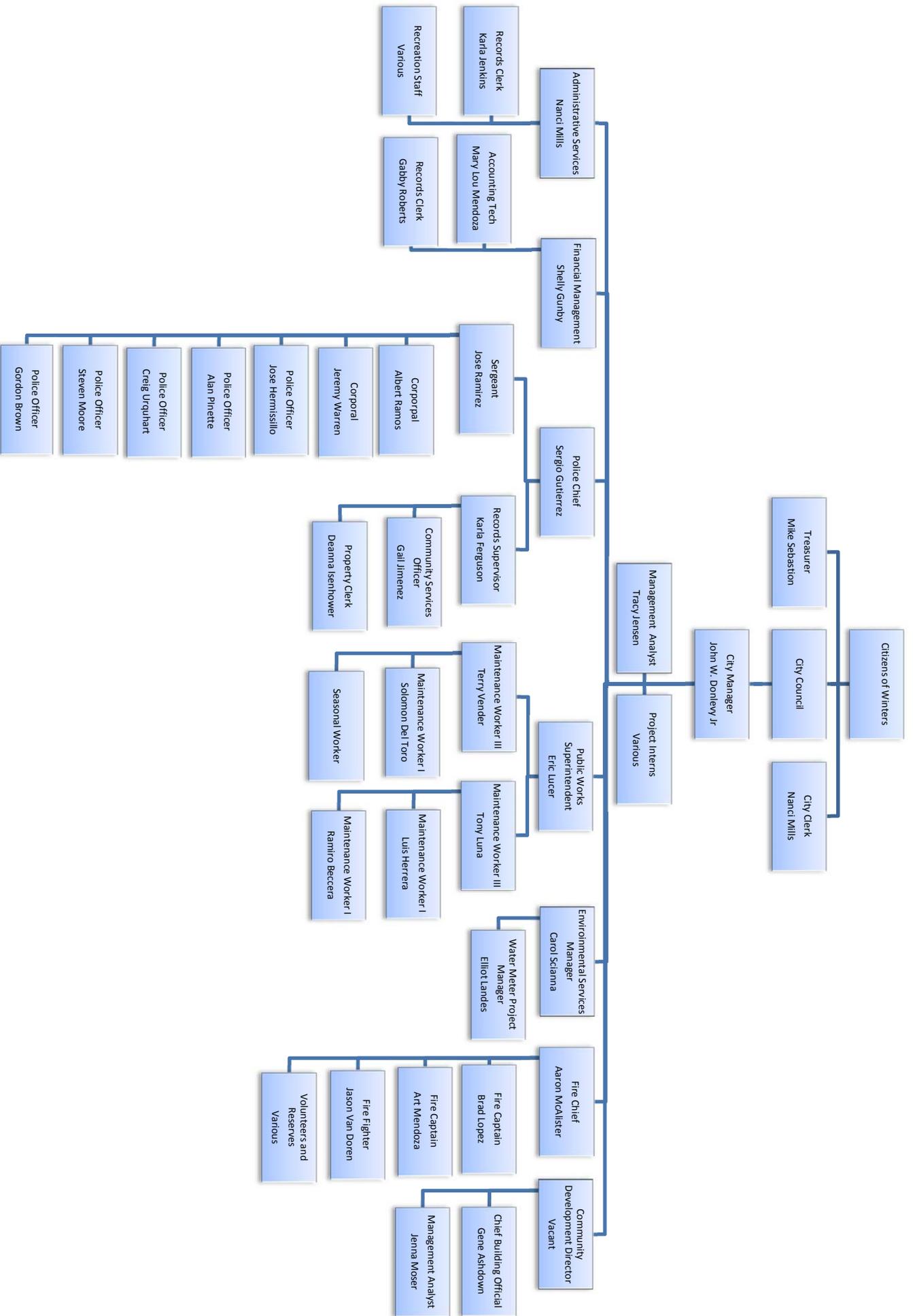


CITY COUNCIL

- *Cecilia Aguiar-Curry*.....Mayor
- *Woody Fridae*.....Mayor Pro Tem
- *Bruce Guelden*.....Council member
- *Harold Anderson*.....Council member
- *Wade Cowan*.....Council member

APPOINTED OFFICIALS

- *John W. Donlevy, Jr.*.....City Manager
- *Sergio Gutierrez*Police Chief
- *Nanci G. Mills*..... Director of Administrative Services
- *Shelly A. Gunby*.....Director of Financial Management
- *Vacant*Director of Community Development
- *Dan Maguire*.....Housing & Economic Development Manager
- *Aaron McAlister*.....Fire Chief





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Winters
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

FINANCIAL SECTION



Independent Auditor's Report

The Honorable City Council
City of Winters, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Winters (City), as of and for the year ended June 30, 2014, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Winters, as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 14 to the financial statements, the City implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, as of June 30, 2014. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, schedules listed in the supplementary information section of the table of contents, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules listed in the supplementary information section of the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional

procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules listed in the supplementary information section of the table of contents are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 17, 2014 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Van Lant & Fankhaenel, LLP

December 17, 2014

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Management's Discussion and Analysis

As management of the City of Winters, we offer readers of the City of Winters financial statements this narrative overview and analysis of the financial activities of the City of Winters for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to the basic financial statements.

The financial statements presented herein include all financial activities of the City and its component units in accordance with Governmental Accounting Standards Board Statement No. 34, "Basic Financial Statements-and Management's Discussion and Analysis-For State and Local Government" (GASB 34).

The Government-Wide Financial Statements present the financial position of the City using the economic resources measurement focus and the accrual basis of accounting. These statements present governmental activities and business-type activities separately. Also, these statements include all assets of the City, as well as all liabilities, including long-term debt. Additionally, in accordance with GASB 34, certain eliminations have been made related to inter-fund activity, payables, and receivables.

The Fund Financial Statements include governmental, proprietary, and fiduciary funds. The governmental funds are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. A reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach under GASB 34. The proprietary funds are prepared using the economic resources measurement focus and the accrual basis of accounting. The fiduciary funds consist of trust and agency funds. Trust funds utilize the economic resources measurement focus and the accrual basis of accounting, while the agency funds only report a balance sheet (accrual basis of accounting) and do not have a measurement focus.

Financial Highlights

- The assets of the City of Winters exceeded its liabilities at the close of the most recent fiscal year by \$40,654,988 (net position). Of this amount, \$5,718,518 is unrestricted net position. A nominal or negative unrestricted net position does not mean that the City of Winters is facing financial disaster, but rather, that the City of Winters has invested in projects or long term assets that are not reflected on the Statement of Net Position.
- As of the close of the current fiscal year, the City of Winters governmental funds reported combined ending fund balances of \$8,537,359 an increase of \$96,710 in comparison with the prior fiscal year. Approximately 6.03% or \$515,046 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,208,759 or, 30.911% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Winters basic financial statements. The City of Winters basic financial statements comprise three components:

1. Government-wide financial statements
2. Fund Financial Statements
3. Notes to the financial statements

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Winters finances, in a manner similar to a private-sector business.

The *Statement of Net Position* and the *Statement of Activities* report information about the City as a whole and its activities. These statements include all assets and liabilities of the City using the accrual basis of accounting and economic resources measurement focus, which is similar to the accounting used by most private-sector entities. Under the economic resources measurement focus, revenues are recognized when earned and expenses are recorded when the liability is incurred.

The *Statement of Net Position* reports the City's net position and changes in it. The Net Position is the differences between assets and liabilities, which is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of Winters that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities.) The governmental activities of the City of Winters include; general government, public safety, public works, community development, parks and recreation, and streets and highways. The business-type activities of the City of Winters include the Water and Sewer functions of the City of Winters.

Fund Financial Statements

The fund financial statements provide detailed information about the City's major funds, not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Winters, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City of Winters can be divided into three (3) categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance the City's programs. The differences between the Governmental Fund Financial Statements and the Government-Wide Financial Statements are explained in a reconciliation following the Government-Wide Financial Statements.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

The City of Winters adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds. When the City charges customers for services, whether to outside customers or to programs of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way in that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. The City's enterprise funds are the same as the business-type activities reported in the Government-Wide Financial Statements, but provide more detail and additional information, such as cash flows, for each enterprise fund. The City also uses an internal service fund to report activities that provide supplies and services for the City's internal programs and activities.

Fiduciary funds. The City is the trustee, or fiduciary, for certain funds established to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, and other governmental units. The City's fiduciary activities are reported in a separate Fiduciary Statement of Net Position. These activities are excluded from the City's Government-Wide Financial Statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the financial statements

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

Other information

Combining statements are presented following the notes to the financial statements.

Government-wide Financial Analysis

The government-wide financial statements provide long-term and short-term information about the City of Winters overall financial condition. This analysis addresses the financial statements of the City as a whole.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Winters, assets exceeded liabilities by \$40,654,988 at the close of the most recent fiscal year.

59.40% of the City's net position reflects its investment in capital assets (e.g., land, buildings, and improvements other than buildings, equipment, infrastructure, and construction in progress); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City reports its sewer and water activities as business-type activities and reports these activities in the government-wide statements.

An additional portion of the City of Winters net position (26.531%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$5,718,518 or 14.065%) may be used to meet the government's ongoing obligations to citizens and creditors.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

At the end of the current fiscal year, the City of Winters is able to report positive balances in all three categories of net position, governmental activities, business-type activities, as well as total activities.

TABLE 1
SUMMARY OF NET POSITION
AS OF JUNE 30

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
ASSETS:						
Current and other Assets	\$ 13,669,802	\$ 13,433,629	\$ 5,376,207	\$ 5,588,558	\$ 19,046,009	\$ 19,022,187
Capital Assets, net	22,986,473	10,809,780	8,913,652	9,267,396	31,900,125	20,077,176
TOTAL ASSETS	\$ 36,656,275	\$ 24,243,409	\$ 14,289,859	\$14,855,954	\$ 50,946,134	\$ 39,099,363
LIABILITIES						
Liabilities due after one year	\$ 676,372	\$ 1,267,406	\$ 537,340	\$ 7,784,826	\$ 1,213,712	\$ 9,052,232
Other Liabilities	1,276,892	548,880	7,800,542	677,537	9,077,434	1,226,417
TOTAL LIABILITIES	\$ 1,953,264	\$ 1,816,286	\$ 8,337,882	\$ 8,462,363	\$ 10,291,146	\$ 10,278,649
NET POSITION						
Net Investment in Capital Assets	\$ 22,986,473	\$ 10,809,780	\$ 1,163,652	\$ 2,407,222	\$ 24,150,125	\$ 13,217,002
Restricted	10,242,135	9,641,029	544,210	-	10,786,345	9,641,029
Unrestricted	1,474,403	1,976,314	4,244,115	3,986,369	5,718,518	5,962,683
TOTAL NET POSITION	\$ 34,703,011	\$ 22,427,123	\$ 5,951,977	\$ 6,393,591	\$ 40,654,988	\$ 28,820,714

There was an increase of \$601,106 in restricted net position reported in connection with the City of Winters' Governmental Activities. This increase is due to the increase in amount restricted for Income Restricted Housing \$561,141, a decrease in amount restricted for Capital Projects (\$1,485,982), an increase in the amount restricted for revolving loans \$554,589, an increase in the amount restricted for Streets \$921,906, an increase in the amount for Debt Service, \$56,277 and an decrease in the amount restricted for Parks (\$6,825).

The net position of the City of Winters increased by \$11,834,274 during the fiscal year. The increase in net position is due to the increase in net position in Governmental Activities of \$12,275,888 and an decrease in Business-Type Activities of \$441,614. The discussion of each of the changes is included in the separate sections below.

Governmental Activities

Governmental activities increased the City of Winters net position by 12,275,888 The increase in net position is due to an increase in liabilities (\$136,978) and an increase in assets \$12,412,866. Liabilities that increased were Accounts Payable (\$266,910), Accrued Payroll (\$20,749) and an increase in Long term Debt due in one year (\$95,150), and a decrease in Deposits (\$57,224) and a decrease in Long term Debt due in more than one year (\$188,607). Assets that increased were Capital Assets (\$12,176,693), Cash and investments (\$1,618,504), Accounts Receivable (\$52,696). a reduction in the following assets occurred, Land for Resale (\$127,299), Restricted Cash (\$1,140,560), Notes Receivable (\$99,101), Interest Receivable (\$503) and Amount Due from Developers (\$67,564)

The Cost of all governmental activities during 2013-2014 was \$5,312,669. Some of the cost of governmental activities was paid by those who directly benefited from the programs in the amount of \$586,901 or by other governmental agencies and organizations that subsidized certain programs with

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

grants and contributions in the amount of \$2,378,517. Overall, the City generated program revenues of \$2,965,418. The balance of the cost of governmental activities of \$3,405,959 was paid by the City of Winters sources of general revenues (taxes and general revenues).

The following table presents the changes in net position for the fiscal year ended June 30, 2014 and June 30, 2013:

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

TABLE 2
CHANGE IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
PROGRAM REVENUES						
Charges for services	\$ 586,901	\$ 679,838	\$ 2,975,732	\$ 2,830,999	\$ 3,562,633	\$ 3,510,837
Operating grants	536,549	412,573	-	-	536,549	412,573
Capital Grants	1,841,968	1,635,819	-	510,886	1,841,968	2,146,705
GENERAL REVENUES						
Property taxes	1,232,688	1,429,395	-	-	1,232,688	1,429,395
Sales and uses taxes	460,165	408,845	-	-	460,165	408,845
Motor Vehicle in lieu	3,011	3,639	-	-	3,011	3,639
Franchise fees	239,385	230,805	-	-	239,385	230,805
Utility Tax	690,272	718,174	-	-	690,272	718,174
Municipal services tax	296,730	296,230	-	-	296,730	296,230
Transient Occupancy Tax	3,426	8,692	-	-	3,426	8,692
Other Revenues	230,592	378,255	-	(190,314)	230,592	187,941
Use Money and property	41,155	128,124	2,590	5,357	43,745	133,481
Transfers	208,535		(208,535)		-	
TOTAL REVENUES	6,371,377	6,330,389	2,769,787	3,156,928	9,141,164	9,487,317
EXPENSES						
Governmental Activities						
General Government	345,978	349,842			345,978	349,842
Public Safety	2,979,999	2,947,065			2,979,999	2,947,065
Public Works	218,488	739,622			218,488	739,622
Community Development	418,479	499,056	-		418,479	499,056
Parks and Rereation	747,458	663,801			747,458	663,801
Streets and Highways	602,267	366,085			602,267	366,085
Interest on Long Term Debt	-	-			-	-
Business Taype Activities						
Water			1,303,791	1,249,358	1,303,791	1,249,358
Sewer			1,590,022	1,490,721	1,590,022	1,490,721
TOTAL EXPENSES	5,312,669	5,565,471	2,893,813	2,740,079	8,206,482	8,305,550
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	1,058,708	764,918	(124,026)	416,849	934,682	1,181,767
Gain on transfer of assets and liabilities to RDA successor trust funds	-	-	-	-	-	-
TOTAL OTHER FINANCING	-	-	-	-	-	-
CHANGE IN NET POSITION	1,058,708	764,918	(124,026)	416,849	934,682	1,181,767
NET POSITION JULY 1	22,427,123	22,672,477	6,393,591	5,976,742	28,820,714	28,649,219
PRIOR PERIOD ADJUSTMENTS	11,217,180	(1,010,272)	(317,588)	-	10,899,592	(1,010,272)
NET POSITION JULY 1	33,644,303	21,662,205	6,076,003	5,976,742	39,720,306	27,638,947
NET POSITION JUNE 30	\$ 34,703,011	\$ 22,427,123	\$ 5,951,977	\$ 6,393,591	\$ 40,654,988	\$ 28,820,714

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Property taxes decreased by (\$196,707) or 13.76%. The major reason for the decrease in property tax revenue is the ongoing reduction in assessed values and the sale of homes at less than the prior sales price, thus reducing assessed values even further.

Operating Contributions and Grants have increased by \$123,976 in 2013-2014 compared to 2012-2013. Grant funding for Streets and Roads increased by \$30,687, Park and Recreation Grants increased by \$12,052, Public Safety Operating Grants increased by \$69,146 and Community Development Operating Grants increased by \$12,091. The Gas Tax that the City receives is based on Motor Fuel Taxes and is administered by the State of California. This amount increased by \$30,687 from what was received in 2012-2013. This amount fluctuates from year to year based on Motor Fuel Taxes collected by the State of California and then remitted to local jurisdictions.

Capital Contributions and Grants have increased from 2012-2013 amounts by \$206,149. This is due to the one time nature of grants. The City received a grant to for the purchase of a Fire Truck in the amount of \$479,430, this grant combined with other equipment grants for the Fire department increased the Public Safety Capital Grant amount in 2013-2014 in the amount of \$544,591 over that of 2012-2013. In 2012-2013 the City received grants for the construction and/or rehabilitation of streets and roads in the amount of \$190,947 but received no capital grants in 2013-2014 for streets and roads. The amount of grant funding received for Community Development projects was \$131,397 less in 2013-2014 than in 2012-2013.

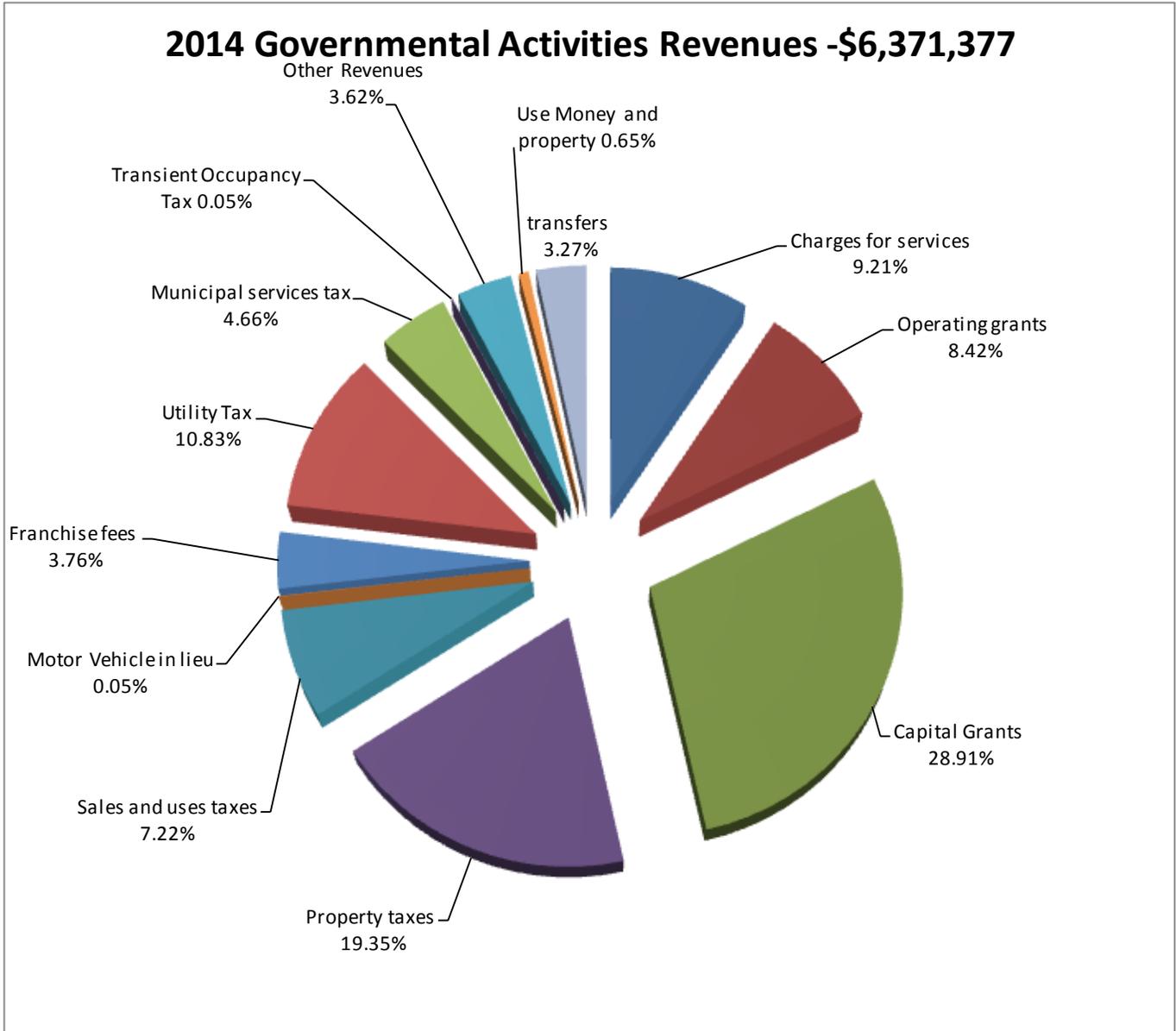
Charges for Services have decreased from the 2012-2013 fiscal year by \$92,937. Decreases in service charges for the Public Safety were \$90,273 This is due to decreases in Traffic and Parking Fines as well as impact fees collected for Police and Fire. The service charges for Community Development increased by \$73,077 from 2012-2013, this is an increase in the permit fees and plan check fees due to increased activity in the building department in Fiscal. The service charges for Public Works decreased by \$79,708 from 2012-2013 due to decrease in Impact Fees collected. Parks and Recreation increased by \$12,643 due to increased revenues at the Community Pool and Community Center. General Government service charges decreased by \$8,676 from 2012-2013.

General revenues decreased by (\$196,200) from 2012-2013. The decrease in property tax revenue was (\$196,707) due the continued reduction in Assessed Valuation of Real Property. The net change in all the other revenues is an increase of \$507. Sales and Use Taxes increased by \$51,320 while the Utility User Tax Decreased by \$27,902. Investment Revenues are \$86,969 less in 2013-2014 than in 2012-2013, due to low interest rates. Other revenues sources had minor increases and decreases from 2012-2013 that when aggregated with the larger changes above totaled \$507 in increases.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

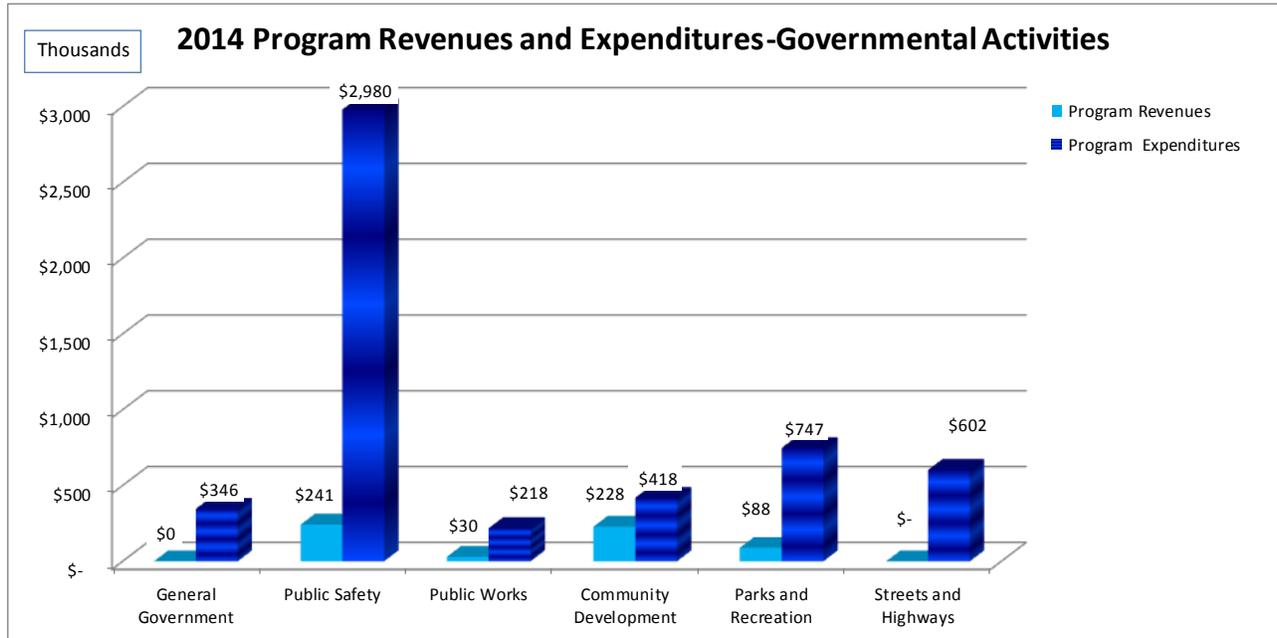
Revenues by Source-Governmental Activities



CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Program Revenues and Expenses -Governmental Activities



Governmental activity expenses decreased by (\$252,802) compared to 2012-2014 for the following reasons:

- Decrease in Community Development Expenditures of (\$80,577) due to the reduction in staffing and reduced activity in the Planning function of the department. Currently, planning functions are performed by consultants instead of fully staffing the planning department.
- Decrease in General Government of (\$3,864). The decrease in General Government is due to the retirement of a Management Analyst from the City Manager Department and a reorganization of staff, rather than the hiring of a replacement.
- Increase in Public Safety of \$32,934, this is due to a slight increase in the Public Safety Calpers contribution and an increase in the budget of YECA, the Yolo Emergency Communication Agency.
- Decrease in Public Works expenditures in the amount of (\$521,134), this decrease is due to the completion of projects in 2012-2013 as well as a reorganization that included training some staff for Wastewater operations in preparation of the City taking over operations of the Wastewater Treatment Facility in late 2014, that has previously been operated by a contract with Severn Trent.
- Increase in expenditures of \$83,657 for Parks and Recreation. The increase in expenditures is due to Park Grants received for the renovation of City Park, and the development of Walnut Park which is a new park adjacent to a newly built affordable housing project.
- Increase in expenditures in Streets and Highways of (\$236,182). This increase is due to the grants received for the design of Dry Slough Bridge and the Walnut Lane Roundabout.

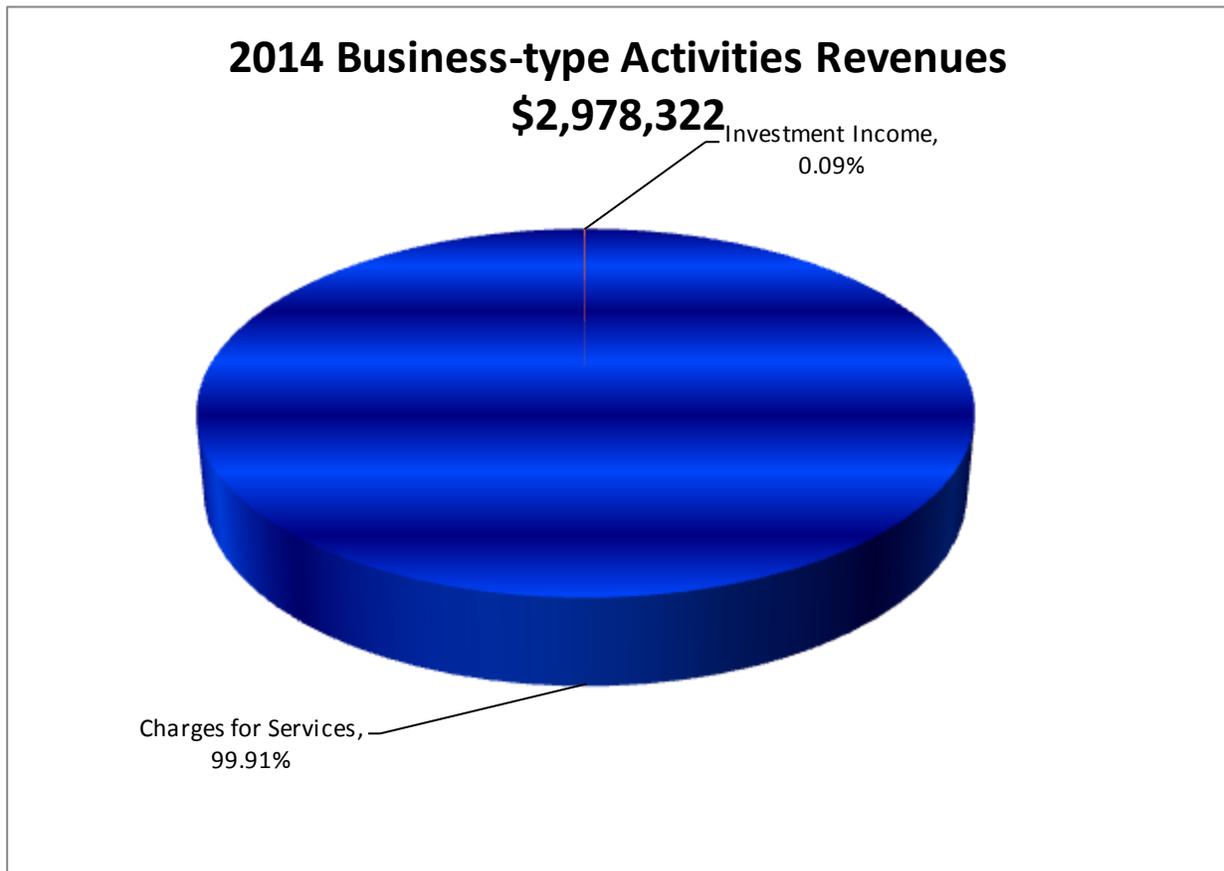
CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Business-Type Activities

Business-type activities decreased the City of Winters net position by \$441,614. Key elements of the decrease in the net position are as follows:

- The Water O & M fund decreased net position by (\$247,570) for the fiscal year. Assets decreased by (\$298,321). The decrease in assets was due primarily because Restricted Cash decreased by (\$158,258) while Cash and investments increased by \$59,265 and Accounts Receivables increased by \$46,738 from 2012-2013 while Depreciable Capital Assets decreased by (\$94,557) and Deferred Charges decreased by (\$151,509). Liabilities decreased by (\$50,751), decreases were due to a decrease in Long Term Debt of (\$80,357) while Accounts Payable increased by \$23,273, while other liabilities combined increased by \$6,333
- The Sewer O & M Fund decreased net position of the City of Winters by (\$194,044). Assets decreased by (\$267,774), Cash decreased by (\$150,320) and Restricted Cash decreased by (\$38,916) while Capital Assets decreased by (\$107,678) and Accounts Receivable increase by \$29,140. Liabilities decreased by (\$73,730), Accounts Payable decreased by (\$34,114), Deposits Payable increased by \$64,701, Interest Payable decreased by (\$1,155) and Long term debt due after one year decreased by (\$103,162).



CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the City of Winters governmental funds is to provide information on near-term inflow, outflows and balances of spendable resources. Such information is useful in assessing the City of Winters financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Winters governmental funds reported combined ending fund balances of \$8,537,359, an increase of \$96,710 in comparison with the prior fiscal year. Approximately 6.03% or \$515,046 is available for spending at the government's discretion (unassigned fund balance). The remainder of the fund balance is reserved to indicate that it is unavailable for new spending because it is restricted for various purposes (see Note 1L).

The General Fund is the chief operating fund of the City of Winters, accounting for all financial resources traditionally associated with government activities that are not legally required to be accounted for in another fund.

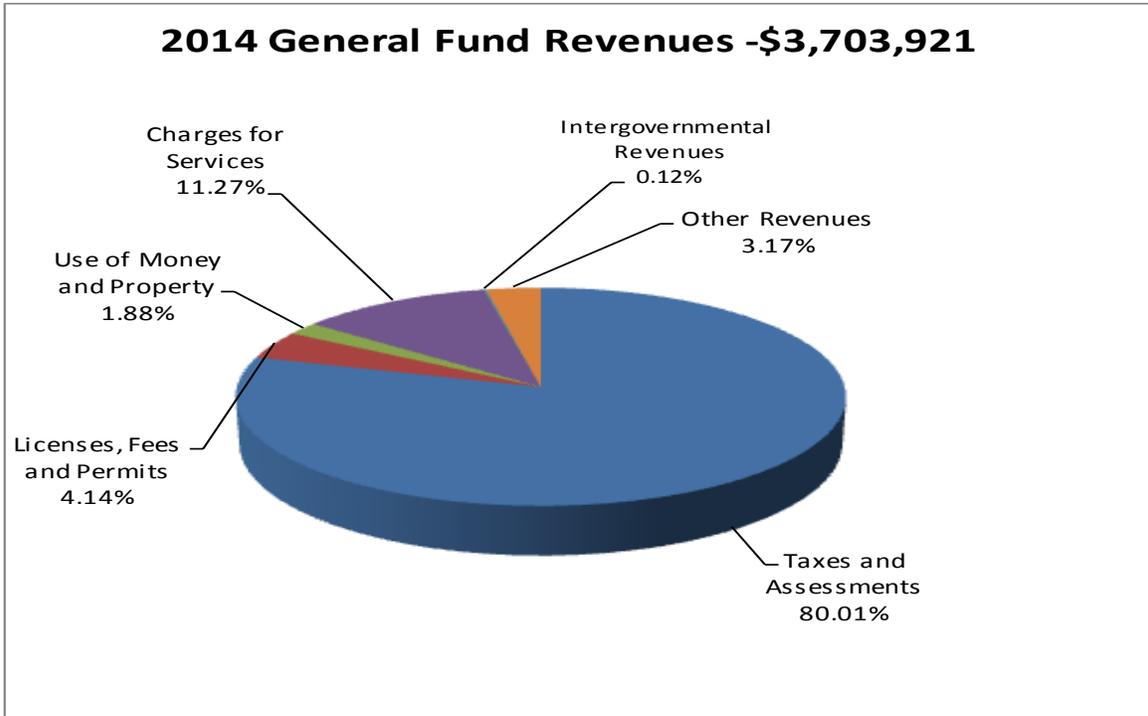
The General Fund ended the fiscal year with a fund balance of \$2,866,167, which is a decrease of (\$6,738) as compared to the prior fiscal year. The fund balance is composed of 5 components as designated by the City Council these classifications and amounts are:

1. Non-spendable Fund balance- \$1,238,282. These are a portion of the fund balance that cannot be spent because it is not in a spendable form, such as a receivableS
2. Restricted Fund Balance- \$0. These are amounts that are restricted by the source of the funds, such as a grant.
3. Committed Fund Balance- \$0. These are amounts that are restricted due to a formal action of the City Council.
4. Assigned Fund Balance- \$0 These amounts are funds that are intended for a specific purpose, but for which no formal action has yet to be taken by the City Council.
5. Unassigned fund balance \$ 1,208,759. This portion of the fund balance is that does not fall into one of the other four categories.

General Fund revenues for the fiscal year ended June 30, 2014 were \$3,703,921 comprised of the following:

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

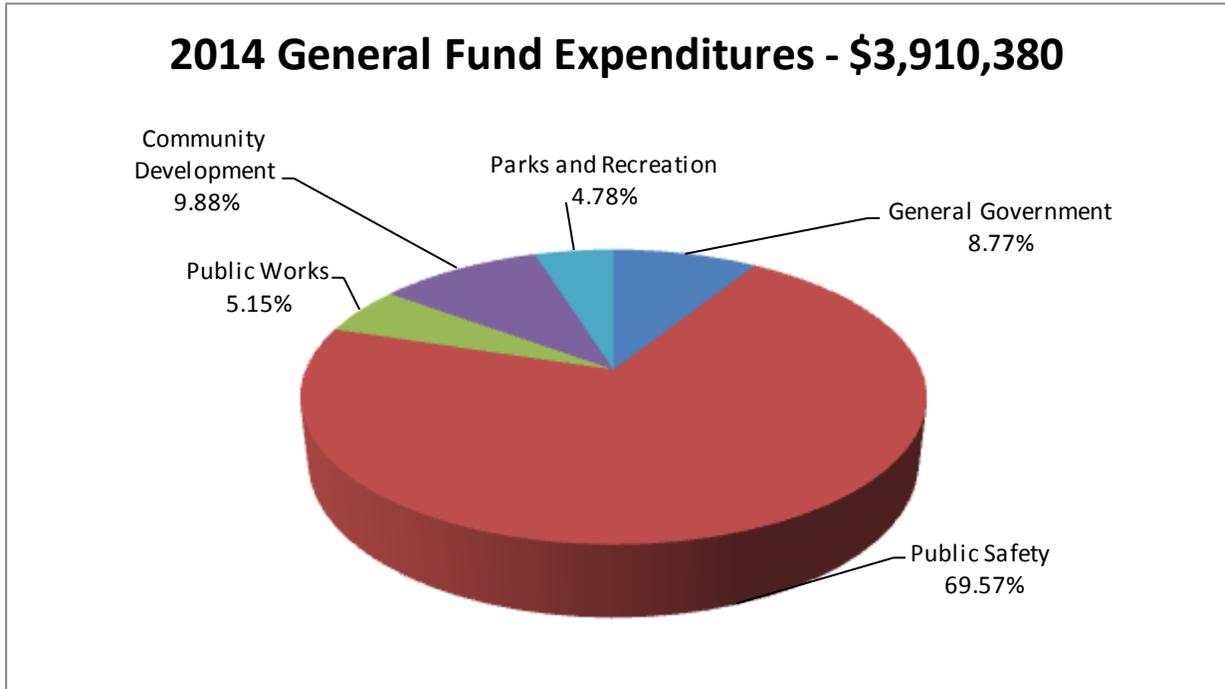


	Amount
Taxes and Assessments	\$ 2,946,016
Licenses, Fees and Permits	152,451
Use of Money and Property	69,202
Charges for Services	414,884
Intergovernmental Revenues	4,520
Other Revenues	116,848
	\$ 3,703,921

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

General Fund expenditures were \$3,910,380 for the fiscal year ended June 30, 2014 were as follow:



	Amount
General Government	\$ 339,250
Public Safety	2,691,168
Public Works	199,403
Community Development	382,108
Parks and Recreation	184,774
Capital Outlay	113,677
TOTAL	\$ 3,910,380

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Other Major Funds

HOME CHOC Fund

The HOME CHOC Fund is used to account for the expenditures of HOME Funds granted to CHOC (Community Housing Opportunities Corporation for the construction of a 45 unit affordably restricted apartment complex located within the City of Winters. The City received grant funds from the HOME program and loaned the funds to CHOC to construct the apartments.

Housing Successor Fund:

On January 31, 2012 the State of California dissolved all Redevelopment Agencies in the State of California. The housing function of the dissolved Winters Community Development Agency was assumed by the City of Winters, and the Housing Successor Fund was established. This fund has a restricted fund balance of \$1,099,149. The City has received a Finding of Completion from the California Department of Finance, and will operate the housing functions and expenditures in such a manor to increase and maintain affordable housing units within the City of Winters.

Proprietary Funds

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

Unrestricted net position of the Water and Sewer funds at the end of the year amounted to \$2,659,55 and \$1,584,560 respectively. Both the Water Fund and Sewer Fund had a decrease in net position during the fiscal year. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City of Winters business-type activities.

General fund Budgetary Highlights

The City's annual budget is the legally adopted expenditure control document of the City. Budgets are prepared on a modified accrual basis consistent with GAAP, except that for budgetary purposes:

- Revenues are recorded when received.
- Interfund loans and repayments are recorded as revenues and expenditures.
- Capital expenses are budgeted as an expense.
- Encumbrances are included in budgeted expenditures.

Unexpended appropriations lapse at year-end. The City Council reauthorizes appropriations for continuing projects and activities. The City Council has the legal authority to amend the budget of any fund at any time during the fiscal year. The budget is adopted at the fund and department 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 those inter-fund transfers approved in the budget and must authorize any revisions which alter total expenditures of the city.

The following areas had budget adjustments approved by the City Council during the Fiscal year:

- General Fund-
 - Housing and Economic Development-Budget increase of \$17,800 for Architecture and Engineering costs related to projects under development.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

- Fire Department-Budget Increase of \$9,217 for safety equipment, this was a match to a grant that was not received until after the beginning of the fiscal year.
- City Wide Assessment District Fund
 - Budget increase of \$3,850 for staff compensation that was approved after the beginning of the fiscal year.
- Gas Tax Fund
 - Budget increase for \$68,945 for street rehabilitation that was approved after the beginning of the fiscal year.
- Transportation Development Act Fund
 - Budget increase for \$37,420 for architect and engineering costs for the City of Winters match for the Dry Slough Bridge and Walnut round about grants that were approved after the beginning of the fiscal year.
- Grant Funds
 - Budget increase for the AFG Grant for the purchase of a Fire Truck that was approved after the beginning of the fiscal year.
 - Budget increase for the Prop 84 Grant for building Walnut Park that was approved after the beginning of the fiscal year.
 - Budget Increase for the Dry Slough Bridge Grant that was approved after the beginning of the fiscal year.
 - Budget increase of \$22,616 for the STBG-6745 grant for Walnut Park that was approved after the beginning of the fiscal year.
- Proprietary Funds
 - Water Fund-budget decrease in staff compensation related to restructuring staffing to accommodate the city operating the wastewater function beginning 12-12-2014. The decision to move forward with training of staff for the transition was made approximately 5 months after the beginning of the fiscal year.
 - Sewer Fund-budget increase in staff compensation related to restructuring staffing to accommodate the city operating the wastewater function beginning 12-1-14. The decision to move forward with training of staff for the transition was made approximately 5 months after the beginning of the fiscal year.

General Fund revenues were higher than budget amounts in total, the sources of revenue are as follow:

- ❖ Taxes and Assessments
 - Revenues were less than budgeted by \$48,118 due to continued stagnation of assessed values of property
- ❖ Licenses, Fees, and permits
 - Revenues were more than budgeted by \$7,457, plan check fees and building related fee revenues were higher than budgeted.
- ❖ Use of Money and Property
 - Revenues were more than budgeted by \$27,500, a vacant building owned by the City was rented to Rise, a community service organization during the fiscal year 2012-2013. This revenue source was not included in the budget at the time it was prepared because the City had not been approached to rent the building and 2013-2014 was the second year of a two year budget. .
- ❖ Intergovernmental Revenues
 - Revenues were less than budgeted by \$3,480.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

- ❖ Charges for Services
 - Revenues were more than budgeted by \$109,501, this is due to increased use of the community center, swimming pool, other recreation activities, Fire District Reimbursement for services and Planning fees.
- ❖ Other Revenue
 - Revenues were more than budgeted by \$75,513 due to Pilot fees received on Orchard Village Affordable housing project and other miscellaneous revenues.

Expenditures were less than budgeted throughout the organization in 2013-2014. Explanations are as follows:

- ❖ General Government
- ❖ General Government actually spent more than budgeted by \$86,641 due to increased costs for administering the Successor Agency to the Dissolved Community Development Agency. The City was to receive \$250,000 in administrative fees if there was sufficient funds to provide it. Due to years of declining assessed values in the Redevelopment Project Area, the property tax available to pay the obligations of the Successor Agency was not sufficient to pay the City the full amount.
- ❖ Public Safety
 - Both Police and Fire Departments had expenditures less than budgeted for the fiscal year. This was due to the turnover in staff at the Police Department and the vacancy in positions while hiring procedures were taking place. The Fire Department had less expenditures than budgeted due to less overtime than budgeted. Most overtime for the Fire Department was due to mutual aid services, which is reimbursed by CalFire.
- ❖ Public Works
 - Expenditures were higher than budgeted due to higher personnel costs throughout the year.
- ❖ Community Development
 - Community Development expenditures were higher than budgeted due to increased costs for administering the Successor Agency to the Dissolved Community Development Agency. The City was to receive \$250,000 in administrative fees if there was sufficient funds to provide it. Due to years of declining assessed values in the Redevelopment Project Area, the property tax available to pay the obligations of the Successor Agency was not sufficient to pay the City the full amount to the City.

Capital Asset and Debt Administration

Capital Assets

The City of Winters investment for capital assets for its governmental and business type activities as of June 30, 2014, amounts to \$31,900,125 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, water wells and distribution and sewer plant and collection facilities.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

TABLE 3
CAPITAL ASSETS, NET OF DEPRECIATION
FOR THE FISCAL YEAR ENDED JUNE 30

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Capital Assets not being Depreciated:						
Construction in Progress	\$ 709,583	\$ 478,080	\$ 30,209	\$ 1,771,210	\$ 739,792	\$ 2,249,290
Land	478,080	557,341	682,979	682,979	1,161,059	1,240,320
	-	-	-	-	-	-
Depreciable Capital Assets, Net:						
Water Pipes	-	-	3,225,032	3,294,743	3,225,032	3,294,743
Sewer Plan and Pipes	-	-	3,830,893	1,991,305	3,830,893	1,991,305
Buildings	10,109,002	1,640,621	-	-	10,109,002	1,640,621
Machinery and Equipment	-	-	798,846	855,328	798,846	855,328
Vehicles and Equipment	751,612	163,675	-	-	751,612	163,675
Infrastructure	10,938,196	7,970,063	345,693	354,243	11,283,889	8,324,306
TOTAL	<u>\$ 22,986,473</u>	<u>\$ 10,809,780</u>	<u>\$ 8,913,652</u>	<u>\$ 8,949,808</u>	<u>\$ 31,900,125</u>	<u>\$ 19,759,588</u>

Capital asset additions during 2013-2014 include the following:

- Fire Brush Truck
- Pierce Fire Engine
- Police Patrol Vehicle
- Construction of Walnut Park Phase I
- Wastewater system grinder
- Water and Sewer Lines at Matsumoto Lanes

Additional information on the City of Winters capital assets can be found in Note 6 of this report.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Long-term Debt

At June 30, 2014, the City of Winters had \$9,077,434 in total long-term debt, compared to \$9,353,383 on June 30, 2013.

The following table provides a breakdown of the City's outstanding indebtedness as of June 30, 2014:

TABLE 4
OUTSTANDING DEBT
FOR THE FISCAL YEAR ENDED JUNE 30

	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Revenue Bonds:						
2007 Water Bonds	-	-	3,555,000	3,645,000	3,555,000	3,645,000
2007 Sewer Bonds	-	-	4,195,000	4,300,000	4,195,000	4,300,000
Pension Related Debt	750,170	935,540	42,361	32,087	792,531	967,627
Compensated Absences	495,023	411,773	8,181	5,947	503,204	417,720
Post Employment Benefits	31,699	23,036	-	-	31,699	23,036
Ca Totals	<u>1,276,892</u>	<u>1,370,349</u>	<u>7,800,542</u>	<u>7,983,034</u>	<u>9,077,434</u>	<u>9,353,383</u>
Less: due within one year	<u>(198,093)</u>	<u>(102,943)</u>	<u>(199,235)</u>	<u>(198,208)</u>	<u>(397,328)</u>	<u>(301,151)</u>
TOTALS	<u>\$ 1,078,799</u>	<u>\$ 1,267,406</u>	<u>\$ 7,601,307</u>	<u>\$ 7,784,826</u>	<u>\$ 8,680,106</u>	<u>\$ 9,052,232</u>

The Water Revenue bonds are paid from the service charge received for water service by customers of the Water Enterprise Fund. The Water Enterprise Fund issued bonds in September 2007. For more information on the Water Revenue bonds, please see Note 7 of this report.

The Sewer Revenue bonds are paid from the service charge received for sewer service by the customers of the Sewer Enterprise Fund. The Sewer Enterprise Fund issued bonds in September 2007. For more information on the Sewer Revenue bonds, please see Note 7 of this report.

Economic Factors and Next Years Budgets and Rates

- Small growth in both residential and commercial buildings
- Implementation of Public Employee Pension Reform Act (PEPRA) adopted by the State of California,
- Easing of Wage and Benefit Concessions from employees as assessed values impacting property tax revenues and sales tax revenues recover.
- Employee Retention programs
- Implementation of Economic Development Projects to encourage additional Economic Development Growth.
- Small increase in assessed values of properties throughout the City.
- Implementation of 2 tier water rates and winter usage based sewer rates.

All of the above factors were considered in the preparation of the City of Winters 2014-2016 budget.

The water and sewer fund rates were increased in the 2013-2014 budget. The rate increases were necessary to continue to maintain an aging infrastructure, and to pay debt service on the Water and Sewer Revenue bonds (2007). Since receipt of the bond proceeds, there have been extensive repair and replacement projects that were completed in the 2013-2014 fiscal year.

CITY OF WINTERS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Requests for Information

This management's discussion and analysis is designed to provide the City's residents, taxpayers, customer, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Financial Management, 318 First St., Winters, CA 95694.

BASIC FINANCIAL STATEMENTS

City of Winters
Statement of Net Position
June 30, 2014

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
ASSETS			
Cash and Investments	\$ 7,461,305	\$ 2,183,226	\$ 9,644,531
Receivables:			
Accounts	490,176	382,285	872,461
Interest	3,489	540	4,029
Due from Developers	122,595	-	122,595
Notes Receivable	4,456,071	-	4,456,071
Due from Successor Agency	1,552,723	1,500,000	3,052,723
Internal Balances	(416,557)	416,557	-
Restricted Cash and Investments	-	893,599	893,599
Capital Assets:			
Land	478,080	682,979	1,161,059
Construction in Process	709,583	30,209	739,792
Other Capital Assets, Net	21,798,810	8,200,464	29,999,274
	<u>36,656,275</u>	<u>14,289,859</u>	<u>50,946,134</u>
Total Assets			
LIABILITIES			
Accounts Payable	519,745	74,069	593,814
Accrued Payroll Liabilities	75,933	-	75,933
Interest Payable	-	113,900	113,900
Deposits	80,694	349,371	430,065
Noncurrent Liabilities:			
Due Within One Year	198,093	199,235	397,328
Due in More Than One Year	1,078,799	7,601,307	8,680,106
	<u>1,953,264</u>	<u>8,337,882</u>	<u>10,291,146</u>
Total Liabilities			
NET POSITION			
Net Investment in Capital Assets	22,986,473	1,163,652	24,150,125
Restricted for:			
Parks and Recreation	210,060	-	210,060
Housing Programs	6,182,715	-	6,182,715
Public Safety	826,583	-	826,583
Streets and Highways	1,435,228	-	1,435,228
Capital Projects	1,531,272	-	1,531,272
Debt Service	56,277	544,210	600,487
Unrestricted	1,474,403	4,244,115	5,718,518
	<u>34,703,011</u>	<u>5,951,977</u>	<u>40,654,988</u>
Total Net Position			

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Activities
Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 345,978	\$ 225	\$ -	\$ -
Public Safety	2,979,999	241,261	183,178	545,102
Public Works	218,488	29,524	-	1,059,253
Community Development	418,479	227,626	12,091	237,613
Parks and Recreation	747,458	88,265	142,985	-
Streets and Highways	602,267	-	198,295	-
Total Governmental Activities	5,312,669	586,901	536,549	1,841,968
Business-type Activities:				
Water	1,303,791	1,304,238	-	-
Sewer	1,590,022	1,671,494	-	-
Total Business-type Activities	2,893,813	2,975,732	-	-
Total Primary Government	\$ 8,206,482	\$ 3,562,633	\$ 536,549	\$ 1,841,968

General Revenues:

Taxes:

- Property Taxes
- Sales and Use Taxes
- Motor Vehicle in Lieu Taxes (Unrestricted)
- Franchise Fees
- Utility Tax
- Municipal Service Tax
- Transient Occupance Tax

- Other Revenues
- Investment Income
- Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year

Prior Period Adjustments

Net Position - End of Year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activites</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (345,753)	\$ -	\$ (345,753)
(2,010,458)	-	(2,010,458)
870,289	-	870,289
58,851	-	58,851
(516,208)	-	(516,208)
(403,972)	-	(403,972)
<u>(2,347,251)</u>	<u>-</u>	<u>(2,347,251)</u>
-	447	447
-	81,472	81,472
<u>-</u>	<u>81,919</u>	<u>81,919</u>
<u>(2,347,251)</u>	<u>81,919</u>	<u>(2,265,332)</u>
1,232,688	-	1,232,688
460,165	-	460,165
3,011	-	3,011
239,385	-	239,385
690,272	-	690,272
296,730	-	296,730
3,426	-	3,426
230,592	-	230,592
41,155	2,590	43,745
208,535	(208,535)	-
<u>3,405,959</u>	<u>(205,945)</u>	<u>3,200,014</u>
1,058,708	(124,026)	934,682
22,427,123	6,393,591	28,820,714
<u>11,217,180</u>	<u>(317,588)</u>	<u>10,899,592</u>
<u>\$ 34,703,011</u>	<u>\$ 5,951,977</u>	<u>\$ 40,654,988</u>

The accompanying notes are an integral part of this statement.

**City of Winters
Balance Sheet
Governmental Funds
June 30, 2014**

	Special Revenue		
	General Fund	HOME-CHOC Fund	Housing Successor Fund
ASSETS			
Cash and Investments	\$ 1,052,195	\$ -	\$ 1,107,216
Receivables:			
Accounts	436,147	-	-
Interest	467	-	658
Due from Developers	122,595	-	-
Notes	16,481	2,843,180	369,838
Due from Other Funds	780,461	-	-
Due from Successor Agency	457,821	-	-
Advances to Other Funds	-	-	-
Total Assets	\$ 2,866,167	\$ 2,843,180	\$ 1,477,712
LIABILITIES			
Accounts Payable	\$ 261,679	\$ -	\$ 8,725
Accrued Payroll Liabilities	75,933	-	-
Deposits	65,033	-	-
Due to Other Funds	-	-	-
Advances from Other Funds	-	-	-
Total Liabilities	402,645	-	8,725
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues - Notes Receivable	16,481	2,843,180	369,838
Total Deferred Inflows of Resources	16,481	2,843,180	369,838
FUND BALANCES (DEFICITS)			
Nonspendable	1,238,282	-	-
Restricted	-	-	1,099,149
Committed	-	-	-
Assigned	-	-	-
Unassigned	1,208,759	-	-
Total Fund Balances (Deficits)	2,447,041	-	1,099,149
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	\$ 2,866,167	\$ 2,843,180	\$ 1,477,712

The accompanying notes are an integral part of this statement.

Total Non-major Governmental Funds	Totals
\$ 5,280,874	\$ 7,440,285
54,029	490,176
2,364	3,489
-	122,595
1,226,572	4,456,071
29,070	809,531
1,094,902	1,552,723
125,000	125,000
<u>\$ 7,812,811</u>	<u>\$ 14,999,870</u>
\$ 228,321	\$ 498,725
-	75,933
15,661	80,694
1,226,088	1,226,088
125,000	125,000
<u>1,595,070</u>	<u>2,006,440</u>
<u>1,226,572</u>	<u>4,456,071</u>
<u>1,226,572</u>	<u>4,456,071</u>
-	1,238,282
4,546,180	5,645,329
1,082,425	1,082,425
56,277	56,277
(693,713)	515,046
<u>4,991,169</u>	<u>8,537,359</u>
<u>\$ 7,812,811</u>	<u>\$ 14,999,870</u>

The accompanying notes are an integral part of this statement.

City of Winters
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2014

Fund Balances of Governmental Funds \$ 8,537,359

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

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

Land	478,080	
Construction in Progress	709,583	
Buildings and Improvements	12,836,407	
Vehicles and Equipment	2,506,452	
Infrastructure	12,292,431	
Less: Accumulated Depreciation	(5,836,480)	22,986,473

Certain notes receivable and accounts receivable are not available to pay for current period expenditures and, therefore are offset by unavailable revenue in the governmental funds.

4,456,071

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

Compensated Absences		(495,023)
Postemployment Benefits		(31,699)
Pension-related Debt		(750,170)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.

-

Net Position of Governmental Activities

\$ 34,703,011

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2014

	Special Revenue		
	General Fund	HOME-CHOC Fund	Housing Successor Fund
REVENUES			
Taxes and Assessments	\$ 2,946,016	\$ -	\$ -
Fines and Forfeitures	50	-	-
Licenses, Fees, and Permits	152,401	-	-
Program Income	-	-	-
Use of Money and Property	69,202	-	2,826
Intergovernmental Revenues	4,520	-	-
Charges for Services	414,884	-	-
Other Revenues	116,848	-	58,518
Total Revenues	<u>3,703,921</u>	<u>-</u>	<u>61,344</u>
EXPENDITURES			
Current:			
General Government	339,250	-	-
Public Safety	2,691,168	-	-
Public Works	199,403	-	-
Community Development	382,108	-	13,332
Parks and Recreation	184,774	-	-
Streets and Highways	-	-	-
Capital Outlay	113,677	-	-
Total Expenditures	<u>3,910,380</u>	<u>-</u>	<u>13,332</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(206,459)</u>	<u>-</u>	<u>48,012</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	219,512	-	-
Transfers Out	<u>(88,774)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>130,738</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(75,721)	-	48,012
Fund Balances, Beginning	2,522,762	-	1,051,137
Prior Period Adjustment	-	-	-
Fund Balances, Ending	<u>\$ 2,447,041</u>	<u>\$ -</u>	<u>\$ 1,099,149</u>

The accompanying notes are an integral part of this statement.

Total Non-major Governmental Funds	Totals
\$ 426,049	\$ 3,372,065
5,869	5,919
11,204	163,605
60,450	60,450
35,988	108,016
1,942,469	1,946,989
-	414,884
14,649	190,015
<u>2,496,678</u>	<u>6,261,943</u>
-	339,250
128,074	2,819,242
8,222	207,625
-	395,440
414,676	599,450
309,317	309,317
1,468,603	1,582,280
<u>2,328,892</u>	<u>6,252,604</u>
<u>167,786</u>	<u>9,339</u>
391,599	611,111
<u>(313,802)</u>	<u>(402,576)</u>
<u>77,797</u>	<u>208,535</u>
245,583	217,874
4,866,750	8,440,649
<u>(121,164)</u>	<u>(121,164)</u>
<u>\$ 4,991,169</u>	<u>\$ 8,537,359</u>

The accompanying notes are an integral part of this statement.

City of Winters
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended June 30, 2014

Net Change in Fund Balances - Total Governmental Funds	\$	217,874
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as an expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays of \$1,468,612 exceeded depreciation of (\$630,263) in the current year.		
		838,349
Certain receivables are offset by unavailable revenue in the governmental funds because they are not available to pay for current period expenditures. This amount represents the amount by which prior year unavaible revenue exceeded current year unavailable revenue.		
		(99,101)
The amounts below included in the Statement of Activities do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in governmental funds (net change):		
Pension-related Debt		185,370
Postemployment Benefits		(8,663)
Compensated Absences		(83,250)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.		
		8,129
Change in Net Position of Governmental Activities	\$	1,058,708

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Net Position
Proprietary Funds
June 30, 2014

	Business-type Activities - Enterprise Funds			Governmental
	Water Fund	Sewer Fund	Totals	Internal Service Fund
ASSETS				
Current Assets:				
Cash and Investments	\$ 1,112,410	\$ 1,070,816	\$ 2,183,226	\$ 21,020
Receivables:				
Accounts, Net	182,308	199,977	382,285	-
Interest	111	429	540	-
Due from Other Funds	-	416,557	416,557	-
Due from Successor Agency	1,500,000	-	1,500,000	-
Restricted Cash and Investments	280,611	612,988	893,599	-
Total Current Assets	3,075,440	2,300,767	5,376,207	21,020
Noncurrent Assets:				
Non-depreciable Capital Assets	151,982	561,206	713,188	-
Depreciable Capital Assets, Net	3,431,952	4,768,512	8,200,464	-
Total Noncurrent Assets	3,583,934	5,329,718	8,913,652	-
Total Assets	6,659,374	7,630,485	14,289,859	21,020
LIABILITIES				
Current Liabilities:				
Accounts Payable	43,650	30,419	74,069	21,020
Interest Payable	52,054	61,846	113,900	-
Deposits	31,136	318,235	349,371	-
Compensated Absences Payable	3,350	885	4,235	-
Long-term Debt, Due Within One Year	90,000	105,000	195,000	-
Total Current Liabilities	220,190	516,385	736,575	21,020
Noncurrent Liabilities:				
Postemployment Benefits	6,070	2,111	8,181	-
Compensated Absences Payable	30,150	7,976	38,126	-
Long-term Debt	3,465,000	4,090,000	7,555,000	-
Total Noncurrent Liabilities	3,501,220	4,100,087	7,601,307	-
Total Liabilities	3,721,410	4,616,472	8,337,882	21,020
NET POSITION				
Net Investment in Capital Assets	28,934	1,134,718	1,163,652	-
Restricted for Debt Service	249,475	294,735	544,210	-
Unrestricted	2,659,555	1,584,560	4,244,115	-
Total Net Position	\$ 2,937,964	\$ 3,014,013	\$ 5,951,977	\$ -

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2014

	Business-Type Activities - Enterprise Funds			Governmental
	Water Fund	Sewer Fund	Totals	Internal Service Fund
OPERATING REVENUES				
Charges for Sales and Services	\$ 1,304,238	\$ 1,671,494	\$ 2,975,732	\$ 477,157
Total Operating Revenue	1,304,238	1,671,494	2,975,732	477,157
OPERATING EXPENSES				
Salaries and Benefits	239,193	171,120	410,313	-
Materials, Supplies, and Miscellaneous	67,719	187,801	255,520	15,199
Insurance	-	-	-	108,414
Administration	522,022	290,970	812,992	257
Fuels, Lubricants, and Maintenance	-	20,440	20,440	47,833
Contract Services	62,574	481,157	543,731	255,591
Utilities	161,071	133,030	294,101	41,734
Depreciation	94,556	119,389	213,945	-
Total Operating Expenses	1,147,135	1,403,907	2,551,042	469,028
Operating Income (Loss)	157,103	267,587	424,690	8,129
NONOPERATING REVENUES (EXPENSES)				
Interest Expense	(156,656)	(186,115)	(342,771)	-
Interest Income	492	2,098	2,590	-
Total Nonoperating Revenues (Expenses)	(156,164)	(184,017)	(340,181)	-
Income (Loss) Before Transfers and Capital Contributions	939	83,570	84,509	8,129
Transfers Out	(97,000)	(111,535)	(208,535)	-
Change in Net Position	(96,061)	(27,965)	(124,026)	8,129
Net Position - Beginning of Year	3,185,534	3,208,057	6,393,591	(8,129)
Restatement of Net Position	(151,509)	(166,079)	(317,588)	-
Net Position - End of Year	\$ 2,937,964	\$ 3,014,013	\$ 5,951,977	\$ -

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2014

	Business-type Activities - Enterprise Funds			Governmental
	Water Fund	Sewer Fund	Totals	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 1,263,953	\$ 1,706,790	\$ 2,970,743	\$ 477,282
Payments to Suppliers for Goods and Services	(790,113)	(1,147,688)	(1,937,801)	(484,806)
Payments to Employees for Services	(228,699)	(169,106)	(397,805)	-
Net Cash Provided (Used) by Operating Activities	<u>245,141</u>	<u>389,996</u>	<u>635,137</u>	<u>(7,524)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash Paid to Other Funds	(97,000)	(111,535)	(208,535)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(97,000)</u>	<u>(111,535)</u>	<u>(208,535)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	-	(177,789)	(177,789)	-
Principal Paid on Capital Debt	(90,000)	(105,000)	(195,000)	-
Interest Paid on Capital Debt	(157,646)	(187,270)	(344,916)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(247,646)</u>	<u>(470,059)</u>	<u>(717,705)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income Received	512	2,362	2,874	-
Net Cash Provided (Used) by Investing Activities	<u>512</u>	<u>2,362</u>	<u>2,874</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(98,993)	(189,236)	(288,229)	(7,524)
Cash and Cash Equivalents - Beginning of the Year	1,492,014	1,873,040	3,365,054	28,544
Cash and Cash Equivalents - End of the Year	<u>\$ 1,393,021</u>	<u>\$ 1,683,804</u>	<u>\$ 3,076,825</u>	<u>\$ 21,020</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS				
Cash and Investments	\$ 1,112,410	\$ 1,070,816	\$ 2,183,226	\$ 21,020
Restricted Cash and Investments	280,611	612,988	893,599	-
Total Cash and Cash Equivalents	<u>\$ 1,393,021</u>	<u>\$ 1,683,804</u>	<u>\$ 3,076,825</u>	<u>\$ 21,020</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ 157,103	\$ 267,587	\$ 424,690	\$ 8,129
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	94,556	119,389	213,945	-
(Increase) Decrease in Accounts Receivable	(46,757)	(29,405)	(76,162)	125
Increase (Decrease) in Accounts Payable	23,273	(34,290)	(11,017)	(15,778)
Increase (Decrease) in Deposits Payable	6,472	64,701	71,173	-
Increase (Decrease) in Postemployment Benefits	1,992	242	2,234	-
Increase (Decrease) in Compensated Absences Payable	8,502	1,772	10,274	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 245,141</u>	<u>\$ 389,996</u>	<u>\$ 635,137</u>	<u>\$ (7,524)</u>

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	Agency Funds	Successor Agency Private-purpose Trust Fund
ASSETS		
Cash and Investments	\$ 250,815	\$ 557,441
Interest Receivable	51	7,256
Notes Receivable	-	66,600
Prepaid Expenses	-	-
Restricted Cash and Investments	-	668,155
Property Held for Resale	-	2,201,993
	<u>\$ 250,866</u>	<u>3,501,445</u>
LIABILITIES		
Accounts Payable	\$ 9,204	268
Interest Payable	-	230,241
Due to Other Agencies	241,662	129,799
Due to City of Winters	-	3,052,723
Long-Term Debt, Due within One Year	-	275,000
Long-Term Debt, Due in more Than One Year	-	15,060,000
	<u>\$ 250,866</u>	<u>18,748,031</u>
NET POSITION		
Net Position (Deficit) Held in Trust for Successor Agency		<u>\$ (15,246,586)</u>

The accompanying notes are an integral part of this statement.

City of Winters
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2014

	<u>Successor Agency Private-purpose Trust Fund</u>
ADDITIONS	
Investment Income	\$ 25,509
Taxes and Assessments	<u>1,181,485</u>
Total Additions	<u>1,206,994</u>
DEDUCTIONS	
Community Development	472,516
Interest Expense	<u>693,807</u>
Total Deductions	<u>1,166,323</u>
Change in Net Position	40,671
Net Position - Beginning of Year	(3,038,677)
Restatement of Net Position	<u>(12,248,580)</u>
Net Position - End of Year	<u><u>\$ (15,246,586)</u></u>

The accompanying notes are an integral part of this statement.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Description of Reporting Entity

The City of Winters was established in 1875 and incorporated in 1898 under the general laws of the State of California and enjoys all the rights and privileges pertaining to such "General Law" cities.

The City operates under a City Manager – Council form of government and provides the following services: public safety (Police and Fire), highways and streets, water, sewer, parks and recreation, public improvements, planning and zoning, and general administration. The voters of the City of Winters, California, give authority and responsibility for operations to the City Council. The five member City Council has the authority to employ administrative and support personnel to carry out its directives. The primary method used to monitor the performance of the City's management is the financial budget, which is adopted annually by the City Council.

As required by accounting principles generally accepted in the United States of America, these basic financial statements present the City of Winters (the primary government) and any component units.

Component Units

There are no component units of the City which meet the criteria of a blended or a discretely presented component unit.

B) Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources* measurement focus and the accrual basis of accounting, as are the proprietary funds' financial statements. The fiduciary funds' financial statements are reported using the accrual basis of accounting but do not have a measurement focus. The economic resources measurement focus means that revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds' financial statements are reported using the *current financial resources* measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Various taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fiduciary fund financial statements include a statement of net position and statement of changes in net position. Trust funds are accounted for on an economic resources measurement focus and full accrual basis of accounting. Agency funds are custodial in nature and do not involve measurement of results of operations, however, they do use the full accrual basis of accounting to recognize assets and liabilities.

Fund Classifications

The funds designated as major funds are determined by a mathematical calculation consistent with GASB Statement No. 34. The City reports the following major governmental funds:

General Fund – The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

HOME-CHOC Special Revenue Fund – This fund accounts for gap financing for the 34 unit income-restricted apartment complex developed by CHOC (Community Housing Opportunity Corporation). The major revenue source of this fund is intergovernmental grant revenue.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Housing Successor Special Revenue Fund – This fund accounts for the low and moderate income housing assets that were retained by the City when the Redevelopment Agency dissolved in fiscal year 2011/12. The major revenue source of this fund is use of money and property.

The City reports the following major enterprise funds:

The Water Enterprise Fund – This fund accounts for the operation and maintenance of the City's water distribution system.

The Sewer Enterprise Fund – This fund accounts for the operation and maintenance of the City's wastewater collection system including operating costs of the wastewater treatment facility.

The City also reports the following fund types:

The Internal Service Fund accounts for financial transactions related to the City's billing and collections. These services are provided to other departments of the City on a cost reimbursement basis.

The Private-Purpose Trust Fund is used to account for assets held by the City as trustee for the Redevelopment Agency Successor Agency.

The Agency Funds are used to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment, and remittance of fiduciary resources to individuals, and private organizations. The agency funds of the City are used for the Library, Swim Team, Festival De La, Quilt Festival, and Elderberry activities. These funds are not included in the government-wide financial statements.

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

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for the Enterprise Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Cash and Investments

In order to maximize investment return, the City pools its available cash for investment purposes. The cash management pool is used essentially as a demand deposit account by the participating funds. The City has defined cash and cash equivalents, for purposes of the preparation of its statement of cash flows, as deposits and investments purchased with a maturity date of 90 days or less.

Investments are stated at fair value (the value at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

E) Property Taxes

Assessed values for purposes of property taxes are determined on an annual basis for the period July 1 to June 30 by the Yolo County Assessor as of January 1. Taxes are levied annually on July 1 and become a lien on real property at January 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively, at which time applicable penalties and interest are assessed. Unsecured taxes become delinquent if not paid by August 31.

F) Restricted Assets

Certain proceeds of the City's long-term debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

In the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, these bond monies may be invested in accordance with the ordinance, resolutions and indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions, and indentures are generally more restrictive than the City's general investment policy. In no instance have additional types of investments been authorized that are not permitted by the City's general investment policy.

G) Capital Assets

Capital assets, which include land, structures and improvements, machinery and equipment and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Capital outlay is recorded as expenditures in the governmental funds and as assets in the government-wide financial statements to the extent the City's capitalization threshold is met.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the fiscal year ended June 30, 2014.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Buildings and improvements are depreciated using the straight-line method over estimated useful lives of 50 years. Infrastructure is depreciated over 50 years using the straight-line method. Machinery and equipment is depreciated over 10 years, while vehicles are depreciated over 5 years.

The capitalization policy of the City is as follows:

Type	Cost
Infrastructure	\$ 200,000 or more
Utility Systems	200,000 or more
Vehicles, Equipment and Machinery	5,000 or more
Improvements	5,000 or more
Buildings	50,000 or more

H) Compensated Absences

A liability is calculated for all the costs of compensated absences based upon benefits earned by employees in the current period for which there is a probability of payment at termination. The salary and related payroll costs are those in effect at June 30, 2014. Accumulated unpaid vacation and sick pay are accrued when earned. The amounts accrued for financial statement purposes represent 100% of the vacation pay liability and a qualifying amount of the sick pay liability at June 30, 2014. The general fund and water and sewer funds have been typically used to liquidate prior fiscal years' liabilities for compensated absences.

I) Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Initial-issue bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method (which approximates the effective interest method).

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses.

J) Use of Estimates

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

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

K) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheet for the governmental funds will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City currently has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position and balance sheet for the governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, special assessments, grant receivables, long-term loans receivable and other miscellaneous receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L) Fund Equity

In the government-wide, proprietary funds, and fiduciary fund financial statements, net position is classified in the following categories.

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position

This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This category represents the net position of the City that is not externally restricted for any project or other purpose.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

M) Net Position Flow Assumption

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

N) Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

O) Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes.

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers or through enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the City Manager.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Unassigned - This classification includes the residual balance for the government's general fund and includes all spendable amounts not contained in other classifications. In other funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

P) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

Governmental Accounting Standards Board Statement No. 68

In June of 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*. This statement was issued to improve the financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trust or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this statement. Statement No. 68 is effective for periods beginning after June 15, 2014. The City has elected not to early implement GASB No. 68 and has not determined its effect on the City's financial statements.

2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Balances/Net Position

As of June 30, 2014 the following nonmajor funds had deficit fund balances:

Nonmajor Special Revenue Funds:		
State COPS 1913 Fund	\$	21,690
Prop 84 Park Fund		126,229
Dry Slough Fund		41,067
SACOG Community Grant Fund		22,735
STBG 96-1043 Fund		29,070
CDBG Park Grant Fund		19,140
Nonmajor Capital Projects Funds:		
Flood Control Study Fund		123,701
Parks and Recreation Impact Fee Fund		111,554
Sewer Impact Fee Fund		198,527

It is the City's expectation that future revenues will alleviate these fund balance deficits.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

3) CASH AND INVESTMENTS

The following is a summary of cash and investments at June 30, 2014:

Statement of Net Position:	
Cash and Investments	\$ 9,644,531
Restricted Cash and Investments	893,599
Fiduciary Funds Statement of Net Position:	
Cash and Investments	808,256
Restricted Cash and Investments	<u>668,155</u>
 Total	 <u>\$ 12,014,541</u>

Cash and investments at June 30, 2014 consisted of the following:

Cash on Hand	\$ 640
Deposits with Financial Institutions	3,054,057
Investments	<u>8,959,844</u>
 Total	 <u>\$ 12,014,541</u>

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

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Percentage Per Issuer
Local Agency Investment Fund (LAIF)	N/A	Unlimited	\$50 Million
U.S. Treasury Obligations	5 years	None	None
U.S. Government Agency Securities	5 years	None	None
Insured Deposits with Banks and Savings and Loans	N/A	None	15%
Repurchase Agreements	90 days	None	15%
Banker's Acceptances	6 months	30%	15%
Commercial Paper	6 months	25%	15%
Negotiable Time Certificates of Deposit	5 years	30%	15%
Medium Term Corporate Notes	5 years	30%	15%
Money Market Funds	N/A	15%	15%
Non-negotiable Time Deposits	5 years	25%	15%

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

3) CASH AND INVESTMENTS - Continued

Per the City's investment policy, if special circumstances arise that necessitate the purchase of securities beyond the five year limitation, the requests must be approved by the City Council prior to purchase.

Investments Authorized by Debt Agreements

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Percentage Per Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	30%	30%
Commercial Paper	180 days	15%	None
Money Market Funds	N/A	None	None
Guaranteed Investment Contracts	5 years	None	None
Certificates of Deposit	1 year	30%	None
Medium Term Corporate Notes	5 years	15%	None

Disclosures Relating to Interest Rate Risk

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

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

Investment Type	Totals	Remaining Maturity (in Months)		
		12 Months or Less	13 to 24 Months	25 to 60 Months
Local Agency Investment Fund	\$ 7,408,885	\$ 7,408,885	\$ -	\$ -
Money Market Funds	5,484	5,484	-	-
Held by Bond Trustees:				
Money Market Funds	1,045,475	1,045,475	-	-
Investment Contracts	500,000	500,000	-	-
Total	\$ 8,959,844	\$ 8,959,844	\$ -	\$ -

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

3) CASH AND INVESTMENTS - Continued

Disclosures Relating to Credit Risk

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

Investment Type	Total Investment	Minimum Legal Rating	Rating as of Fiscal Year End		
			AAA	A	Unrated
Local Agency Investment Fund	\$ 7,408,885	N/A	\$ -	\$ -	\$ 7,408,885
Money Market Funds	5,484	N/A	-	-	5,484
Held by Bond Trustees:					
Money Market Funds	1,045,475	N/A	896,095	-	149,380
Investment Contract	500,000	A	-	500,000	-
Total	\$ 8,959,844		\$ 896,095	\$ 500,000	\$ 7,563,749

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. There are no investments (other than the State Investment Pool and money market funds) that represent 5% or more of total City investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2014, the City's deposits (bank balances) were insured by the Federal Depository Insurance Corporation or collateralized as required under California Law.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

3) CASH AND INVESTMENTS - Continued

Investment in State Investment Pool

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

4) NOTES RECEIVABLE

The City administers various residential rehabilitation, first-time homebuyer, and down payment assistance loan programs for low and moderate income families. In addition, the City has loaned monies to developers for affordable housing projects. The loans have different stated interest rates, payback periods and may be forgivable assuming all conditions are met. These loans are long-term in nature and are recorded as notes receivable and offset with deferred inflows of resources, unavailable revenues – notes receivable in the governmental funds balance sheet. At June 30, 2014 the outstanding balance of notes receivable totaled \$4,456,071.

5) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Due To and Due From Other Funds

Amounts due to/due from other funds at June 30, 2014 are as follows:

Receivable	Payable	Amount
General Fund	Non-major Governmental Funds	\$ 780,461
Non-major Governmental Funds	Non-major Governmental Funds	29,070
Sewer Fund	Non-major Governmental Funds	416,557
	Totals	\$ 1,226,088

The outstanding balances between funds result mainly from interfund borrowings to cover operating deficits.

Due from Successor Agency

The City of Winters has loaned the former redevelopment agency (Successor Agency) amounts as needed for operations in prior years. As of June 30, 2014, the balance was \$3,052,723.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

5) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Long-term Advances

At June 30, 2014, the City had the following interfund long-term advances:

Receivable	Payable	Amount
Non-major Governmental Funds	Non-major Governmental Funds	\$ 125,000
	Totals	\$ 125,000

The advances between the Non-major Governmental Funds of \$125,000 was the result of a flood solution study advanced by the non-major Streets and Storm Drain capital projects funds to the Flood Control Study special revenue fund.

Transfers In and Transfers Out

Transfers in and out for the year ended June 30, 2014 are as follows:

Transfers In	Transfers Out	Amount
General Fund	Water Fund	\$ 97,000
	Sewer Fund	111,535
	Non-major Governmental Funds	10,977
Non-major Governmental Funds	General Fund	88,774
	Non-major Governmental Funds	302,825
		\$ 611,111

The Water and Sewer Enterprise Funds transferred \$97,000 and \$111,535 to the General Fund for equipment replacement.

The General Fund transferred \$88,774 to the City Wide Assessment Non-major Special Revenue fund for various project costs.

Transfers of \$302,825 between the Non-major Governmental Funds were made to fund various project costs.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

6) CAPITAL ASSETS

A summary of changes in the Governmental Activities capital assets at June 30, 2014 is as follows:

	Beginning Balance	Adjustments*	Additions	Deletions	Ending Balance
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 478,080	\$ -	\$ -	\$ -	\$ 478,080
Construction in Progress	557,341	(139,828)	292,070	-	709,583
Total Capital Assets, Not Being Depreciated	1,035,421	(139,828)	292,070	-	1,187,663
Capital Assets Being Depreciated:					
Buildings and Improvements	3,443,932	9,392,475	-	-	12,836,407
Vehicles and Equipment	1,816,251	5,431	684,770	-	2,506,452
Infrastructure	8,719,373	3,081,286	491,772	-	12,292,431
Total Capital Assets Being Depreciated	13,979,556	12,479,192	1,176,542	-	27,635,290
Less Accumulated Depreciation:					
Buildings and Improvements	(1,803,311)	(626,469)	(297,625)	-	(2,727,405)
Vehicles and Equipment	(1,652,576)	(5,431)	(96,833)	-	(1,754,840)
Infrastructure	(749,310)	(369,120)	(235,805)	-	(1,354,235)
Total Accumulated Depreciation	(4,205,197)	(1,001,020)	(630,263)	-	(5,836,480)
Total Capital Assets Being Depreciated, Net	9,774,359	11,478,172	546,279	-	21,798,810
Governmental Activities Capital Assets, Net	\$ 10,809,780	\$ 11,338,344	\$ 838,349	\$ -	\$ 22,986,473

*Amounts in this column represent prior period adjustments to the beginning capital asset balances. See Note 14 for more information.

Depreciation expense was charged to functions/programs of the governmental activities as follows:

General Government	\$ 24,292
Public Safety	244,779
Public Works	10,863
Parks and Recreation	148,008
Streets and Highways	179,282
Community Development	23,039
Total Depreciation Expense - Governmental Activities	\$ 630,263

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

6) CAPITAL ASSETS - Continued

A summary of changes in the Business-type Activities capital assets at June 30, 2014 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 682,979	\$ -	\$ -	\$ 682,979
Construction in Progress	<u>1,771,210</u>	<u>-</u>	<u>(1,741,001)</u>	<u>30,209</u>
Total Capital Assets, Not Being Depreciated	<u>2,454,189</u>	<u>-</u>	<u>(1,741,001)</u>	<u>713,188</u>
Capital Assets Being Depreciated:				
Water Pipes	11,082,935	-	-	11,082,935
Sewer Plant and Pipes	7,716,890	1,902,110	-	9,619,000
Infrastructure	427,506	-	-	427,506
Machinery and Equipment	<u>1,698,115</u>	<u>16,680</u>	<u>-</u>	<u>1,714,795</u>
Total Capital Assets Being Depreciated	<u>20,925,446</u>	<u>1,918,790</u>	<u>-</u>	<u>22,844,236</u>
Less Accumulated Depreciation:				
Water Pipes	(7,788,192)	(69,711)	-	(7,857,903)
Sewer Plant and Pipes	(5,725,585)	(62,522)	-	(5,788,107)
Infrastructure	(73,263)	(8,550)	-	(81,813)
Machinery and Equipment	<u>(842,787)</u>	<u>(73,162)</u>	<u>-</u>	<u>(915,949)</u>
Total Accumulated Depreciation	<u>(14,429,827)</u>	<u>(213,945)</u>	<u>-</u>	<u>(14,643,772)</u>
Total Capital Assets Being Depreciated, Net	<u>6,495,619</u>	<u>1,704,845</u>	<u>-</u>	<u>8,200,464</u>
Business-type Activities Capital Assets, Net	<u>\$ 8,949,808</u>	<u>\$ 1,704,845</u>	<u>\$ (1,741,001)</u>	<u>\$ 8,913,652</u>

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Water	\$ 94,556
Sewer	<u>119,389</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 213,945</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

7) LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2014.

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 411,773	\$ 206,912	\$ 123,662	\$ 495,023	\$ 123,755
Postemployment Benefits	23,036	17,556	8,893	31,699	-
Pension-related Debt	935,540	-	185,370	750,170	74,338
Total	<u>\$ 1,370,349</u>	<u>\$ 224,468</u>	<u>\$ 317,925</u>	<u>\$ 1,276,892</u>	<u>\$ 198,093</u>
Business-type Activities:					
Compensated Absences	\$ 32,087	\$ 30,950	\$ 20,676	\$ 42,361	\$ 4,235
Water Revenue Bonds	3,645,000	-	90,000	3,555,000	90,000
Sewer Revenue Bonds	4,300,000	-	105,000	4,195,000	105,000
Postemployment Benefits	5,947	4,527	2,293	8,181	-
Total	<u>\$ 7,983,034</u>	<u>\$ 35,477</u>	<u>\$ 217,969</u>	<u>\$ 7,800,542</u>	<u>\$ 199,235</u>

Governmental Activities – Pension-related Debt

As of June 30, 2003, CalPERS implemented risk pooling for the City's multiple-employer public employee defined benefit pension plan. As a result, the City's Miscellaneous and Safety Plans converted to a "cost-sharing" multiple-employer plan. Although a portion of the City's annual required contributions are actuarially determined and shared by all employers of the risk pool, the City is also required to make annual payments on a "Side Fund" which was created when the City entered the risk pool. The responsibility for funding the Side Fund is specific to the City and is not shared by all employers in the plan. Therefore, the Side Fund falls under the definition of pension-related debt, as described in GASB Statement No. 27. The annual payments on the Side Fund represent principal and interest payments on the pension-related debt. Principal and interest are included in the retirement expenditures in the various functions of the governmental funds. The future debt service requirements on the miscellaneous and safety plans' side funds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2015	\$ 74,338	\$ 51,625	\$ 125,963
2016	83,831	45,910	129,741
2017	94,154	39,479	133,633
2018	105,372	32,270	137,642
2019	62,313	26,177	88,490
2020	69,739	21,406	91,145
2021	77,804	16,075	93,879
2022	86,559	10,136	96,695
2023	96,060	3,537	99,597
Totals	<u>\$ 750,170</u>	<u>\$ 246,615</u>	<u>\$ 996,785</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

7) LONG-TERM LIABILITIES - Continued

Business-type Activities – Revenue Bonds Payable

Water Revenue Bonds – Series 2007

On September 10, 2007, the Public Finance Authority issued \$3,810,000 of Revenue Bonds bearing interest between 3.25% and 4.75% and payable semi-annually on March 1 and September 1. These bonds provided funds to aid in the financing certain costs relating to capital improvements of the City's waterworks system, fund capitalized interest on the 2007 Water bonds, fund a debt service reserve account for the 2007 Water bonds, and pay costs of issuance of the 2007 Water bonds. The Bonds are special obligations of the City and are payable as to principal, interest and any premiums upon redemption at any time exclusively from the pledged revenues of the City. The outstanding principal balance of the 2007 Water bonds at June 30, 2014, is \$3,555,000.

The scheduled annual debt service requirements at June 30, 2014, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2015	\$ 90,000	\$ 154,643	\$ 244,643
2016	95,000	151,509	246,509
2017	95,000	148,231	243,231
2018	100,000	144,756	244,756
2019	105,000	141,001	246,001
2020	110,000	136,970	246,970
2021	110,000	132,679	242,679
2022	115,000	128,179	243,179
2023	120,000	123,418	243,418
2024	125,000	118,380	243,380
2025	130,000	113,040	243,040
2026	135,000	107,375	242,375
2027	145,000	101,355	246,355
2028	150,000	94,956	244,956
2029	155,000	87,994	242,994
2030	165,000	80,394	245,394
2031	170,000	72,437	242,437
2032	180,000	64,125	244,125
2033	185,000	55,456	240,456
2034	195,000	46,431	241,431
2035	205,000	36,931	241,931
2036	215,000	26,956	241,956
2037	225,000	16,506	241,506
2038	235,000	5,582	240,582
Totals	<u>\$ 3,555,000</u>	<u>\$ 2,289,304</u>	<u>\$ 5,844,304</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

7) LONG-TERM LIABILITIES - Continued

Sewer Revenue Bonds – Series 2007

On September 10, 2007, the Public Finance Authority issued \$4,495,000 of Revenue Bonds bearing interest between 3.25% and 4.75% and payable semi-annually on March 1 and September 1. These bonds provided funds to aid in the financing certain costs relating to capital improvements of the City's wastewater and sewer system, fund capitalized interest on the 2007 Sewer bonds, fund a debt service reserve account for the 2007 Sewer bonds, and pay costs of issuance of the 2007 Sewer bonds. The Bonds are special obligations of the City and are payable as to principal, interest and any premiums upon redemption at any time exclusively from the pledged revenues of the City. The outstanding principal balance of the 2007 Sewer bonds at June 30, 2014, is \$4,195,000.

The scheduled annual debt service requirements at June 30, 2014, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2015	\$ 105,000	\$ 183,766	\$ 288,766
2016	110,000	180,124	290,124
2017	115,000	176,241	291,241
2018	120,000	172,054	292,054
2019	120,000	167,659	287,659
2020	125,000	163,064	288,064
2021	130,000	158,089	288,089
2022	135,000	152,788	287,788
2023	140,000	147,219	287,219
2024	150,000	141,255	291,255
2025	155,000	134,868	289,868
2026	160,000	128,134	288,134
2027	170,000	120,444	290,444
2028	175,000	112,365	287,365
2029	185,000	104,144	289,144
2030	195,000	95,119	290,119
2031	200,000	85,737	285,737
2032	210,000	76,000	286,000
2033	220,000	65,788	285,788
2034	230,000	55,100	285,100
2035	245,000	43,819	288,819
2036	255,000	31,943	286,943
2037	265,000	19,593	284,593
2038	280,000	6,650	286,650
Totals	<u>\$ 4,195,000</u>	<u>\$ 2,721,963</u>	<u>\$ 6,916,963</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

7) LONG-TERM LIABILITIES - Continued

Fiduciary Fund Long-term Liabilities

Long-term liabilities of the former Winters Redevelopment Agency were transferred to the Successor Agency Private-purpose Trust Fund during 2011-12 as a result of the State's action to dissolve redevelopment agencies. The following is a schedule of changes in long-term debt of the Successor Agency for the fiscal year ended June 30, 2014:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Tax Allocation Bonds:					
Series 2004	\$ 5,385,000	\$ -	\$ 245,000	\$ 5,140,000	\$ 155,000
Series 2007	10,465,000	-	270,000	10,195,000	120,000
Total	<u>\$ 15,850,000</u>	<u>\$ -</u>	<u>\$ 515,000</u>	<u>\$ 15,335,000</u>	<u>\$ 275,000</u>

Tax Allocation Bonds – Series 2004

On February 27, 2004, the former Redevelopment Agency issued \$7,820,000 of Tax Allocation Bonds bearing interest between 2.00% and 4.63%, payable semi-annually on March 1 and September 1. The Bonds are payable as to principal, interest and any premiums upon redemption at any time exclusively from the pledged tax revenues of the Successor Agency. The outstanding principal balance of the 2004 Series bonds at June 30, 2014, is \$5,140,000. The scheduled annual debt service requirements at June 30, 2014, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2015	\$ 155,000	\$ 224,265	\$ 379,265
2016	165,000	218,782	383,782
2017	170,000	212,749	382,749
2018	175,000	206,279	381,279
2019	180,000	199,354	379,354
2020	190,000	191,479	381,479
2021	200,000	183,104	383,104
2022	210,000	174,279	384,279
2023	220,000	164,604	384,604
2024	220,000	154,704	374,704
2025	235,000	144,467	379,467
2026	245,000	133,666	378,666
2027	255,000	122,289	377,289
2028	265,000	110,329	375,329
2029	280,000	97,794	377,794
2030	295,000	84,569	379,569
2031	305,000	70,723	375,723
2032	320,000	56,255	376,255
2033	335,000	41,091	376,091
2034	350,000	25,234	375,234
2035	370,000	8,565	378,565
Totals	<u>\$ 5,140,000</u>	<u>\$ 2,824,581</u>	<u>\$ 7,964,581</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

7) LONG-TERM LIABILITIES - Continued

Tax Allocation Bonds – Series 2007

On May 31, 2007, the former Redevelopment Agency issued \$11,470,000 of Tax Allocation Bonds bearing interest between 3.50% and 4.40% and payable semi-annually on March 1 and September 1. These bonds provided funds to aid in the financing of redevelopment in the project area. The Bonds are special obligations of the Successor Agency and are payable as to principal, interest and any premiums upon redemption at any time exclusively from the pledged tax revenues of the Successor Agency. The outstanding principal balance of the 2007 Series bonds at June 30, 2014, is \$10,195,000.

The scheduled annual debt service requirements at June 30, 2014, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2015	\$ 120,000	\$ 461,460	\$ 581,460
2016	120,000	456,660	576,660
2017	100,000	452,360	552,360
2018	100,000	448,523	548,523
2019	125,000	444,085	569,085
2020	140,000	438,785	578,785
2021	155,000	432,885	587,885
2022	175,000	426,066	601,066
2023	195,000	418,204	613,204
2024	230,000	409,115	639,115
2025	250,000	398,701	648,701
2026	270,000	387,326	657,326
2027	300,000	374,820	674,820
2028	330,000	360,960	690,960
2029	355,000	345,713	700,713
2030	385,000	329,062	714,062
2031	425,000	310,838	735,838
2032	450,000	291,150	741,150
2033	490,000	270,000	760,000
2034	530,000	247,050	777,050
2035	565,000	221,706	786,706
2036	995,000	184,656	1,179,656
2037	1,060,000	135,850	1,195,850
2038	1,130,000	83,837	1,213,837
2039	1,200,000	28,500	1,228,500
Totals	<u>\$ 10,195,000</u>	<u>\$ 8,358,312</u>	<u>\$ 18,553,312</u>

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

8) FUND BALANCES

The details of the governmental fund balances as of June 30, 2014 are presented below:

	General Fund	HOME- CHOC Fund	Housing Successor Fund	Total Non-major Governmental Funds	Total Governmental Funds
Nonspendable:					
Long-term Receivable from Successor Agency	\$ 457,821	\$ -	\$ -	\$ -	\$ 457,821
Due from Other Funds	780,461	-	-	-	780,461
Restricted for:					
Parks and Street Lighting	-	-	-	70,253	70,253
Flood Control	-	-	-	3,836	3,836
Streets and Roads	-	-	-	98,891	98,891
First Time Homebuyers Program	-	-	-	84,618	84,618
Traffic Safety	-	-	-	161,927	161,927
Asset Forfeiture	-	-	-	10,931	10,931
Afterschool Program	-	-	-	139,807	139,807
Vehicle Theft	-	-	-	50,216	50,216
Transportation	-	-	-	454,471	454,471
Fire Prevention	-	-	-	856	856
Police	-	-	-	49,184	49,184
Beverage Recycling	-	-	-	22,693	22,693
Revolving Loans	-	-	-	574,261	574,261
Income Restricted Housing	-	-	1,099,149	-	1,099,149
Capital Projects	-	-	-	2,824,236	2,824,236
Committed for:					
Capital Projects	-	-	-	1,082,425	1,082,425
Assigned for:					
Debt Service	-	-	-	56,277	56,277
Unassigned:	1,208,759	-	-	(693,713)	515,046
Total Fund Balance	<u>\$ 2,447,041</u>	<u>\$ -</u>	<u>\$ 1,099,149</u>	<u>\$ 4,991,169</u>	<u>\$ 8,537,359</u>

9) POST RETIREMENT HEALTH INSURANCE BENEFITS

Plan Description

The City provides certain health insurance benefits to retired employees in accordance with memoranda of understanding as follows:

For employees who retire from the City and who have reached the age of fifty (50) years old, and who continue health insurance through a City-sponsored health insurance plan, the City will contribute the minimum monthly amount (as required by CalPERS) of the health insurance premium (\$115 and \$119 for the calendar years 2013 and 2014 respectively). The City's health plan does not issue a publicly available financial report.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

9) POST RETIREMENT HEALTH INSURANCE BENEFITS - Continued

Funding Policy

The City's policy is to contribute an amount sufficient to pay the current year's premium. For fiscal year 2013-14, the City contributed \$11,186, which covered current premiums, but did not include any additional prefunding of benefits. Currently, there are 6 retirees who are receiving benefits.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45's Alternative Measurement Method allowed for employers with less than 100 plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the fiscal year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

Annual Required Contribution (ARC)	\$	22,693
Interest on Net OPEB Obligation		869
Adjustment to ARC		(1,479)
Annual OPEB Cost		22,083
Contribution Made		(11,186)
Increase in Net OPEB Obligation		10,897
Net OPEB Obligation at June 30, 2013		28,983
 Net OPEB Obligation at June 30, 2014	 \$	 39,880

Annual OPEB cost, percentage of Annual OPEB Cost contributed, and Net OPEB Obligation are presented below:

THREE-YEAR TREND INFORMATION				
Fiscal Year Ended	Annual OPEB Cost	Annual Contribution (Net of Adjustments)	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/12	\$ 22,693	\$ 7,920	35%	\$ 14,773
6/30/13	\$ 22,382	\$ 8,172	36%	\$ 28,983
6/30/14	\$ 22,083	\$ 11,186	51%	\$ 39,880

Funded Status and Funding Progress

As of June 30, 2012, the most recent Alternate Measurement Method valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$680,779, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$680,779. The covered payroll (annual payroll of active employees covered by the plan) was \$2,141,140, and the ratio of the UAAL to the covered payroll was 31.8 percent.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

9) POST RETIREMENT HEALTH INSURANCE BENEFITS - Continued

The Alternate Measurement Method valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The Alternate Measurement Method valuation (valuation) methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2012 actuarial valuation the entry age normal cost method was used. The actuarial assumptions included a 3.0 percent investment rate of return, a 75 percent continuity rate that retirees will continue to participate in CalPERS health, an inflation rate of 2.0 percent, and an annual healthcare cost trend rate of 2.0 percent. The actuarial value of assets is not applicable (no assets as of the initial valuation date). The UAAL is being amortized as a flat percentage of covered payroll over thirty years. The remaining amortization period at June 30, 2014 was 29 years. The City uses an open amortization period.

10) CITY EMPLOYEES RETIREMENT SYSTEM (DEFINED BENEFIT PENSION PLAN)

Plan Description

The City of Winters contributes to the California Public Employees Retirement System (PERS), a cost-sharing multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the state of California. Copies of PERS' annual financial report may be obtained from its executive office: 400 P Street, Sacramento, California 95814.

Funding Policy

Miscellaneous

Participants are required to contribute 7% of their annual covered salary. The City is required to contribute at an actuarially determined rate calculated as a percentage of covered payroll. The employer contribution rate for the fiscal year ended June 30, 2014 was 15.633% for miscellaneous employees. Benefit provisions and all other requirements are established by State statute and City contract with employee bargaining groups. The City's contributions to CalPERS for the miscellaneous plan for the fiscal years ending June 30, 2014, 2013, and 2012, were \$185,952, \$194,388, and \$183,248, respectively, and equal 100% of the required contributions for each fiscal year.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

10) CITY EMPLOYEES RETIREMENT SYSTEM (DEFINED BENEFIT PENSION PLAN) - Continued

Safety

Participants are required to contribute 9% of their annual covered salary. The City is required to contribute at an actuarially determined rate calculated as a percentage of covered payroll. The City's two-tiered contribution rates for the fiscal year ended June 30, 2014 were 30.551% for tier 1 and 19.600% for tier 2. Benefit provisions and all other requirements are established by State statute and City contract with employee bargaining groups. The City's contributions to CalPERS for the safety plan for the fiscal years ending June 30, 2014, 2013, and 2012, were \$217,567, \$265,063, and \$246,429, respectively, and equal 100% of the required contributions for each fiscal year.

11) JOINT VENTURES (JOINT POWERS AGREEMENTS)

Winters Fire Protection District

The City participates in a joint venture with the Winters Fire Protection District (District), under a joint powers agreement. The relationship between the City of Winters and the District is such that the District is not a component unit of the City for financial reporting purposes.

Fire Protection is provided by an intergovernmental agreement between the City of Winters and the Winters Fire Protection District (District). The agreement transferred all fire protection property of the City to the District. The District Board consists of five members – two appointed by City Council, two appointed by County Board of Supervisors, and one appointed by the other 4 members. The District appoints its own management and approves its own budget.

Yolo Emergency Communications Agency

The City is a member of the Yolo Emergency Communications Agency (Agency), under a joint powers agreement. The governing board of the Agency consists of one member appointed by the governing body of each party to the agreement. The Agency was established in 1988 to provide dispatch and records management services, and to provide a 911 public safety answering point for the members.

The members of the Agency are required to make annual operating and capital contributions to help fund the Agency's operations, based on the adopted budgets.

12) RISK MANAGEMENT

Yolo County Public Agency Risk Management Insurance Authority

The City is a member of the Yolo County Public Agency Risk Management Insurance Authority, a joint-powers agreement which provides coverage against the following types of loss risks:

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

12) RISK MANAGEMENT - Continued

Type	Limits	Deductible
Liability	\$25,000,000	\$2,000, except for errors and omissions, which is \$15,000, with a limit of \$500,000
Auto	Up to stated Value	\$5,000 for all vehicles
Workers' Comp	\$5,000,000	\$1,000
All Risk Fire & Property	Replacement costs	Various up to \$10,000
Boiler and Machinery	\$100,000,000	\$1,000

The Authority is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of the Authority, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board. The City's deposits with the Authority are in accordance with formulas established by the Authority. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating. Financial statements may be obtained from YCPARMIA, 77 W. Lincoln Ave. Woodland, CA 95695.

13) COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, including the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by grantors cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City is subject to various lawsuits and claims involving public liability and other actions incidental to the ordinary course of City operations. In the aggregate, those claims seek monetary damages in significant amounts. To the extent the outcome of such litigation may be determined to result in financial loss to the City, in the opinion of City management, any potential liability for these actions is adequately provided for in the basic financial statements. The timing of potential payment of such losses cannot presently be determined.

During 1992, the City closed the landfill that was formerly operated by the City. Since 1992, the City has incurred post closure costs. During the 2013-14 fiscal year, the City incurred monitoring costs of \$7,435, and is expected to maintain the monitoring of the closed landfill in the near future. The future costs of postclosure care are subject to change resulting from inflation/deflation, technology, change in scope of work, or changes in applicable laws or regulations.

14) PRIOR PERIOD ADJUSTMENTS/RESTATEMENT OF NET POSITION

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in fiscal year 2013-14. As a result, the beginning net position in the Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds and the Statement of Changes in Net Position – Fiduciary Funds was restated by \$317,588 and \$770,409, respectively, to reflect the cumulative effect of applying this statement.

City of Winters
Notes to Financial Statements
Year Ended June 30, 2014

14) PRIOR PERIOD ADJUSTMENTS/RESTATEMENT OF NET POSITION - Continued

The Fiduciary Funds includes a prior period adjustment of \$11,478,171 in addition to the \$770,409 discussed above. This adjustment is a result of transferring capital assets previously recorded in the Successor Agency Trust fund to the City's capital assets reported in Governmental Activities. These capital assets should have been originally recorded as the City's assets, rather than the Successor Agency's assets.

The prior period adjustment in the Non-major Governmental Funds in the Statement of Revenues, Expenditures, and Changes in Fund Balances of \$121,164, is to adjust the beginning fund balance for unallowable grant costs in previous years.

The prior period adjustment in the Statement of Activities of \$11,217,180 is a combination of the adjustment stated above (\$121,164) and to add capital assets that were recorded in the Successor Agency Fund in the prior year of \$11,478,172, which should have been recorded in the Governmental Activities. In addition, projects capitalized in prior years of \$139,828 should have been expensed.

15) SUBSEQUENT EVENTS

In July 2014, the City received a FEMA Grant in the amount of \$658,938 for regional communications equipment.

In July and August of 2014, the Successor Agency sold properties totaling \$409,244.

REQUIRED SUPPLEMENTARY INFORMATION

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and Assessments	\$ 2,994,204	\$ 2,994,204	\$ 2,946,016	\$ (48,188)
Fines and Forfeitures	-	-	50	50
Licenses, Fees, and Permits	119,444	144,944	152,401	7,457
Use of Money and Property	41,702	41,702	69,202	27,500
Intergovernmental Revenues	8,000	8,000	4,520	(3,480)
Charges for Services	330,883	305,383	414,884	109,501
Other Revenues	41,335	41,335	116,848	75,513
Total Revenues	<u>3,535,568</u>	<u>3,535,568</u>	<u>3,703,921</u>	<u>168,353</u>
EXPENDITURES				
Current:				
General Government	243,189	252,609	339,250	(86,641)
Public Safety	2,931,014	2,940,268	2,691,168	249,100
Public Works	210,231	191,288	199,403	(8,115)
Community Development	311,987	329,787	382,108	(52,321)
Parks and Recreation	182,148	180,043	184,774	(4,731)
Capital Outlay	-	109,473	113,677	(4,204)
Total Expenditures	<u>3,878,569</u>	<u>4,003,468</u>	<u>3,910,380</u>	<u>93,088</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(343,001)</u>	<u>(467,900)</u>	<u>(206,459)</u>	<u>261,441</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	150,337	150,337	219,512	69,175
Transfers Out	(101,261)	(101,744)	(88,774)	12,970
Total Other Financing Sources (Uses)	<u>49,076</u>	<u>48,593</u>	<u>130,738</u>	<u>82,145</u>
Net Change in Fund Balances	(293,925)	(419,307)	(75,721)	343,586
Fund Balance, Beginning of Year	<u>2,522,762</u>	<u>2,522,762</u>	<u>2,522,762</u>	
Fund Balance, End of Year	<u>\$ 2,228,837</u>	<u>\$ 2,103,455</u>	<u>\$ 2,447,041</u>	<u>\$ 343,586</u>

City of Winters
Schedule of Funding Progress
For the Year Ended June 30, 2014

Other Post-Employment Benefits Plan

Actuarial Valuation Date	Actuarial Asset Value (a)	Entry Age Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b) - (a)	Funded Ratio AVA (a)/(b)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll [(b)-(a)]/(c)
6/30/12	\$ -	\$ 680,779	\$ 680,779	0.00%	\$ 2,141,140	31.8%

City of Winters
Notes to Required Supplementary Information
Year Ended June 30, 2014

BUDGETS AND BUDGETARY ACCOUNTING

The City prepares a budget for each fiscal year on or before June 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the City Council.

From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The legal level of control is by the City Manager. The City Council may amend the budget by resolution during the fiscal year.

Formal budgetary integration is employed as a management control device during the fiscal year for the General fund and special revenue funds. These budgets are adopted on a basis consistent with accounting principles generally accepted in the United States (USGAAP) and are consistent with the basis used for financial reporting. Accordingly, actual revenues and expenditures can be compared with related budget amounts without any reconciliation.

There were no budgets prepared for the HOME-CHOC Special Revenue Fund, Housing Successor Special Revenue Fund, First Time Homebuyers Special Revenue Fund, Fire Prevention Special Revenue Fund, North Putah Creek Special Revenue Fund, Realignment Special Revenue Fund, AFG Grant Special Revenue Fund, Prop 84 Park Special Revenue Fund, Dry Slough Special Revenue Fund, SACOG Community Grant Special Revenue Fund, HOME 98-347 Special Revenue Fund, STBG 6745 Special Revenue Fund, CDBG Park Grant Special Revenue Fund, Volunteer Fire Assistance Grant Special Revenue Fund, General Plan 92 Capital Project Fund, and Flood Control Fees Capital Project Fund.

SUPPLEMENTARY INFORMATION

City of Winters
Non-major Governmental Funds
June 30, 2014

SPECIAL REVENUE FUNDS

Special revenue funds account for specific revenues that are legally restricted to expenditures for particular purposes. The other special revenue funds include:

City Wide Assessment Fund – This fund is used to account for assessments on property that are specifically restricted to the maintenance of City parks and street lighting.

Flood Assessment District Fund – This fund is used to account for donations used to assess the effects of flooding on the City.

Gas Tax Fund – This fund is used to account for the City's share of motor fuel tax revenues that are legally restricted to the maintenance of streets and roads within the City's boundaries.

First Time Homebuyers Fund – This fund is used to account for contributions for first time homebuyer programs donated by developers as a condition of development agreements.

Traffic Safety Fund – This fund is used to account for parking violation revenues and the expenditures that are legally restricted to the enforcement of parking codes.

Asset Forfeiture Fund – This fund is used to account for revenues related to the sale of seized assets from illegal activities. These expenditures are legally restricted for the payment of the City's share of the YONET organization's administrative cost.

Afterschool Program Fund – This fund is used to account for the revenues received from the State of California to provide after school programs in 3 schools within the Winters Joint Unified School District. Expenditures are restricted for use only for providing instruction and enrichment activities afterschool for the youth of the School District.

Vehicle Theft Deterrent Fund – This fund is used to account for revenues and expenditures to deter automobile theft throughout Yolo County.

Transportation Development Act Fund – This fund is used to account for the City's share of revenues and expenditures related to providing public transportation to the citizens of the City of Winters. These funds are received from the Sacramento Area Council of Governments per the Transportation Development Act.

Fire Prevention Grant Fund – This fund is used to account for funding received to educate and prevent fires. These funds are required to be accounted for separately.

North Putah Creek Fund – This fund is used to account for federal funds to be used for the construction of an access trail for elderberry mitigation along a ¾ mile stretch of the north bank of Putah Creek. The multi-use, paved trail is fully ADA accessible and the project budget also includes plantings and maintenance. An add/alternative to the project could include a second pedestrian bridge at the east end of Putah Creek near Interstate 505. The major revenue source of this fund is intergovernmental grant revenue.

City of Winters
Non-major Governmental Funds - Continued
June 30, 2014

SPECIAL REVENUE FUNDS - Continued

Revolving Loans Fund – This fund accounts for the loan repayments from first time homebuyer loans and housing rehabilitation loans. The funds are restricted for first time homebuyer or rehab loans using the program income.

State COPS 1913 Fund – This fund is used to account for grant funds received by the State of California to support front line police services. These funds are legally restricted to be used to supplement current public safety funding.

Realignment Fund – This fund is used to account for AB109 funding.

AFG Grant Fund – This fund is used to account for the assistance to firefighters grant funding.

Prop 84 Park Fund – This fund is used to account for a grant for the development of a park adjacent to Orchard Village Apartment complex.

Dry Slough Fund – This fund is used to account for the replacement of the bridge over Dry Slough Creek.

Beverage Recycling Grant Fund – This fund is used to account for funds received from the State of California under the Beverage Container Recycling Act. Revenues may be expended for the purchase of recycling materials.

SACOG Community Grant Fund – This fund is used to account for the 2012 SACOG Community grant for the Walnut roundabout.

STBG 96-1043 Fund – This fund is used to account for funds expended for public works projects and housing rehabilitation loans made available through Block Grant Funds from the State of California. These funds are required to be accounted for separately.

HOME 98-347 Fund – This fund is used to account for the housing rehabilitation loans that the City of Winters made available to the citizens of the City of Winters utilizing Block Grant Funds from the State of California. These funds are required to be accounted for separately.

STBG-6745 Fund – This fund is used to account for the development of Orchard Village Park.

CDBG Park Grant Fund – This fund is used to account for a second grant for the development of a park adjacent to Orchard Village Apartment complex.

EDBG 99-688 Fund – This fund is used to account for small business assistance loans made available through Economic Development Block Grant funds for the rehabilitation of the Buckhorn Café. These funds are required to be accounted for separately.

EDBG 96-405 Fund – This fund is used to account for small business assistance loans made available through Economic Development Block Grant funds for the rehabilitation of the empty Cradwick Building for use as business suites. These funds are required to be accounted for separately.

City of Winters
Non-major Governmental Funds – Continued
June 30, 2014

SPECIAL REVENUE FUNDS - Continued

Volunteer Fire Assistance Grant Fund – This fund is used to account for the 2012 volunteer fire assistance grant received by the Fire department.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The City has four (4) different types of Capital Projects Funds, which are described below.

Special Capital Funds – These funds are used to account for revenues and expenditures for specifically identified programs that are funded from specific revenue streams:

Flood Control Study Fund
General Plan 92 Fund

Other Capital Funds – These funds are used for expenditures for replacement and renovation of existing infrastructure, and renovation and building of new city facilities. The revenues for these funds are generated from operations over expenditures for those operations:

Capital Asset Replacement Fund
General Fund Capital Fund
Landfill Capital Fund
Parks and Recreation Capital Fund
Flood Control Fees Fund

Miscellaneous Capital Funds – These funds are collected for use in the development of oversized facilities by developers, which require eventual reimbursement to the installing developer. As a part of project approvals, some developers may be required to install facilities which will eventually serve other projects, thus creating a reimbursable expense. The City enters into “reimbursement agreements” which are then collected in the form of impact fees to developers whose projects are benefited by the improvement, then dispersed to the installing developer as reimbursements based on the agreements:

RAJA Storm Drain Fund

Impact Fee Funds – These funds are used to collect and expend funds pursuant to the City of Winters Capital Facilities Development Study per the AB1600 legislation, as codified by California Government Section 66000 et seq.. These funds are collected for development and are expended for expansion of services required due to the development:

Street Impact Fee Fund
Storm Drain Impact Fee Fund
Parks and Recreation Impact Fee Fund
Police Impact Fee Fund

City of Winters
Non-major Governmental Funds – Continued
June 30, 2014

CAPITAL PROJECTS FUNDS - Continued

Fire Impact Fee Fund
General Facilities Impact Fee Fund
Water Impact Fee Fund
Sewer Impact Fee Fund

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources and payment of general obligation principal and interest from governmental resources.

General Debt Service Fund – This fund is used to account for payments on long-term compensated absences debt.

City of Winters
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2014

	Special Revenue			
	City Wide Assessment Fund	Flood Assessment Fund	Gas Tax Fund	First Time Homebuyers Fund
ASSETS				
Cash and Investments	\$ 72,304	\$ 3,834	\$ 199,697	\$ 84,571
Receivables:				
Accounts	9,908	-	22,670	-
Interest	-	2	79	47
Notes Receivable	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Successor Agency	-	-	-	-
Advances to Other Funds	-	-	-	-
Total Assets	<u>\$ 82,212</u>	<u>\$ 3,836</u>	<u>\$ 222,446</u>	<u>\$ 84,618</u>
LIABILITIES				
Accounts Payable	\$ 11,959	\$ -	\$ 123,555	\$ -
Deposits	-	-	-	-
Due to Other Funds	-	-	-	-
Advances from Other Funds	-	-	-	-
Total Liabilities	<u>11,959</u>	<u>-</u>	<u>123,555</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Notes Receivable	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICITS)				
Restricted	70,253	3,836	98,891	84,618
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>70,253</u>	<u>3,836</u>	<u>98,891</u>	<u>84,618</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 82,212</u>	<u>\$ 3,836</u>	<u>\$ 222,446</u>	<u>\$ 84,618</u>

Special Revenue

Traffic Safety Fund	Asset Forfeiture Fund	Afterschool Program Fund	Vehicle Theft Deterrent Fund	Transporation Development Act Fund	Fire Prevention Fund	North Putah Creek Fund
\$ 162,691	\$ 11,963	\$ 149,084	\$ 38,207	\$ 482,111	\$ 939	\$ -
-	-	1,324	12,000	-	-	-
88	5	67	9	30	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 162,779</u>	<u>\$ 11,968</u>	<u>\$ 150,475</u>	<u>\$ 50,216</u>	<u>\$ 482,141</u>	<u>\$ 939</u>	<u>\$ -</u>
\$ 852	\$ 1,037	\$ 4,596	\$ -	\$ 27,670	\$ 83	\$ -
-	-	6,072	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>852</u>	<u>1,037</u>	<u>10,668</u>	<u>-</u>	<u>27,670</u>	<u>83</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
161,927	10,931	139,807	50,216	454,471	856	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>161,927</u>	<u>10,931</u>	<u>139,807</u>	<u>50,216</u>	<u>454,471</u>	<u>856</u>	<u>-</u>
<u>\$ 162,779</u>	<u>\$ 11,968</u>	<u>\$ 150,475</u>	<u>\$ 50,216</u>	<u>\$ 482,141</u>	<u>\$ 939</u>	<u>\$ -</u>

Continued

City of Winters
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2014

	Special Revenue			
	Revolving Loans Fund	State COPS 1913 Fund	Realignment Fund	AFG Grant Fund
ASSETS				
Cash and Investments	\$ 544,178	\$ -	\$ 49,183	\$ -
Receivables:				
Accounts	-	8,127	-	-
Interest	295	-	1	-
Notes Receivable	707,997	-	-	-
Due from Other Funds	29,070	-	-	-
Due from Successor Agency	-	-	-	-
Advances to Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total Assets	 <u>\$ 1,281,540</u>	 <u>\$ 8,127</u>	 <u>\$ 49,184</u>	 <u>\$ -</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deposits	-	-	-	-
Due to Other Funds	-	29,817	-	-
Advances from Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total Liabilities	 <u>-</u>	 <u>29,817</u>	 <u>-</u>	 <u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Notes Receivable	707,997	-	-	-
	<u>707,997</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total Deferred Inflows of Resources	 <u>707,997</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
FUND BALANCE (DEFICITS)				
Restricted	573,543	-	49,184	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	(21,690)	-	-
	<u>-</u>	<u>(21,690)</u>	<u>-</u>	<u>-</u>
 Total Fund Balances	 <u>573,543</u>	 <u>(21,690)</u>	 <u>49,184</u>	 <u>-</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	 <u>\$ 1,281,540</u>	 <u>\$ 8,127</u>	 <u>\$ 49,184</u>	 <u>\$ -</u>

Special Revenue

Prop 84 Park Fund	Dry Slough Fund	Beverage Recycling Fund	SACOG Community Grant Fund	STBG 96-1043 Fund	HOME 98-347 Fund	STBG 6745 Fund
\$ -	\$ -	\$ 22,681	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	12	-	-	-	-
-	-	-	-	-	127,146	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,693</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127,146</u>	<u>\$ -</u>
\$ 10,549	\$ 15,134	\$ -	\$ 14,007	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
115,680	25,933	-	8,728	29,070	-	-
-	-	-	-	-	-	-
<u>126,229</u>	<u>41,067</u>	<u>-</u>	<u>22,735</u>	<u>29,070</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	127,146	-
-	-	-	-	-	127,146	-
-	-	22,693	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(126,229)</u>	<u>(41,067)</u>	<u>-</u>	<u>(22,735)</u>	<u>(29,070)</u>	<u>-</u>	<u>-</u>
<u>(126,229)</u>	<u>(41,067)</u>	<u>22,693</u>	<u>(22,735)</u>	<u>(29,070)</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,693</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127,146</u>	<u>\$ -</u>

Continued

City of Winters
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2014

	Special Revenue			
	CDBG Park Grant Fund	EDBG 99-688 Fund	EDBG 96-405 Fund	Volunteer Fire Assistance Grant Fund
ASSETS				
Cash and Investments	\$ -	\$ -	\$ 718	\$ -
Receivables:				
Accounts	-	-	-	-
Interest	-	-	-	-
Notes Receivable	-	127,733	248,793	-
Due from Other Funds	-	-	-	-
Due from Successor Agency	-	-	-	-
Advances to Other Funds	-	-	-	-
Total Assets	<u><u>\$ -</u></u>	<u><u>\$ 127,733</u></u>	<u><u>\$ 249,511</u></u>	<u><u>\$ -</u></u>
LIABILITIES				
Accounts Payable	\$ 18,879	\$ -	\$ -	\$ -
Deposits	-	-	-	-
Due to Other Funds	261	-	-	-
Advances from Other Funds	-	-	-	-
Total Liabilities	<u>19,140</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Notes Receivable	-	127,733	248,793	-
Total Deferred Inflows of Resources	<u>-</u>	<u>127,733</u>	<u>248,793</u>	<u>-</u>
FUND BALANCE (DEFICITS)				
Restricted	-	-	718	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(19,140)	-	-	-
Total Fund Balances	<u>(19,140)</u>	<u>-</u>	<u>718</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u><u>\$ -</u></u>	<u><u>\$ 127,733</u></u>	<u><u>\$ 249,511</u></u>	<u><u>\$ -</u></u>

Capital Projects

Flood Control Study Fund	General Plan 92 Fund	Capital Asset Replacement Fund	General Fund Capital Fund	Landfill Capital Fund	Parks and Recreation Capital Fund	Flood Control Fees Fund
\$ 1,298	\$ -	\$ 71,910	\$ 552,673	\$ 198,739	\$ -	\$ 229,516
-	-	-	-	-	-	-
1	-	37	305	110	-	127
-	3,601	-	-	-	-	-
-	-	-	-	-	-	-
-	1,094,902	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 1,299</u>	<u>\$ 1,098,503</u>	<u>\$ 71,947</u>	<u>\$ 552,978</u>	<u>\$ 198,849</u>	<u>\$ -</u>	<u>\$ 229,643</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	488,488	-	-	-	-	-
125,000	-	-	-	-	-	-
<u>125,000</u>	<u>488,488</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	3,601	-	-	-	-	-
-	3,601	-	-	-	-	-
-	606,414	-	-	-	-	-
-	-	71,947	552,978	198,849	-	229,643
-	-	-	-	-	-	-
(123,701)	-	-	-	-	-	-
<u>(123,701)</u>	<u>606,414</u>	<u>71,947</u>	<u>552,978</u>	<u>198,849</u>	<u>-</u>	<u>229,643</u>
<u>\$ 1,299</u>	<u>\$ 1,098,503</u>	<u>\$ 71,947</u>	<u>\$ 552,978</u>	<u>\$ 198,849</u>	<u>\$ -</u>	<u>\$ 229,643</u>

Continued

City of Winters
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2014

	Capital Projects			
	RAJA Storm Drain Fund	Street Impact Fee Fund	Storm Drain Impact Fee Fund	Parks and Recreation Impact Fee Fund
ASSETS				
Cash and Investments	\$ 38,576	\$ 633,821	\$ 160,067	\$ -
Receivables:				
Accounts	-	-	-	-
Interest	21	183	88	-
Notes Receivable	-	-	-	3,688
Due from Other Funds	-	-	-	-
Due from Successor Agency	-	-	-	-
Advances to Other Funds	-	95,000	30,000	-
Total Assets	<u>\$ 38,597</u>	<u>\$ 729,004</u>	<u>\$ 190,155</u>	<u>\$ 3,688</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deposits	9,589	-	-	-
Due to Other Funds	-	-	-	111,554
Advances from Other Funds	-	-	-	-
Total Liabilities	<u>9,589</u>	<u>-</u>	<u>-</u>	<u>111,554</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Notes Receivable	-	-	-	3,688
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,688</u>
FUND BALANCE (DEFICITS)				
Restricted	-	729,004	190,155	-
Committed	29,008	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(111,554)
Total Fund Balances	<u>29,008</u>	<u>729,004</u>	<u>190,155</u>	<u>(111,554)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 38,597</u>	<u>\$ 729,004</u>	<u>\$ 190,155</u>	<u>\$ 3,688</u>

Capital Projects					Debt Service	Total Non-major Governmental Funds
Police Impact Fee Fund	Fire Impact Fee Fund	General Facilities Impact Fee Fund	Water Impact Fee Fund	Sewer Impact Fee Fund	Debt Service Fund	
\$ 242,733	\$ 272,692	\$ 347,372	\$ 435,150	\$ 217,920	\$ 56,246	\$ 5,280,874
-	-	-	-	-	-	54,029
134	150	192	240	110	31	2,364
3,160	3,160	1,294	-	-	-	1,226,572
-	-	-	-	-	-	29,070
-	-	-	-	-	-	1,094,902
-	-	-	-	-	-	125,000
<u>\$ 246,027</u>	<u>\$ 276,002</u>	<u>\$ 348,858</u>	<u>\$ 435,390</u>	<u>\$ 218,030</u>	<u>\$ 56,277</u>	<u>\$ 7,812,811</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 228,321
-	-	-	-	-	-	15,661
-	-	-	-	416,557	-	1,226,088
-	-	-	-	-	-	125,000
-	-	-	-	416,557	-	1,595,070
3,160	3,160	1,294	-	-	-	1,226,572
3,160	3,160	1,294	-	-	-	1,226,572
242,867	272,842	347,564	435,390	-	-	4,546,180
-	-	-	-	-	-	1,082,425
-	-	-	-	-	56,277	56,277
-	-	-	-	(198,527)	-	(693,713)
242,867	272,842	347,564	435,390	(198,527)	56,277	4,991,169
<u>\$ 246,027</u>	<u>\$ 276,002</u>	<u>\$ 348,858</u>	<u>\$ 435,390</u>	<u>\$ 218,030</u>	<u>\$ 56,277</u>	<u>\$ 7,812,811</u>

City of Winters
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
Year Ended June 30, 2014

	Special Revenue			
	City Wide Assessment Fund	Flood Assessment Fund	Gas Tax Fund	First Time Homebuyers Fund
REVENUES				
Taxes and Assessments	\$ 198,167	\$ -	\$ 227,882	\$ -
Fines and Forfeitures	-	-	-	-
Licenses, Fees, and Permits	-	-	-	-
Program Income	-	-	-	-
Use of Money and Property	-	9	372	207
Intergovernmental Revenues	-	-	-	-
Other Revenues	128	-	-	-
	<u>198,295</u>	<u>9</u>	<u>228,254</u>	<u>207</u>
Total Revenues				
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Parks and Recreation	287,069	-	-	-
Streets and Highways	-	-	155,755	-
Capital Outlay	-	-	78,934	-
	<u>287,069</u>	<u>-</u>	<u>234,689</u>	<u>-</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over Expenditures	<u>(88,774)</u>	<u>9</u>	<u>(6,435)</u>	<u>207</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	88,774	-	-	-
Transfers Out	-	-	(121,164)	-
	<u>88,774</u>	<u>-</u>	<u>(121,164)</u>	<u>-</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	-	9	(127,599)	207
Fund Balances, Beginning of Year	70,253	3,827	226,490	84,411
Prior Period Adjustment	-	-	-	-
Fund Balances, End of Year	<u>\$ 70,253</u>	<u>\$ 3,836</u>	<u>\$ 98,891</u>	<u>\$ 84,618</u>

Special Revenue

Traffic Safety Fund	Asset Forfeiture Fund	Afterschool Program Fund	Vehicle Theft Deterrent Fund	Transporation Development Act Fund	Fire Prevention Fund	North Putah Creek Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,869	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
406	27	296	89	134	2	149
-	287	130,788	12,000	336,714	-	143,597
-	-	2,430	-	12,091	-	-
<u>6,275</u>	<u>314</u>	<u>133,514</u>	<u>12,089</u>	<u>348,939</u>	<u>2</u>	<u>143,746</u>
-	-	-	-	-	-	-
18,581	2,593	-	28,696	-	-	-
-	-	-	-	-	-	-
-	-	115,303	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	181,300	-	149,380
<u>18,581</u>	<u>2,593</u>	<u>115,303</u>	<u>28,696</u>	<u>181,300</u>	<u>-</u>	<u>149,380</u>
<u>(12,306)</u>	<u>(2,279)</u>	<u>18,211</u>	<u>(16,607)</u>	<u>167,639</u>	<u>2</u>	<u>(5,634)</u>
-	-	-	-	-	-	121,164
-	-	-	-	-	-	(143,597)
-	-	-	-	-	-	(22,433)
<u>(12,306)</u>	<u>(2,279)</u>	<u>18,211</u>	<u>(16,607)</u>	<u>167,639</u>	<u>2</u>	<u>(28,067)</u>
174,233	13,210	121,596	66,823	286,832	854	149,231
-	-	-	-	-	-	(121,164)
<u>\$ 161,927</u>	<u>\$ 10,931</u>	<u>\$ 139,807</u>	<u>\$ 50,216</u>	<u>\$ 454,471</u>	<u>\$ 856</u>	<u>\$ -</u>

Continued

City of Winters
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2014

	Special Revenue			
	Revolving Loans Fund	State COPS 1913 Fund	Realignment Fund	AFG Grant Fund
REVENUES				
Taxes and Assessments	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	-
Licenses, Fees, and Permits	-	-	-	-
Program Income	41,263	-	-	-
Use of Money and Property	8,459	-	1	-
Intergovernmental Revenues	-	111,812	36,855	479,430
Other Revenues	-	-	-	-
Total Revenues	<u>49,722</u>	<u>111,812</u>	<u>36,856</u>	<u>479,430</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	73,594	4,546	-
Public Works	-	-	-	-
Parks and Recreation	-	-	-	-
Streets and Highways	-	-	-	-
Capital Outlay	-	-	-	479,430
Total Expenditures	<u>-</u>	<u>73,594</u>	<u>4,546</u>	<u>479,430</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>49,722</u>	<u>38,218</u>	<u>32,310</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	38,064	-	-	-
Transfers Out	<u>(3,340)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>34,724</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	84,446	38,218	32,310	-
Fund Balances, Beginning of Year	489,097	(59,908)	16,874	-
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 573,543</u>	<u>\$ (21,690)</u>	<u>\$ 49,184</u>	<u>\$ -</u>

Special Revenue

Prop 84 Park Fund	Dry Slough Fund	Beverage Recycling Fund	SACOG Community Grant Fund	STBG 96-1043 Fund	HOME 98-347 Fund	STBG 6745 Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	54	-	-	-	-
-	121,777	-	65,672	-	-	491,772
-	-	-	-	-	-	-
-	121,777	54	65,672	-	-	491,772
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,907	-	2,397	-	-	-	-
-	153,562	-	-	-	-	-
-	-	-	88,407	-	-	420,500
9,907	153,562	2,397	88,407	-	-	420,500
(9,907)	(31,785)	(2,343)	(22,735)	-	-	71,272
-	-	-	-	-	-	-
-	-	-	-	-	-	(10,977)
-	-	-	-	-	-	(10,977)
(9,907)	(31,785)	(2,343)	(22,735)	-	-	60,295
(116,322)	(9,282)	25,036	-	(29,070)	-	(60,295)
-	-	-	-	-	-	-
<u>\$ (126,229)</u>	<u>\$ (41,067)</u>	<u>\$ 22,693</u>	<u>\$ (22,735)</u>	<u>\$ (29,070)</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

City of Winters
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2014

	Special Revenue			
	CDBG Park Grant Fund	EDBG 99-688 Fund	EDBG 96-405 Fund	Volunteer Fire Assistance Grant Fund
REVENUES				
Taxes and Assessments	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	-
Licenses, Fees, and Permits	-	-	-	-
Program Income	-	10,723	8,464	-
Use of Money and Property	-	6,119	10,136	-
Intergovernmental Revenues	-	-	-	11,765
Other Revenues	-	-	-	-
Total Revenues	<u>-</u>	<u>16,842</u>	<u>18,600</u>	<u>11,765</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	64
Public Works	-	-	-	-
Parks and Recreation	-	-	-	-
Streets and Highways	-	-	-	-
Capital Outlay	18,879	-	-	-
Total Expenditures	<u>18,879</u>	<u>-</u>	<u>-</u>	<u>64</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(18,879)</u>	<u>16,842</u>	<u>18,600</u>	<u>11,701</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	(16,842)	(17,882)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(16,842)</u>	<u>(17,882)</u>	<u>-</u>
Net Change in Fund Balances	(18,879)	-	718	11,701
Fund Balances, Beginning of Year	(261)	-	-	(11,701)
Prior Period Adjustment	-	-	-	-
Fund Balances, End of Year	<u>\$ (19,140)</u>	<u>\$ -</u>	<u>\$ 718</u>	<u>\$ -</u>

Capital Projects

Flood Control Study Fund	General Plan 92 Fund	Capital Asset Replacement Fund	General Fund Capital Fund	Landfill Capital Fund	Parks and Recreation Capital Fund	Flood Control Fees Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	8,950	-	-	-	-
3	444	158	1,346	492	-	560
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3</u>	<u>444</u>	<u>9,108</u>	<u>1,346</u>	<u>492</u>	<u>-</u>	<u>560</u>
-	-	-	-	-	-	-
-	-	-	-	7,435	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,435</u>	<u>-</u>	<u>-</u>
3	444	9,108	1,346	(6,943)	-	560
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3	444	9,108	1,346	(6,943)	-	560
(123,704)	605,970	62,839	551,632	205,792	-	229,083
-	-	-	-	-	-	-
<u>\$ (123,701)</u>	<u>\$ 606,414</u>	<u>\$ 71,947</u>	<u>\$ 552,978</u>	<u>\$ 198,849</u>	<u>\$ -</u>	<u>\$ 229,643</u>

Continued

City of Winters
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2014

	Capital Projects			
	RAJA Storm Drain Fund	Street Impact Fee Fund	Storm Drain Impact Fee Fund	Parks and Recreation Impact Fee Fund
REVENUES				
Taxes and Assessments	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	-
Licenses, Fees, and Permits	-	-	-	-
Program Income	-	-	-	-
Use of Money and Property	94	808	394	471
Intergovernmental Revenues	-	-	-	-
Other Revenues	-	-	-	-
	<u>94</u>	<u>808</u>	<u>394</u>	<u>471</u>
Total Revenues	<u>94</u>	<u>808</u>	<u>394</u>	<u>471</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Parks and Recreation	-	-	-	-
Streets and Highways	-	-	-	-
Capital Outlay	-	-	-	22,057
	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,057</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,057</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>94</u>	<u>808</u>	<u>394</u>	<u>(21,586)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	143,597
Transfers Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,597</u>
Net Change in Fund Balances	94	808	394	122,011
Fund Balances, Beginning of Year	28,914	728,196	189,761	(233,565)
Prior Period Adjustment	-	-	-	-
Fund Balances, End of Year	<u>\$ 29,008</u>	<u>\$ 729,004</u>	<u>\$ 190,155</u>	<u>\$ (111,554)</u>

Capital Projects					Debt Service	Total Non-major Governmental Funds
Police Impact Fee Fund	Fire Impact Fee Fund	General Facilities Impact Fee Fund	Water Impact Fee Fund	Sewer Impact Fee Fund	Debt Service Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 426,049
-	-	-	-	-	-	5,869
-	-	-	910	1,344	-	11,204
-	-	-	-	-	-	60,450
997	1,070	1,016	1,054	484	137	35,988
-	-	-	-	-	-	1,942,469
-	-	-	-	-	-	14,649
<u>997</u>	<u>1,070</u>	<u>1,016</u>	<u>1,964</u>	<u>1,828</u>	<u>137</u>	<u>2,496,678</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	128,074
-	-	-	137	650	-	8,222
-	-	-	-	-	-	414,676
-	-	-	-	-	-	309,317
<u>29,716</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,468,603</u>
<u>29,716</u>	<u>-</u>	<u>-</u>	<u>137</u>	<u>650</u>	<u>-</u>	<u>2,328,892</u>
<u>(28,719)</u>	<u>1,070</u>	<u>1,016</u>	<u>1,827</u>	<u>1,178</u>	<u>137</u>	<u>167,786</u>
-	-	-	-	-	-	391,599
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(313,802)</u>
-	-	-	-	-	-	77,797
<u>(28,719)</u>	<u>1,070</u>	<u>1,016</u>	<u>1,827</u>	<u>1,178</u>	<u>137</u>	<u>245,583</u>
271,586	271,772	346,548	433,563	(199,705)	56,140	4,866,750
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(121,164)</u>
<u>\$ 242,867</u>	<u>\$ 272,842</u>	<u>\$ 347,564</u>	<u>\$ 435,390</u>	<u>\$ (198,527)</u>	<u>\$ 56,277</u>	<u>\$ 4,991,169</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - City Wide Assessment Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes and Assessments	\$ 195,278	\$ 198,167	\$ 2,889
Other Revenues	-	128	128
Total Revenues	<u>195,278</u>	<u>198,295</u>	<u>3,017</u>
EXPENDITURES			
Current:			
Parks and Recreation	262,836	287,069	(24,233)
Capital Outlay	-	-	-
Total Expenditures	<u>262,836</u>	<u>287,069</u>	<u>(24,233)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(67,558)</u>	<u>(88,774)</u>	<u>(21,216)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	63,708	88,774	25,066
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>63,708</u>	<u>88,774</u>	<u>25,066</u>
Net Change in Fund Balances	(3,850)	-	3,850
Fund Balance, Beginning of Year	<u>70,253</u>	<u>70,253</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 66,403</u></u>	<u><u>\$ 70,253</u></u>	<u><u>\$ 3,850</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Flood Assessment Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ -	\$ -	\$ -
Use of Money and Property	28	9	(19)
Total Revenues	<u>28</u>	<u>9</u>	<u>(19)</u>
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>28</u>	<u>9</u>	<u>(19)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	28	9	(19)
Fund Balances, Beginning of Year	<u>3,827</u>	<u>3,827</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 3,855</u></u>	<u><u>\$ 3,836</u></u>	<u><u>\$ (19)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Gas Tax Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes and Assessments	\$ 190,338	\$ 227,882	\$ 37,544
Use of Money and Property	-	372	372
	<u>190,338</u>	<u>228,254</u>	<u>37,916</u>
EXPENDITURES			
Current:			
Streets and Highways	159,812	155,755	4,057
Capital Outlay	<u>157,553</u>	<u>78,934</u>	<u>78,619</u>
	<u>317,365</u>	<u>234,689</u>	<u>82,676</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(127,027)</u>	<u>(6,435)</u>	<u>120,592</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	<u>(121,164)</u>	<u>(121,164)</u>
	<u>-</u>	<u>(121,164)</u>	<u>(121,164)</u>
Net Change in Fund Balances	(127,027)	(127,599)	(572)
Fund Balance, Beginning of Year	<u>226,490</u>	<u>226,490</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 99,463</u>	<u>\$ 98,891</u>	<u>\$ (572)</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Traffic Safety Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Fines and Forfeitures	\$ 6,000	\$ 5,869	\$ (131)
Use of Money and Property	800	406	(394)
	<u>6,800</u>	<u>6,275</u>	<u>(525)</u>
EXPENDITURES			
Current:			
Public Safety	18,430	18,581	(151)
Capital Outlay	-	-	-
	<u>18,430</u>	<u>18,581</u>	<u>(151)</u>
Excess (Deficiency) of Revenues Over Expenditures	(11,630)	(12,306)	(676)
Fund Balance, Beginning of Year	<u>174,233</u>	<u>174,233</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 162,603</u>	<u>\$ 161,927</u>	<u>\$ (676)</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Afterschool Program Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ -	\$ 296	\$ 296
Intergovernmental Revenue	141,670	130,788	(10,882)
Other Revenues	-	2,430	
Total Revenues	<u>141,670</u>	<u>133,514</u>	<u>(8,156)</u>
EXPENDITURES			
Current:			
Parks and Recreation	145,311	115,303	30,008
Capital Outlay	-	-	-
Total Expenditures	<u>145,311</u>	<u>115,303</u>	<u>30,008</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(3,641)</u>	<u>18,211</u>	<u>21,852</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(3,641)	18,211	21,852
Fund Balance, Beginning of Year	<u>121,596</u>	<u>121,596</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 117,955</u></u>	<u><u>\$ 139,807</u></u>	<u><u>\$ 21,852</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Vehicle Theft Deterrent Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 185	\$ 89	\$ (96)
Intergovernmental Revenue	-	12,000	12,000
Total Revenues	<u>185</u>	<u>12,089</u>	<u>11,904</u>
EXPENDITURES			
Current:			
Public Safety	-	28,696	(28,696)
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>28,696</u>	<u>(28,696)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>185</u>	<u>(16,607)</u>	<u>(16,792)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	185	(16,607)	(16,792)
Fund Balance, Beginning of Year	<u>66,823</u>	<u>66,823</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 67,008</u></u>	<u><u>\$ 50,216</u></u>	<u><u>\$ (16,792)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual -Transportation Development Act Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 524	\$ 134	\$ (390)
Intergovernmental Revenue	304,401	336,714	32,313
Other Revenues	-	12,091	12,091
Total Revenues	<u>304,925</u>	<u>348,939</u>	<u>44,014</u>
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	<u>283,232</u>	<u>181,300</u>	<u>101,932</u>
Total Expenditures	<u>283,232</u>	<u>181,300</u>	<u>101,932</u>
Excess (Deficiency) of Revenues over Expenditures	<u>21,693</u>	<u>167,639</u>	<u>145,946</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	21,693	167,639	145,946
Fund Balance, Beginning of Year	<u>286,832</u>	<u>286,832</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 308,525</u></u>	<u><u>\$ 454,471</u></u>	<u><u>\$ 145,946</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Revolving Loans Fund Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Program Income	\$ -	\$ 41,263	\$ 41,263
Use of Money and Property	544	8,459	7,915
Total Revenues	<u>544</u>	<u>49,722</u>	<u>49,178</u>
EXPENDITURES			
Current:			
Parks and Recreation	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>544</u>	<u>49,722</u>	<u>49,178</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	33,852	38,064	4,212
Transfers Out	<u>-</u>	<u>(3,340)</u>	<u>(3,340)</u>
Total Other Financing Sources (Uses)	<u>33,852</u>	<u>34,724</u>	<u>872</u>
Net Change in Fund Balances	34,396	84,446	50,050
Fund Balance, Beginning of Year	<u>489,097</u>	<u>489,097</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 523,493</u></u>	<u><u>\$ 573,543</u></u>	<u><u>\$ 50,050</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - State COPS 1913 Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental Revenues	\$ 100,000	\$ 111,812	\$ 11,812
Use of Money and Property	-	-	-
Total Revenues	<u>100,000</u>	<u>111,812</u>	<u>11,812</u>
EXPENDITURES			
Current:			
Public Safety	77,332	73,594	3,738
Capital Outlay	-	-	-
Total Expenditures	<u>77,332</u>	<u>73,594</u>	<u>3,738</u>
Excess (Deficiency) of Revenues over Expenditures	<u>22,668</u>	<u>38,218</u>	<u>15,550</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	22,668	38,218	15,550
Fund Balance, Beginning of Year	<u>(59,908)</u>	<u>(59,908)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (37,240)</u></u>	<u><u>\$ (21,690)</u></u>	<u><u>\$ 15,550</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Beverage Recycling Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 100	\$ 54	\$ (46)
Intergovernmental Revenue	5,000	-	(5,000)
Total Revenues	<u>5,100</u>	<u>54</u>	<u>(5,046)</u>
EXPENDITURES			
Current:			
Parks and Recreation	5,000	2,397	2,603
Capital Outlay	-	-	-
Total Expenditures	<u>5,000</u>	<u>2,397</u>	<u>2,603</u>
Excess (Deficiency) of Revenues over Expenditures	<u>100</u>	<u>(2,343)</u>	<u>(2,443)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	100	(2,343)	(2,443)
Fund Balance, Beginning of Year	<u>25,036</u>	<u>25,036</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 25,136</u></u>	<u><u>\$ 22,693</u></u>	<u><u>\$ (2,443)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - STBG 96-1043 Special Revenue Fund
Year Ended June 30, 2014

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Program Income	\$ 7,451	\$ -	\$ (7,451)
Use of Money and Property	<u>71</u>	<u>-</u>	<u>(71)</u>
Total Revenues	<u>7,522</u>	<u>-</u>	<u>(7,522)</u>
EXPENDITURES			
Current:			
Community Development	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>7,522</u>	<u>-</u>	<u>(7,522)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>(7,522)</u>	<u>-</u>	<u>7,522</u>
Total Other Financing Sources (Uses)	<u>(7,522)</u>	<u>-</u>	<u>7,522</u>
Net Change in Fund Balances	-	-	-
Fund Balance, Beginning of Year	<u>(29,070)</u>	<u>(29,070)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (29,070)</u></u>	<u><u>\$ (29,070)</u></u>	<u><u>\$ -</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - EDBG 99-688 Special Revenue Fund
Year Ended June 30, 2014

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Program Income	\$ 10,810	\$ 10,723	\$ (87)
Use of Money and Property	<u>8,770</u>	<u>6,119</u>	<u>(2,651)</u>
Total Revenues	<u>19,580</u>	<u>16,842</u>	<u>(2,738)</u>
EXPENDITURES			
Current:			
Public Safety	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>19,580</u>	<u>16,842</u>	<u>(2,738)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>(19,580)</u>	<u>(16,842)</u>	<u>2,738</u>
Total Other Financing Sources (Uses)	<u>(19,580)</u>	<u>(16,842)</u>	<u>2,738</u>
Net Change in Fund Balances	-	-	-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - EDBG 96-405 Special Revenue Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Program Income	\$ 1,970	\$ 8,464	\$ 6,494
Use of Money and Property	3,578	10,136	6,558
Total Revenues	<u>5,548</u>	<u>18,600</u>	<u>13,052</u>
EXPENDITURES			
Current:			
Public Safety	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>5,548</u>	<u>18,600</u>	<u>13,052</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>(5,548)</u>	<u>(17,882)</u>	<u>(12,334)</u>
Total Other Financing Sources (Uses)	<u>(5,548)</u>	<u>(17,882)</u>	<u>(12,334)</u>
Net Change in Fund Balances	-	718	718
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ -</u></u>	<u><u>\$ 718</u></u>	<u><u>\$ 718</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Flood Control Study Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 5	\$ 3	\$ (2)
Intergovernmental Revenue	-	-	-
	<u>5</u>	<u>3</u>	<u>(2)</u>
Total Revenues	<u>5</u>	<u>3</u>	<u>(2)</u>
EXPENDITURES			
Current:			
General Governmental	-	-	-
Community Development	-	-	-
Capital Outlay	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>5</u>	<u>3</u>	<u>(2)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	5	3	(2)
Fund Balance, Beginning of Year	<u>(123,704)</u>	<u>(123,704)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (123,699)</u></u>	<u><u>\$ (123,701)</u></u>	<u><u>\$ (2)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Capital Asset Replacement Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 1,000	\$ 8,950	\$ 7,950
Use of Money and Property	90	158	68
Total Revenues	<u>1,090</u>	<u>9,108</u>	<u>8,018</u>
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,090</u>	<u>9,108</u>	<u>8,018</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	1,090	9,108	8,018
Fund Balance, Beginning of Year	<u>62,839</u>	<u>62,839</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 63,929</u></u>	<u><u>\$ 71,947</u></u>	<u><u>\$ 8,018</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ -	\$ -	\$ -
Use of Money and Property	2,085	1,346	(739)
Total Revenues	<u>2,085</u>	<u>1,346</u>	<u>(739)</u>
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,085</u>	<u>1,346</u>	<u>(739)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	2,085	1,346	(739)
Fund Balance, Beginning of Year	<u>551,632</u>	<u>551,632</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 553,717</u></u>	<u><u>\$ 552,978</u></u>	<u><u>\$ (739)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Landfill Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ -	\$ -	\$ -
Use of Money and Property	820	492	(328)
Total Revenues	<u>820</u>	<u>492</u>	<u>(328)</u>
EXPENDITURES			
Current:			
Public Works	9,500	7,435	(2,065)
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>9,500</u>	<u>7,435</u>	<u>2,065</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(8,680)</u>	<u>(6,943)</u>	<u>1,737</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(8,680)	(6,943)	1,737
Fund Balance, Beginning of Year	<u>205,792</u>	<u>205,792</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 197,112</u></u>	<u><u>\$ 198,849</u></u>	<u><u>\$ 1,737</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Parks and Recreation Capital Project Fund
Year Ended June 30, 2014

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Licenses, Fees, and Permits	\$ -	\$ -	\$ -
Use of Money and Property	29	-	(29)
	<u>29</u>	<u>-</u>	<u>(29)</u>
Total Revenues	<u>29</u>	<u>-</u>	<u>(29)</u>
EXPENDITURES			
Current:			
Parks and Recreation	-	-	-
Capital Outlay	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>29</u>	<u>-</u>	<u>(29)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	29	-	(29)
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 29</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (29)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - RAJA Storm Drain Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 246	\$ 94	\$ (152)
Total Revenues	<u>246</u>	<u>94</u>	<u>(152)</u>
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>246</u>	<u>94</u>	<u>(152)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	246	94	(152)
Fund Balance, Beginning of Year	<u>28,914</u>	<u>28,914</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 29,160</u></u>	<u><u>\$ 29,008</u></u>	<u><u>\$ (152)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Street Impact Fee Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 2,226	\$ 808	\$ (1,418)
Licenses, Fees, and Permits	177,360	-	(177,360)
Total Revenues	<u>179,586</u>	<u>808</u>	<u>(178,778)</u>
EXPENDITURES			
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>179,586</u>	<u>808</u>	<u>(178,778)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	179,586	808	(178,778)
Fund Balance, Beginning of Year	<u>728,196</u>	<u>728,196</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 907,782</u></u>	<u><u>\$ 729,004</u></u>	<u><u>\$ (178,778)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Storm Drain Impact Fee Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 4,550	\$ -	\$ (4,550)
Use of Money and Property	218	394	176
Total Revenues	<u>4,768</u>	<u>394</u>	<u>(4,374)</u>
EXPENDITURES			
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>4,768</u>	<u>394</u>	<u>(4,374)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	4,768	394	(4,374)
Fund Balance, Beginning of Year	<u>189,761</u>	<u>189,761</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 194,529</u>	<u>\$ 190,155</u>	<u>\$ (4,374)</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Parks and Recreation Impact Fee Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 1,918	\$ 471	\$ (1,447)
Total Revenues	1,918	471	(1,447)
EXPENDITURES			
Capital Outlay	-	22,057	(22,057)
Total Expenditures	-	22,057	(22,057)
Excess (Deficiency) of Revenues over Expenditures	1,918	(21,586)	(23,504)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	143,597	143,597
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	143,597	143,597
Net Change in Fund Balances	1,918	122,011	120,093
Fund Balance, Beginning of Year	(233,565)	(233,565)	-
Fund Balance, End of Year	\$ (231,647)	\$ (111,554)	\$ 120,093

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Police Impact Fee Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 32,000	\$ -	\$ (32,000)
Use of Money and Property	1,319	997	(322)
Total Revenues	<u>33,319</u>	<u>997</u>	<u>(32,322)</u>
EXPENDITURES			
Capital Outlay	-	29,716	(29,716)
Total Expenditures	<u>-</u>	<u>29,716</u>	<u>(29,716)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>33,319</u>	<u>(28,719)</u>	<u>(62,038)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	33,319	(28,719)	(62,038)
Fund Balance, Beginning of Year	<u>271,586</u>	<u>271,586</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 304,905</u></u>	<u><u>\$ 242,867</u></u>	<u><u>\$ (62,038)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Fire Impact Fee Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 66,300	\$ -	\$ (66,300)
Use of Money and Property	1,088	1,070	(18)
Total Revenues	<u>67,388</u>	<u>1,070</u>	<u>(66,318)</u>
EXPENDITURES			
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>67,388</u>	<u>1,070</u>	<u>(66,318)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	67,388	1,070	(66,318)
Fund Balance, Beginning of Year	<u>271,772</u>	<u>271,772</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 339,160</u></u>	<u><u>\$ 272,842</u></u>	<u><u>\$ (66,318)</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Facilities Impact Fee Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 117,000	\$ -	\$ (117,000)
Use of Money and Property	1,301	1,016	(285)
Total Revenues	<u>118,301</u>	<u>1,016</u>	<u>(117,285)</u>
EXPENDITURES			
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>118,301</u>	<u>1,016</u>	<u>(117,285)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	118,301	1,016	(117,285)
Fund Balance, Beginning of Year	<u>346,548</u>	<u>346,548</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 464,849</u>	<u>\$ 347,564</u>	<u>\$ (117,285)</u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Water Impact Fee Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 32,500	\$ 910	\$ (31,590)
Use of Money and Property	2,766	1,054	(1,712)
Total Revenues	<u>35,266</u>	<u>1,964</u>	<u>(33,302)</u>
EXPENDITURES			
Current:			
Public Works	-	137	(137)
Capital Outlay	<u>96,772</u>	<u>-</u>	<u>96,772</u>
Total Expenditures	<u>96,772</u>	<u>137</u>	<u>96,635</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(61,506)</u>	<u>1,827</u>	<u>63,333</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(61,506)	1,827	63,333
Fund Balance, Beginning of Year	<u>433,563</u>	<u>433,563</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 372,057</u></u>	<u><u>\$ 435,390</u></u>	<u><u>\$ 63,333</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Sewer Impact Fee Capital Project Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses, Fees, and Permits	\$ 63,050	\$ 1,344	\$ (61,706)
Use of Money and Property	1,645	484	(1,161)
Total Revenues	<u>64,695</u>	<u>1,828</u>	<u>(62,867)</u>
EXPENDITURES			
Current:			
Public Works	-	650	(650)
Capital Outlay	<u>93,672</u>	<u>-</u>	<u>93,672</u>
Total Expenditures	<u>93,672</u>	<u>650</u>	<u>93,022</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(28,977)</u>	<u>1,178</u>	<u>30,155</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(28,977)	1,178	30,155
Fund Balance, Beginning of Year	<u>(199,705)</u>	<u>(199,705)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (228,682)</u></u>	<u><u>\$ (198,527)</u></u>	<u><u>\$ 30,155</u></u>

City of Winters
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Debt Service Fund
Year Ended June 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 212	\$ 137	\$ (75)
Total Revenues	<u>212</u>	<u>137</u>	<u>(75)</u>
EXPENDITURES			
Current:			
General Governmental	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>212</u>	<u>137</u>	<u>(75)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	212	137	(75)
Fund Balance, Beginning of Year	<u>56,140</u>	<u>56,140</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 56,352</u></u>	<u><u>\$ 56,277</u></u>	<u><u>\$ (75)</u></u>

City of Winters
Fiduciary Funds
June 30, 2014

Agency Funds - These funds are used to account for funds received by the City as an agent for other entities.

City of Winters
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
June 30, 2014

	Winters Library Fund	Swim Team Fund	Festival De La Fund	Quilt Festival Fund	Elderberry Fund	Totals
ASSETS						
Cash and Investments	\$ 4,060	\$ 90,889	\$ 6,440	\$ 46	\$ 149,380	\$ 250,815
Interest Receivable	-	48	3	-	-	51
Total Assets	\$ 4,060	\$ 90,937	\$ 6,443	\$ 46	\$ 149,380	\$ 250,866
LIABILITIES						
Accounts Payable	\$ -	\$ 9,204	\$ -	\$ -	\$ -	\$ 9,204
Due to Other Agencies	4,060	81,733	6,443	46	149,380	241,662
Total Liabilities	\$ 4,060	\$ 90,937	\$ 6,443	\$ 46	\$ 149,380	\$ 250,866

City of Winters
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
Year Ended June 30, 2014

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Winters Library Fund</u>				
ASSETS				
Cash and Investments	\$ 53,987	\$ 73	\$ 50,000	\$ 4,060
Interest Receivable	35	-	35	-
Total Assets	<u>\$ 54,022</u>	<u>\$ 73</u>	<u>\$ 50,035</u>	<u>\$ 4,060</u>
LIABILITIES				
Due to Other Agencies	\$ 54,022	\$ 38	\$ 50,000	\$ 4,060
Total Liabilities	<u>\$ 54,022</u>	<u>\$ 38</u>	<u>\$ 50,000</u>	<u>\$ 4,060</u>
<u>Swim Team Fund</u>				
ASSETS				
Cash and Investments	\$ 83,472	\$ 41,321	\$ 33,904	\$ 90,889
Interest Receivable	54	48	54	48
Total Assets	<u>\$ 83,526</u>	<u>\$ 41,369</u>	<u>\$ 33,958</u>	<u>\$ 90,937</u>
LIABILITIES				
Accounts Payable	\$ 8,000	\$ 9,204	\$ 8,000	\$ 9,204
Due to Other Agencies	75,526	41,369	35,162	81,733
Total Liabilities	<u>\$ 83,526</u>	<u>\$ 50,573</u>	<u>\$ 43,162</u>	<u>\$ 90,937</u>
<u>Festival De La Fund</u>				
ASSETS				
Cash and Investments	\$ 2,777	\$ 12,036	\$ 8,373	\$ 6,440
Interest Receivable	-	3	-	3
Total Assets	<u>\$ 2,777</u>	<u>\$ 12,039</u>	<u>\$ 8,373</u>	<u>\$ 6,443</u>
LIABILITIES				
Due to Other Agencies	\$ 2,777	\$ 12,039	\$ 8,373	\$ 6,443
Total Liabilities	<u>\$ 2,777</u>	<u>\$ 12,039</u>	<u>\$ 8,373</u>	<u>\$ 6,443</u>

Continued

City of Winters
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
Year Ended June 30, 2014

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Quilt Festival</u>				
ASSETS				
Cash and Investments	\$ 321	\$ 479	\$ 754	\$ 46
Interest Receivable	-	-	-	-
Total Assets	<u>\$ 321</u>	<u>\$ 479</u>	<u>\$ 754</u>	<u>\$ 46</u>
LIABILITIES				
Accounts Payable	\$ 597	\$ -	\$ 597	\$ -
Due to Other Agencies	(276)	322	-	46
Total Liabilities	<u>\$ 321</u>	<u>\$ 322</u>	<u>\$ 597</u>	<u>\$ 46</u>
<u>Elderberry</u>				
ASSETS				
Cash and Investments	\$ -	\$ 149,380	\$ -	\$ 149,380
Total Assets	<u>\$ -</u>	<u>\$ 149,380</u>	<u>\$ -</u>	<u>\$ 149,380</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Agencies	-	149,380	-	149,380
Total Liabilities	<u>\$ -</u>	<u>\$ 149,380</u>	<u>\$ -</u>	<u>\$ 149,380</u>
<u>Total Agency Funds</u>				
ASSETS				
Cash and Investments	\$ 140,557	\$ 203,289	\$ 93,031	\$ 250,815
Interest Receivable	89	51	89	51
Total Assets	<u>\$ 140,646</u>	<u>\$ 203,340</u>	<u>\$ 93,120</u>	<u>\$ 250,866</u>
LIABILITIES				
Accounts Payable	\$ 8,597	\$ 9,204	\$ 8,597	\$ 9,204
Due to Other Agencies	132,049	203,148	93,535	241,662
Total Liabilities	<u>\$ 140,646</u>	<u>\$ 212,352</u>	<u>\$ 102,132</u>	<u>\$ 250,866</u>

STATISTICAL SECTION

City of Winters
Description of Statistical Section Contents
June 30, 2014

This part of the City of Winters's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

Contents:	<u>Pages</u>
<u>Financial Trends</u> these schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time	120
<u>Revenue Capacity</u> these schedules contain information to help the reader assess the City's most significant local revenue source, the property tax	130
<u>Debt Capacity</u> these schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future	136
<u>Demographic and Economic Information</u> these schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place	143
<u>Operating Information</u> these schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs	145

CITY OF WINTERS, CALIFORNIA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year Ended June 30,					
	2005	2006	2007	2008	2009	2010
GOVERNMENTAL ACTIVITIES:						
Net Investment in Capital						
Assets	\$ -	\$ (997,447)	\$ 2,380,494	\$ 7,044,817	\$ 8,936,433	\$ 8,181,857
Restricted	3,933,274	3,812,117	5,235,360	6,532,953	13,677,650	9,367,303
Unrestricted	11,205,077	14,277,490	14,656,092	9,927,205	(1,305,148)	1,628,706
TOTAL GOVERNMENTAL ACTIVITIES	15,138,351	17,092,160	22,271,946	23,504,975	21,308,935	19,177,866
BUSINESS-TYPE ACTIVITIES:						
Net Investment in Capital						
Assets	1,774,986	1,748,464	1,987,463	2,116,498	1,844,816	1,736,566
Restricted	-	-	-	-	5,717,324	4,171,609
Unrestricted	1,543,992	1,612,418	1,145,478	566,410	(4,101,359)	(1,485,296)
TOTAL BUSINESS-TYPE ACTIVITIES	3,318,978	3,360,882	3,132,941	2,682,908	3,460,781	4,422,879
PRIMARY GOVERNMENT:						
Net Investment in Capital						
Assets	1,774,986	751,017	4,367,957	9,161,315	10,781,249	9,918,423
Restricted	3,933,274	3,812,117	5,235,360	6,532,953	19,394,974	13,538,912
Unrestricted	12,749,069	15,889,908	15,801,570	10,493,615	(5,406,507)	143,410
TOTAL PRIMARY GOVERNMENT	\$ 18,457,329	\$ 20,453,042	\$ 25,404,887	\$ 26,187,883	\$ 24,769,716	\$ 23,600,745

Fiscal Year Ended June 30,			
2011	2012	2013	2014
\$ 8,699,018	\$ 9,652,796	\$ 10,809,780	\$ 22,986,473
5,167,265	6,777,763	9,641,029	10,242,135
<u>6,632,851</u>	<u>6,241,918</u>	<u>1,976,314</u>	<u>1,474,403</u>
<u>20,499,134</u>	<u>22,672,477</u>	<u>22,427,123</u>	<u>34,703,011</u>
1,681,730	3,595,646	2,407,222	1,163,652
-			544,210
<u>2,877,523</u>	<u>2,381,096</u>	<u>3,986,369</u>	<u>4,244,115</u>
<u>4,559,253</u>	<u>5,976,742</u>	<u>6,393,591</u>	<u>5,951,977</u>
10,380,748	13,248,422	13,217,002	24,150,125
5,167,265	6,777,763	9,641,029	10,786,345
<u>9,510,374</u>	<u>8,623,014</u>	<u>5,962,683</u>	<u>5,718,518</u>
<u>\$25,058,387</u>	<u>\$ 28,649,199</u>	<u>\$ 28,820,714</u>	<u>\$ 40,654,988</u>

CITY OF WINTERS, CALIFORNIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2005	2006	2007	2008
EXPENSES:				
GOVERNMENTAL ACTIVITIES:				
General government	\$ 1,514,288	\$ 1,010,123	\$ 1,270,036	\$ 1,318,150
Public works	622,305	291,343	266,764	215,673
Public safety	1,631,247	1,805,197	2,264,099	2,376,129
Cultural and recreation	302,299	209,039	253,530	407,454
Community development	439,246	1,177,004	1,783,897	717,669
Parks	73,615	394,202	459,383	632,736
Streets and highways	249,976	95,709	101,448	368,273
Public transportation	110,276	122,406	-	-
Pass through agreements	342,940	-	-	-
Interest on long-term debt	292,755	289,113	456,876	665,197
TOTAL GOVERNMENTAL ACTIVITIES	5,578,947	5,394,136	6,856,033	6,701,281
BUSINESS-TYPE ACTIVITIES:				
Water	613,920	568,433	651,194	1,016,474
Sewer	783,042	821,800	1,105,717	1,382,370
TOTAL BUSINESS ACTIVITIES	1,396,962	1,390,233	1,756,911	2,398,844
TOTAL PRIMARY GOVERNMENT EXPENSES	6,975,909	6,784,369	8,612,944	9,100,125
PROGRAM REVENUES:				
GOVERNMENTAL ACTIVITIES:				
Charges for services				
General government	246,864	238,085	61,589	80,698
Public works	261,183	30,890	380,446	23,391
Public safety	79,922	15,389	153,388	66,761
Cultural and recreation	65,817	12,222	163,563	77,751
Community development	446,116	440,539	588,448	90,214
Parks	-	-	-	16,766
Streets and highways	-	-	-	-
Operating contributions and grants	137,931	112,674	3,254,278	732,097
Capital contributions and grants	209,739	1,142,084	1,717,055	1,169,132
TOTAL GOVERNMENTAL ACTIVITIES	1,447,572	1,991,883	6,318,767	2,256,810
BUSINESS-TYPE ACTIVITIES:				
Charges for services				
Water	547,467	624,342	712,125	916,242
Sewer	709,034	760,127	820,894	1,011,084
Capital contributions and grants				
TOTAL BUSINESS-TYPE ACTIVITIES	1,256,501	1,384,469	1,533,019	1,927,326
TOTAL PRIMARY GOVERNMENT REVENUES	\$ 2,704,073	\$ 3,376,352	\$ 7,851,786	\$ 4,184,136
NET (EXPENSE) REVENUES:				
Governmental activities	\$(4,131,375)	\$(3,402,253)	\$ (537,266)	\$(4,444,471)
Business-type activities	(140,461)	(5,764)	(223,892)	(471,518)
TOTAL PRIMARY GOVERNMENT NET EXPENSES	\$(4,271,836)	\$(3,408,017)	\$ (761,158)	\$(4,915,989)

Fiscal Year Ended June 30,

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 2,677,075	\$ 1,044,194	\$ 365,754	\$ 320,983	\$ 349,842	\$ 345,978
615,937	627,898	313,127	1,496,172	739,622	218,488
2,370,883	2,404,697	2,365,123	2,939,539	2,947,065	2,979,999
394,294	316,619	662,484	712,628	663,801	747,457
1,322,095	3,102,948	1,616,007	937,790	499,056	418,479
635,505	358,626	-	-	-	-
297,171	144,062	362,125	406,860	366,085	602,267
-	-	-	-	-	-
360,476	308,024	-	-	-	-
773,758	764,964	778,274	495,130	-	-
9,447,194	9,072,032	6,462,894	7,309,102	5,565,471	5,312,668
454,298	521,751	1,752,536	1,191,159	1,249,358	1,303,791
621,766	623,110	1,241,718	1,607,864	1,490,721	1,590,022
1,076,064	1,144,861	2,994,254	2,799,023	2,740,079	2,893,813
10,523,258	10,216,893	9,457,148	10,108,125	8,305,550	8,206,481
85,881	113,736	111,930	6,394	8,901	225
115,535	80,441	32,057	24,540	109,232	29,524
33,437	17,024	8,802	318,782	331,534	241,261
61,780	65,441	87,593	64,506	75,622	88,265
4,157	3,061	205,692	101,368	154,549	227,626
-	-	-	-	-	-
-	-	0	-	-	-
1,189,158	1,048,546	1,102,329	454,489	412,573	536,549
301,536	998,427	1,396,248	903,837	1,635,819	1,841,968
1,791,484	2,326,676	2,944,651	1,873,916	2,728,230	2,965,418
941,612	1,017,580	1,196,068	1,132,901	1,266,720	1,304,238
1,048,742	1,209,549	1,330,624	1,602,043	1,564,279	1,671,494
1,990,354	2,227,129	2,526,692	4,193,632	3,341,885	2,975,732
\$ 3,781,838	\$ 4,553,805	\$ 5,471,343	\$ 6,067,548	\$ 6,070,115	\$ 5,941,150
\$ (7,655,710)	\$ (6,745,356)	\$ (3,518,243)	\$ (5,435,186)	\$ (2,837,241)	\$ (2,347,250)
914,290	1,082,268	(467,562)	1,394,609	601,806	81,919
\$ (6,741,420)	\$ (5,663,088)	\$ (3,985,805)	\$ (4,040,577)	\$ (2,235,435)	\$ (2,265,331)

continued

CITY OF WINTERS, CALIFORNIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2005	2006	2007	2008
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:				
GOVERNMENTAL ACTIVITIES:				
Taxes				
Property taxes	\$ 2,621,091	\$ 3,132,212	\$ 3,291,501	\$ 2,996,227
Sales and use taxes	295,197	315,794	276,539	344,136
Franchise fees	165,242	191,511	187,939	218,521
Other taxes	889,765	849,895	837,652	721,127
Motor vehicle in-lieu	156,491	22,002	46,898	29,750
Investment income	435,019	706,759	889,692	1,200,495
Developer contributions	456,890	-	-	-
Transfers	-	-	50,128	98,884
Other revenues	151,561	137,889	136,703	68,360
	5,171,256	5,356,062	5,717,052	5,677,500
TOTAL GOVERNMENTAL ACTIVITIES				
BUSINESS-TYPE ACTIVITIES:				
Property taxes	28,775	23,537	23,451	-
Investment income	17,032	24,131	22,628	120,367
Transfers	-	-	(50,128)	(98,884)
Developer contributions	300,663	-	-	-
Other revenues	-	-	-	-
	346,470	47,668	(4,049)	21,483
TOTAL BUSINESS-TYPE ACTIVITIES				
TOTAL PRIMARY GOVERNMENT REVENUES				
	\$ 5,517,726	\$ 5,403,730	\$ 5,713,003	\$ 5,698,983
CHANGES IN NET POSITION:				
Governmental activities	1,039,881	1,953,809	5,179,786	1,233,029
Business type activities	206,009	41,904	(227,941)	(450,035)
Gain on Transfer of Assets & Liabilities to Successor Agency				
Prior Period Adjustments				
	\$ 1,245,890	\$ 1,995,713	\$ 4,951,845	\$ 782,994
TOTAL PRIMARY GOVERNMENT				

Fiscal Year Ended June 30,

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 3,409,220	\$ 3,027,868	\$ 2,974,549	\$ 2,103,907	\$ 1,429,395	1,232,688
288,748	242,257	295,215	374,975	408,845	460,165
209,913	203,985	224,608	228,129	230,805	239,385
722,778	665,333	1,225,801	969,098	1,023,096	990,428
26,418	21,071	32,026	3,511	3,639	3,011
615,206	(13,275)	144,210	163,862	128,124	41,155
-	-	-	-	-	-
491,144	131,261	-	-	190,314	208,535
27,339	335,787	91,936	894,477	187,941	230,592
5,790,766	4,614,287	4,988,345	4,737,959	3,602,159	3,405,959
-	-	-	-	-	-
38,991	13,275	1,810	22,880	5,357	2,590
(491,144)	-	-	-	(190,314)	(208,535)
-	(131,261)	-	-	-	-
41,908	(2,184)	-	-	-	-
(410,245)	(120,170)	1,810	22,880	(184,957)	(205,945)
\$ 5,380,521	\$ 4,494,117	\$ 4,990,155	\$ 4,760,839	\$ 3,417,202	\$ 3,200,014
(1,864,944)	(2,131,069)	1,470,102	(697,227)	764,918	1,058,708
504,045	962,098	(465,752)	1,417,489	416,849	(124,026)
-	-	-	3,590,832	-	-
-	-	-	-	(1,010,272)	10,899,592
\$(1,360,899)	\$(1,168,971)	\$ 1,004,350	\$ 4,311,094	\$ 171,495	\$11,834,274

CITY OF WINTERS, CALIFORNIA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN YEARS (modified accrual basis of accounting)

	Fiscal Year Ended June 30,				
	2005	2006	2007	2008	2009
GENERAL FUND:					
Reserved	\$ 167,165	\$ 160,002	\$ 406,992	\$ 376,403	\$ -
Designated	-	-	-	-	1,264,559
Unreserved	3,602,950	3,702,209	3,400,722	3,150,028	1,810,356
Nonspendable					
Assigned					
Unassigned					
TOTAL GENERAL FUND	\$ 3,770,115	\$ 3,862,211	\$ 3,807,714	\$ 3,526,431	\$ 3,074,915
ALL OTHER GOVERNMENTAL FUNDS:					
Reserved ①	\$ 4,034,391	\$ 4,203,730	\$ 4,955,935	\$ 5,996,904	\$ 3,161,275
Designated	-	-	-	-	11,361,627
Unreserved reported in:					
Special Revenue Funds	327,972	783,604	1,160,617	1,876,261	663,535
Capital Project Funds	8,865,973	7,793,128	17,306,132	15,780,323	4,372,336
Restricted					
Committed					
Assigned					
Unassigned					
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$13,228,336	\$12,780,462	\$23,422,684	\$ 23,653,488	\$ 19,558,773

Fiscal Year Ended June 30,

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 36,923	\$ -			
676,730	-			
1,606,367	-			
	781,448	457,821	457,821	1,238,282
	81,050			
	<u>1,566,838</u>	<u>2,105,370</u>	<u>2,064,941</u>	<u>1,208,759</u>
<u>\$ 2,320,020</u>	<u>\$ 2,429,336</u>	<u>\$ 2,563,191</u>	<u>\$ 2,522,762</u>	<u>\$ 2,447,041</u>
\$ 7,236,218				
3,521,121				
886,240				
1,686,609		5,598,406		
	8,348,197	1,025,359	5,627,300	5,645,329
	1,024,452	55,968	1,078,260	1,082,425
			56,140	56,277
	<u>(337,855)</u>	<u>(521,759)</u>	<u>(843,813)</u>	<u>(693,713)</u>
<u>\$ 13,330,188</u>	<u>\$ 9,034,794</u>	<u>\$ 6,157,974</u>	<u>\$ 5,917,887</u>	<u>\$ 6,090,318</u>

CITY OF WINTERS, CALIFORNIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2005	2006	2007	2008
REVENUES:				
Taxes	\$ 3,953,428	\$ 4,511,414	\$ 4,952,001	\$ 4,787,290
Licenses and permits	636,406	173,495	812,872	186,261
Fines and forfeitures	22,641	7,817	27,418	50,100
Program income	118,396	35,020	90,026	96,494
Use of money and property	435,019	706,759	889,692	1,200,495
Intergovernmental	522,028	1,254,758	3,721,333	1,767,520
Charges for services	56,055	128,731	96,102	64,571
Refunds and reimbursement		84,846	28,534	36,546
Development fees	114,442	-		-
Contributions	456,890	-	-	-
Miscellaneous	37,119	53,043	1,386,703	89,127
TOTAL REVENUES	6,352,424	6,955,883	12,004,681	8,278,404
EXPENDITURES:				
Current:				
General government	790,650	487,240	733,140	1,066,357
Public works	277,510	206,957	210,798	183,582
Public safety	1,619,616	1,767,983	2,216,696	2,294,448
Cultural and recreation	179,474	177,116	209,785	297,193
Community development	1,245,417	786,394	4,757,300	719,212
Parks	73,615	394,202	459,383	632,736
Streets and highways	249,976	95,709	37,125	290,665
Public transportation	110,276	122,406	-	-
Pass through agreements	342,940	438,180	311,472	363,024
Capital outlay	1,317,684	2,292,647	2,840,369	1,666,174
Debt service:				
Bond issue costs	-	-	613,589	-
Principal	410,000	265,000	275,000	280,000
Interest	278,161	277,827	272,427	634,376
TOTAL EXPENDITURES	6,895,319	7,311,661	12,937,084	8,427,767
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(542,895)	(355,778)	(932,403)	(149,363)
OTHER FINANCING SOURCES (USES):				
Transfers in	614,458	300,488	12,153,448	635,294
Transfers out	(614,458)	(300,488)	(12,103,320)	(536,410)
Issuance of bonds	-	-	11,470,000	-
TOTAL OTHER FINANCING SOURCES	-	-	11,520,128	98,884
NET CHANGE IN FUND BALANCES BEFORE EXTRAORDINARY ITEM	\$ (542,895)	\$ (355,778)	\$ 10,587,725	\$ (50,479)
EXTRAORDINARY ITEM				
Loss on transfer if assets and liabilities to RDA successor trust fund				
Prior Period Adjustments				
NET CHANGES IN FUND BALANCE	\$ (542,895)	\$ (355,778)	\$ 10,587,725	\$ (50,479)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	12.34%	10.82%	12.24%	13.52%

Fiscal Year Ended June 30,					
2009	2010	2011	2012	2013	2014
\$ 4,969,284	\$ 4,470,119	\$ 4,752,199	\$ 4,013,897	\$3,371,144	\$3,372,065
219,268	211,459	1,324,932	161,336	381,226	5,919
30,901	11,423	10,745	21,059	16,146	163,605
30,496	32,471	44,781	28,531	27,182	60,450
615,205	250,775	144,210	118,781	128,124	108,016
1,178,487	1,737,368	831,230	1,188,508	1,884,423	1,946,989
54,122	59,516	43,929	337,482	282,466	414,884
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
27,339	85,011	2,325,751	952,093	187,942	190,015
<u>7,125,102</u>	<u>6,858,142</u>	<u>9,477,777</u>	<u>6,821,687</u>	<u>6,278,653</u>	<u>6,261,943</u>
2,542,986	1,008,391	220,632	234,854	332,059	339,250
593,672	584,850	270,011	175,433	216,709	207,625
2,318,611	2,356,584	2,269,423	2,771,159	2,834,727	2,819,242
279,358	202,341	548,057	617,395	589,091	599,450
612,582	3,215,133	1,688,046	1,062,943	426,631	395,440
635,508	358,626	-	-	-	-
214,566	453,574	225,109	257,060	248,735	309,317
-	-	-	-	-	-
360,476	308,024	-	-	-	-
2,920,330	4,255,546	5,783,033	3,113,832	2,494,531	1,582,280
-	-	-	-	-	-
-	-	-	-	-	-
295,000	460,000	470,000	485,000	-	-
775,800	769,814	750,627	467,833	-	-
<u>11,548,889</u>	<u>13,972,883</u>	<u>12,224,938</u>	<u>9,185,509</u>	<u>7,142,483</u>	<u>6,252,604</u>
<u>(4,423,787)</u>	<u>(7,114,741)</u>	<u>(2,747,161)</u>	<u>(2,363,822)</u>	<u>(863,830)</u>	<u>9,339</u>
1,562,647	1,418,888	2,117,877	209,139	1,036,100	611,111
(1,071,503)	(1,287,627)	(2,117,877)	(209,139)	(845,786)	(402,576)
-	-	-	-	-	-
<u>491,144</u>	<u>131,261</u>	<u>-</u>	<u>-</u>	<u>190,314</u>	<u>208,535</u>
\$ (3,932,643)	\$ (6,983,480)	\$ (2,747,161)	\$ (2,363,822)	\$ (673,516)	\$ 217,874
			(379,143)	-	-
				393,000	(121,164)
<u>\$ (3,932,643)</u>	<u>\$ (6,983,480)</u>	<u>\$ (2,747,161)</u>	<u>\$ (2,742,965)</u>	<u>\$ (280,516)</u>	<u>\$ 96,710</u>
<u>12.41%</u>	<u>13.27%</u>	<u>18.73%</u>	<u>15.60%</u>	<u>0.00%</u>	<u>0.00%</u>

CITY OF WINTERS, CALIFORNIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Year Ended June 30,	Property Taxes	Sales Tax	Franchise Tax	Other Taxes	Total
2005	2,621,091	295,197	165,242	889,765	3,971,295
2006	3,132,212	315,794	191,511	849,895	4,489,412
2007	3,291,501	276,539	187,939	837,652	4,593,631
2008	2,996,227	344,136	218,521	721,127	4,280,011
2009	3,409,220	288,748	209,913	722,778	4,630,659
2010	3,027,868	242,257	203,985	659,284	4,133,394
2011	2,974,549	295,215	224,608	1,225,801	4,720,173
2012	2,103,907	374,975	228,129	972,609	3,679,620
2013	1,429,395	408,845	230,805	1,026,735	3,095,780
2014	1,232,688	460,165	239,385	993,439	2,925,677

CITY OF WINTERS, CALIFORNIA

GENERAL FUND ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Year Ended June 30,	Property Taxes	Sales Tax	Franchise Tax	Other Taxes	Total
2005	1,052,780	295,197	165,242	649,263	2,162,482
2006	1,209,345	315,794	191,511	705,020	2,421,670
2007	1,350,914	276,539	187,939	714,618	2,530,010
2008	1,345,630	344,136	218,521	707,685	2,615,972
2009	1,395,538	288,748	209,913	749,196	2,643,395
2010	1,121,922	242,257	203,985	686,404	2,254,568
2011	1,187,176	295,215	224,608	989,477	2,696,475
2012	1,229,698	344,781	228,129	974,044	2,776,652
2013	1,344,228	408,845	230,805	1,023,095	3,006,973
2014	1,232,688	460,165	239,385	1,013,778	2,946,016

CITY OF WINTERS, CALIFORNIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Year Ended June 30,	City			Taxable Assessed Value	Community Development Agency		Taxable Assessed Value	Total Direct Tax Rate
	Secured	Unsecured	Utility		Secured	Unsecured		
2005	211,470,328	7,571,916	2,450	219,044,694	79,225,359	5,441,972	84,667,331	0.583%
2006	227,884,381	7,581,801	2,800	235,468,982	118,105,960	5,443,842	123,549,802	0.557%
2007	241,718,966	7,805,000	2,800	249,526,766	140,461,620	9,999,736	150,461,356	0.600%
2008	272,749,292	7,869,139	2,800	280,621,231	165,656,591	9,659,494	175,316,085	0.617%
2009	280,882,222	2,100,831	2,800	282,985,853	193,204,983	16,028,418	209,233,401	0.525%
2010	281,161,063	2,708,797	2,800	283,872,660	195,614,967	18,538,689	214,153,656	0.547%
2011	252,232,212	5,284,746	4,200	257,521,158	201,524,009	14,777,955	216,301,964	0.540%
2012	189,223,168	3,700,078	4,200	196,681,644	217,303,685	14,726,066	232,029,751	0.524%
2013	182,230,025	2,830,751	4,200	185,064,976	221,613,542	14,420,507	236,034,049	0.533%
2014	186,404,540	5,674,469	-	192,079,009	220,277,577	23,767,600	244,045,177	0.422%

NOTE:

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

Source: Yolo County Auditor Controller Office

CITY OF WINTERS, CALIFORNIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES (RATE PER \$100 OF ASSESSED VALUE) LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
CITY DIRECT RATE:										
City basic rate	0.171	0.148	0.154	0.156	0.143	0.143	0.137	0.149	0.154	0.151
Community Development Agency	0.413	0.409	0.446	0.461	0.404	0.404	0.402	0.376	0.379	0.271
TOTAL CITY DIRECT RATE	0.583	0.557	0.600	0.617	0.547	0.547	0.540	0.524	0.533	0.422
OVERLAPPING RATES:										
Yolo County	0.156	0.122	0.108	0.119	0.221	0.109	0.111	0.124	0.155	0.192
Yolo County Library	0.021	0.032	0.011	0.029	0.029	0.029	0.030	0.030	0.031	0.031
Winters Cemetary District	0.019	0.003	0.027	0.027	0.027	0.027	0.027	0.028	0.028	0.028
Sacramento-Yolo Mosquito Vector District	0.007	0.010	0.009	0.009	0.009	0.009	0.009	0.009	0.010	0.010
Yolo County Resources Conservation District	0.000	0.000	0.000	0.000	0.000	-	-	-	-	-
Yolo County Flood Control District	0.006	0.009	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010
Solano Community College District	0.030	0.046	0.042	0.042	0.042	0.042	0.042	0.043	0.043	0.043
Yolo County School Services	0.018	0.028	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030
Winters Joint Unified School District	0.185	0.150	0.147	0.201	0.086	0.205	0.296	0.297	0.296	0.296
City of Winters General Obligation Bonds	1.026	0.957	0.983	1.083	1.000	1.007	1.095	1.095	1.135	1.061
Winters Joint Unified School District Bonds	0.710	0.071	0.074	0.074	0.074	-	-	-	-	-
Indian Valley Dam Bond	0.080	0.080	0.154	0.266	0.299	0.092	0.092	0.092	-	-
TOTAL DIRECT RATE	1.816	1.108	1.211	1.423	1.745	1.099	1.187	1.187	1.135	1.061

NOTE:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes at a percentage of assessed property values for payment of the Winters Joint Unified School District bonds and for City of Winters General Obligation Bonds.

CITY OF WINTERS, CALIFORNIA

PRINCIPAL PROPERTY TAX PAYERS CURRENT YEAR AND TEN YEARS AGO

Taxpayer	Fiscal Year Ended June 30, 2014			Fiscal Year Ended June 30, 2005		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
Central Valley Coalition for Affordable Housing	\$ 19,408,496	1	4.45%	\$ -	-	-
Pavestone Company LP	10,590,140	2	2.43%	5,995,801	1	1.974%
Mariani Nut Company	6,244,802	3	1.43%	5,142,873	3	1.693%
GBH-Winters Highlands LLC	4,782,262	4	1.10%			
Bruhn Orchards Housing LLP	3,895,706	5	0.89%			
South Market Court PTN LP	3,205,800	6	0.74%	-		-
Winters Gateway Inc.	2,725,419	7				
Winters Almondwood LP	2,658,630	8	0.61%			
Ogando, Joseph E and Karen M Trust	2,391,392	9	0.55%	-		-
Winters Apartments	2,309,179	10	0.53%			
Turning Point Acquisitions V LLC	2,040,000	11				
Corp of the Presiding Bishop LDS Church	1,883,901	12	0.43%			
Evilsizor, Kenneht A Jr., Etal	1,784,532	13	0.41%	1,800,531	6	0.593%
Bellevue North	1,622,208	14	0.37%			
Cook, Sara K & Smith Daniel P	1,605,325	15				
Winters Investment Group	1,519,000	16	0.35%	1,669,395	9	0.550%
Ali Ashraf & Yasmin A	1,439,584	17	0.33%	-		-
Pickerel, John and Melanie B.	1,436,784	18	0.33%	-		-
Lorenzo Family Trust	1,355,935	19				
Gateway Investors Club LLC	1,350,000	20	0.31%	1,540,453	10	0.507%
Schuhart, Thuel V & Vive	1,340,426	21	0.31%			
Martinez Family Limited Partnership	1,254,200	22	0.29%			
Roman Catholic Bishop of Sacramento	1,216,048	23	0.28%			
Montosa, Donna M. TR	1,214,342	24	0.28%	1,105,809	17	0.364%
Siracusa, John & Elizabeth	1,065,975	25	0.24%	1,481,506	11	0.488%
Tiechert Land Co	956,826	26	0.22%			
Winters MHP LLC	918,121	27	0.21%			
THR California LP	909,285	28	0.21%			
Jordan Family Trust	898,149	29	0.21%			
M & L Fruit Company	859,497	30	0.20%			
Aichwalder Eirc	858,657	31	0.20%			
Mazza Graziani 2009 Family Trust	857,208	32	0.20%			
Fridae, Keith and Rebecca	836,632	33	0.19%			
Ali Samir	815,996	34	0.19%			
Gianola Trust	810,427	35	0.19%			
Winters Investors, LLC				3,090,600	4	1.018%
Croxson, Kimberly				1,199,987	13	0.395%
Thompson, Robert and Cheryl				1,167,655	14	0.384%
Conway Lousi W TR Etal				1,153,178	15	0.380%
Lorenzo, Aladdin C. & Lynda R TR	-	-	0.00%	1,674,785	8	0.551%
Cheney, D Rick Tr Etal	-		0.00%	5,212,360	2	1.716%
Miller Disclaimer Trust	-		0.00%	1,778,357	7	0.586%
Almondwood Developments			0.00%	1,149,630	16	0.379%
Greyhawke LLC			0.00%	1,260,543	12	0.415%
Hisey, Raymond P & Rebecca A			0.00%	1,877,828	5	0.618%
	<u>\$ 89,060,884</u>		<u>18.65%</u>	<u>\$ 38,301,291</u>		<u>12.61%</u>

The City of Winters implemented GASB 34 for the fiscal year ended June 30, 2004. Information prior to that shown above is not available.

The amounts shown above include assessed value data for both the City and the Community Development Agency.

Source: Yolo County Assessor's Office

CITY OF WINTERS, CALIFORNIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Tax levied for the fiscal year	Collected within the Fiscal Year of Levy		Total Collections to Date	
		Amount	Percent of levy	Amount	Percent of levy
2005	1,771,991	1,771,991	100%	1,771,991	100%
2006	1,999,986	1,999,986	100%	1,999,986	100%
2007	2,399,794	2,399,794	100%	2,399,794	100%
2008	2,814,012	2,814,012	100%	2,814,012	100%
2009	2,581,766	2,581,766	100%	2,581,766	100%
2010	2,723,983	2,723,983	100%	2,723,983	100%
2011	2,556,664	2,556,664	100%	2,556,664	100%
2012	2,247,499	2,247,499	100%	2,247,499	100%
2013	2,243,269	2,243,269	100%	2,243,269	100%
2014	1,839,222	1,839,222	100%	1,839,222	100%

NOTES:

- ① Yolo County has adopted the "Teeter Plan" effective 1993-1994, which means that the City receives full payment for taxes levied each year, while the County retains all penalty, interest and delinquent taxes, when collected
- ② The amounts presented include City property taxes and Community Development Agency tax increment. This schedule also includes amounts collected by the City and the Community Development Agency that were passed-through to other agencies.

SOURCE: Yolo County Auditor Controller's Office

CITY OF WINTERS, CALIFORNIA

RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Governmental Activities		Business Type Activities				Total Business- type Activities
	Tax Allocation Bonds	Total Govern- mental Activities	General Obligation Bonds	Loans	Sewer Bonds	Water Bonds	
2005	\$ 7,410,000	\$ 7,410,000	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000
2006	7,145,000	7,145,000	120,000	-	-	-	120,000
2007	18,340,000	18,340,000	-	-	-	-	-
2008	18,060,000	18,060,000	-	-	4,495,000	3,810,000	8,305,000
2009	17,765,000	17,765,000	-	-	4,495,000	3,810,000	8,305,000
2010	17,305,000	17,305,000	-	-	4,495,000	3,810,000	8,305,000
2011	16,835,000	16,835,000	-	-	4,495,000	3,810,000	8,305,000
2012					4,400,000	3,730,000	8,130,000
2013					4,300,000	3,645,000	7,945,000
2014					4,195,000	3,555,000	7,750,000

NOTE: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Personal Income Data for the City of Winters is not available

- ① See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on Page 112 for property tax value data
- ② Population Data can be found in the Schedule of Demographic and Economic Statistics on Page 123

Total Primary Govern- ment	Percentage of Estimated Actual Taxble Value of Property^①	Debt per Capita^②
\$7,535,000	2.48%	\$ 1,097.12
7,265,000	2.02%	1,042.03
18,340,000	4.59%	2,663.76
26,365,000	5.78%	3,753.02
26,070,000	5.23%	3,696.82
25,610,000	5.40%	3,608.06
25,140,000	5.92%	3,755.60
8,130,000	1.90%	1,188.77
7,945,000	1.89%	1,139.23
7,750,000	1.78%	1,110.47

CITY OF WINTERS, CALIFORNIA

RATIO OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal year ended June 30,	Outstanding General Bonded Debt			Percent of Assessed Value	Debt per Capita
	General Obligation Bonds	Tax Allocation Bonds	Total		
2005	\$ 125,000	\$ 7,410,000	\$ 7,535,000	2.10%	\$ 1,097.12
2006	120,000	7,145,000	7,265,000	1.82%	1,042.03
2007		18,340,000	18,340,000	4.59%	2,663.76
2008		18,060,000	18,060,000	3.96%	2,570.82
2009		17,765,000	17,765,000	3.57%	2,519.14
2010		17,305,000	17,305,000	3.65%	2,438.01
2011		16,835,000	16,835,000	3.96%	2,371.79
2012				0.00%	
2013				0.00%	
2014				0.00%	

NOTE: General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds

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

CITY OF WINTERS, CALIFORNIA

OVERLAPPING DEBT AS OF JUNE 30, 2014

City Assessed Valuation		\$ 436,124,186	
Redevelopment Agency Incremental Valuation		-	
		436,124,186	
TOTAL ASSESSED VALUATION		436,124,186	
	Percentage Applicable ①	Outstanding Debt at June 30, 2013	Estimated Share of Overlapping Debt
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Solano County Community College District	1.116%	\$ 221,151,989	\$ 2,468,056
Winters Joint Unified School District	51.076%	3,130,000	1,598,679
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		\$ 224,281,989	4,066,735
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Yolo County General Fund Obligations	2.109%	25,840,000	544,966
Yolo County Office of Education Certificates of Participation	2.109%	6,899,042	145,501
Winters Joint Unified School District Certificates of Participation	51.076%	1,180,000	602,697
TOTAL OVERLAPPING GENERAL FUND DEBT		33,919,042	1,293,162
OVERLAPPING TAX INCREMENT DEBT (Successor Agency)	100.00%	15,335,000	15,335,000
TOTAL OVERLAPPING DEBT			20,694,897

NOTE:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Winters. This process recognizes that, when considering the governments's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

① Percentage of overlapping agency's assessed valuation located within boundaries of the City of Winters.

② Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

SOURCE:

California Municipal Statistics, Inc.

CITY OF WINTERS, CALIFORNIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,				
	2005	2006	2007	2008	2009
Assessed valuation	\$ 359,018,784	\$ 399,988,122	\$ 455,937,316	\$ 492,219,254	\$ 498,026,316
Debt limit percentage	15.00%	15.00%	15.00%	15.00%	15.00%
DEBT LIMIT	53,852,818	59,998,218	68,390,597	73,832,888	74,703,947
Total debt applicable to limit General Obligation Bonds	125,000	120,000	-	-	-
LEGAL DEBT MARGIN	\$ 53,727,818	\$ 59,878,218	\$ 68,390,597	\$ 73,832,888	\$ 74,703,947
Total debt applicable to limit as a percentage of debt limit	0.23%	0.20%	0.00%	0.00%	0.00%

Fiscal Year Ended June 30,

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$473,823,122	\$ 424,957,197	\$421,099,025	\$421,099,025	\$ 436,124,186
<u>15.00%</u>	<u>15.00%</u>	<u>15.00%</u>	<u>15.00%</u>	<u>15.00%</u>
71,073,468	63,743,580	63,164,854	63,164,854	65,418,628
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 71,073,468</u>	<u>\$ 63,743,580</u>	<u>\$ 63,164,854</u>	<u>\$ 63,164,854</u>	<u>\$ 65,418,628</u>
<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

CITY OF WINTERS, CALIFORNIA

PLEGDED REVENUE COVERAGE LAST TEN FISCAL YEARS

Fiscal year ended June 30,	General Obligation Bonds				Tax Allocation Bonds			
	Debt Service				Tax Incre- ment	Debt Service		
	Taxes	Principal	Interest	Coverage		Principal	Interest	Coverage
2005	\$ 28,775	\$ 5,000	\$ 6,500	2.50	\$ 1,469,479	\$ 182,573	\$ 118,261	4.88
2006	23,537	5,000	6,250	2.09	1,785,601	265,000	277,827	3.29
2007	23,451	120,000	6,000	0.19	2,100,792	275,000	272,427	3.84
2008	-	-	-	n/a	1,853,339	280,000	634,376	2.03
2009	-	-	-	n/a	2,013,682	295,000	773,758	1.88
2010					1,905,946	460,000	765,462	1.56
2011					1,610,359	470,000	750,626	1.32
2012					1,596,679	485,000	734,953	1.31
2013					1,097,497	500,000	775,521	0.86
2014					1,181,485	515,000	693,807	0.98

CITY OF WINTERS, CALIFORNIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN CALENDAR YEARS

Calendar Year	Population ①	Median Household Income②	Unemploy- ment Rate ③
2005	6,972	n/a	4.80%
2006	6,885	n/a	5.20%
2007	6,935	n/a	6.80%
2008	7,025	n/a	7.40%
2009	7,052	n/a	11.27%
2010	7,098	\$ 59,679	12.68%
2011	6,694	n/a	11.56%
2012	6,839	n/a	11.10%
2013	6,974	n/a	9.34%
2014	6,979	n/a	6.70%

NOTE: Data on Personal Income and Per Capita income for residents in The City of Winters is not available.

① State Department of Finance

② U.S. Census Bureau, Census 2010

③ State of California Employment Development Department

CITY OF WINTERS, CALIFORNIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND FIVE YEARS AGO

<u>Employer</u>	<u>2014</u>		<u>2009</u>	
	<u>Number of Employees</u>	<u>Percent of Total Employment</u>	<u>Number of Employees</u>	<u>Percent of Total Employment</u>
Mariani Nut Company	350	10.83%	200	7.33%
Winters Joint Unified School District	230	7.11%	220	8.06%
Buckhorn Restaruant	120	3.71%	100	3.67%
Double M Trucking	75	2.32%	70	2.57%
City of Winters	41.35	1.28%	43	1.58%
Pavestone	35	1.08%	50	1.83%
Town and Country	14	0.43%	14	0.00%
Vintage Paving	11	0.34%	9	0.00%
AM/PM	8	0.25%		
JDS	0	0.00%	13	0.48%
Woodtech	-	0.00%	0	0.00%
	<u>884.35</u>	<u>27.35%</u>	<u>719</u>	<u>25.51%</u>

NOTE: Data for Period nine years earlier not available.

"Total Employment" based on U.S. Census Bureau, Census 2000

SOURCE: Source: City of Winters
U.S. Census Bureau, Census 2000 FOR 2008

CITY OF WINTERS, CALIFORNIA

FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Community Development	3.19	2.44	3.44	4.00	3.33	2.50	1.50	1.50	1.00	1.00	1.00
Community Development Agency	1.00	1.00	1.44	1.44	3.11	1.94	1.94	1.94	0.00	0.00	1.00
Finance	2.00	2.44	2.44	2.60	2.44	3.00	3.00	3.00	3.00	3.00	3.00
General Government	3.44	3.88	3.88	4.44	4.88	5.00	5.00	4.00	4.00	5.00	5.00
Police	11.44	11.44	12.94	13.88	13.21	11.44	12.44	12.44	12.44	10.44	10.00
Fire Department								4.00	7.00	7.00	3.50
Public Works	8.69	8.94	8.44	9.32	8.44	7.32	7.32	7.32	7.32	7.32	8.00
Recreation	2.42	3.03	3.03	3.33	12.09	11.81	9.85	9.85	9.85	9.85	9.85
TOTAL	32.18	33.17	35.61	39.01	47.50	43.01	41.05	44.05	44.61	43.61	41.35

SOURCE: City of Winters, California

CITY OF WINTERS, CALIFORNIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,					
	2005	2006	2007	2008	2009	2010
Police:						
Traffic Citations	\$21,102	\$ 6,242	\$24,523	\$48,860	\$ 48,860	\$ 11,177
Parking Citations	\$ 1,540	\$ 805	\$ 1,710	\$ 1,195	\$ 1,195	\$ 245
Water						
New Connections	135	80	2	1	3	
Average Daily Consumption	1.64 mgd	1.84 mgd	1.60 mgd	1.86 mgd	1.58 mgd	1.28 mgd
Sewer						
New Connections	135	80	2	1		
Average Daily Sewage Treatment	.604 mgd	.598 mgd	.598 mgd	.548 mgd	.548 mgd	.567 mgd

SOURCE: City of Winters, California

Fiscal Year Ended June 30,			
2011	2012	2013	2014
\$ 10,745	\$ 19,569	\$ 15,396	\$ 5,104
\$ -	\$ 1,490	\$ 750	765
	5	2	1
1.39 mgd	1.10 mgd	1.15 mgd	1.12mgd
		2	1
.556 mgd	.535 mgd	.543 mgd	.641 mgd

CITY OF WINTERS, CALIFORNIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
POLICE:										
Stations	1	1	1	1	1	1	1	1	1	1
FIRE										
Stations	0	0	0	0	0	0	1	1	1	1
PUBLIC WORKS:										
Streets (lane miles)	22	22	22	22	22	22	22	22	22	22
Traffic Signals	1	1	1	1	1	1	1	2	3	3
PARKS AND RECREATION:										
Parks	6	6	6	6	6	6	6	6	6	6
Park acreage	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2
Community Centers	1	1	1	1	1	1	1	1	1	1
WATER:										
Water Mains (miles)	20	20	20	20	20	20	20	20	20	20
Water Wells	5	5	5	5	5	5	6	6	6	6
Storage tanks (non-operational)	2	2	2	2	2	2	2	2	2	2
WASTEWATER:										
Sewer Lines (miles)	23	23	23	23	23	23	23	23	23	23
Pump Stations	2	2	2	2	2	2	2	2	2	2
Sewer Treatment Plant	1	1	1	1	1	1	1	1	1	1

SOURCE: City of Winters, California