



2016-17
2017-18

ADOPTED
BIENNIAL
BUDGET

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FINANCIAL MANAGEMENT

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Biennial 2016-2017 and 2017-2018

Adopted Operating Budget

CITY COUNCIL

Cecilia Aquiar-Curry, Mayor
Woody Fridae, Mayor Pro Tem
Wade Cowan, Council-member
Pierre Neu, Council-member
Harold Anderson, Council-member

CITY STAFF

John W. Donlevy, Jr., City Manager
Joseph Kreins, Police Chief
Nanci Mills, Director of Administrative Services
Shelly Gunby, Director of Financial Management
Aaron McAlister, Fire Chief
Dan Maguire, Housing Manager

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John W. Donlevy, Jr., City Manager
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The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Winters, California for its bi-annual budget for the fiscal year beginning July 1, 2014 through June 30, 2016. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Winters
California**

For the Biennium Beginning

July 1, 2014

Jeffrey R. Egan

Executive Director

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

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Why the tree? Because...

The tree logo represents the changing seasons in Winters, where life is enjoyable year-round

Guide to the Document

Guide to the Document

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

Document Organization

Budget Overview

The City Manager's Budget Overview summarizes the budget by outlining major programs in progress, critical issues and challenges for the fiscal years 2016-2017 and 2017-2018 as well as accomplishments of the prior year. The budget overview also summarizes the financial components of the City, including revenue trends and significant new expenditures.

Strategic Plan

The Senior Staff held a Strategic Planning Session in February 2016 and a planning workshop was held with the City Council on April 19, 2016. This section presents the plan and reviews the accomplishments of the prior year, and projects to be undertaken in the current and subsequent years.

Summary Information

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

Guide to the Document

The accounts of the City are organized on the basis of funds and account groups. These funds and account groups are organized in order to segregate and account for restricted resources. Each fund and account group is a separate accounting entity.

General Fund

The General Fund is the primary revenue source for most services cities typically offer; these include public safety (police and fire), street maintenance, parks and recreation, and neighborhood and community services.

Other Funds

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

Departmental Detail

Each Department is presented and provides the following information:

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

Staffing

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

Policies

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

Capital Improvement Plan

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

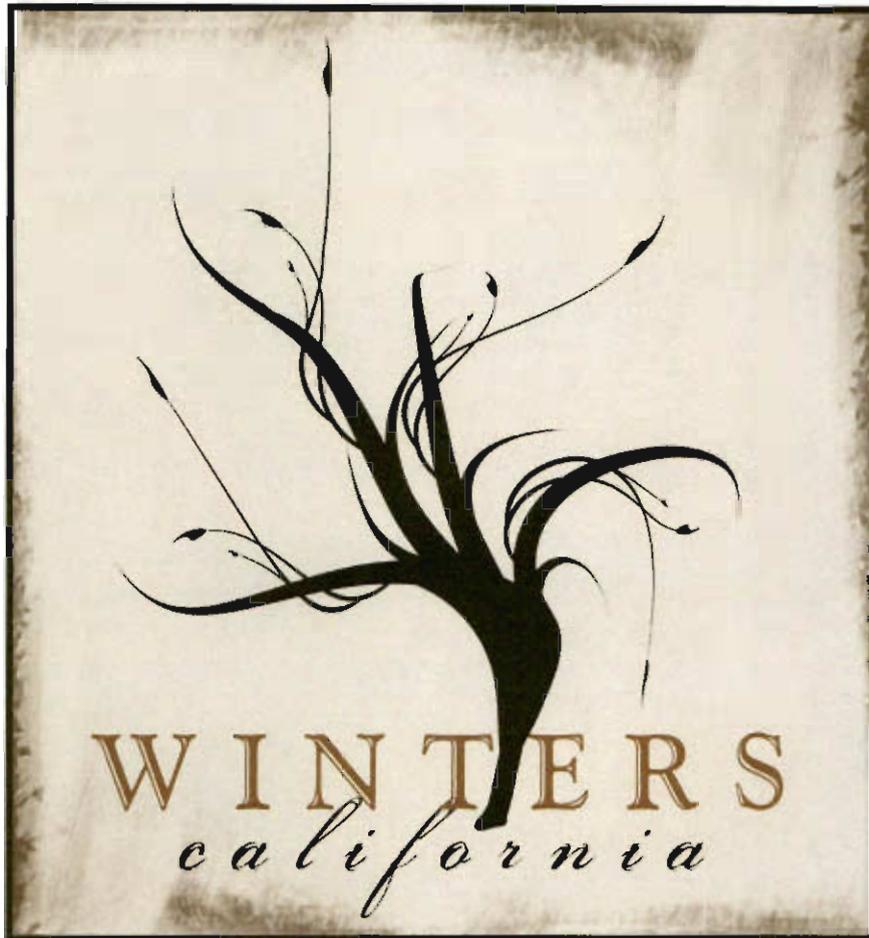
Guide to the Document

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

Long Term Financial Forecasting

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

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**Why the tree? Because...**

Winters exemplifies creativity. The many branches of the tree are the most obvious representation of the orchards that surround us. More importantly, the branches represent the people of Winters; we begin together, united from a common source, but we expand and grow in unique shapes and directions. When you leave Winters it is funny how many people you meet know and remember people who are either from here or who live here. We are creative, proud of our hometown and somehow leave our mark on the people we meet.

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Budget Overview

Honorable Mayor and Council members:

The City of Winters is a community of long time traditions and values. It is a great place for people to live, raise children and enjoy a quality of life second to none in California. Over the past 15 years, Winters has become a City in great demand from development interests and people wishing to locate here. The past few fiscal years have focused on capital projects and basic sustainability during the serious economic downturn. Our focus has been in strengthening our infrastructure and service enhancements in the areas of public safety and water/wastewater utilities.

Winters is beginning to see an upturn in the economic vitality of our community. The past investments in critical infrastructure and facilities has led to a payoff in the form of renewed interest in business development which will lead to an enhanced economic base and hopefully the advent of a strong recurring revenue stream which will benefit the community for years to come. The housing development and PG&E Training Center, along with commercial development along the Grant Ave. Corridor will help increase the property tax base and overall assessed valuation of the City. The development of new hotels and retail opportunities will add to the City's transient occupancy and sales tax revenues.

The reality of this upturn, however, is that most revenue streams will not see any appreciable returns until the first or second quarter of 2018. Permit revenue for key projects has already been paid in earlier fiscal years and property taxes will not be realized for an almost 18 month period until occupancy. Thus the proposed budgets for the next two fiscal years take a very cautious approach to expenditures.

The historic lows in the number of building permits being issued has seen some increase but has still not returned to anywhere near previous highs. The economic recovery in California has been a relative trickle outside of the Silicon Valley/Bay Area and Southern California. The City is forecasting a relatively slow pace of building permits for new developments. In 2015-2016 38 permits were issued and we expect to see the same pace in coming years.

The past number of years has seen the implementation of many capital projects which have built the overall infrastructure strength of the community. Key water and sewer upgrades, the replacement of the Putah Creek Car Bridge, and the completion of the public safety facility have improved the overall ability of the City to operate utilities and attract new business.

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Over the past fifteen (15) years, Winters has focused on a cycle of planning then implementation. While the next two (2) years will be lean financially, it will be a time to focus on setting a course for planning future projects. This will include identifying priority facility and capital projects, establishing priorities for service levels (especially for seniors) and determining strategies for the enhancement of the City's economic base. The City may also consider annexation proposals from within the existing planning sphere which will contribute to a more comprehensive planning process to address multiple areas.

The drought, which has affected Northern California and the eventual implementation of conservation measures, has had a tremendous impact on the overall revenue stream into our water and wastewater utilities. There is a symmetrical relationship between the percentage reduction in water use and the fee revenue received by the City. Expect that the coming fiscal period will see a re-examination of water and sewer rates to balance the ability to operate and maintain the utilities.

The single largest consideration for the City will be how to deal with new State standards in relation to Chromium 6 in groundwater. The Maximum Contaminant Level (MCL) for California will force a significant reconfiguration of the water system and increase operating costs way beyond existing levels. The capital project to address this issue will be the largest in the City's history with very little return in actual efficiency or effectiveness of the system.

The City is exiting its need for reliance on reserves to balance the budget. The combination of the slow economic upturn, new development and the continuation of a conservative approach to spending and revenue projections will hopefully result in net balanced budgets for the City.

The need to expand the local economy has hit a critical phase and the City is ready to work with key landowners along the I-505 to begin development which will help enhance City revenues. The local and regional economies will determine the need for the use of reserves.

Economic development in Winters to enhance recurring revenues and provide for the fiscal sustainability of the City is our highest priority. The City's lack of growth and economic development has represented a significant issue for the community. While demands grow for public safety, recreational and senior services, the lack of fiscal growth and resources significantly limits the City's ability to be responsive to our residents' needs. The prospects of subdivision development,

Budget Overview

commercial projects, the Downtown Hotel and the prospect of a PG&E Training Facility all represent very bright spots and hope for needed revenue growth in the City.

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

Key Goals of the City:

- Economic Development
- Downtown Revitalization
- Lodging Facilities
- I-505 Projects
- Jobs Producing Projects
- Support of Schools
- Support environmental programs
- Maintain a positive fiscal outlook
- Keep a high quality of life for our residents.

In previous years of economic growth, the City diligently built up our reserves to maintain a conservative fiscal protection for the community. The need to use some of those reserves during the past few years has become a reality until revenues are increased. The need for economic development to add revenue is seen as the most important priority for the City.

Our Approach to Budgeting:

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

- Cautious and Conservative.
- Contingencies are budgeted to prevent potential shortfalls or raids from the state.
- Adherence to adopted Fiscal Policies.
- Working toward meeting established reserve goals for general, capital and enterprise funds.
- Projected revenue growth is based on actual funding streams, not projections based on anticipated growth.
- Actual costs and expenditures are budgeted for all cost centers. The City avoids relying on surpluses, carry-overs, or in the case of retirement funding, super-funded status.

Budget Overview

Key Issues Facing the Fiscal 2016-2018 Budget:

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

The City's **General Fund** revenues are projected to be 12% higher than 2015-2016 projection. While property tax revenues are projected to meet 2008-2009 levels in the first year of this budget, sales tax revenues are increasing due to additional retail outlets opened in September of 2012 and December of 2013. Development is expected to occur during the 2016-2017 fiscal year, including home building, a retail establishment, a banking institution and a PG&E training facility. In the second year of this budget 2017-2018, the City expects to see an increase in other taxes, specifically in the TOT (transient occupancy tax) with the completion of two (2) hotels. Expenditures, however, are \$91,532. (or 2.096%) higher than budgeted revenues in 2016-2017 and \$11,242 lower than budgeted revenues in 2017-2018. The increased expenditures are due to increase in health insurance costs, small cost of living increases (2.5% for 2016-2017 and 2.0% for 2017-2018), and expected increase in the CalPERS retirement rates. Additionally, staffing for the 2017-2018 fiscal year includes one (1) additional Police Officer, and one (1) additional Firefighter. Salary adjustments were made in the 2015-2016 fiscal year to all non-police officer employees, and all employees are now paying the employee share of CalPERS contributions. This adjustment in salary will affect the outgoing years. The City will be working diligently on Economic Development to provide additional revenues on an ongoing basis. The success of economic development activities will be used to determine actions that must be taken for adjusting the 2017-2018 budget.

Timing of projects and economic development activities are estimated, but impacts of those items are estimates only at this time and some action will need to be taken to adjust the 2017-2018 budget if the assumptions are significantly different than the reality of implementation of the economic development and home building projects.

The **Water System** has a small negative cash flow projected for the 2016-2017 and 2017-2018 budget years. This is due to decreased water revenues due to the ongoing drought. Our citizens have been extremely conservation conscious, and that has created a revenue issue for the water system. Additionally, funding has been included to begin working on the reduction of Chrom6 in the water supply to meet the new State of California Standard. This funding is an estimate only, as a final solution for reducing Chrom6 has not been identified at the time this budget was submitted.

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- **Impact Fee** revenues are projected to have increased revenues in 2016-2017 over 2015-2016 due to projected increased building within the city. Revenues are projected to be less in 2017-2018 than in 2016-2017.
- **Capital** revenues are projected to receive interest only in the period of 2016-2018.
- **Retirement and Workers Compensation** costs continue to increase and will likely represent a burden for years to come. These increased costs are included in the current year budget, and will be included in future budgets. The cost of retirement for the City of Winters is limited to the CalPers contribution; the city pays no post-employment health benefits for employees.
- **Assessment District** costs exceed available revenues. While this has been anticipated, previous growth has allowed the district to remain in a positive cash flow position. Beginning in 2005/2006 the General Fund began subsidizing the City Wide Assessment District, and this subsidy will continue into the future.
- **Gas Tax** revenues are stagnant, although it appears that we are projecting an increase in revenues, it is actually the change in accounting for the former "Traffic Congestion" funding as a result of the State of California's budget issues that make the revenues appear to be higher than in the past. In actuality, we no longer account for the Traffic Congestion funding in a separate fund, we now include it in the gas tax fund as required by the State of California. The amount will remain stagnant due to the lack of change in the population of the City. Staff has budgeted to not exceed revenues in the current year, resulting in decreased street maintenance throughout the City.

Approach to Management

The City of Winters Management Team realizes that we are very fortunate to serve the citizens of Winters. We take pride in what we do and strive to make sure our residents receive outstanding service. Our approach to management is pretty simple:

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

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- Our staff will be well trained and equipped with the proper resources to do their jobs.
- We will always strive to do our best.

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

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

Major City Initiatives

The 2016-2018 Budget includes funding and policy for the major initiatives proposed by the City Staff. These range from a variety of personnel and capital issues to significant work programs for each of the City's Departments.

Personnel:

Given current fiscal constraints, the City has not filled a number of positions as cost reduction measures.

The City has included cost of living increases in both years of the budget as presented, as well as transitioning from employer paid employee CalPERS to employee paid employee CalPERS.

The City has limited hiring to replacement of personnel as they have resigned or left. The City has decided not to fill the position of Community Development Director, which will be handled through a consultant agreement providing services on a part-time basis. A consultant contract is also budgeted for the building department in the event a large number of construction projects are undertaken at one time.

The City recently completed negotiations with all bargaining units through 9/30/17. Any adjustments to the 2017-2018 budget that are necessary as a result of the negotiations after the expiration of the current MOU's (memorandum of

Budget Overview

understanding) will be brought to the City Council once the various MOU's have been adopted.

Capital Purchases:

In the 2016-2018 budget, the City will include capital purchases throughout the organization, including the following:

- Various computer equipment for use throughout the organization, including monitors, work stations, printers and software updates.
- Purchase of two (2) replacement vehicles for public works staff.
- Replacement of carpeting in the second floor of City Hall.
- Painting the exterior and interior of City Hall.

Major Capital Projects and Expenditures Proposed:

The City will begin the pursuit of a number of critical infrastructure projects during the current budget period.

Staff is recommending that the City pursue a number of capital projects within the community, including:

- Install influent screen at the Wastewater Treatment Facility.
- Installation of a traffic signal at West Main Street and Grant Avenue with a lighted crosswalk.
- Construction of a traffic calming Roundabout at Grant Avenue and Walnut Lane.

Work Programs and Key Initiatives

The key departmental functions for the City will take a very aggressive approach to management of our City services and positioning our organization for the many challenges we face in the coming year. Each area has developed progressive work programs that include the following:

Economic Development and Strategy:

In 2016-2018, the City will place as its highest priority, the development of the I-505 and State Route 128 area for visitor-serving amenities. The City has invested considerable resources in the planning and infrastructure for the area and the ability to generate job creation and economic development is now available.

Budget Overview

The key aspects of this will include:

1. **Planning/Policy Amendments:** revise the City's zoning documents and General Plan to remove specific and master plan requirements for Industrial/Business Park and Neighborhood Commercial areas.
 - a. Develop zoning districts to allow a broad cross section of business opportunities within the scope of previously approved environmental assessments. This may include updates to certain key zoning definitions to recognize emerging business classifications and removal of antiquated categories. Elimination of the PC and PC/BP zoning requirements and restrictions. Address height limitations.
 - b. Complete needed cumulative analysis to reduce burdens on developers seeking projects.
 - c. Establish a streamlined development review process.
2. **Signage Policies** on effective signage in support of freeway serving businesses and a site distance study to resolve issues regarding the appropriate size and location of freeway display signs.
3. **Rezoning** to expand Highway Commercial properties which are currently undersized, split zoned or irregularly designated.
4. **Incentives** which attract development and recognize the long term, mutual benefits to both the City and business community.
5. **Infrastructure** improvements to the I505/Grant Corridor will ease the capital burdens for developers who choose to locate businesses in this location.
6. **Relocation** of the flood drainage corridor to more logically locate the facilities to the benefit of landowners and the aesthetics of the Grant Avenue Corridor.
7. **Marketing** of key properties and active community involvement in welcoming development

Economic Development Goals:

The overall goals for the City of Winters will be to become a desirable location for businesses to locate and prosper. The City intends to utilize economic development tools in order to increase its "business friendliness" in local government processing, encourage collaboration within the business community, and develop regional relationships and initiatives to encourage business growth.

- **Encourage business growth by adopting "business friendly" policies and processing.**
 - Make Winters accessible to current business types and businesses of the future through appropriate zoning and land use mechanisms.

Budget Overview

- Ensure that City fees are competitive with surrounding jurisdictions and that the City establishes programs which are financially beneficial to both development and City interests.
- Streamline planning/development processes and guidelines to make it easy for businesses to locate within the community.
- Facilitate positive interaction between the City and business to business enterprises to generate mutual benefits and results.
- **Encourage collaboration between the City and business community and foster inter-business relationships.**
 - Continue to work with private and public organizations such as the Small Business Development Corporation, Winters Chamber of Commerce and others focused on supporting business development.
- **Develop productive regional relationships and participate in initiatives designed to encourage economic growth and make Winters a desirable partner to expand the regional economy.**
 - Encourage business development that is complementary to the local and regional economy.

The culmination of these goals will establish a successful economy which provides for sustainable jobs and revenue generating businesses.

Successor Agency to the Winters Community Development Agency: In June, 2011, the Legislature and Governor initiated legislation which summarily eliminated redevelopment in California. After a legal appeal to the California Supreme Court, the legislation was upheld and effective February 1, 2012, redevelopment was ended in California.

As part of the dissolution process, the City of Winters has become the "Successor Agency" to the Winters Community Development Agency. In this role, the City will work with the Yolo County Auditor/Controller and an appointed Oversight Board to establish a Recognized Obligation Payment Schedule (ROPS) of outstanding obligations of the former agency and basically dissolve the activities and debts, including payment of bonds and pass through payments.

Fiscal Sustainability: The City Council has always placed its highest priority on fiscal stability for the City. Key objectives included ensuring that we stayed on budget, managing our tax dollars conservatively and avoiding overextending our resources to the detriment of future fiscal years.

Budget Overview

The City of Winters has seen some very lean times since the development of its General Plan that was completed in 1992. Finding itself over \$1 million in debt, the City has embarked on a course of fiscal conservancy. The budget for the City is balanced using available fund balance and could best be described as lean. In order to keep the fiscal stability of the City, staff will be pursuing a number of critical initiatives to prudently financially manage the organization. These initiatives will include:

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

Community Development and Building: The Community Development Department (CDD) has seen a significant reduction in planning and building activity over the past several fiscal years. The low number of planning applications and building permits has put the Department at a critical juncture. For the second year in a row, we are forecasting residential and commercial growth which will provide needed revenue and an overall fiscal boost for the City.

In March of 2014 the City Council approved a contract for a part time Community Development Director to help with planning operations.

Recreation: A key City priority during these tough fiscal times has been to maintain the operation of key recreation facilities within the City, including the City Pool and the Community Center. Over the past two years, the City has actively worked with community groups and with the general public to keep these facilities open. In the coming fiscal years, the City will continue to pursue funding options and revenue sources to maintain these facilities.

The City will continue to operate the Community Center for both public and private events, including weddings and private parties, community theatre and public events. The community pool will be open during summer months and include swim team, swim lessons and recreation swim as well as adult lap swim.

Additionally, our recreation programs actively work with the community on a variety of events, including 4th of July Fireworks, Earthquake Festival, Concert in the Park, and management of the Community Center.

Budget Overview

Employee Development: The Administrative Services Department is taking the lead in helping the City "work better and smarter". The City has a professional development program for our employees to focus on a number of key issues to enhance the working environment and the skills of our employees. In 2016-2018 the City will again focus its efforts on training in key "core" areas to ensure that staff are performing well in their current duties and are developing to meet other requirements in the future.

Police: The Police Department for the City of Winters is a real pride unit. They represent a small group of dedicated individuals who provide critical public safety services to the City. The City and the Police Department are currently going through the recruiting process for our next Police Chief. Chief Gutierrez retired at the end of December 2015, and a new Chief will assume command in summer, 2016.

The Department has undergone some organization changes beginning with the implementation of this budget, the department will have 3 Sergeants and 2 Corporals and will switch to 12 hour shift work. This is a change from 1 Sergeant and 2 Corporals and the 8 hour shift model. This model is believed to be more flexible in allowing "teams" of officers and supervisors to work together.

City and District Fire Operations: In 2011, the City and the Winters Fire Protection District reversed the previous contractual arrangement and the City Fire Department now facilitates all emergency fire and medical response services for both the City and the District Areas. The City and District have a cooperative agreement and work closely together on numerous operational issues.

In 2011, the City also expanded fire operations to 24/7 service through the initiation of our Fire Reserve Program. The expansion of services was a key element made possible by the construction of the Public Safety Facility. In the coming fiscal years, the Department will focus on training and recruitment of the reserves and expansion of services within the community.

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

In January 2012, the City initiated a consumption based (metered) water system for all residential and commercial accounts. This has changed the overall structure for water use within the City.

Budget Overview

The City has also worked to maintain water rates and fee structures to ensure that the system is financially viable. This has included rate increases as needed.

New State Department of Drinking Water (DDW) standards on Chromium 6 will present the City with one of the largest capital utility expenditures in its history. DDW will require the initiation of a water processing system which will post significant capital investment combined with operations costs which will dwarf the existing water utility operations. The result will be significant rate increases to all City customers. Compliance is required by 2020, so project planning, design, construction and implementation will need to occur.

In 2016-2018 the key initiatives funded by these rate increases for the Water System will include:

- Improved computer technology to ensure personnel can monitor overall operations on a continuous basis.
- Safety and reliability improvements including electrical transfer switches and surge suppression systems.
- Pump replacement and facility renovations including replacements at all wells, impeller/bowl replacements and installation of well level sensors.
- Implementing a system to reduce Chrom6 levels to that required by the State of California, including financing and rate increases.
- Hydrant and valve flushing and exercising program.
- Leak detection and the development of a line replacement program.
- Cross connection control program for commercial and industrial businesses.
- Water Quality Monitoring.

Sewer System and Expansion: The wastewater system is at a key juncture with numerous issues currently being worked on.

In 2012, the City's waste discharge requirements (WDR's) were continued for renewal by the regional water quality control board. The overall renewal process is a significant effort and will require a considerable investment of time and resources by City personnel when the RWQCB initiates the renewal process.

Since 1992, the City has contracted its sewer operations with Eco Resources which is now owned and operated as Southwest Water. This contract expired in 2014 and the City assumed operations and brought them back in-house beginning in December, 2014. This involved hiring qualified staff to operate the system and streamlined overall management of operations, reduced costs and increased the overall efficiency and capabilities of City Staff.

Budget Overview

Emergency Response and Preparedness: In 2012, the City's of Yolo County implemented a "Shared Services" agreement for emergency operations and management. This agreement provides for the uniform implementation of response plans and operations. The key initiatives in our emergency planning and preparedness will include:

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

Solid Waste and Recycling In 2014, the City again successfully met the State mandated 50% diversion requirement for all solid waste. The State agency, CalRecycle, uses different methodology for annual reporting than previously used. Instead of calculating a City's diversion rate from the landfill, a waste disposal target establishing pounds per person per day(PPD) of waste disposed of is established. The assumption is that whatever waste generated that is not going to the landfill is recycled or diverted in some way. Winter's target PPD is 5.5, our annual PPD for 2014 was 3.9.

While the City is doing a good job of exceeding the targets established there is always room for improvement. Almost all of our Commercial accounts are now in compliance with the 2014 Mandatory Commercial Recycling requirements. More recently, there has been legislation enacted which has established regulations for Organics recycling. These requirements will be phased in over the next few year in Winters, there are only a few commercial accounts that meet the minimum requirements for implementing an organics program within the next couple of years.

Storm Water

The new Storm Water regulations currently being drafted may affect our refuse services. Proposed changes may require all green waste to be containerized, something not currently required in the City of Winters. In the past, the City of Winters has had minimal requirements related to storm water issues due to our smaller population. With the new MS4 Phase II permit currently being drafted, this will no longer be the case. The City of Winters will be mandated to implement a number of new policies that include monitoring, reporting, education/ outreach, and enforcement. The final draft and eventual adoption of the MS4 permits are expected late 2016. We will have to wait and see how the final regulations will impact our green waste services as well as other storm water policies the City will need to implement in order to be in compliance.

Budget Overview

Long Range Capital Project Planning: In 2016-2018 Staff will work on the development of a revised Five Year Capital Improvement Program. This program will be implemented in the current fiscal year and will include a prioritization and funding of key infrastructure projects within the City. This program will include an update of the AB1600 Major Project Financing Plan.

Hispanic Outreach: In 2009, the City re-authorized the Hispanic Advisory Committee which has served as an advisory board to the City Council. Some of the recommendations from this Committee which have been implemented include:

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

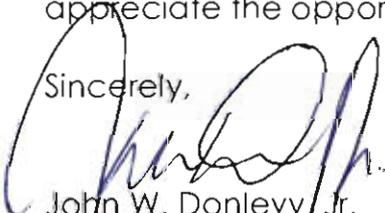
The continuance of this committee and the overall outreach will continue into the coming fiscal year.

Summation:

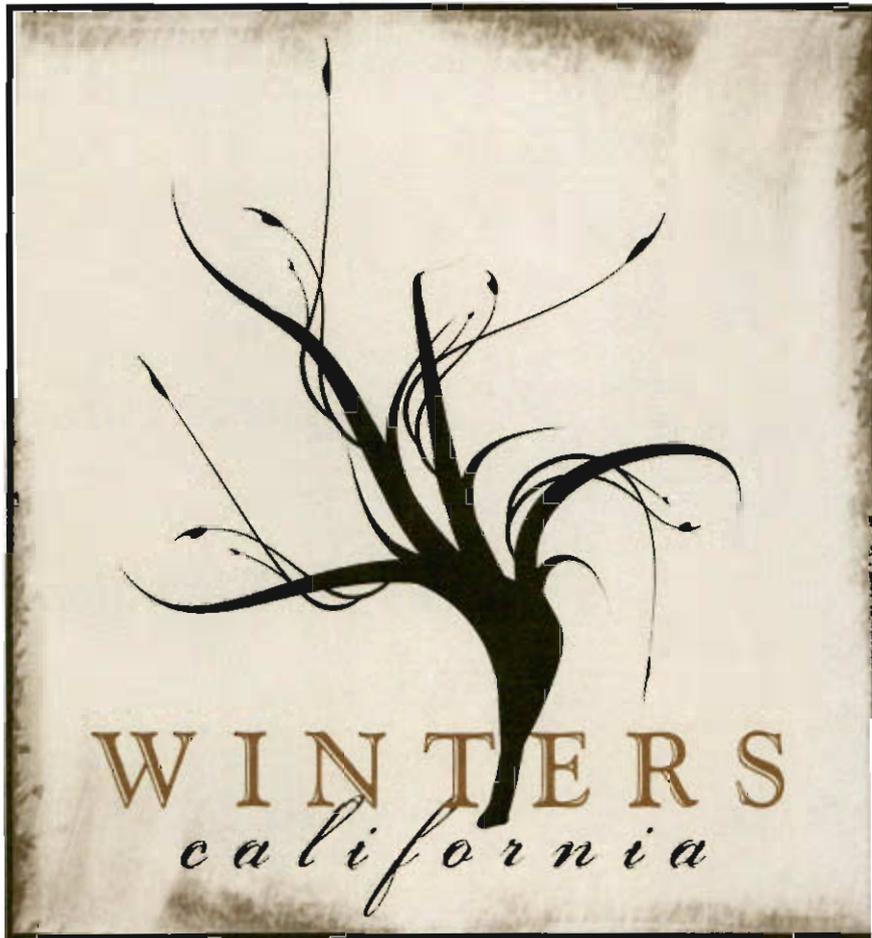
The City of Winters is currently in a very delicate situation in planning its future. The next two fiscal years will be fiscally tight and will determine a course which the City will follow for years to come. Most of it surrounds how successful the City is in attracting economic development. It will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

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

Sincerely,



John W. Donlevy, Jr.
City Manager



Why the tree? Because...

This tree symbolizes Winters: both the roots of our forefathers and the roots of the fruit trees they planted.

Strategic Planning

Strategic Planning

In January 2016, the Staff held a half day Strategic Planning Workshop to set goals and communicate priorities on key projects and initiatives. The workshop resulted in a list of issues and topics as shown below.

Economic Development

- Downtown Hotel Completion
- Alley connecting the New Hotel to the Downtown Businesses through a Pocket Park/Paseo
- Senior Housing Project "Blue Mountain Terrace"
- Senior Center
- Affordable Housing for Teachers, Police Officers and Firefighters.
- Completion of Walnut Park
- Ag Hub
- Broadband
- Downtown Business Attraction
- Freeway Serving Business Development

Public Works

- Chrome 6 Water Issues
- West Main Pump Station
- Well #8
- Landscape Expansion
- Drought Issues
- Street Maintenance

Police

- Hiring of New Police Chief
- Staffing challenges
- VIPS Program
- Citizens Academy
- Social Media Presence
- Property and Evidence Audit
- Emergency Exercise
- Lobby Remodel
- Sally Port Remodel

Fire

- Staffing-Front Line and Administrative
- Fire Prevention
- Water Tenders
- LAFCO (Local Agency Formation Commission) Fire District Report

Planning and Building

- Staffing increases if Economic Development activity begins

Strategic Planning

- General Plan Update
- North Area Annexation
- Freeway Area Development
- Monitor Subdivision Development
- Ordinance Updates-Noise, Landscape, Marijuana
- Seismic Ordinance
- Code Enforcement
- Project Inspections
- Monitor PG&E Project through building completion
- Use Technology in the field

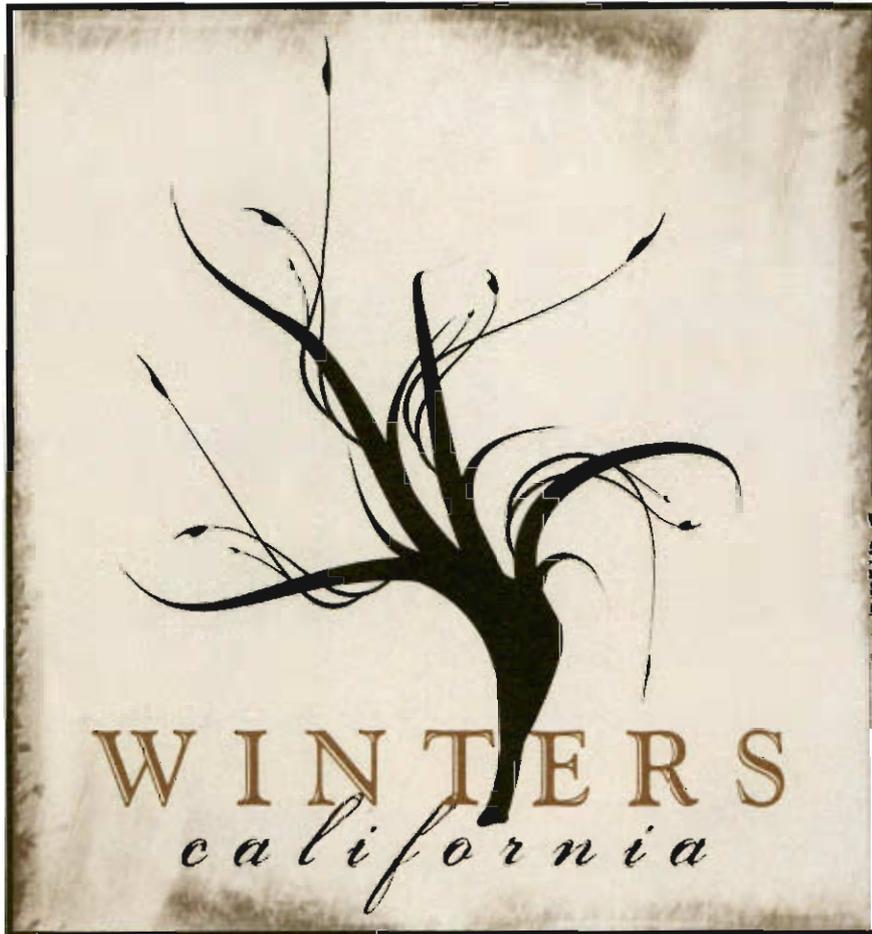
General Government

- Intranet Implementation
- Staff Training
- Community Center-Renovation/Replacement
- Install a Records Management System
- Update City Fee Resolution
- Update Cost Allocation Plan
- Update ABI 600 Plan
- Update Capital Improvement Plan
- Develop a Plan for paying down Unfunded Liabilities
- Update Fiscal forecasting model
- Water and Sewer Rate Plan Update, especially in light of potential cost of implementing the new Chrome 6 requirements.
- Electronic Storage

Capital Projects

- Well 8
- West Area Sewer Pump Station
- Main St. and Grant Avenue Traffic Signal
- Round About at Grant Ave and Walnut Area.
- Traffic Signal at Timbercrest
- Matsumoto St. Improvements
- Linear Park
- Park in the Winters Ranch Subdivision
- Parking
- City Entrances

Staff has included many of the above items in the budget, however, some of the items will be researched and then submitted to the City Council during the budget cycle for budget approval for implementation. Those projects not completed in prior years as well as those projects identified as needing to occur in 2016-2017 and 2017-2018 are included in the 2016-2018 budget as presented.



Why the tree? Because...

The tree shows movement-a moving forward of the City's image. It is artistic, representing the arts, music and theatre.

Budget Practices & Policies

Budget Practices and Policies

Reporting Entity

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

In addition, the financial responsibilities of the City of Winters include the Successor Agency to the Winters Community Development Agency now that the State of California has dissolved all redevelopment agencies.

Fund Accounting

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

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

Accounting Practices

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

Budget Practices and Policies

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

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

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

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

Budgetary Basis of Accounting

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

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

Budget Practices and Policies

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

Basis of Budgeting

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

Reserves

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

Appropriation Authority

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

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

Encumbrances

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

Budget Practices and Policies

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

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

The Budget as a Living Document

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

- The "Triple Flip" of sales tax ended in 2015-2016, and the Property Tax in Lieu of Sales Tax is no longer in place.
- The State of California budget has no real impact on the City of Winters Budget as proposed at the time the City of Winters Budget was prepared.
- The budget includes information about the Successor Agency to the Winters Community Development Agency due to the dissolution of the Winters Community Development Agency effective February 1, 2012.

Budget Process and Calendar

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

All employees within the City of Winters are involved in the budgeting process. This process includes formulation, preparation, implementation, administration and evaluation. All Department Directors are responsible to the City Manager, and the City Manager is responsible to

Budget Practices and Policies

the City Council for meeting the stated objectives and goals in the budget within the amounts appropriated in the budget.

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

- The *City Council* sets the goals, objectives, and priorities that they want staff to concentrate on for the budget years. They are also responsible for reviewing the preliminary budget and approving the final budget for the fiscal year.
- The *City Manager* is responsible for implementing the goals, objectives and priorities of the City Council and recommending funding to carry out those goals, objectives and priorities.
- The *Director of Financial Management* and the staff in the Finance Department are responsible for preparing estimates of remaining costs for the current fiscal year, preparing short and long range revenue and expenditure forecasts, calculating departmental budget targets, and assisting departments during the budget process. This staff is also responsible for reviewing the departmental operating and capital improvement requests as well as reviewing the department budget requests with the Director of each department and the City Manager. The Director of Financial Management prepares the budget material for review by the City Manager.
- The *Capital Improvement Team* consists of the City Engineer, the Public Works Superintendent, the Environmental Services Manager, the City Manager, and any other appointed member. This team is responsible for the review of existing capital projects and the addition of new capital projects based on citizen input and City Council direction. The review of existing projects includes examining the status and cost projections of capital projects to be undertaken, as well as those in progress.

Budget Roles and Responsibilities

- The *Department Directors* are responsible for reviewing historical data, collecting data on future activities and opportunities that affect the department and using this information to prepare a budget that implements the City Councils' goals, objectives and priorities, while at the same time carrying out the mission of the department. Each Department Director is responsible for maintaining departmental control of the approved budget for their department throughout the fiscal year.

Budget Process and Calendar

Budget Process

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

Budget Phases

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

Budget Development Phase-Based upon the goals, projects and priorities developed at the council/staff goal setting workshop, the departments develop budget requests that address new programs, evaluate existing programs, and review staffing levels. Each department begins with a base budget from the prior fiscal year adopted budget, adjusting for inflation and employee compensation agreements, reducing for any one-time expenditures, increasing for known impacts, and adding new programs or activities. Departments may also decrease the requested funding due to the discontinuance of programs or activities, reorganization of staff or other economic issues that affect the funding available to carry out programs. Financial trend analysis is performed on all funds, reviewing the city's financial condition with existing programs as well as its capacity to implement new programs.

Budget Process and Calendar

The analysis includes evaluating long term and short term operating needs, capital improvement projects and how the long range plans of the city are being implemented. City financial policies are reviewed and updated as needed. The City Manager and Director of Financial Management review the preliminary budget for its ability to carry out the goals, projects and priorities of the City Council.

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

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

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

Budget Process and Calendar

Policy/Strategy Development Phase

October-November

Budget Development Phase

March-April

Review Modification Phase

May

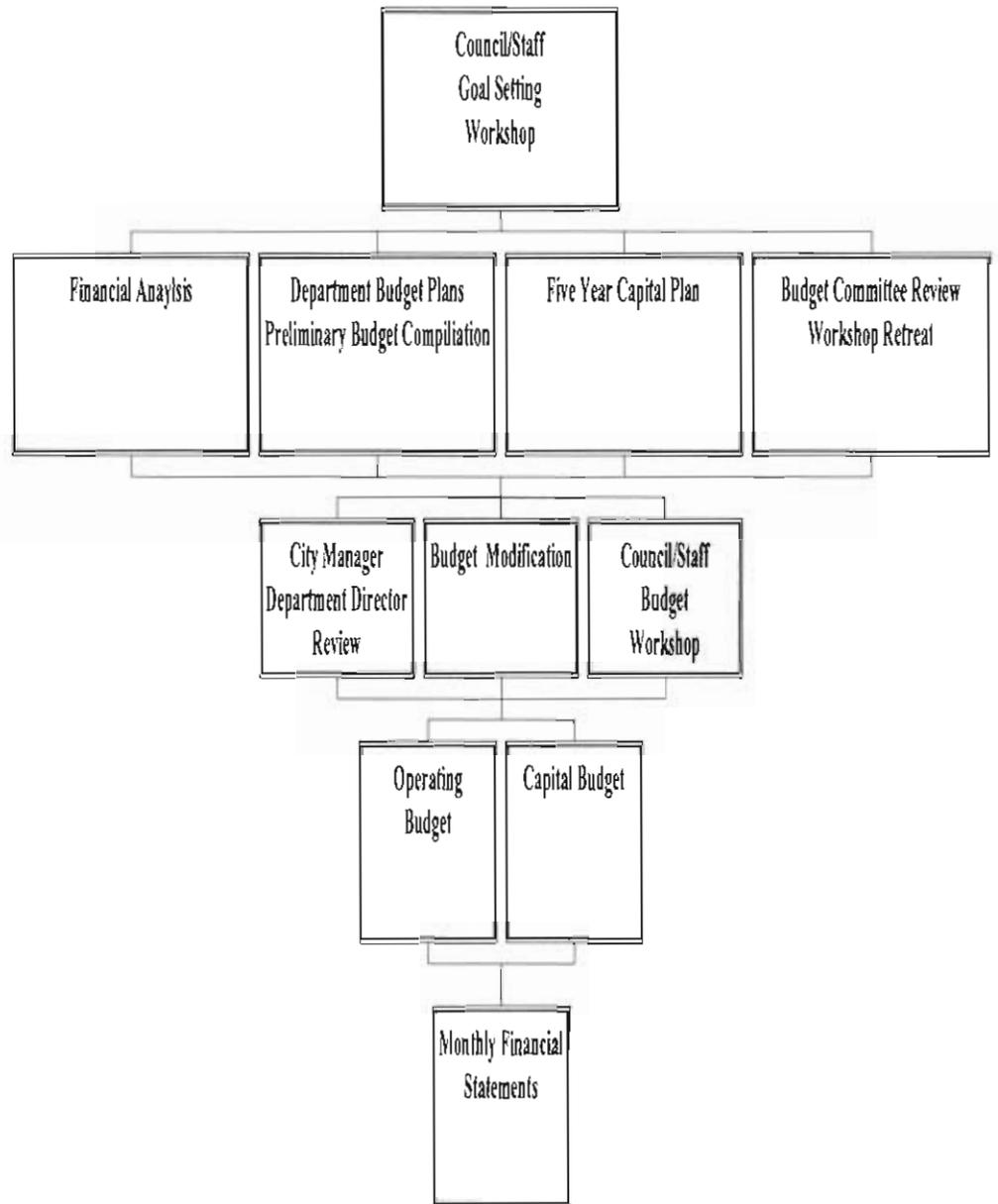
Adoption Phase

June

Implementation Phase

July-June

Budget Calendar



Review and Approval of Budget

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

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

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

Amendment to the Budget

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

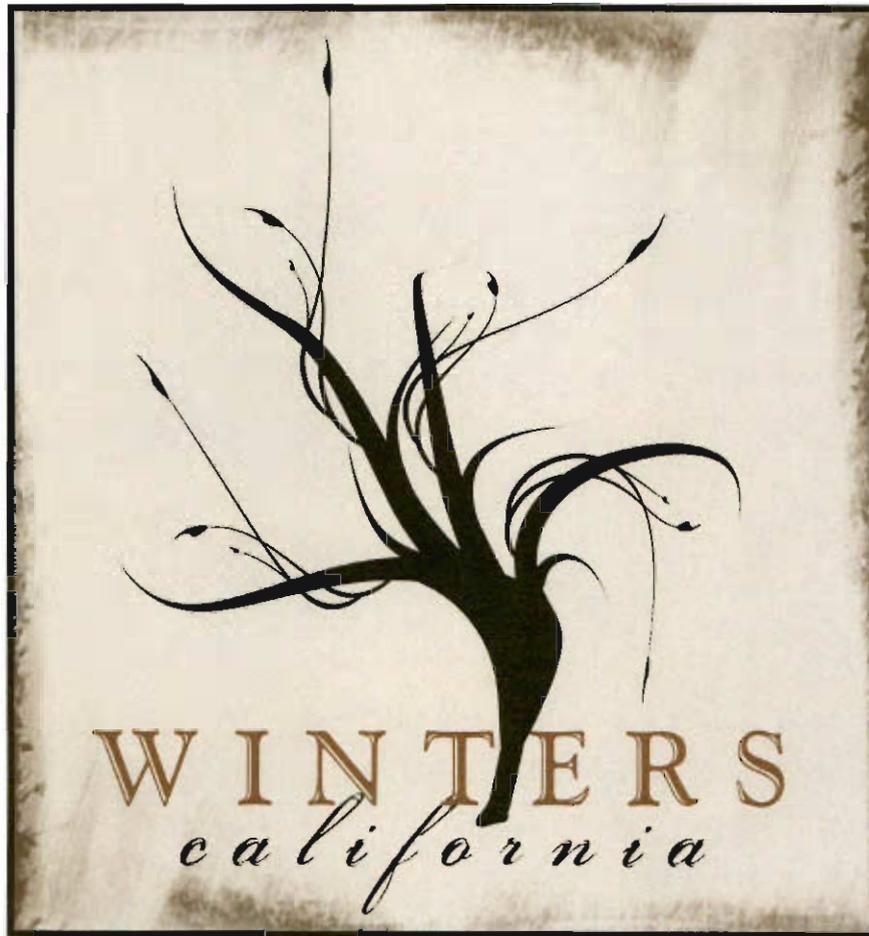
Use of Contingency Operating and Transfers

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

Capital Budget Relationship and Organization

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

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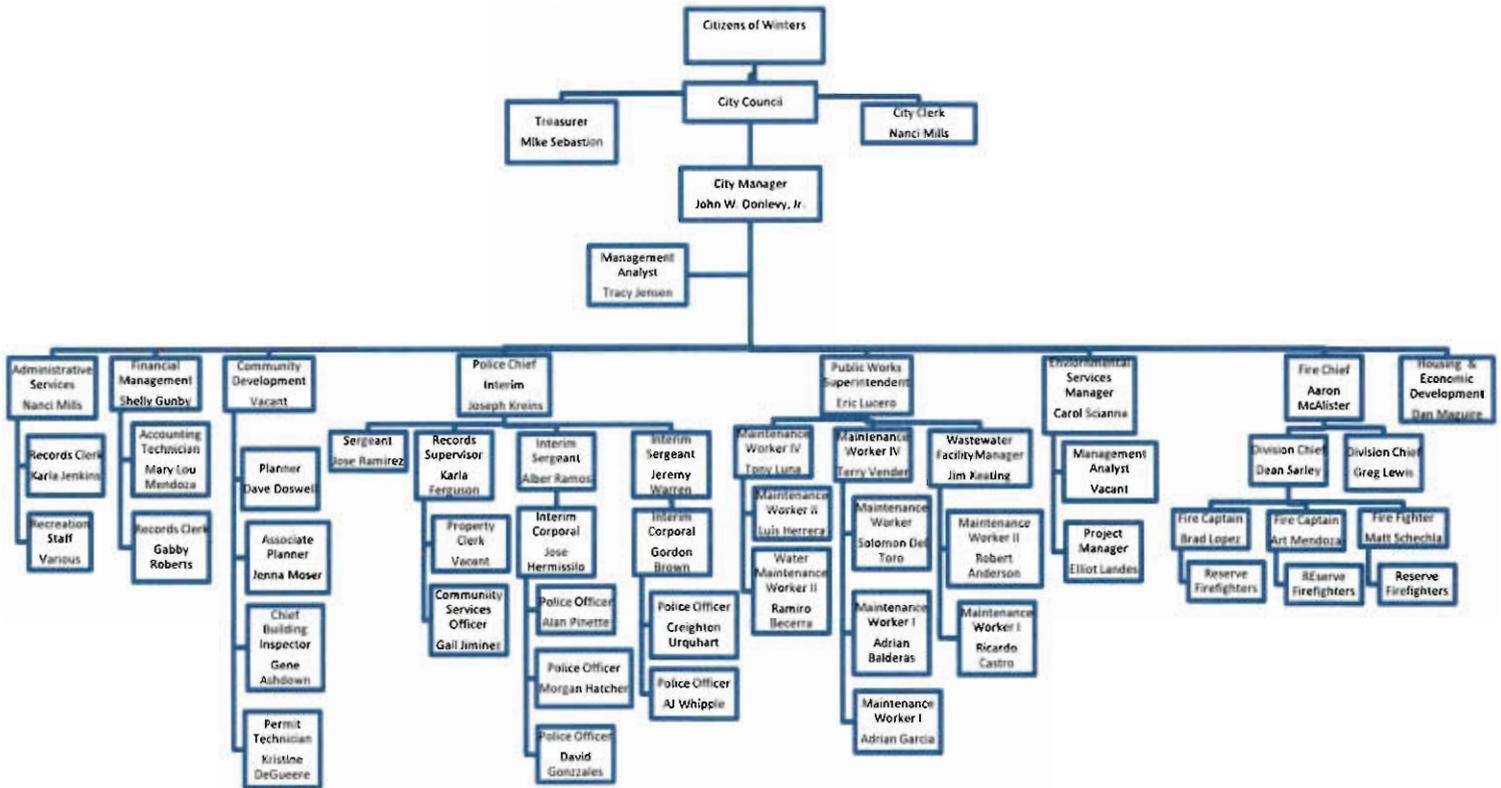


Why the tree? Because...

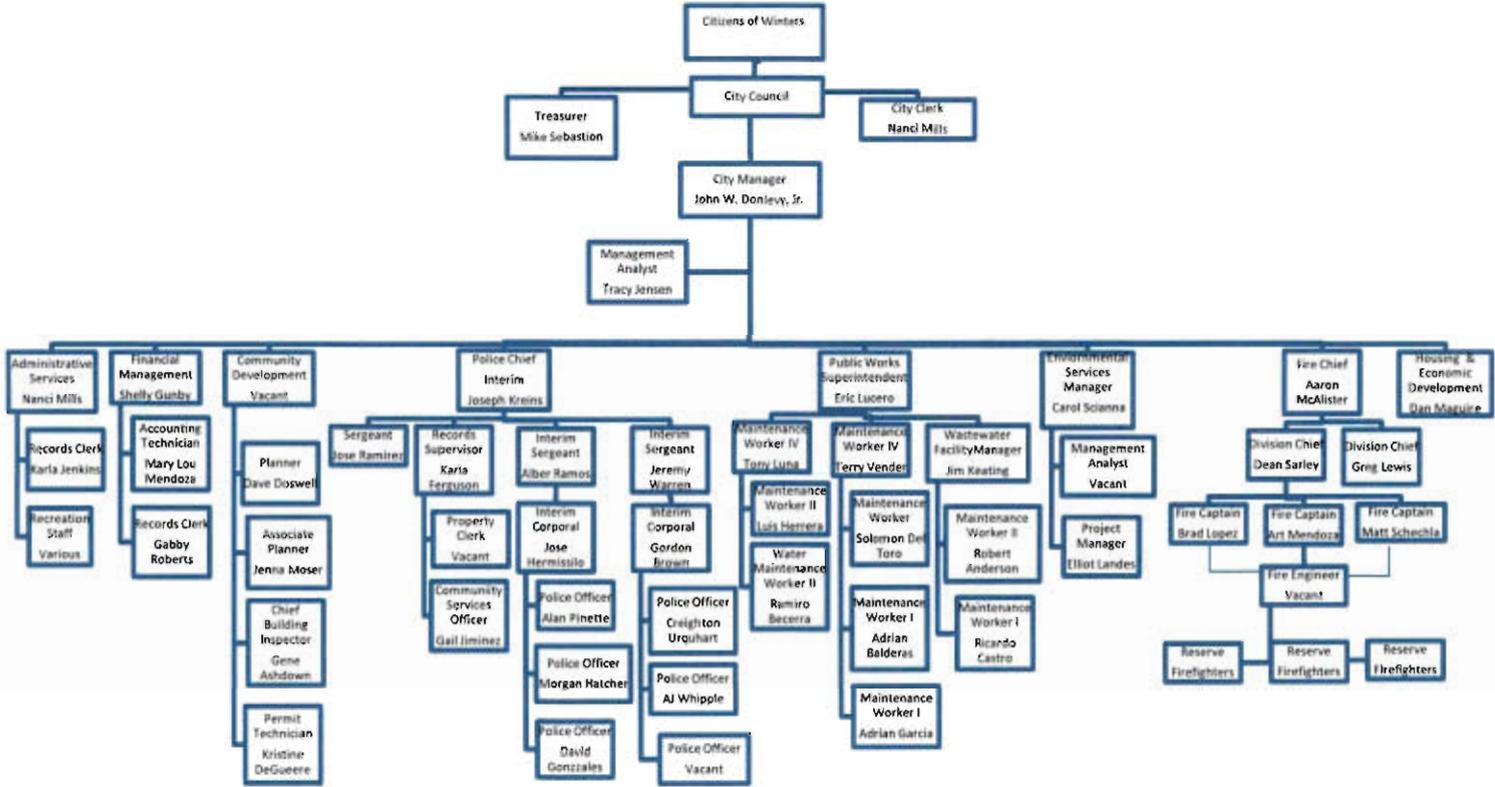
The tree advertises the fertility of the land we live on, the land that produces the fruits, nuts and vegetables we eat and sell.

City Profile

City of Winters Organizational Chart Fiscal Year 2016-2017



City of Winters Organizational Chart Fiscal Year 2017-2018



City Profile

History

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

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

Quality of Life

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

City Profile

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

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

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

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

Government

Incorporated February 9, 1898

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

City Profile

Full time Employees - Fiscal Year 2014-2015 and 2015-2016¹

	2014-2015	2015-2016
Community Development	2.40	2.40
Finance	3.55	3.55
General Government	6.17	6.17
Police Department	13.60	13.60
Fire Department	7.00	7.00
Public Works	12.98	13.98
Recreation	9.85	9.85
	55.55	56.55

Demographics

Land Area 2.516 square miles

Population

1970	2,419
1975	2,510
1980	2,652
1990	4,450
2000	6,125 ²
2010	6,624 ³
2011	6,609 ⁴
2012	6,839 ⁵
2013	6,974 ⁶
2014	6,979 ⁷
2015	7,200 ⁸
2016	7,214 ⁹

Households¹⁰

	2,187	
Family Households	1,711	78.3%
Married Couples	1,322	

¹ 2014-2016 Adopted Budget

² U.S. Census Bureau, Census 2000

³ U.S. Census Bureau, Census 2010

⁴ California Department of Finance

⁵ California Department of Finance

⁶ California Department of Finance

⁷ California Department of Finance

⁸ California Department of Finance

⁹ California Department of Finance

¹⁰ U.S. Census Bureau, Census 2010

City Profile

Households (Continued)

Family Households (Continued)

Female Householder	134	
Male Householder	255	
Non-family Householder	475	21.75%

Age¹¹

Under 5 Years	417	6.3%
5-9 years	445	6.7%
10-14 years	502	7.6%
15-19 years	586	8.8%
20-24 years	498	7.5%
25-29 years	417	6.3%
30-34 years	379	5.7%
35-39 years	391	5.9%
40-44 years	520	7.9%
45-49 years	592	8.9%
50-54 years	540	8.2%
55-59 years	442	6.7%
60-64 years	294	4.4%
65-69 years	204	3.1%
70-74 years	142	2.1%
75-79 years	99	1.5%
80-84 years	76	1.1%
85 years and older	80	1.2%

Median Age (years) 35.9

Sex¹²

Male	3,351	50.6%
Female	3,273	49.4%

Housing Units¹³ 2135

Single Family	1695	79.39%
Multi Family	358	16.77%
Mobile Homes	82	3.84%
Vacancy Rates		1.7%

¹¹ U.S. Census Bureau, Census 2010

¹² U.S. Census Bureau, Census 2010

¹³ U.S. Census Bureau, Census 2010

City Profile

Housing Value¹⁴

Less than \$50,000	78	5.8%
\$50,000-\$99,999	9	.7%
\$100,000-\$149,999	25	1.9%
\$150,000-\$199,999	40	3.0%
\$200,000-\$299,999	335	25.1%
\$300,000-\$499,999	599	44.9%
\$500,000-\$999,999	239	17.9%
\$1,000,000 or more	10	.7%
Median Home Value	\$349,300	

Age of Housing¹⁵

1939 or earlier	195	9.1%
1940-1949	52	2.4%
1950-1959	356	16.7%
1960-1969	306	14.3%
1970-1979	134	6.3%
1980-1989	477	22.3%
1990-1999	225	10.5%
2000-2004	347	16.3%
2005 or later	43	2.0%

Household Income¹⁶

Less than \$10,000	69	3.3%
\$10,000-\$14,999	124	5.9%
\$15,000-\$24,999	138	6.6%
\$25,000-\$34,999	125	6.0%
\$35,000-\$49,999	315	15.0%
\$50,000-\$74,999	523	24.9%
\$75,000-\$99,999	130	6.2%
\$100,000-\$149,999	573	27.3%
\$150,000-\$199,999	49	2.3%
\$200,000 or more	51	2.4%
Median Household Income	\$ 59,679	

¹⁴ U.S. Census Bureau, Census 2010

¹⁵ U.S. Census Bureau, Census 2010

¹⁶ U.S. Census Bureau, Census 2010

City Profile

Level of Educational Attainment¹⁷

Population 25 years and over		
Graduate or Professional Degree	212	5.5%
Bachelor's Degree	608	15.7%
Associate's Degree	246	6.3%
Some College No Degree	935	24.1%
High School Graduate	973	25.1%
9th-12th Grade, No Diploma	324	8.3%
Less than 9th Grade	583	15.0%

Racial Composition¹⁸

American Indian	0.80%
African American	0.60%
Asian	1.00%
Hispanic	52.4%
Native Hawaiian/Pacific Islander	0.10%
White	17.60%
Other	22.50%
Two or More ethnicities	5.00%

Major Employers¹⁹

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

¹⁷ U.S. Census Bureau, Census 2010

¹⁸ U. S. Census Bureau, Census 2010

¹⁹ U.S. Census Bureau, Census 2010

City Profile

Distribution of Jobs by Industry²⁰

Employed persons Aged 16 and Over	3,233	
Agriculture	306	9.5%
Construction	481	14.9%
Manufacturing	227	7.0%
Wholesale Trade	144	4.5%
Retail Trade	370	11.4%
Transportation/Warehousing	317	9.8%
Information	50	1.5%
Finance	73	2.3%
Professional/Scientific	202	6.2%
Educational	509	15.7%
Arts/Food Service/Accommodations	228	7.1%
Other Services	194	6.0%
Public Administration	132	4.1%

Services by Other Governmental Agencies

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

Community Services

Parks: 7 (approx 12.2 acres)
 Community Center: 1
 Police Station: 1
 Water Wells: 5
 Sewer Plant: 1
 Fire Station: 1

Public Transportation

Yolo County Transportation District

Fire Protection

Winters Fire Protection District

Gas and Electricity

Pacific Gas and Electric

²⁰ U.S. Census Bureau, Census 2010

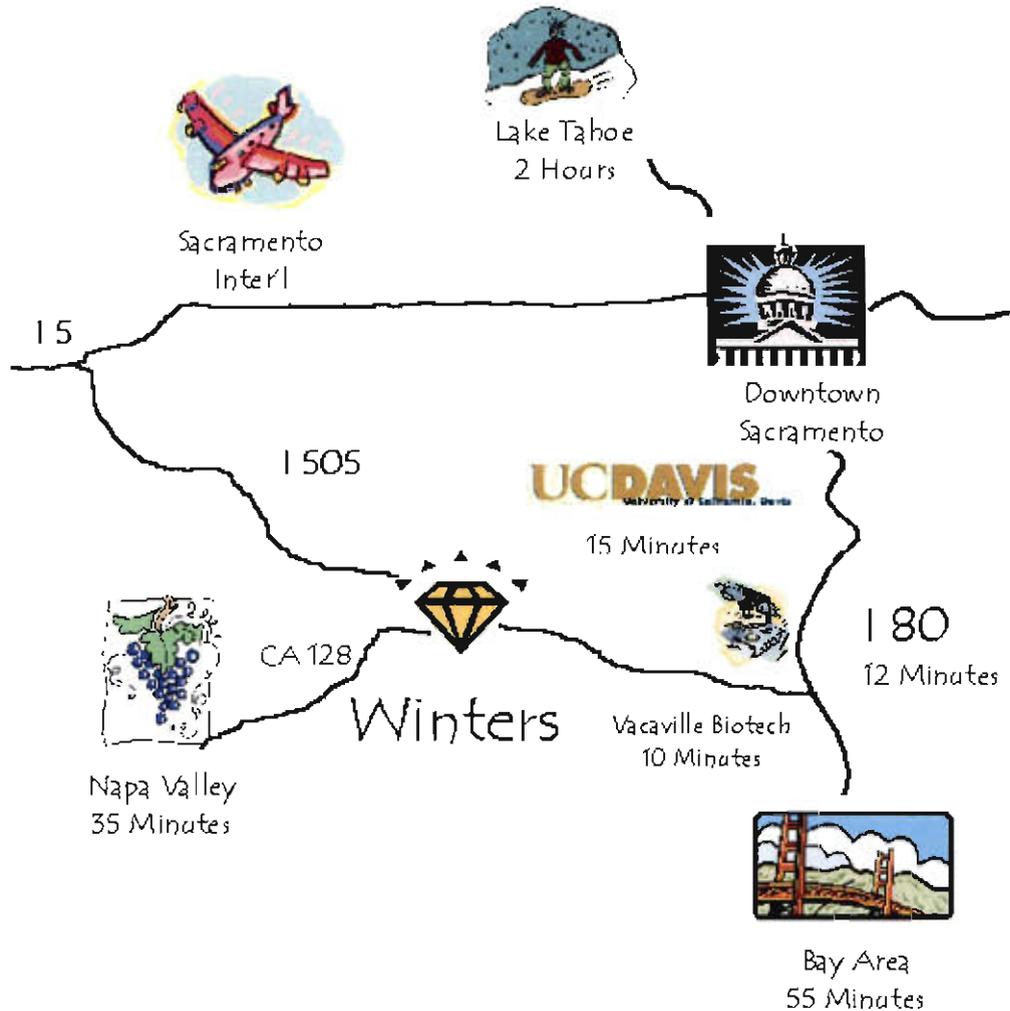
City Profile

Education

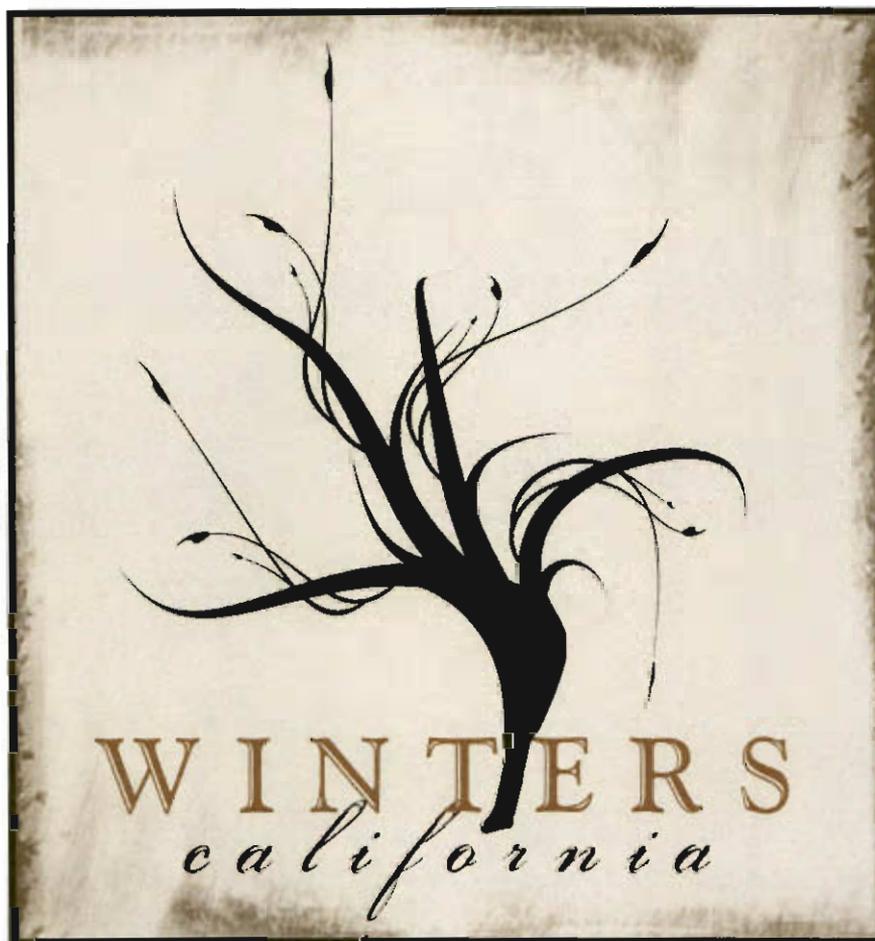
The Winters Joint Unified School District operates the following:

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

Where is Winters??



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Why the tree? Because...

The tree is progressive. Remember: "...the community embraces outdoor recreation, green living, cultural diversity, performing and visual arts and destination businesses.

Summary Financial Information

Budget Summary

Fund Structure, Purpose and Accounting Basis

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

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

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

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

General Fund

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

Budget Summary

revenues generated from permits, fees and investment earnings.

Special Revenue Funds

Special Revenue Funds account for activities funded by special purpose revenue, that is, revenues that are legally restricted to expenditures for a specific purpose. Many of these funds have grant-based revenues, which may only be spent under specific guidelines. Most of the federal, state and county grants the City administers are included in this category. The City maintains 44 special revenue funds.

Capital Project Funds

These are the Capital Improvement Project (CIP) funds. They are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds such as the Water and Sewer Funds), i.e., the development of a new neighborhood park or a public safety facility to house the Police and Fire Departments. The City has 20 Capital Project Funds, which includes nine(9) funds for the collection and spending of Development Impact Fees.

Enterprise Funds

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

- Water

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

- Sewer

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

Budget Summary

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

Debt Service Funds

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

Fiduciary Fund Types

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

Summary Financial Section

The Summary Financial Section consists of the following information:

- 2014-2018 Summary of Estimated Financial Sources and Uses and Changes in Fund Balance for Governmental Funds. This includes the General Fund, Special Revenue Funds, Debt Service Funds and Capital Funds
- 2014-2018 Summary of Estimated Revenues, Expenses and Changes in Retained Earnings for Enterprise Funds. This includes the Water, Sewer and Central Service Overhead Funds.
- Total Revenue Summary
- Total Expenditure Summary

Budget Summary

Decreases in Fund Balance/Retained Earnings.

It is the policy of the City of Winters that on-going current General Fund expenditures are funded by current year General Fund revenues. Expenditure of carry forward savings is to be for one-time expenditures only, based upon City Council approval. This General Fund balance anticipates expenditure of carry forward savings of approximately \$128,302 for 2016-2017 and a surplus of \$138,092 for 2015-2016. This use of carry forward savings is due to the expected additional costs for economic development project implementation. The economic downturn affected the property tax revenues of the city for 8 years, and is projected to return to 08-09 levels in 2016-2017. City Revenues are gradually increasing, due to the increase in assessed value of property throughout the city. The increase in building activity in 2015-2016 and projected to continue through 2017-2018 is helping to fund services throughout the City, and once the buildings are completed and included in the assessed value of the property throughout the City, revenues should stabilize and increase for property taxes. Prudent planning in the past has allowed the city to accumulate a fund balance that has allowed the City to continue to provide services to the community at the level that the community has come to expect during the time of decreased revenues. The Economic Development activities, as well as additional housing activities will help the City be in a much more stable financial position in the future.

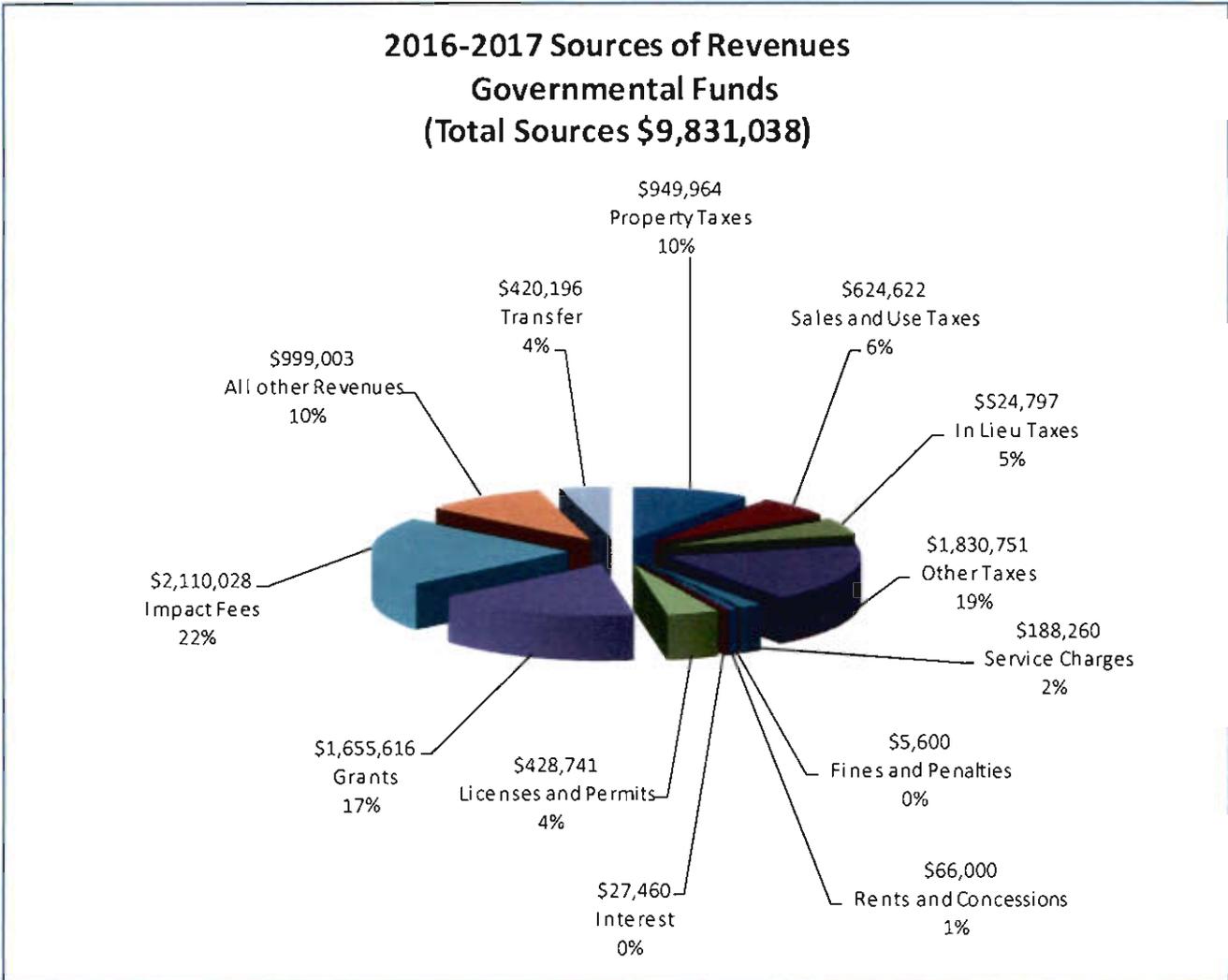
The Special Revenue Funds group anticipates a reduction in fund balance for certain individual funds, and a decrease in the fund group as a whole for both 2016-2017 and 2017-2018. Special Revenue funds typically must accumulate cash over a period of years before a substantial amount of funds are available to undertake projects to be funded from these funds. This will be addressed in more detail in the "Other Funds"

The Capital Funds group anticipates a decrease in fund balance in some individual funds, but an increase in the fund group as a whole for both 2016-2017 and 2017-2018. Capital funds typically must accumulate cash over a period of years before a substantial amount of funds are

Budget Summary

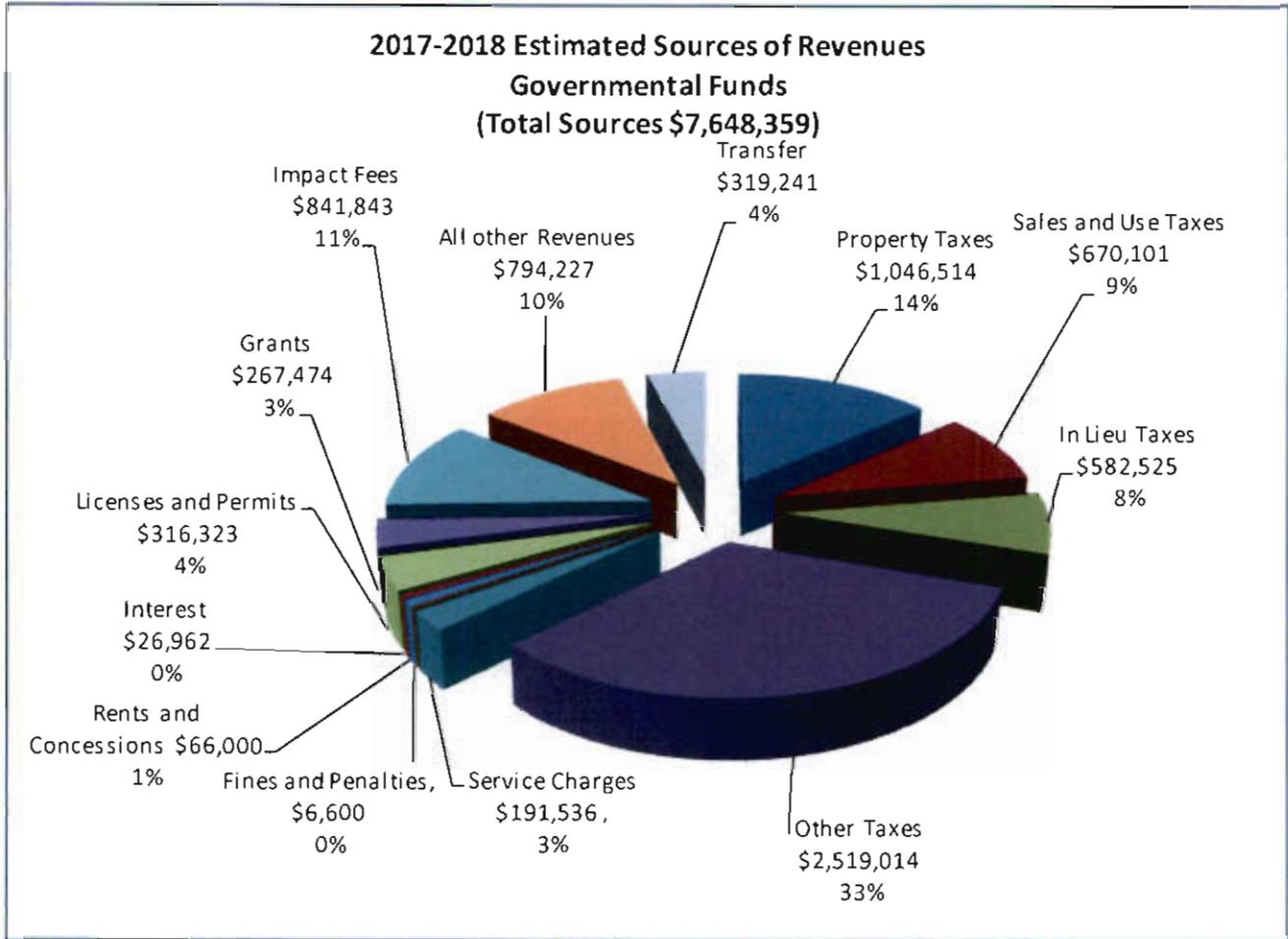
are available to undertake projects to be funded from these funds. This will be addressed in more detail in the "Other Funds" section of this budget.

Governmental Funds Summary of Estimated Sources and Expenditures



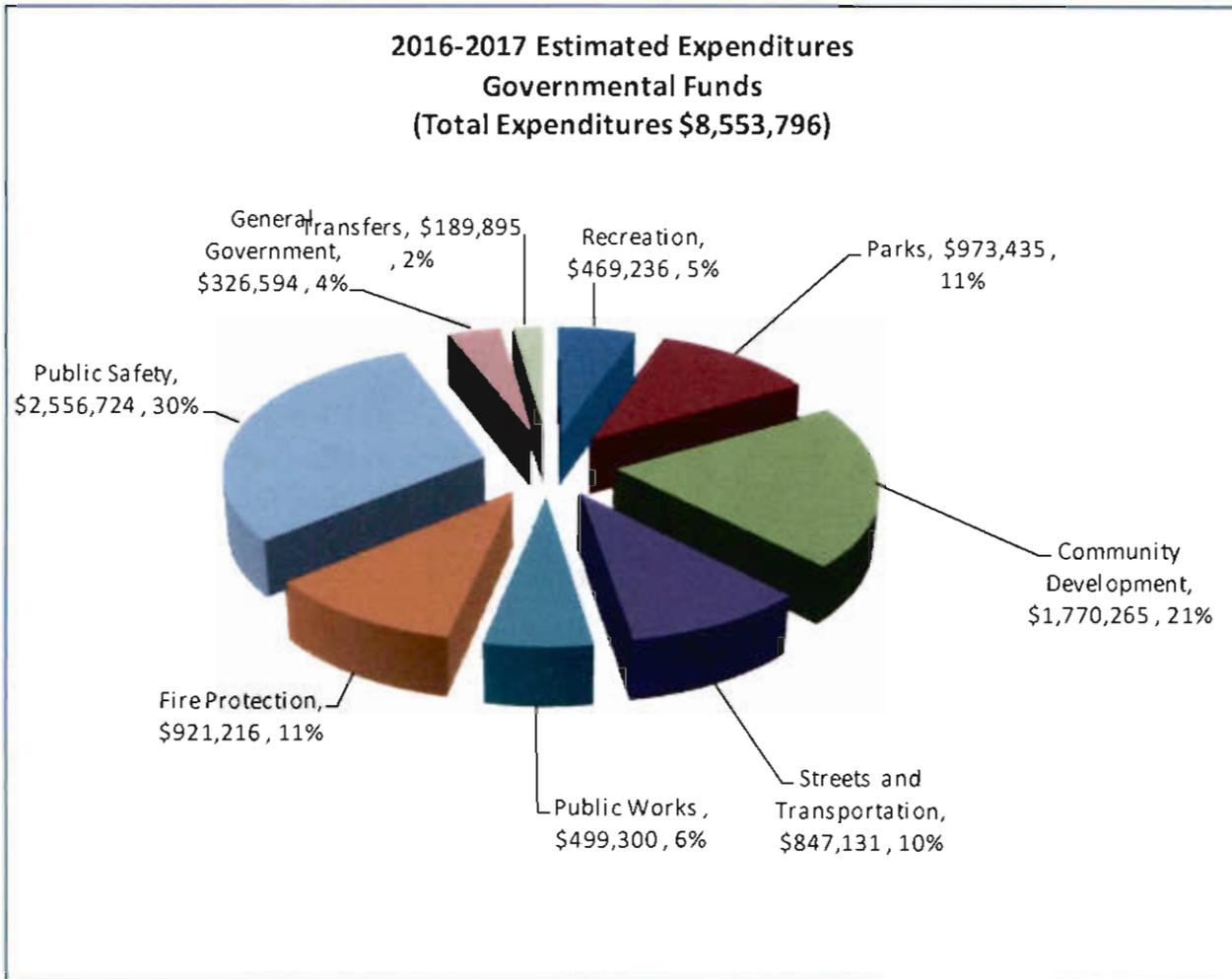
Budget Summary

Governmental Funds Summary of Estimated Sources and Expenditures



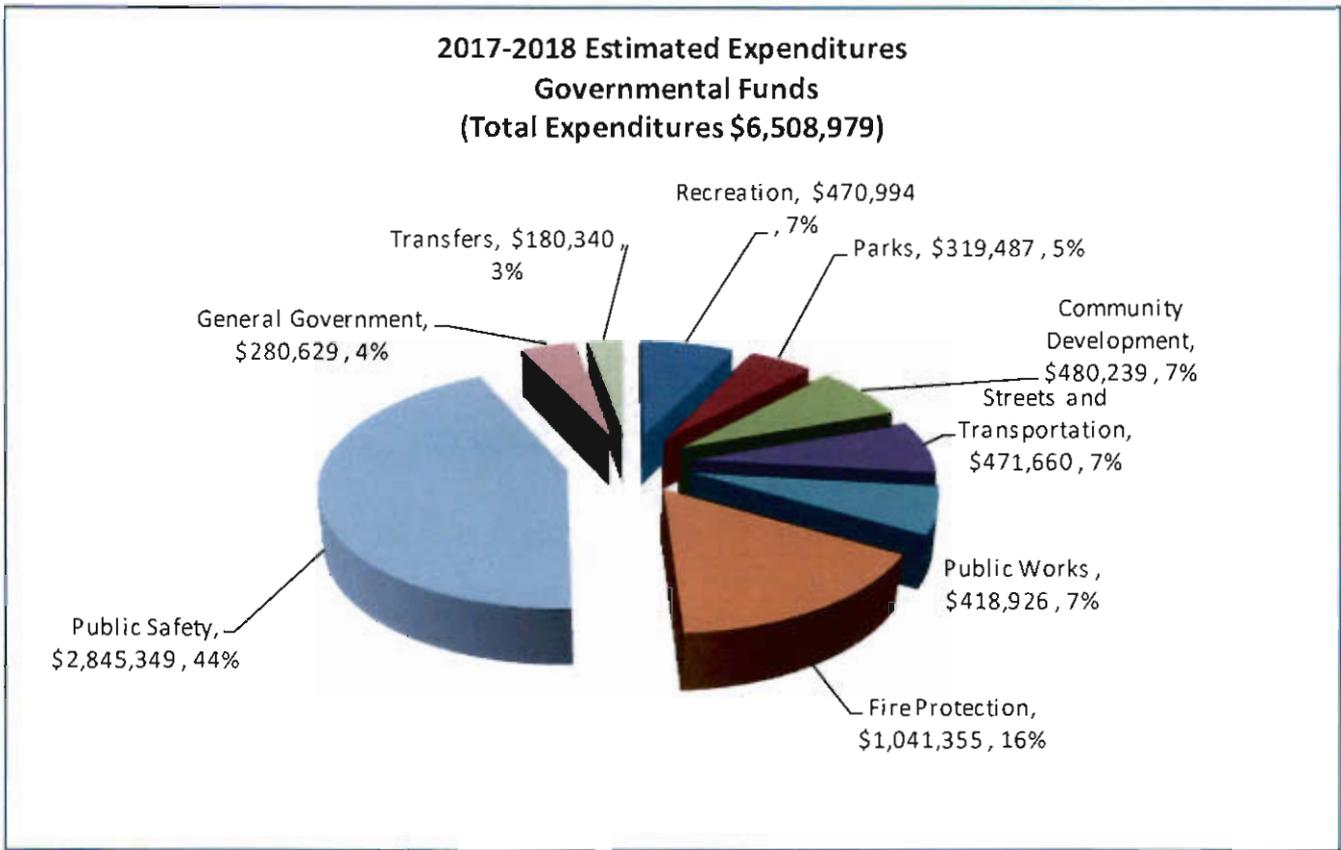
Budget Summary

Governmental Funds Summary of Estimated Sources and Expenditures



Budget Summary

Governmental Funds Summary of Estimated Sources and Expenditures

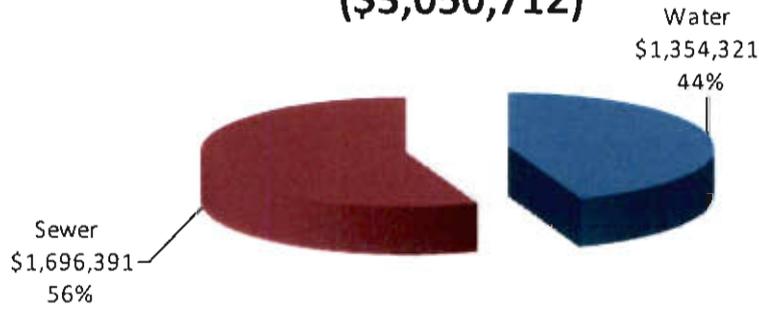


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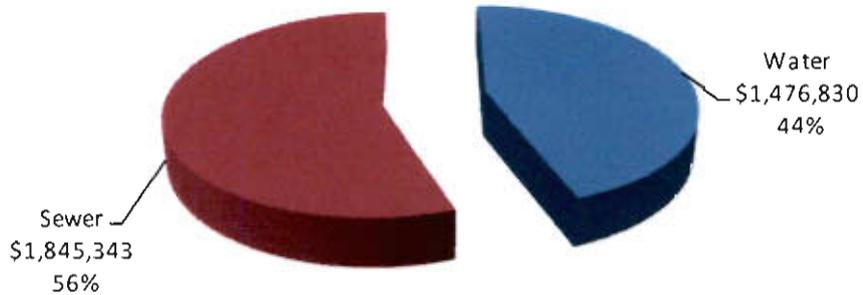
Governmental Funds
 2016-2018 Summary of Estimated Financial Sources and Uses
 (For Budgetary Purposes Only)

	General Fund					Special Revenue Funds				
	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
Financial Sources:										
Property Taxes	\$ 657,737	\$ 667,655	\$ 715,161	\$ 749,464	\$ 833,414	\$ 196,167	\$ 195,895	\$ 200,166	\$ 200,500	\$ 213,100
Property Tax in Lieu of VLF	461,069	486,845	514,507	524,797	592,525	-	-	-	-	-
Property Taxes in Lieu of Sales Tax	129,096	151,959	17,872	-	-	-	-	-	-	-
Sales and Use Taxes	480,166	462,857	629,873	624,622	670,101	564,596	556,942	510,648	522,622	527,828
Other Taxes	1,280,460	1,259,886	1,288,737	1,308,129	1,961,186	-	-	-	-	-
Service Charges	128,912	115,853	196,198	188,260	191,536	-	-	-	-	-
Fines and Penalties	-	-	-	-	-	5,954	10,878	6,600	6,600	6,600
Rents and Concessions	66,280	75,327	66,000	66,000	66,000	-	-	-	-	-
Interest	3,929	4,221	2,850	2,850	2,850	29,661	48,078	16,916	20,403	19,903
Licenses and Permits	105,136	164,913	482,388	428,741	316,323	-	-	-	-	-
Grants	1,509	608	1,000	3,500	3,500	1,593,908	1,211,239	1,518,206	851,707	263,974
Impact Fees	-	-	-	-	-	-	-	-	-	-
All other Revenues	489,669	634,370	1,648,990	633,043	514,721	215,320	255,863	250,139	96,692	96,693
Total Estimated Financial Sources	\$ 3,781,151	\$ 4,086,343	\$ 5,463,066	\$ 4,529,407	\$ 5,172,155	\$ 2,607,626	\$ 2,278,895	\$ 2,504,693	\$ 1,697,503	\$ 1,128,096
Expenditures										
General Government	\$ 341,725	\$ 388,992	\$ 575,132	\$ 314,594	\$ 280,629	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	1,913,807	2,069,036	2,396,284	2,420,248	2,717,673	128,011	96,225	122,709	124,476	127,676
Fire Protection	948,910	896,471	1,104,946	909,216	1,041,355	479,493	737,566	138,678	-	-
Public Works	288,176	410,561	369,744	456,300	413,926	2,396	4,507	5,000	5,000	5,000
Streets and Transportation	-	-	-	-	-	778,122	585,875	1,535,254	713,131	471,660
Community Development	371,137	441,649	680,779	459,297	480,039	13,334	19,263	478,761	1,310,968	200
Debt Service	-	-	-	-	-	-	-	-	-	-
Parks	-	36,039	-	-	-	727,681	432,526	700,588	904,196	309,867
Recreation	163,761	181,291	178,630	212,653	217,041	229,697	212,297	217,117	254,322	253,953
Total Budget	\$ 4,028,517	\$ 4,423,039	\$ 5,302,714	\$ 4,774,309	\$ 5,150,663	\$ 2,358,994	\$ 2,078,188	\$ 3,198,107	\$ 3,312,093	\$ 1,168,476
General Contingencies and Reserves										
Total Use of Resources	\$ 4,028,517	\$ 4,423,039	\$ 5,302,714	\$ 4,774,309	\$ 5,150,663	\$ 2,358,994	\$ 2,078,188	\$ 3,198,107	\$ 3,312,093	\$ 1,168,476
Net Increase (Decrease) in Fund Balance	\$ (247,366)	\$ (336,696)	\$ 160,351	\$ (244,902)	\$ 21,492	\$ 248,632	\$ 197,706	\$ (693,414)	\$ (1,614,569)	\$ (40,378)
Fund Balance July 1	4,180,520	4,211,044	4,196,387	4,473,338	4,345,036	6,711,265	7,004,412	7,266,776	6,718,057	5,217,169
Adjustments										
Transfers In	277,895	412,036	116,600	116,600	116,600	244,875	581,262	173,851	153,836	141,236
Transfers Out	-	(80,000)	-	-	-	(200,160)	(486,595)	(59,156)	(40,137)	(116,937)
Fund Balance June 30	\$ 4,211,044	\$ 4,196,387	\$ 4,473,338	\$ 4,345,036	\$ 4,483,128	\$ 7,034,412	\$ 7,296,776	\$ 6,718,057	\$ 5,217,169	\$ 5,169,112

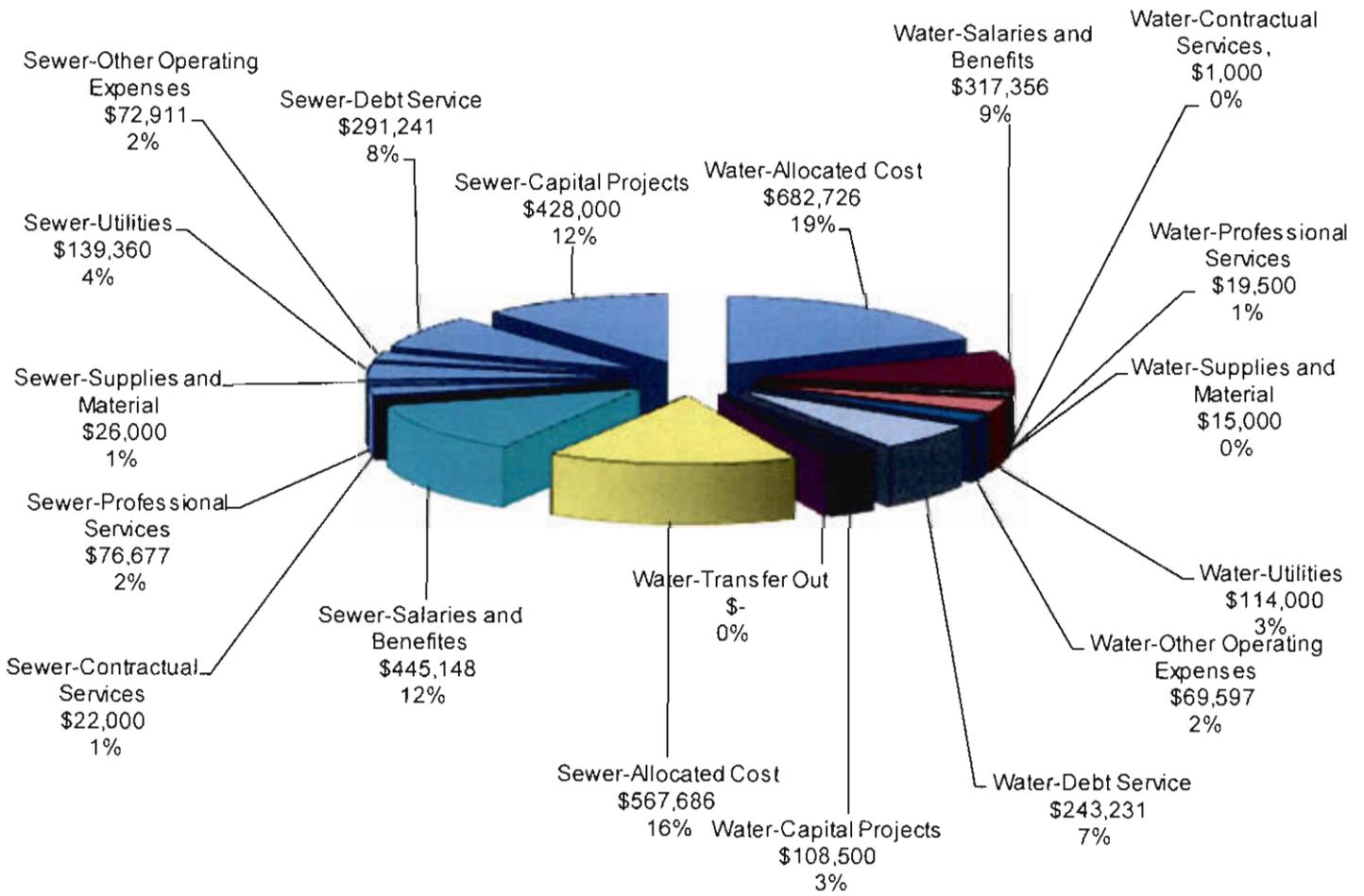
**Enterprise Funds
2016-2017 Estimated Sources of Funds
(\$3,050,712)**



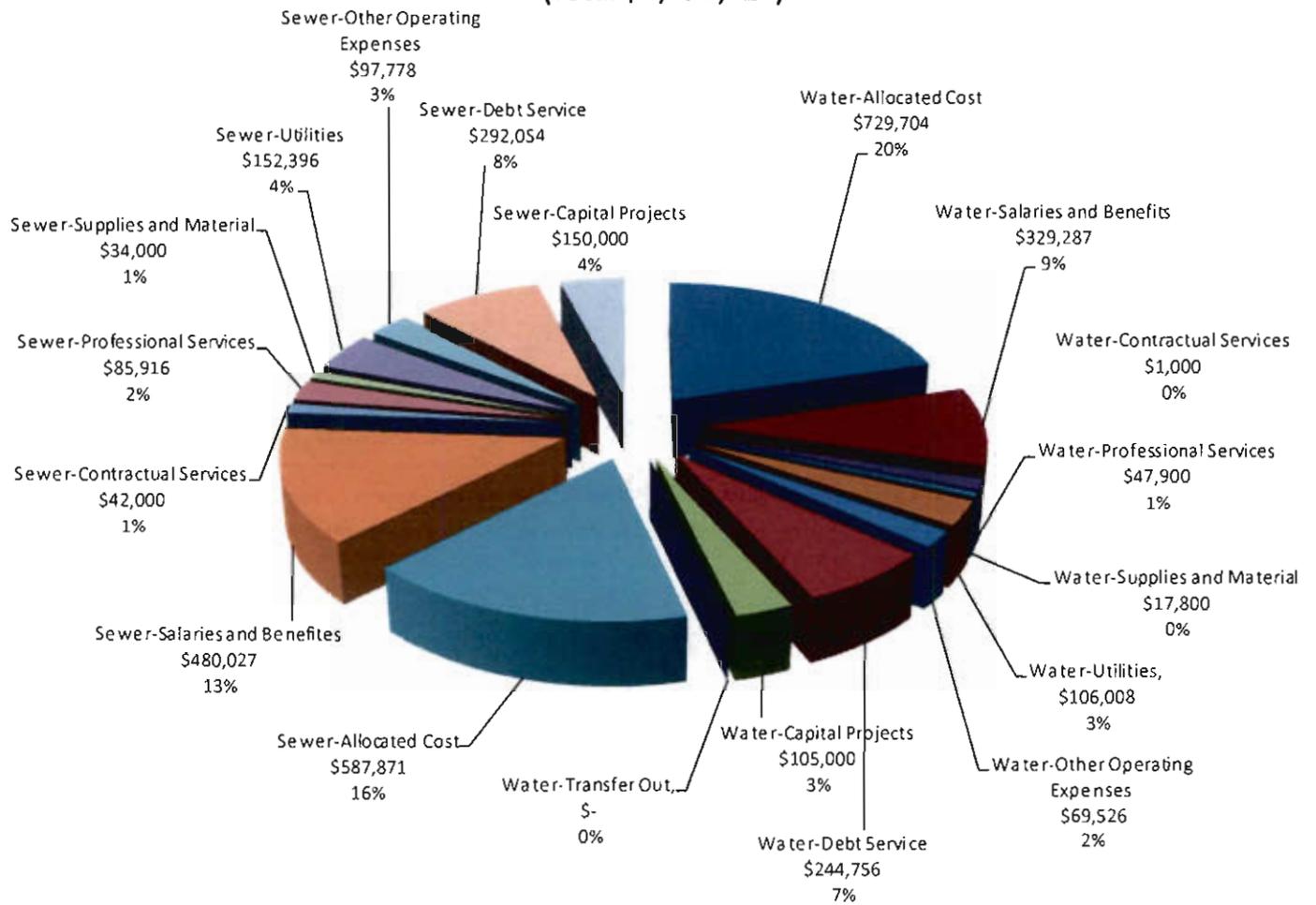
**Enterprise Funds
2017-2018 Estimated Sources of Funds
(\$3,322,173)**



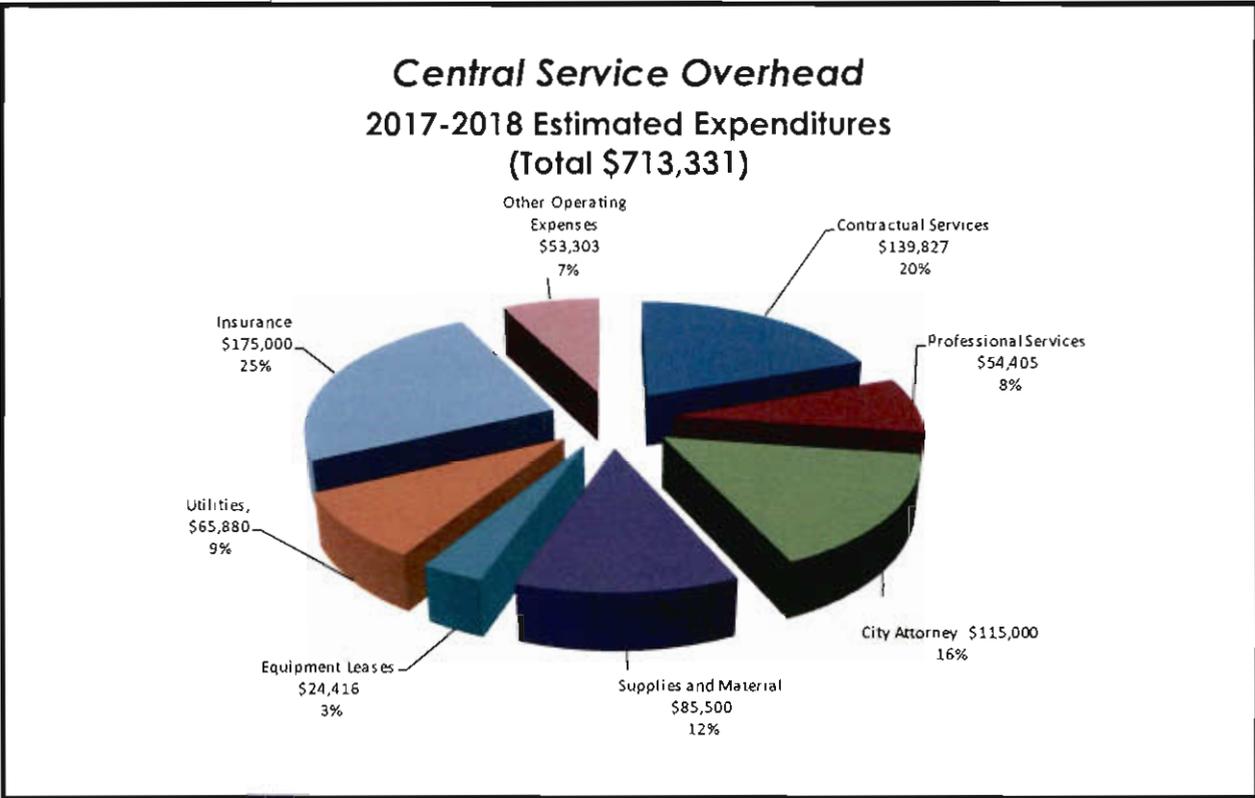
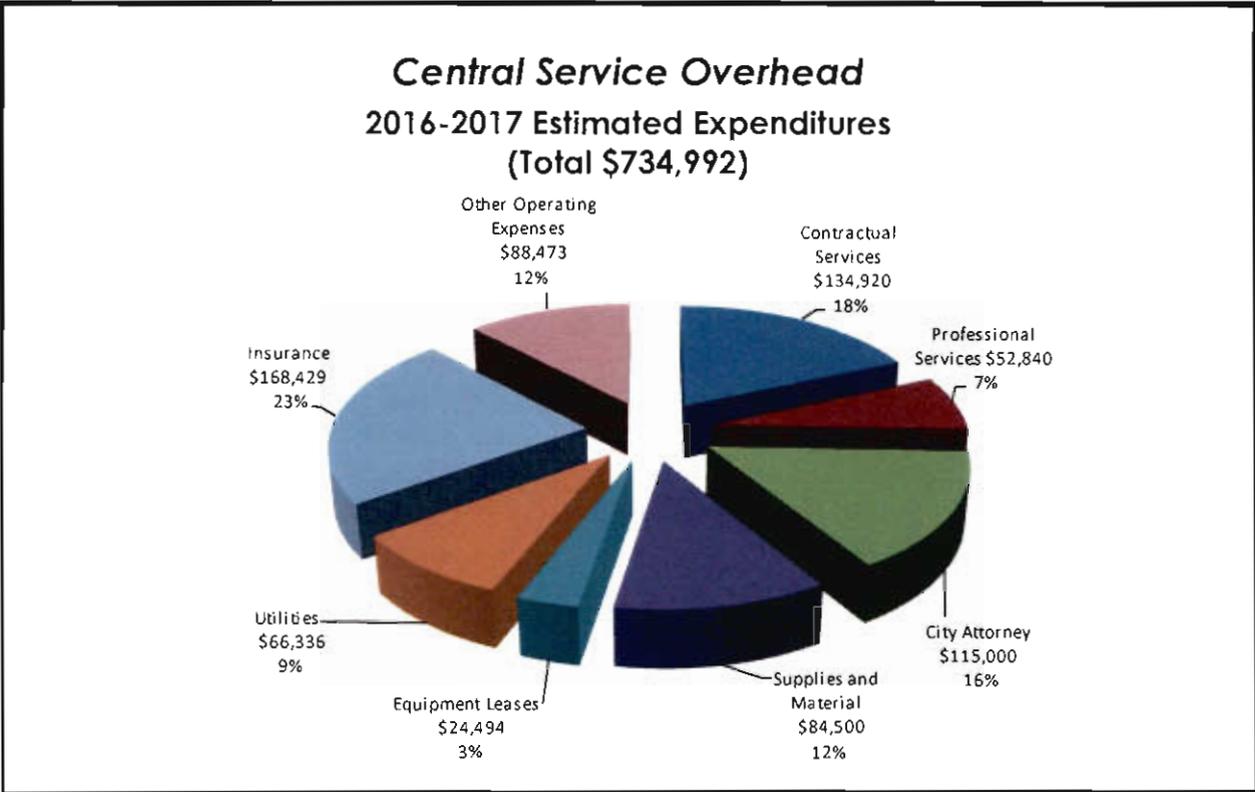
**Enterprise Funds
2016-2017 Estimated Expenditures
(Total \$3,639,933)**



Enterprise Funds 2017-2018 Estimated Expenditures (Total \$3,573,023)



**Central Service Overhead
Estimated Expenditures**



Enterprise Funds
2016-2018 Summary of Estimated Revenues, Expenses
and Changes in Retained Earnings

(For Budgetary Purposes Only)

	Water Fund				
	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
Operating Revenues					
Charges for Services	\$ 1,229,850	\$ 1,199,595	\$ 1,262,517	\$ 1,348,021	\$ 1,470,530
Other Revenues	74,817	62,377	62,357	6,300	6,300
Total Operating Revenues	\$ 1,304,667	\$ 1,261,972	\$ 1,324,874	\$ 1,354,321	\$ 1,476,830
Operating Expenses					
Allocated Cost	\$ 508,267	\$ 594,319	\$ 665,182	\$ 682,726	\$ 729,704
Salaries and Benefits	228,345	247,104	270,587	317,356	329,287
Contractual Services	-	2,186	-	1,000	1,000
Professional Services	42,883	40,432	26,075	19,500	47,900
Supplies and Material	20,823	21,132	21,000	15,000	17,800
Equipment Leases					
Utilities	145,875	144,289	122,163	114,000	106,008
Insurance					
Other Operating Expenses	81,569	83,660	82,600	69,597	69,526
Depreciation	94,556	87,554	-	-	-
Debt Service	246,656	243,630	246,509	243,231	244,756
Capital Projects		12,538	15,000	108,500	105,000
Total Operating Expenses	\$ 1,368,975	\$ 1,476,844	\$ 1,449,115	\$ 1,570,911	\$ 1,650,982
Operating Income (Loss)	\$ (64,308)	\$ (214,872)	\$ (124,241)	\$ (216,589)	\$ (174,152)
Non-Operating Revenues(Expenses)	-	-	-	-	-
Income(Loss) before Operating Transfers	\$ (64,308)	\$ (214,872)	\$ (124,241)	\$ (216,589)	\$ (174,152)
Operating Transfers In	143,044	258,161	158,041	12,000	12,000
Operating Transfers Out	(150,044)	(1,764,017)	-	-	-
Net Income(Loss)	\$ (71,308)	\$ (1,720,727)	\$ 33,800	\$ (204,589)	\$ (162,152)
Retained Earnings July 1	3,185,534	2,944,036	\$ 1,091,492	\$ 1,125,293	\$ 920,704
Adjustments	(170,189)	(131,817)			
Retained Earnings June 30	\$ 2,944,036	\$ 1,091,492	\$ 1,125,293	\$ 920,704	\$ 758,552

Sewer Fund					Total Enterprise Funds				
2013-2014 Actual	2014-2015 Actual	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
\$ 1,671,494	\$ 1,715,575	\$ 1,629,991	\$ 1,695,191	\$ 1,844,143	\$ 2,901,344	\$ 2,915,170	\$ 2,892,509	\$ 3,043,212	\$ 3,314,673
2,094	1,997	1,200	1,200	1,200	76,911	64,374	63,557	7,500	7,500
\$ 1,673,588	\$ 1,717,572	\$ 1,631,191	\$ 1,696,391	\$ 1,845,343	\$ 2,978,255	\$ 2,979,544	\$ 2,956,066	\$ 3,050,712	\$ 3,322,173
\$ 428,947	\$ 477,108	\$ 499,347	\$ 567,686	\$ 587,871	\$ 937,213	\$ 1,071,428	\$ 1,164,529	\$ 1,250,412	\$ 1,317,576
169,009	317,129	423,396	445,148	480,027	397,354	564,233	693,983	762,503	809,314
29,349	18,419	20,000	22,000	42,000	29,349	20,605	20,000	23,000	43,000
436,417	216,048	57,506	76,677	85,916	479,300	256,480	83,581	96,177	133,816
5,873	25,883	24,500	26,000	34,000	26,696	47,015	45,500	41,000	51,800
					145,875				
132,756	200,601	138,897	139,360	152,396	214,325	344,890	261,060	253,360	258,404
					94,556				
178,812	313,934	59,137	72,911	97,778	425,468	397,595	141,737	142,508	167,304
						314,474	229,459	291,241	292,054
291,115	226,920	229,459	291,241	292,054	1,660,091				
20,707	104,081	35,000	428,000	150,000	20,707	347,711	50,000	536,500	255,000
\$ 1,692,985	\$ 1,900,123	\$ 1,487,242	\$ 2,069,022	\$ 1,922,041	\$ 3,061,960	\$ 3,376,967	\$ 2,936,358	\$ 3,639,933	\$ 3,573,023
\$ (19,397)	\$ (182,551)	\$ 143,949	\$ (372,631)	\$ (76,698)	\$ (83,705)	\$ (397,423)	\$ 19,708	\$ (589,221)	\$ (250,850)
\$ (19,397)	\$ (182,551)	\$ 143,949	\$ (372,631)	\$ (76,698)	\$ (83,705)	\$ (397,423)	\$ 19,708	\$ (589,221)	\$ (250,850)
168,001	365,518	2,243,945	-	-	311,045	623,679	2,401,986	12,000	12,000
(174,536)	(348,137)	(2,133,945)	-	-	(324,579)	(2,112,154)	(2,133,945)	-	-
\$ (25,932)	\$ (165,170)	\$ 253,949	\$ (372,631)	\$ (76,698)	\$ (97,240)	\$ (1,885,898)	\$ 287,749	\$ (577,221)	\$ (238,850)
3,208,058	3,016,052	2,714,709	2,968,658	2,596,027	6,393,592	5,960,088	3,806,201	4,093,951	3,516,730
(166,075)	(136,172)								
\$ 3,016,052	\$ 2,714,709	\$ 2,968,658	\$ 2,596,027	\$ 2,519,328	\$ 5,960,088	\$ 3,806,201	\$ 4,093,951	\$ 3,516,730	\$ 3,277,880

Budget Summary

City Wide Position Changes

Mid Year Adjustments 2014-2016

Fire Dept Secretary	-0.65
Building Permit Tech	1.00

Budgeted General Fund Positions Added 2016-2017

None

Budgeted General Fund Positions Added 2017-2018

Police Officer	1.00
Firefighter	1.00

Budgeted General Fund Positions Deleted 2016-2017

None

Budgeted General Fund Positions Deleted 2017-2018

None

City Debt

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

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

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

Budget Summary

City Debt

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

Debt Outstanding Year End 2014-2018

	2014	2015	2016	2017	2018
2004 Community Development Tax Allocation Bonds	\$ 5,140,000	\$ 4,985,000	\$ 4,820,000	\$ 4,650,000	\$ 4,475,000
2007 Community Development Tax Allocation Bonds	10,195,000	10,075,000	9,955,000	9,855,000	9,755,000
2007 Water Revenue Bonds	3,555,000	3,465,000	3,370,000	3,275,000	3,175,000
2007 Sewer Revenue Bonds	4,195,000	4,090,000	3,980,000	3,865,000	3,745,000
	<u>\$ 23,085,000</u>	<u>\$ 22,615,000</u>	<u>\$ 22,125,000</u>	<u>\$ 21,645,000</u>	<u>\$ 21,150,000</u>

Annual Debt Service Requirement

	2004 Tax Allocation Bonds	2007 Tax Allocation Bonds	2007 Water Revenue Bonds	2007 Sewer Revenue Bonds
2016-2017	382,749	552,360	243,231	291,241
2017-2018	381,279	548,523	244,756	292,054
2018-2019	379,354	569,085	246,001	287,659
2019-2020	381,479	578,785	246,969	288,064
2020-2021	383,104	587,885	242,679	288,089
2021-2022	384,279	601,066	243,179	287,789
2022-2023	384,604	613,204	243,419	287,219
2023-2024	374,704	639,115	243,381	291,255
beyond 2024	4,149,982	12,705,170	3,399,539	4,024,704
Total Principal and Interest	7,201,534	17,395,193	5,353,153	6,338,073
Less Interest	(2,381,534)	(7,440,193)	(1,983,153)	(2,358,073)
Total Principal	<u>\$ 4,820,000</u>	<u>\$ 9,955,000</u>	<u>3,370,000</u>	<u>3,980,000</u>

The 2004 Tax Allocation Bonds were issued February 2004. The bonds provided funds to aid in the financing of redevelopment in the Winters Community Development Agency Project Area. The bonds are special obligations of

Budget Summary

City Debt

the Community Development Agency and are payable as to principal and interest exclusively from the pledged tax revenues of the agency. The interest rate is variable from 2% to 4.63% and is payable semi-annually on March 1 and September 1.

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

With the dissolution of the Winters Community Development Agency, the bond debt service will be paid by the City of Winters as Successor Agency to the Dissolved Winters Community Development Agency. The bond debt service will continue to be paid from the tax revenues of the area that comprised the former Community Development Agency. The general fund, nor any other fund of the City of Winters will be responsible for the payment of the former Community Development Agency's debt service.

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

Budget Summary

City Debt

Compliance with Capital Financing and Debt Management Policy 2016-2017

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

Computation of Compliance with Debt Capacity Policy

Total General Fund Budgeted Revenues	<u>\$4,529,407</u>
10% of Budgeted Revenues	\$452,941
Less General Fund Supported Debt Service	-
Policy Debt Capacity	<u>\$452,941</u>

Compliance with Capital Financing and Debt Management Policy 2017-2018

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

Computation of Compliance with Debt Capacity Policy

Total General Fund Budgeted Revenues	<u>\$5,172,155</u>
10% of Budgeted Revenues	\$ 517,216
Less General Fund Supported Debt	-
Policy Debt Capacity	<u>\$ 517,216</u>

Budget Summary

City Debt

Legal Debt Limit Margin

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

Computation of Legal Debt Margin as of June 30, 2016

Assessed Valuation (Net)	\$ 493,971,248
Debt Limit of 15% of Assessed Value	74,095,687
Less Outstanding Debt Subject to Debt Limit	-
Debt Margin Available	<u>\$ 74,095,687</u>

Legal Debt Limit Margin

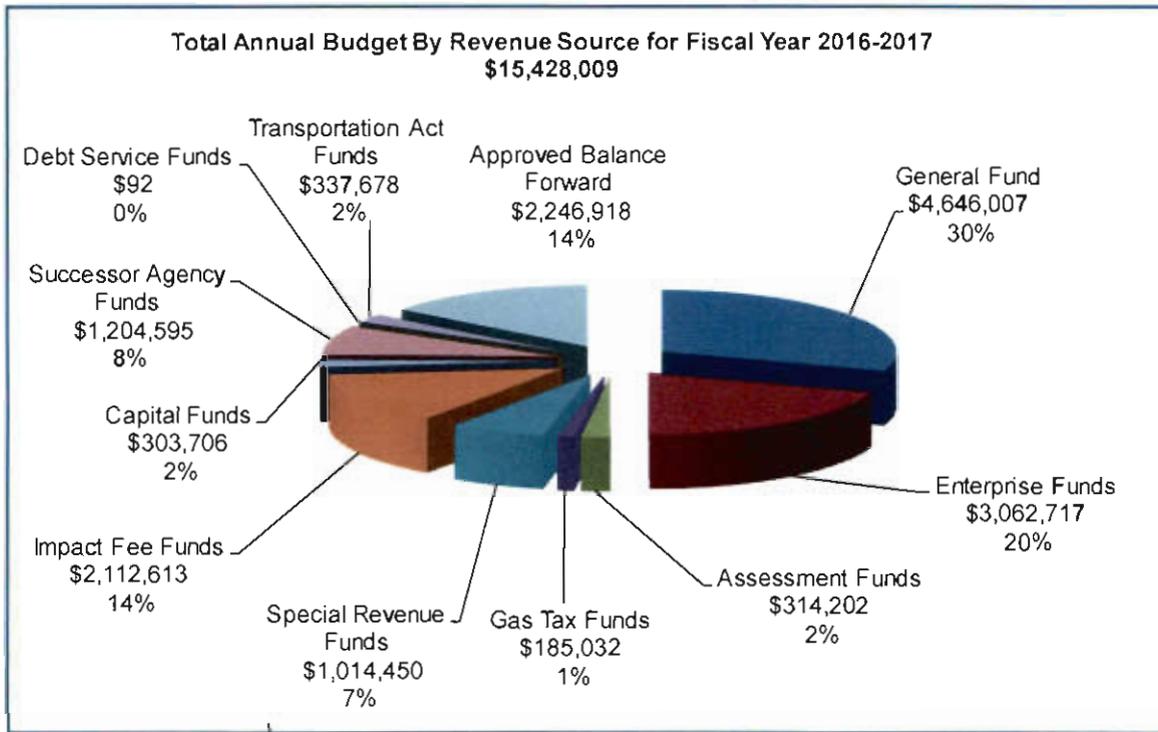
Under California State Law, the City of Winters has a legal debt limitation not to exceed 15% of the total assessed value of the taxable property within the City limits. In accordance with California Government Code Section 4305, only the City's general obligation bonds are subject to the legal debt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

Computation of Legal Debt Margin as of June 30, 2017

Assessed Valuation (Net)	\$ 503,850,673
Debt Limit of 15% of Assessed Value	75,577,601
Less Outstanding Debt Subject to Debt Limit	-
Debt Margin Available	<u>\$ 75,577,601</u>

Budget Summary

Revenue Summary



Summary of Total Revenue Sources for Fiscal 2016-2017

The revenue sources chart above reflects all expected revenues to be received as well as existing resources needed to fund anticipated expenditures for 2016-2017.

The net Approved Balance Forward is 14% of the total budget and represents prior year fund balances being designated for expenditure for 2016-2017. Funds that are expending prior year accumulated fund balance include the General Fund, Sewer O & M Fund, Water O & M Capital Funds, Special Revenue Funds. Information on the expenditure of fund balances will be included in the department and funds that utilize the fund balance as part of the spending plan for that fund and department.

Budget Summary

Revenue Summary

The Impact Fee Funds, which are collected from developers, are 14% of budgeted revenues. There are multiple projects projected that will be required to pay impact fees this year. These funds may only be expended for those capital expenditures and projects identified in the AB1600 document for the City of Winters. Not all revenues received in this fiscal year will be expended in this fiscal year. Please see the Capital Improvement Section of this budget for additional information.

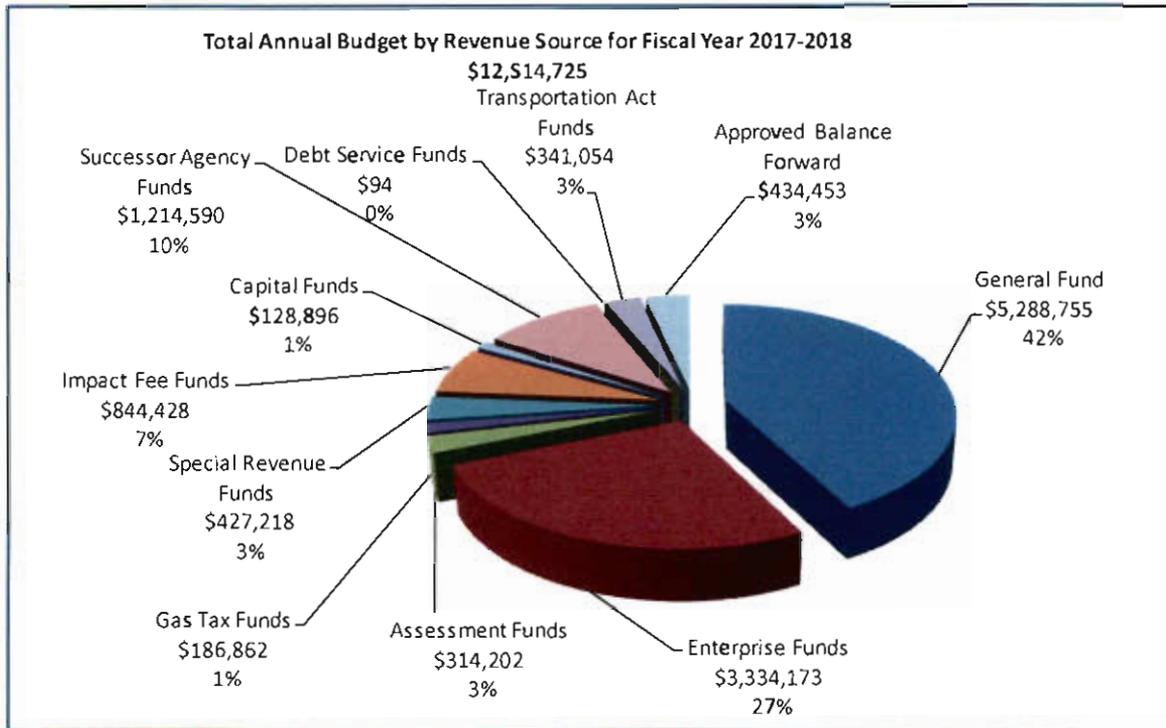
The General Fund is 30% of total budgeted revenues for 2016-2017. Please see the General Fund section of this budget for additional information.

The Capital Funds are 2% of the total budgeted revenues for 2016-2017. Please see the "Other Funds" section of this budget for additional information.

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

Budget Summary

Revenue Summary



Summary of Total Revenue Sources for Fiscal 2017-2018

The revenue sources in the chart above reflect all expected revenues to be received as well as required existing resources needed to fund anticipated expenditures for the Fiscal year 2017-2018.

The net Approved balance forward is 3% of the total budget, and represents prior year fund balances being designated for expenditures in 2017-2018 for the General Fund, Special Revenue Funds, Capital Funds and Enterprise Funds. Information on the expenditure of fund balances will be included in the department and funds that utilize the fund balance as part of the spending plan for that fund and department.

Budget Summary

Revenue Summary

The Impact Fee Funds, which are collected from developers, are 7% of budgeted revenues. Three (3) projects are projected for 2017-2018 that are required to pay impact fees. These funds may only be expended for those capital expenditures and projects identified in the AB1600 document for the City of Winters. Not all revenues received in this fiscal year will be expended in this fiscal year. Please see the Capital Improvement Section of this budget for additional information.

The General Fund is 42% of total budgeted revenues for 2017-2018. Please see the General Fund section of this budget for additional information.

The Capital Funds are 1% of the total budgeted revenues for 2017-2018. Please see the Other Funds section of this budget for additional information.

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

Budget Summary

Revenue Summary

Budget Year Resource Comparison Revenue Summary

Fund	Budget 2012-2013	Budget 2013-2014	Budget 2014-2015	Budget 2015-2016	Budget 2016-2017	% Change	Budget 2017-2018	% Change
General Fund	\$ 3,753,644	\$ 3,560,920	\$ 4,158,525	\$ 4,141,976	\$ 4,646,007	12%	\$ 5,288,755	14%
Enterprise Funds	\$ 4,507,084	\$ 3,276,188	\$ 3,295,547	\$ 3,319,823	\$ 3,062,717	-8%	\$ 3,334,173	9%
Assessment Funds	\$ 269,497	\$ 250,730	\$ 277,318	\$ 245,317	\$ 314,202	28%	\$ 314,202	0%
Gas Tax Funds	\$ 168,195	\$ 206,070	\$ 183,537	\$ 183,537	\$ 185,032	1%	\$ 186,862	1%
Special Revenue Funds	\$ 2,381,061	\$ 2,584,600	\$ 2,885,807	\$ 384,555	\$ 1,014,450	164%	\$ 427,218	-58%
Impact Fee Funds	\$ 161,444	\$ 2,254	\$ 3,332,226	\$ 1,620,898	\$ 2,112,613	30%	\$ 844,428	-60%
Capital Funds	\$ 696,390	\$ 375,004	\$ 273,318	\$ 343,581	\$ 303,706	-12%	\$ 128,896	-58%
Successor Agency Funds			\$ 1,366,518	\$ 1,309,905	\$ 1,204,595		\$ 1,214,590	1%
Housing Successor Agency			\$ 2,980	\$ 2,980	\$ -		\$ -	0%
Debt Service Funds	\$ 172	\$ 148	\$ 148	\$ 148	\$ 92	-38%	\$ 94	2%
Transportation Act Funds	\$ 349,826	\$ 340,526	\$ 347,373	\$ 350,841	\$ 337,678	-4%	\$ 341,054	1%
Total Revenues	\$ 12,287,313	\$ 10,596,440	\$ 16,123,297	\$ 11,903,561	\$ 13,181,091	11%	\$ 12,080,272	-8%
Approved Balance Forward	\$ 2,664,358	\$ 769,293	\$ 1,814,909	\$ 408,718	\$ 2,246,918	450%	\$ 434,453	
Total Sources	\$ 14,951,671	\$ 11,365,733	\$ 17,938,206	\$ 12,312,279	\$ 15,428,009	25%	\$ 12,514,725	-19%

Budget Year Resource Comparison

The Fiscal Year 2016-2017 Revenue Budget is 25% higher than the 2015-2016 budget. This is due to the expected increase in property taxes from a new development, plus the increase property taxes as a result of a small increase in assessed values throughout the City of Winters, creating additional revenues for the General Fund, The Enterprise Fund Revenues are expected to be lower than than in 2015-2016 due to the conservation measures put into place to help conserve water because of the ongoing drought, this has impacted the amount of revenue due to the fact the City of Winters switched to consumption based (metered) billing for water usage. Assessment Fund revenues are budgeted higher than the prior year, however, the increased amount will be paid from the General Fund as a subsidy to the Assessment Fund. Much of the revenue received in the Impact Fee Funds will be expended over a period of years, not in a single year. More information on these projects can be found in the Capital Improvement Section of this budget.

Budget Summary

The Fiscal Year 2017-2018 Revenue Budget is 19% lower than that projected for 2016-2017. The General fund is projected to have a significant increase in revenues once the hotels that are projected to be built during 2016-2017 are completed and begin operations. The City of Winters has a 12% TOT (transient occupancy tax) in place that should provide a steady, ongoing stream of revenue that has not been available to the City in the past. Special Revenue Funds are projected to have a decrease in revenues due to the one time nature of grants. Impact fee funds are projected to decrease in 2017-2018 due to difference in size and scope of projects anticipated between the two budget years. Fund Balance forward used in 2017-2018 will be significantly less than that used in 2016-2017 due to the fact that the projects utilizing the fund balances will be completed, and the grant funding, and accumulated fund balance will be substantially expended.

Revenue Summary

The Revenue Detail Summary below shows the actual 2011/2012, actual revenues, 2012/2013 actual revenues, 2013/2014, actuals, 2014/2015, estimated revenues for 2015/2016, and the 2016/2017 and 2017/2018 budgeted revenues and compares the budgeted amount for 2016/2017 to the estimated amount for 2015/2016 both by actual dollar difference and a percentage difference. The summary also compares the budgeted amount for 2017/2018 to the budgeted amount for 2016/2017 comparing by actual dollar difference and a percentage difference.

Budget Summary

Revenue Detail Summary

Sources of Funds	Actual	Actual	Actual	Actual	Estimated	Proposed	Change From Prior Year		% of All	Cum %	Change From Prior Year		% of All	Cum %
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	in \$	in %	2016-2017	2016-2017	2017-2018	in \$	in %	2017-2018
<i>General, Special Revenue, Debt Service, Capital and Community Development Agency</i>														
Impact Fees	\$ 727	\$ 181,444	\$ -	\$ 151,894	\$ 817,188	\$ 2,110,028	\$ 1,292,840	158.21%	17.900%	17.90%	\$ 841,843	\$ (450,997)	-60.10%	9.415%
Property Tax Increment	1,598,678	1,697,497	1,181,485	1,085,537	977,387	1,204,590	227,203	23.25%	10.219%	28.12%	1,214,590	987,387	8.23%	10.583%
Property Tax	646,590	750,163	657,737	687,885	715,151	745,464	34,303	4.80%	6.358%	34.48%	833,414	799,110	11.20%	9.321%
Property Tax in Lieu of VLF	448,184	444,463	461,069	488,845	514,507	524,797	10,290	2.00%	4.452%	38.93%	562,525	572,235	11.00%	8.815%
Property Tax in Lieu of Sales Tax	54,279	124,584	129,086	151,959	17,972	-	(17,972)	-100.00%	0.000%	38.93%	-	17,972	#DIV/0!	0.000%
Federal & State Grants	2,309,298	1,523,907	1,983,908	1,211,239	1,318,208	851,707	(866,499)	-43.80%	7.225%	-48.15%	263,874	800,473	-68.01%	2.952%
Devel & Bldg Permitt Fees	73,794	118,126	105,136	164,813	482,388	428,741	(53,647)	-11.12%	3.837%	49.79%	316,523	368,970	-26.22%	3.938%
Motor Vehicle in Lieu	3,511	3,639	3,011	2,909	3,000	3,000	-	0.00%	0.025%	49.82%	3,000	3,000	0.00%	0.034%
Utility Tax	648,993	718,174	690,272	702,825	660,381	678,089	15,708	2.38%	5.735%	95.95%	713,000	697,292	5.48%	7.874%
Muni. Ser. Tax	301,120	298,230	296,730	298,890	296,440	297,040	600	0.20%	2.520%	58.07%	313,960	313,360	5.70%	3.511%
Sales & Use Tax	374,975	381,045	460,185	462,807	629,673	624,622	(5,051)	-0.80%	5.299%	63.37%	670,101	675,162	7.28%	7.464%
Transportation Tax	264,181	349,707	356,714	349,495	380,317	337,990	(12,727)	-3.63%	2.864%	68.23%	340,968	353,693	1.00%	3.813%
City VLFs Assmt	188,776	186,563	158,187	195,895	200,198	200,500	314	0.16%	1.701%	67.50%	213,100	212,786	-0.28%	2.383%
Interest Revenue	83,835	83,948	66,280	75,327	66,000	68,000	-	0.00%	0.660%	68.49%	66,000	66,000	0.00%	0.736%
Franchise Tax	228,129	230,805	238,365	231,865	282,829	285,000	2,171	0.94%	2.248%	70.74%	268,000	263,529	-3.98%	2.975%
Gas Tax	204,293	187,058	227,852	207,447	180,329	185,032	24,703	15.41%	1.570%	72.31%	186,862	182,159	-0.9%	2.000%
Service Charges	71,785	79,260	33,941	38,882	101,705	89,506	(12,199)	-11.99%	0.799%	73.07%	122,218	134,416	36.95%	1.367%
Project Monitoring Fees	-	1,211	-	-	27,358	149,758	122,395	1,270%	1.270%	74.04%	61,405	(90,987)	-59.00%	0.807%
Other Sources	14,184,484	8,322,738	1,752,869	5,202,320	2,430,414	1,204,151	(1,236,263)	-50.94%	10.219%	84.96%	987,277	2,222,540	-18.01%	11.041%
Recreation & Cultural Events	98,699	73,027	94,971	76,961	94,493	98,754	4,261	4.51%	0.838%	85.39%	69,318	65,057	-29.81%	0.775%
Tel. Tax	5,934	8,692	3,426	7,303	8,000	8,000	-	0.00%	0.069%	65.46%	638,226	638,226	7852.82%	7.115%
Bus. Lic. Tax	22,924	23,397	23,351	25,124	26,000	26,000	-	0.00%	0.221%	85.66%	26,000	26,000	0.00%	0.291%
Property Transfer Tax	13,451	10,314	8,833	18,519	16,000	18,000	-	0.00%	0.153%	85.84%	18,000	18,000	0.00%	0.201%
In Lieu Fees	-	-	-	100,000	4,167	-	(4,167)	-	0.000%	85.84%	-	4,187	-	0.000%
Approved Balance Forward	2,010,159	-	13,068,132	948,969	1,336,931	1,865,702	292,771	14.164%	100.00%	100.00%	195,602	(137,168)	-24.15%	2.182%
Total	\$ 22,781,359	15,176,001	21,633,548	12,485,784	11,727,733	11,788,071	60,339	0.51%	100.000%	-	8,941,702	8,881,384	-24.15%	100.00%
<i>Enterprise Funds</i>														
Water Fund	3,074,839	2,768,280	1,447,713	1,820,141	1,482,921	1,366,326	(118,594)	-7.99%	38%	27.54%	1,485,830	1,605,424	8.97%	41.67%
Sewer Fund	1,773,239	1,738,804	1,841,582	2,083,080	3,875,136	1,696,381	(2,178,745)	-56.22%	47%	84.14%	1,845,343	4,024,088	8.78%	51.85%
Approved Balance Forward	547,222	-	97,240	1,885,836	977,221	1,788,696	-	-	-	-	238,850	(1,649,808)	6.96%	93.32%
Total	\$ 5,395,300	4,507,084	3,386,535	5,789,128	5,356,057	3,659,938	(1,718,190)	-32.07%	84.14%	-	3,573,023	5,291,141	-1.84%	100.00%
Grand Total All Funds	\$ 29,176,659	\$ 19,683,085	\$ 25,020,084	\$ 17,954,912	\$ 17,083,790	\$ 15,428,009	(1,657,780)	-9.70%	-	-	\$ 12,514,725	14,172,505	-18.88%	-

Below is a Revenue Summary by Fund for the Fiscal Years 2010/2011 through 2017-2018. The chart shows actual revenues for 2010/2011, 2011/2012, 2012/2013, 2013/2014, and 2014/2015. It also shows estimated revenues for 2015/2016 and budgeted revenues for 2016/2017 and compares the budgeted amount for 2016/2017 to the estimated amount for 2015/2015 both by actual dollar amount and a percentage difference. It also shows estimated budgeted revenues for 2017/2018 and compares the budget for 2017-2018 to the 2016-2017 budget both by actual dollar and percentage amount.

Budget Summary

Expenditure Summary

Expenditure Summary by Activity 2011-2012 through 2017-2018

Uses of Funds	Actual	Actual	Actual	Actual	Estimated	Budgeted	Changes from prior Year		% of Total	Cumulative	Budgeted	Changes from prior Year		% of Total	Cumulative	
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	In \$	In %	2016-2017	2016-2017	2017-2018	In \$	In %	2017-2018	2017-2018	
<i>General Fund, Special Revenue Funds, Debt Service</i>																
<i>Capital and Community Development Agency Fund</i>																
General Fund	\$ 3,857,448	\$ 4,017,521	\$ 4,028,517	\$ 4,513,039	\$ 5,302,714	\$ 4,774,368	\$ (528,406)	-10%	40%	49%	\$ 5,150,863	\$ 376,355	8%	67%	67%	
Impact Funds	2,858,728	1,309,432	75,505	8,245	797,000	288,000	(529,000)	-68%	3%	52%	-	(268,000)	-100%	0%	67%	
Streets & Transportation	1,187,394	534,982	778,122	585,875	1,535,262	713,131	(822,121)	-54%	7%	59%	471,680	(241,470)	-34%	6%	73%	
City Wide Assmt/Parks	537,654	1,571,738	488,271	327,018	607,863	929,196	321,333	53%	10%	69%	334,987	(594,208)	-64%	4%	77%	
Swim Team	52,950	43,747	35,108	44,193	69,988	69,973	(15)	0%	1%	69%	70,088	115	0%	1%	78%	
Recreation Grants	140,022	135,496	125,827	155,282	127,314	160,609	33,388	26%	2%	71%	160,215	(484)	0%	2%	80%	
Police Grant Activities	100,827	164,714	128,011	89,225	122,709	124,476	1,767	1%	1%	72%	127,676	3,200	3%	2%	82%	
Fire Grant Activities	-	11,702	479,493	737,586	138,678	-	-	-	0%	0%	-	-	-	0%	0%	0%
Infrastructure Bonds	2,569,819	-	18,682	7,895	-	-	-	0%	0%	0%	-	-	0%	0%	0%	
Capital Funds	-	1,211	-	-	27,388	149,758	122,400	447%	2%	2%	61,409	(88,355)	-59%	1%	1%	
Community Development Activities	280,988	299,180	559,060	639,679	664,900	1,364,255	699,295	105%	14%	16%	132,287	(1,231,968)	-80%	2%	3%	
Community Development Agency	2,734,434	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Successor Agency	16,505,767	7,830,314	1,330,933	1,958,177	1,243,857	1,198,426	(45,431)	-4%	12%	28%	1,178,665	(19,761)	-2%	15%	18%	
Total	30,906,029	15,920,037	8,047,528	9,102,974	10,637,692	9,752,222	(885,470)	-8%	100%	100%	7,887,644	(2,064,578)	-21%	100%	100%	
<i>Enterprise Funds</i>																
Water Fund	1,487,094	2,845,943	1,519,019	3,240,861	1,449,115	1,570,911	121,795	8%	43%	43%	1,650,982	80,071	5%	46%	46%	
Sewer Fund	1,815,932	1,721,596	1,867,520	2,248,260	3,621,187	2,069,022	(1,552,165)	-43%	57%	100%	1,922,041	(146,801)	-7%	54%	100%	
Total	3,103,026	4,567,539	3,386,540	5,489,121	5,070,302	3,639,933	(1,430,369)	-28%	100%	100%	3,573,023	(66,910)	-2%	100%	100%	
Grand Total All Funds	\$ 34,009,055	\$ 20,487,576	\$ 11,434,068	\$ 14,592,095	\$ 15,707,994	\$ 13,392,155	\$ (2,315,839)	-15%			\$ 11,260,667	\$ (2,131,488)	-19%			

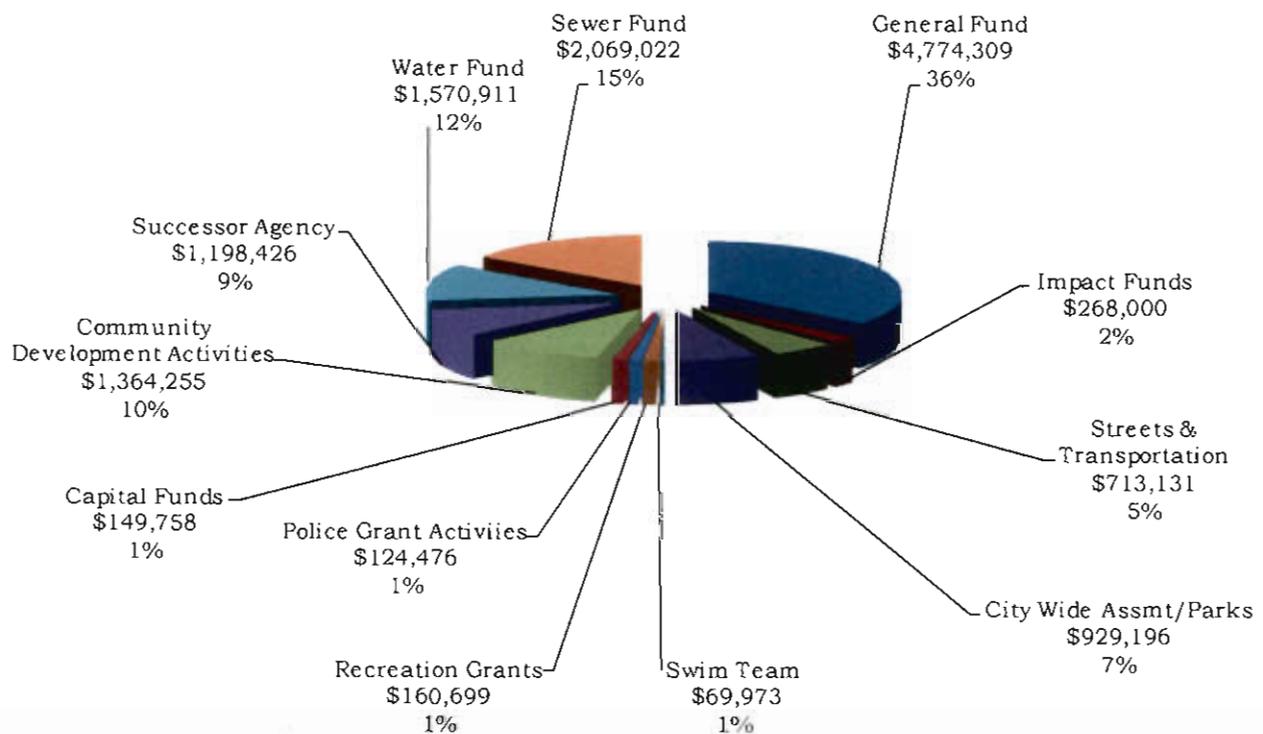
The above expenditure summary by activity shows a comparative schedule of expenditures by major activity type. The table shows actual results for 2011/2012, 2012/2013, 2013/2014, 2014/2015, estimated results for 2015/2016 and budget amounts for both 2016/2017 and 2017/2018. The table also compares 2016/2017 budget to 2015/2016 estimates both in dollars and in percentages, and compares the 2017/2018 budget to the 2016/2017 budget both in dollars and percentages as well.

Budget Summary

Expenditure Summary

Below is a graphic representation of the expenditures by activity for 2016-2017.

Total Annual Expenditures by Activity For Fiscal Year 2016-2017 Total \$13,392,155

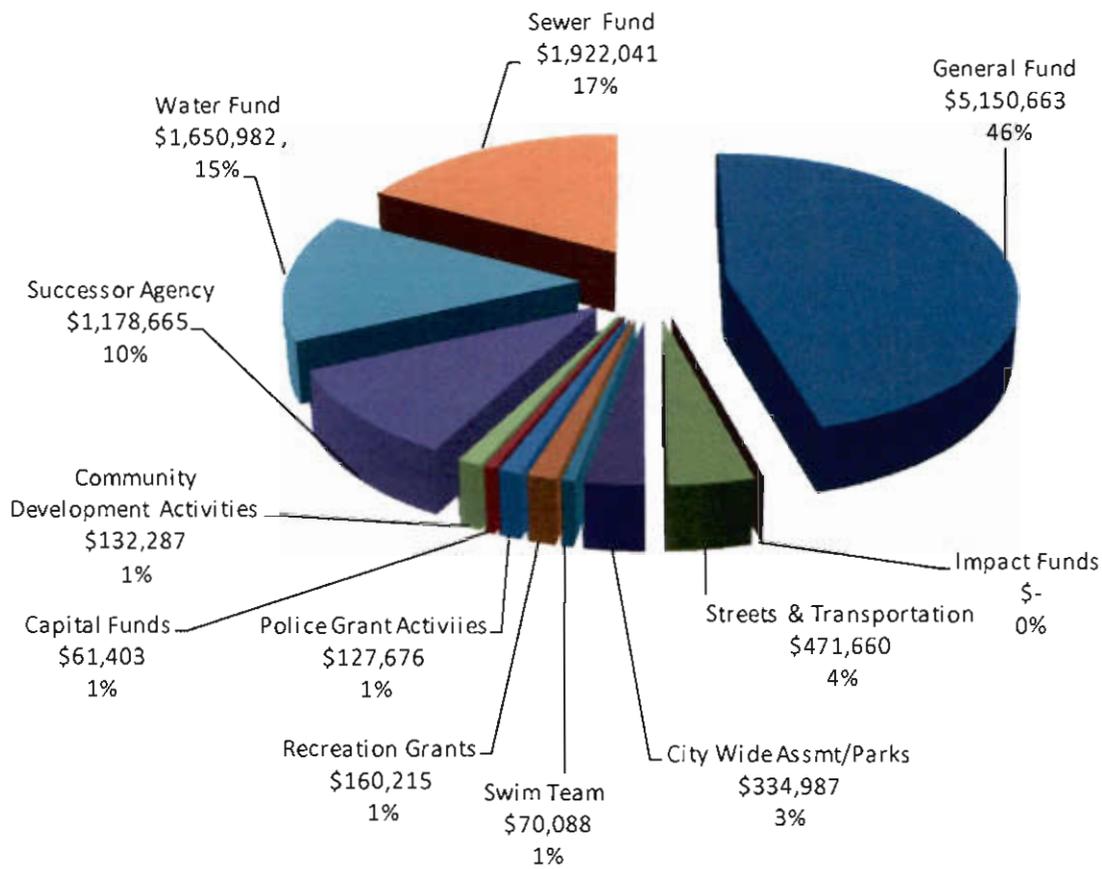


**Budget
Summary**

Expenditure Summary

Below is a graphic representation of the expenditures by activity for 2017-2018.

**Total Annual Expenditures by Activity
For Fiscal Year 2017-2018
Total \$11,260,667**



Budget Summary

Expenditure Summary

Expenditure Summary by Department for Fiscal Year 2016-17													
General Fund	City Wide Assmt	Water Enterprise	Sewer Enterprise	Police Grants	Community Development Grants	Capital Funds	Impact Fees	Streets & Trans	Swim Team	Park Grants	Successor Agency	Total	
City Council	\$ 47,607	\$ 1,886	\$ 4,244	\$ 10,847				\$ 8,131			\$ 351	\$ 71,068	
City Clerk	19,453							-				19,453	
City Treasurer	401							-				401	
City Manager	40,290		185,108	134,512				-			19,494	379,404	
Housing & Economic Dev	56,647							-			151,734	208,381	
Administrative Services	202,884		13,753	13,753				-			13,753	243,943	
Finance	4,159	22,698	90,791	117,272				41,613			56,744	333,277	
Police	2,420,248				124,476		12,000	-				2,556,724	
Fire	909,216						12,000	-				921,216	
Community Development	123,819		2,967	2,967	1,310,768	-		-				1,440,521	
Building Inspection	278,832				200			-				279,032	
Public Works	458,300		189,833	94,966	5,000			174,239				922,438	
General Recreation	9,900									84,576		74,476	
Afterschool Program					119,773							119,773	
Swimming	99,816								69,973			169,788	
Community Center	102,937											102,937	
Successor Agency											956,349	956,349	
Capital Projects						9,500	158,000	52,998		589,994		810,492	
City Wide Assmt/Parks		289,617					62,000					351,617	
Yolo Bus								141,150				141,150	
Street Maintenance								297,000				297,000	
RLF Funds					40,137							40,137	
Transfers to other funds						149,758						149,758	
Water Fund			1,084,025				12,000					1,096,025	
Sewer Fund				1,694,705			12,000					1,706,705	
Total Expenditures	\$ 4,774,309	\$ 314,202	\$ 1,570,911	\$ 2,069,022	\$ 124,476	\$ 1,475,878	\$ 159,258	\$ 268,000	\$ 713,131	\$ 89,973	\$ 654,571	\$ 1,198,426	\$ 13,392,155

The expenditure summary for 2016-2017 shows funding per department. This includes all expenditures for that department. Please note that the Police Department and the Community Center have costs allocated from other General Fund Departments and therefore, the total cost for these departments on this table will not match the total expenditures for the department on the Department Schedules.

Budget Summary

Expenditure Summary

Expenditure Summary by Department for Fiscal Year 2017-2018													
Department	General Fund	City Wide Asmt	Water Enterprise	Sewer Enterprise	Police Grants	Community Development Grants	Capital Funds	Impact Fees	Streets & Trans	Swim Team	Park Grants	Successor Agency	Total
City Council	\$ 14,260	\$ 1,886	\$ 4,243	\$ 10,643					\$ 6,129			\$ 355	\$ 37,714
City Clerk	8,960												8,960
City Treasurer	381												381
City Manager	41,338		192,662	139,933								20,280	394,213
Housing & Economic Dev	67,343											145,964	213,307
Administrative Services	211,536		15,817	10,123								14,313	251,789
Finance	4,155	24,265	97,138	125,470					44,522			80,711	356,281
Police	2,717,673				127,676								2,845,349
Fire	1,041,355												1,041,355
Community Development	118,025		2,674	2,674									121,373
Building Inspection	296,671					200							296,871
Public Works	413,926		229,274	114,637		5,000			160,745				923,582
General Recreation	9,900										64,577		74,477
After school Program						119,268							119,268
Swimming	99,921									70,088			170,009
Community Center	107,221												107,221
Successor Agency		283,816										937,042	1,220,856
Capital Projects							70,903		105,000				175,903
City Wide Asmt/Parks													
Yolo Bus									155,285				155,285
Street Maintenance													
RLF Funds						118,937							118,937
Transfers to other funds													
Water Fund			1,109,174										1,109,174
Sewer Fund				1,518,361									1,518,361
Total Expenditures	\$ 5,150,663	\$ 309,987	\$ 1,650,982	\$ 1,922,041	\$ 127,676	\$ 243,425	\$ 70,903	\$ -	\$ 471,660	\$ 70,088	\$ 64,577	\$ 1,178,665	\$ 11,260,667

The expenditure summary for 2017-2018 shows funding per department. This includes all expenditures for that department. Please note that the Police Department and the Community Center have costs allocated from other General Fund Departments and therefore, the total cost for these departments on this table will not match the total expenditures for the department on the Department Schedules.

Budget Summary

Expenditure Summary

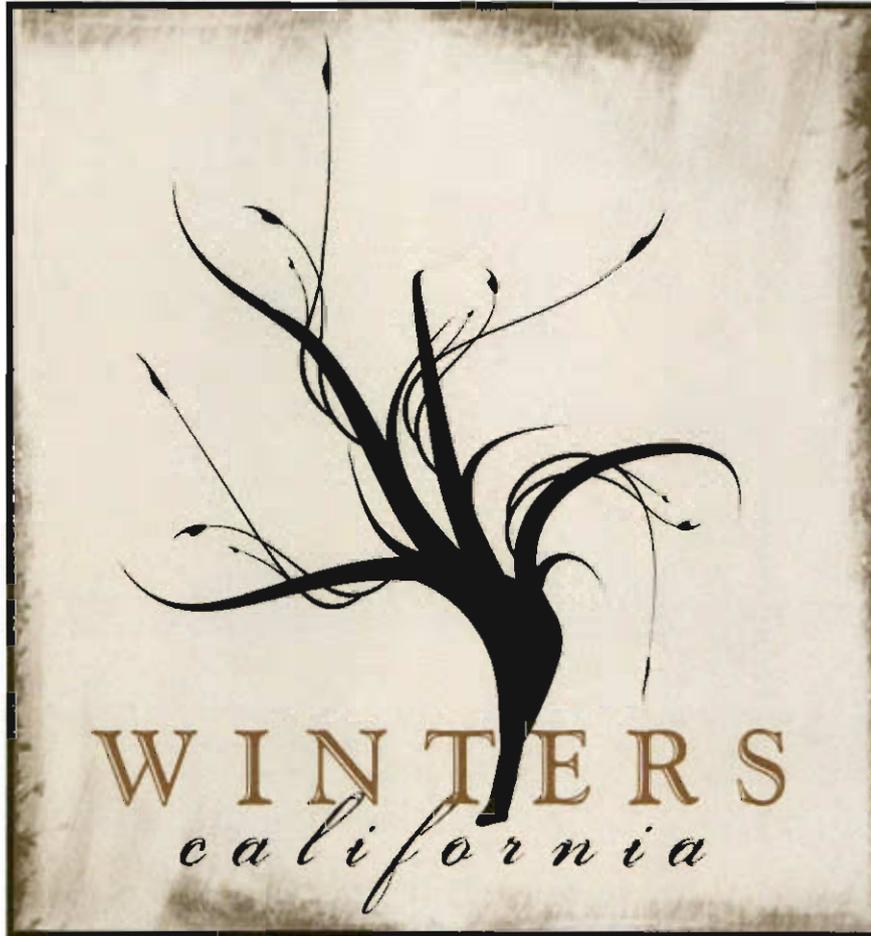
Below is a summary of expenditures by fund for the Fiscal Years 2010/2011 through 2017/2018. The chart shows actual expenditures for 2010/2011, 2011/2012, 2012/2013, 2013/2014 and 2014/2015. It shows estimated expenditures for 2015/2016 and budgeted expenditures for 2016/2017 and compares the budgeted amount for 2016/2017 to the estimated expenditures for 2015/2016 both by actual dollar difference and a percentage difference. Also shown is the budgeted expenditures for 2017/2018 and compares the 2017/2018 budget to the 2016/2017 budget by both actual dollar difference and a percentage difference

Budget Summary

Expenditure Summary

Fund Title	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimate 2015-2016	Budget 2016-2017	Change From Prior Year in \$	in %	Budget 2017-2018	Change From Prior Year in \$	in %
General Fund	\$ 3,132,587	\$ 3,857,448	\$ 4,017,521	\$ 4,028,517	\$ 4,513,039	\$ 5,302,714	\$ 4,774,309	\$ (528,406)	-9.96%	\$ 5,150,663	\$ 376,354	8%
CDAPFC	-	-	18,494	-	-	-	-	-	0.00%	-	-	0%
Fire Works	5,320	15,495	5,000	10,492	5,578	15,000	15,000	-	0.00%	15,000	-	0%
Fire Prevention Grant	642	96	266	-	-	200	200	-	0.00%	200	-	0%
Senior Fund	-	300	263	37	-	-	150	150	0.00%	150	-	0%
Winters Swim Project	-	-	-	-	360	-	500	500	0.00%	500	-	0%
Park Maintenance Fund	-	1,602	500	-	-	-	2,261	2,261	0.00%	-	(2,261)	-100%
KodaMunchkins Summer Camp	-	-	-	10,484	26,013	23,455	23,456	1	0.00%	23,457	1	0%
Housing Trust	-	4,190,123	218,246	-	-	-	-	-	0.00%	-	-	0%
Housing Successor Agency	-	490,297	2,456	2,468	-	-	-	-	0.00%	-	-	0%
2007 Housing Tabs	-	-	-	10,865	19,283	417,431	760,000	332,569	79.67%	-	(750,000)	-100%
In-Lieu Housing	-	-	-	-	-	850	-	(850)	-100.00%	-	-	0%
City Wide Assessment	226,380	257,093	244,995	287,059	289,221	309,906	314,202	8,297	2.71%	309,987	(4,215)	-1%
Gas Tax Fund	102,502	131,104	153,289	355,854	148,844	257,296	221,983	(14,687)	-7.09%	211,388	(10,607)	-5%
State Code 1913	81,080	87,299	71,485	73,594	77,182	76,091	98,478	19,395	24.53%	98,278	(200)	-0%
AB109 Reassignment Funds	-	5,278	3,117	4,546	4,637	8,000	5,000	(3,000)	-37.50%	5,000	-	0%
Distracted Driver Grant	-	-	43,957	-	-	-	-	-	0.00%	-	-	0%
AVOID Grant	-	-	-	-	4,426	-	-	-	0.00%	-	-	0%
Tower Grant	140,787	-	-	-	-	-	-	-	0.00%	-	-	0%
Homeland Security Grant	6,500	-	-	-	-	-	-	-	0.00%	-	-	0%
Traffic Safety	2,266	8,250	74,820	18,582	-	33,299	15,000	(18,299)	-54.87%	23,400	8,400	54%
Asset Forfeiture	-	-	1,888	2,593	-	2,389	6,000	3,611	151.19%	-	(6,000)	-100%
Vehicle Theft Deterrent	-	-	-	28,895	-	-	-	-	0.00%	-	-	0%
AFG Grant	-	-	-	479,430	-	-	-	-	0.00%	-	-	0%
Traffic Congestion Relief	73,489	-	-	-	-	-	-	-	0.00%	-	-	0%
Grant Ave Widening (Stimulus)	(4,828)	-	-	-	-	-	-	-	0.00%	-	-	0%
STP Grant	46,237	470,942	-	-	-	-	-	-	0.00%	-	-	0%
Park Grant	146	-	-	-	-	-	-	-	0.00%	-	-	0%
North Bank Improvements	38,808	254,266	1,279,271	143,597	-	-	-	-	0.00%	-	-	0%
First 6 Grant	18,960	285	-	-	-	-	-	-	0.00%	-	-	0%
Boat Grant	-	-	-	-	-	17,320	17,320	-	0.00%	17,320	-	0%
Prp 84 Park Grant	-	-	-	9,907	33,825	277,458	587,733	310,275	111.83%	-	(587,733)	-100%
After-school Contributions	-	2,827	1,763	89	(218)	-	-	-	0.00%	-	-	0%
Dry Slough Budget	-	1,446	182,101	152,662	1,902	582,951	-	(582,951)	-100.00%	-	-	0%
Recycling Grant	838	2,919	8,421	2,396	4,567	5,000	5,000	-	0.00%	5,000	-	0%
Transportation/Bus Service	309,293	563,902	194,117	181,289	330,909	344,996	497,148	146,152	42.38%	260,269	(230,883)	-47%
After-school Grant	136,803	136,610	159,453	115,216	129,487	85,397	118,773	34,376	40.23%	119,288	(489)	0%
PTA Grant	4,346	-	-	-	-	-	-	-	0.00%	-	-	0%
EECBG Grant	21,000	14,302	-	-	-	-	-	-	0.00%	-	-	0%
SACOG Grant	-	-	5,474	67,407	6,120	-	-	-	0.00%	-	-	0%
2014 SACOG Grant	-	-	-	-	100,000	-	-	-	0.00%	-	-	0%
Community Pedestrian Grant	4,116	97,785	(5,576)	-	-	-	-	-	0.00%	-	-	0%
STBG 700 Grant	-	-	-	-	-	-	-	-	0.00%	-	-	0%
STBG 96-1043 Grant	9,419	5,014	-	7,522	-	-	-	-	0.00%	-	-	0%
Civil Engagement	-	261	-	-	-	-	-	-	0.00%	-	-	0%
EDBG 99-688 Grant	17,404	18,225	17,404	18,842	15,419	19,580	15,953	(3,627)	-18.52%	15,953	-	0%
10-STBG-6745	-	-	80,285	431,477	(924)	-	-	-	0.00%	-	-	0%
11-HRP-7851 Grant	-	-	-	10,205	12,404	59,140	-	(59,140)	-100.00%	-	-	0%
HRP Grant	-	-	-	-	-	117,225	-	(117,225)	-100.00%	-	-	0%
EDBG 99-485 Grant	-	9,930	23,420	17,882	21,122	5,546	15,247	9,699	174.82%	15,247	-	0%
Green House Grant	2,880	3,620	-	-	-	-	-	-	0.00%	-	-	0%
Housing Rehab RLF	-	-	69,295	676	309,403	1,989	-	(1,989)	-100.00%	-	-	0%
First Time Homebuyer RFL	-	-	64,249	-	3,267	14,467	-	(14,467)	-100.00%	-	-	0%
HOME RLF	549	-	-	-	291	5,795	180	(8,615)	-97.95%	180	-	0%
Small Business RLF	3,150	76,080	3,126	2,664	132,601	8,757	8,757	-	0.00%	87,557	78,800	90%
Call Fire Grant	-	-	-	53	737,588	-	-	-	0.00%	-	-	0%
SCBA Grant	-	-	-	-	-	158,678	-	(158,678)	-100.00%	-	-	0%
Microenterprise RLF	-	-	-	-	7,474	-	-	-	0.00%	-	-	0%
Prigram Income	-	-	-	-	(2,067)	-	560,768	560,768	0.00%	-	(560,768)	-100%
Winters Library	25,000	25,000	29,000	50,000	4,060	-	-	-	0.00%	-	-	0%
Winters Swim Team	46,043	52,950	48,147	36,108	44,183	59,988	69,973	(15)	-0.02%	70,088	115	0%
Masters Swim Program	3,210	-	-	-	-	-	-	-	0.00%	-	-	0%
Festival	7,173	7,379	7,525	8,373	2,438	5,931	7,950	2,019	34.04%	7,950	-	0%
Historical Photos	725	-	-	-	-	-	-	-	0.00%	-	-	0%
Senior Foundation	-	-	-	-	-	1,141	-	(1,141)	-100.00%	-	-	0%
Quilt Festival	512	377	823	158	317	28	200	172	669.23%	200	-	0%
Community Development LHM-Tax Increment	549,407	230,757	-	-	-	-	-	-	0.00%	-	-	0%
Community Development LHM-Project Area	300,288	1,283,651	-	-	-	-	-	-	0.00%	-	-	0%
Street Impact Fee	8,231	506,646	106,476	21,914	1,031	735,000	134,000	(601,000)	-81.77%	-	(134,000)	-100%
Storm Impact Fee	-	5,204	5,204	-	1,031	-	12,000	12,000	0.00%	-	(12,000)	-100%
Park Impact Fee	212,461	255,620	620,727	23,087	1,031	62,000	62,000	-	0.01%	-	(62,000)	-100%
Police Impact Fee	(331,094)	51,182	39,485	29,716	1,031	-	12,000	12,000	0.00%	-	(12,000)	-100%
Fire Impact Fee	(227,323)	15,722	12,049	-	1,031	-	12,000	12,000	0.00%	-	(12,000)	-100%
General Facility Impact Fee	-	789	5,204	-	1,031	-	12,000	12,000	0.00%	-	(12,000)	-100%
Water Impact Fee	209,668	153,303	234,513	137	1,031	-	12,000	12,000	0.00%	-	(12,000)	-100%
Sewer Impact Fee	-	1,972,484	286,781	691	1,350	-	12,000	12,000	0.00%	-	(12,000)	-100%
Landfill Capital	6,208	7,435	10,785	7,936	(10,028)	9,500	9,500	-	0.00%	9,500	-	0%
Park Capital	-	1,763	6,713	26,571	-	-	-	-	0.00%	-	-	0%
Capital Asset Recovery Fund	-	-	1,201	-	-	-	-	-	0.00%	-	-	0%
Maintenance Fee	83,544	-	-	-	-	20,388	149,758	122,400	447.40%	61,403	(88,355)	-59%
Community Development Tax Increment	1,756,306	411,748	-	-	-	-	-	-	0.00%	-	-	0%
Community Development Project Fund	6,434,703	806,278	-	-	-	-	-	-	0.00%	-	-	0%
Successor Agency	-	11,825,347	7,809,612	1,328,464	1,998,172	1,268,887	1,198,426	(60,461)	-5.65%	1,178,665	(19,761)	-2%
Water Enterprise Fund	2,596,923	1,487,094	2,945,943	1,619,019	3,240,861	1,493,136	1,570,911	124,795	8.40%	1,650,992	260,074	5%
2007 Water Revenue Bonds	858,378	418,438	-	16,882	7,695	-	-	-	0.00%	-	-	0%
Sewer Enterprise Fund	1,206,662	1,619,920	1,701,586	1,887,520	2,246,262	1,601,197	2,069,022	(1,552,165)	-42.86%	1,922,041	(146,581)	-7%
2007 Sewer Revenue Bonds	57,108	2,159,381	-	-	-	-	-	-	0.00%	-	-	0%
Total Expenditures	\$ 17,995,716	\$34,008,055	\$ 20,487,578	\$11,494,089	\$14,592,095	\$ 16,707,894	\$ 13,392,155	\$ (2,295,839)	-14.74%	\$ 11,260,687	\$ (2,137,488)	-16%

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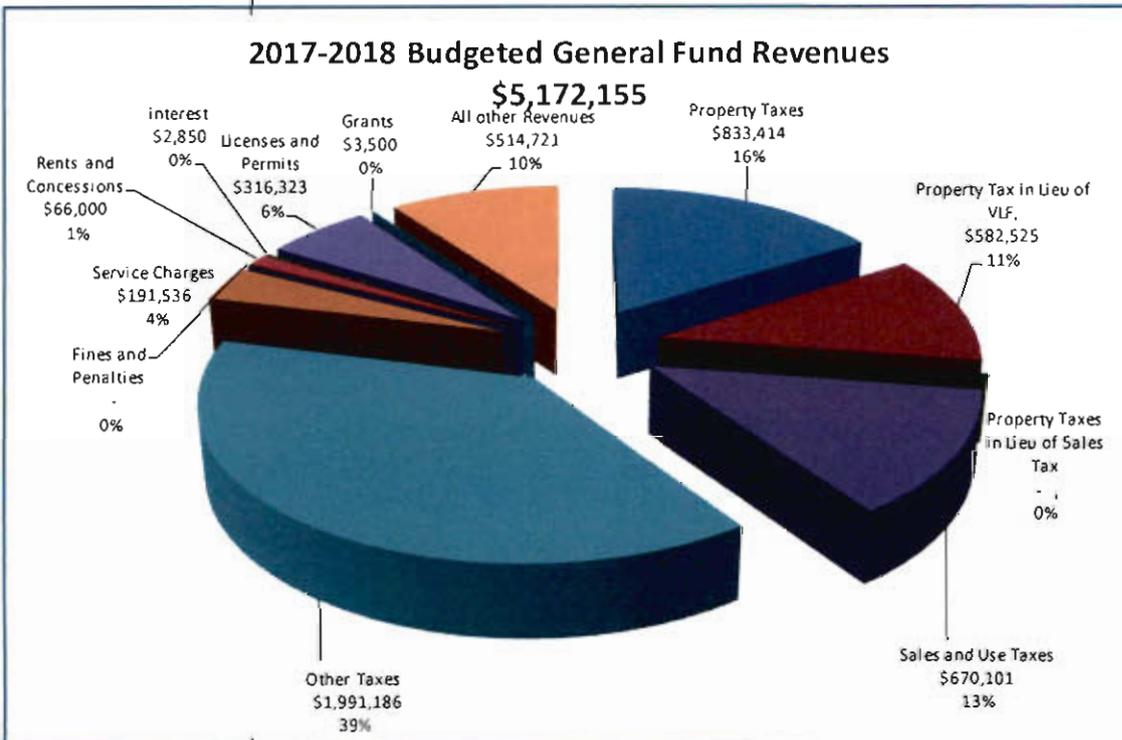
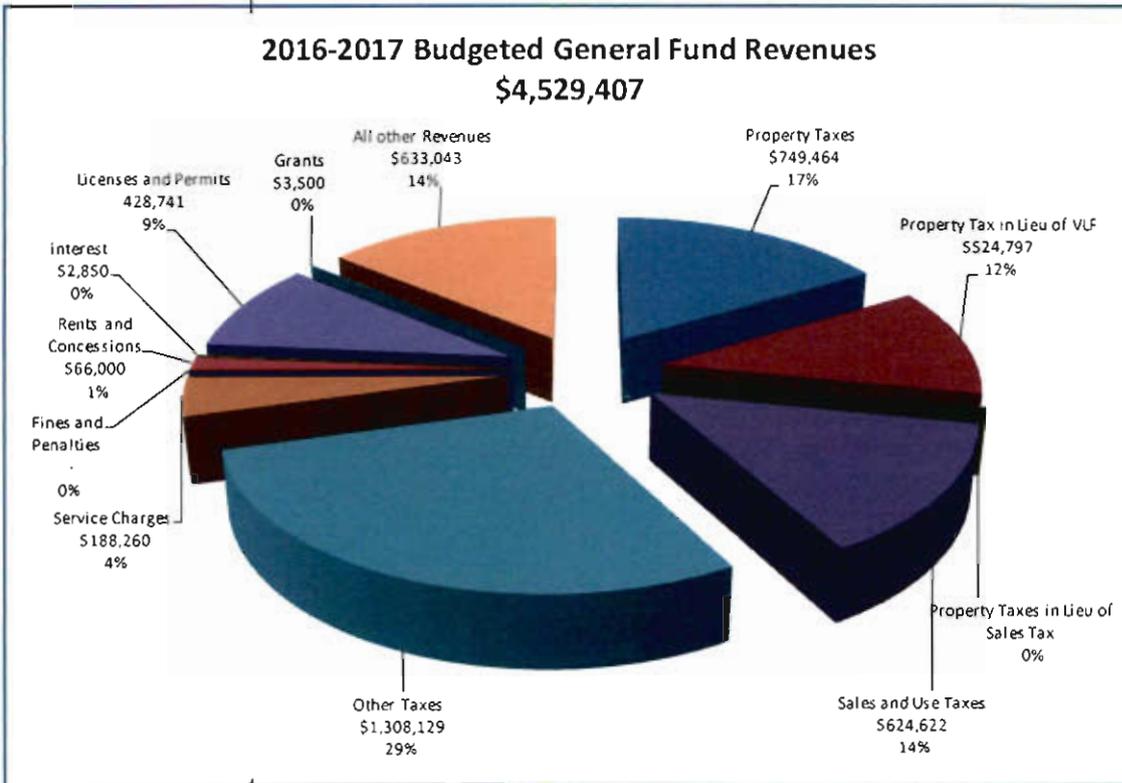
Why the tree? Because...

The tree represents our agricultural heritage, with a modern style illustrating the future of the Winters brand: rustic earthy touches blend harmoniously with the more modern style.

General Fund

General Fund

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



General Fund

Analysis of General Fund Revenues

There are five (5) major revenue sources that comprise 70% of the City's discretionary General Fund revenues, Property Tax, Utility User Tax, Other Taxes, Property Tax in Lieu of VLF, and the Sales and Use Taxes. Beginning in 2015-2016, the Triple Flip, which created the Property Tax in Lieu of Sales Tax expired, and then all Sales Tax revenues are reflected in the Sales Tax Revenue Source.

Property Taxes

Property taxes are the highest revenue source for the City of Winters General Fund and are estimated to be 17% of the City's total General Fund Revenue for 2016-2017 and 16% of total General Fund Revenues in 2017-2018. The property tax revenue is derived from a one-percent levy on the assessed valuation of real property within the City of Winters. The assessed valuation is equal to the market price when real estate is sold, but limited by the California State Constitution (Proposition 13) to a 2% annual increase thereafter. This has the effect of limiting growth in this revenue source to less than the average inflation rate unless, (1) property is resold in an appreciating real estate market, or (2) significant new development activity bolsters the remaining stagnating tax base.

In addition to the limit in the increase in assessed values due to Proposition 13, the City of Winters has seen significant decreases in assessed value of property since the current recession began. The City's assessed value decreased by 26.54% in 2009/2010 and an additional decrease of 12.32% for the 2013/2014 fiscal year. The decrease in assessed value seems to have stopped, and the City of Winters has experienced modest increases in 2014/2015 and 2015/2016, and anticipates similar increases for 2016/2017 and a greater increase 2017/2018 as projects that have begun construction are completed and are assessed by Yolo County Assessor which will increase the value of assessed property within the City of Winters.

Budget Assumptions: The City has used 4.8% as the amount of increase in the Property Tax Revenues for 2016/2017 and 11.20% for 2015/2016. These amounts are higher than the 2%

General Fund

allowed due to projects expected to be complete that will increase the assessed value of property within the City.

Property Taxes

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

Property Taxes		
Fiscal Year	Property Tax	Increase (Decrease)
02/03 Actual	\$ 498,128	-20%
03/04 Actual	\$ 553,104	11.04%
04/05 Actual	\$ 530,507	-4.09%
05/06 Actual	\$ 576,772	8.72%
06/07 Actual	\$ 731,220	26.78%
07/08 Actual	\$ 728,428	-0.38%
08/09 Actual	\$ 734,193	0.79%
09/10 Actual	\$ 539,322	-26.54%
10/11 Actual	\$ 637,141	18.14%
11/12 Actual	\$ 646,590	1.48%
12/13 Actual	\$ 750,163	16.02%
13/14 Actual	\$ 657,737	-12.32%
14/15 Actual	\$ 687,655	4.55%
15/16 Estimate	\$ 715,161	4.00%
16/17 Budget	\$ 749,464	4.80%
17/18 Budget	\$ 833,414	11.20%

The chart above shows that the property tax revenues of the City have been somewhat volatile. This is due to the decrease in assessed values during the recession, the borrowing of property tax by the State of California and the subsequent repayment of that loan in 2012/2013. The repayment of the property tax loan in 2012/2013 appears to indicate that property tax revenues decreased in 2013/2014, when in fact, they increased by approximately 8% after removing the repayment of \$118,000 from the State of California.

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

General Fund

Property Taxes



Utility User Tax

With the passage of Measure W on June 8, 2010, and the decline in Assessed Values throughout the City of Winters, the Utility User Tax is projected to be the second highest revenue source for the City of Winters for the next 2-5 years. Measure W, approved by 51.3% of the voters, increased the Utility User Tax from 4.75% to 9.5% effective July 1, 2010. This tax is applied to all electricity, natural gas and telephone services, including cellular phone services. This source of revenue provides approximately 15% of the General Fund Revenues for 2016-2017 and 14% for 2017-2018. The amount of funds received from the Utility User Tax will increase as development occurs, both residential and commercial development.

Budget Assumptions:

The Utility User Tax is a tax of 9.5% of the cost of the electricity, natural gas and telephone service (including cellular) and satellite television service charge and can fluctuate based on prices of those services. We have projected a small increase in the revenues for the Utility User tax of 2.38% for 2016-2017 and 5.46% for 2017-2018 due to

General Fund

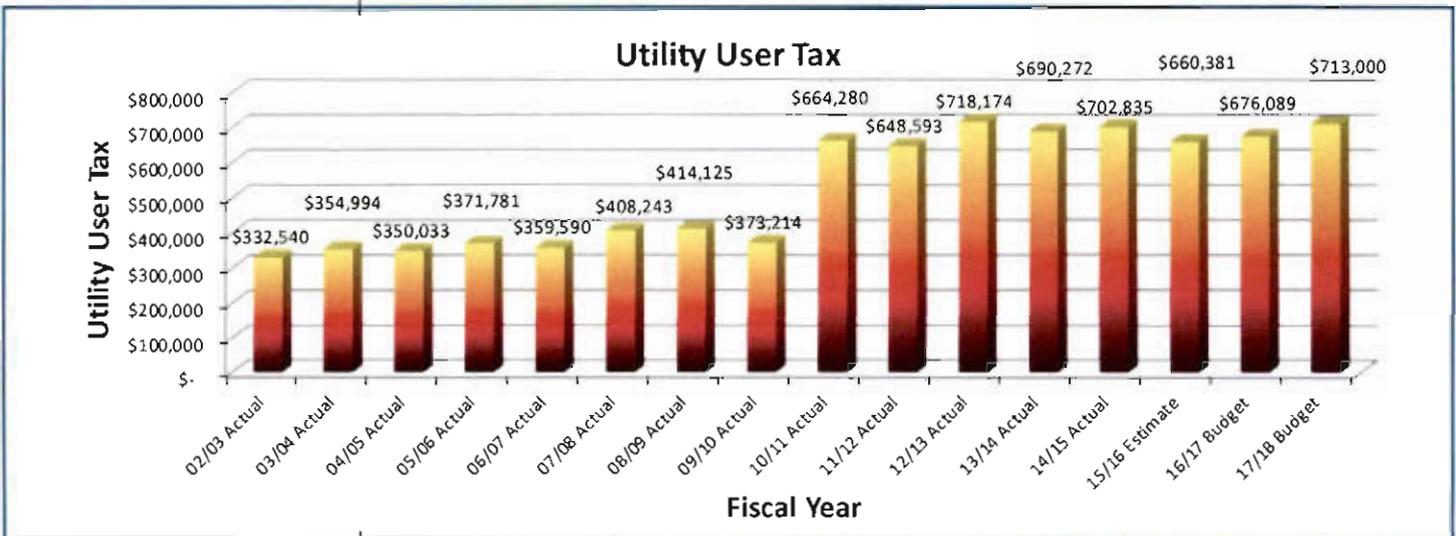
Utility User Tax

increase business and residential buildings and expected to be completed during the budget years begin using utilities.

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

Utility User Tax		
Fiscal Year	Utility User Tax	Increase (Decrease)
02/03 Actual	\$ 332,540	15.25%
03/04 Actual	\$ 354,994	6.75%
04/05 Actual	\$ 350,033	-1.40%
05/06 Actual	\$ 371,781	6.21%
06/07 Actual	\$ 359,590	-3.28%
07/08 Actual	\$ 408,243	13.53%
08/09 Actual	\$ 414,125	1.44%
09/10 Actual	\$ 373,214	-9.88%
10/11 Actual	\$ 664,280	77.99%
11/12 Actual	\$ 648,593	-2.36%
12/13 Actual	\$ 718,174	10.73%
13/14 Actual	\$ 690,272	-3.89%
14/15 Actual	\$ 702,835	1.82%
15/16 Estimate	\$ 660,381	-6.04%
16/17 Budget	\$ 676,089	2.38%
17/18 Budget	\$ 713,000	5.46%

The graph below shows the growth in the Utility User Tax since 2002-2003, the increase in the tax beginning 2010-2011 is clearly shown on the graph.



General Fund

Other Taxes

Other taxes, in aggregate, are the third largest revenue source for the City of Winters General Fund. These taxes include:

- Franchise Fees, Property Transfer Tax
- Municipal Services Tax
- Business License Fee
- Transient Occupancy Tax (TOT)
- Homeowner Relief Property Tax.

Budget Assumptions:

Different factors are used to develop the budget for each of the various taxes included in this category.

- The Franchise Fee is based on contracts with PG& E and the local Cable Television provider.
- The Property Transfer Tax is based on an estimate of the number and value of property transactions within the City of Winters. This was developed by looking at the number of vacant homes at the time the budget was organized as well as utilizing a list of the homes that have been notified of foreclosure proceedings.
- The Municipal Services Tax is \$120 per year per unit, therefore it remains a steady revenue source for the City's General Fund.
- The Business License fee is based upon the number of existing businesses that operate within the City limits. Even with the recession, this remains a fairly constant revenue source.
- The Transient Occupancy Tax is based on the value of hotel rooms within the City and the occupancy level of those hotel rooms, the substantial increase in the "Other Taxes" for the fiscal year 2017-2018 is due to the expectation that 2 new hotels will be built during the 2016-2017 Fiscal Year and begin operations and generating Transient Occupancy Tax in the 2017-2018 Fiscal year.
- The Homeowner Relief Property Tax is based on the number of owner occupied homes, and remains a fairly constant revenue source for the City of Winters.

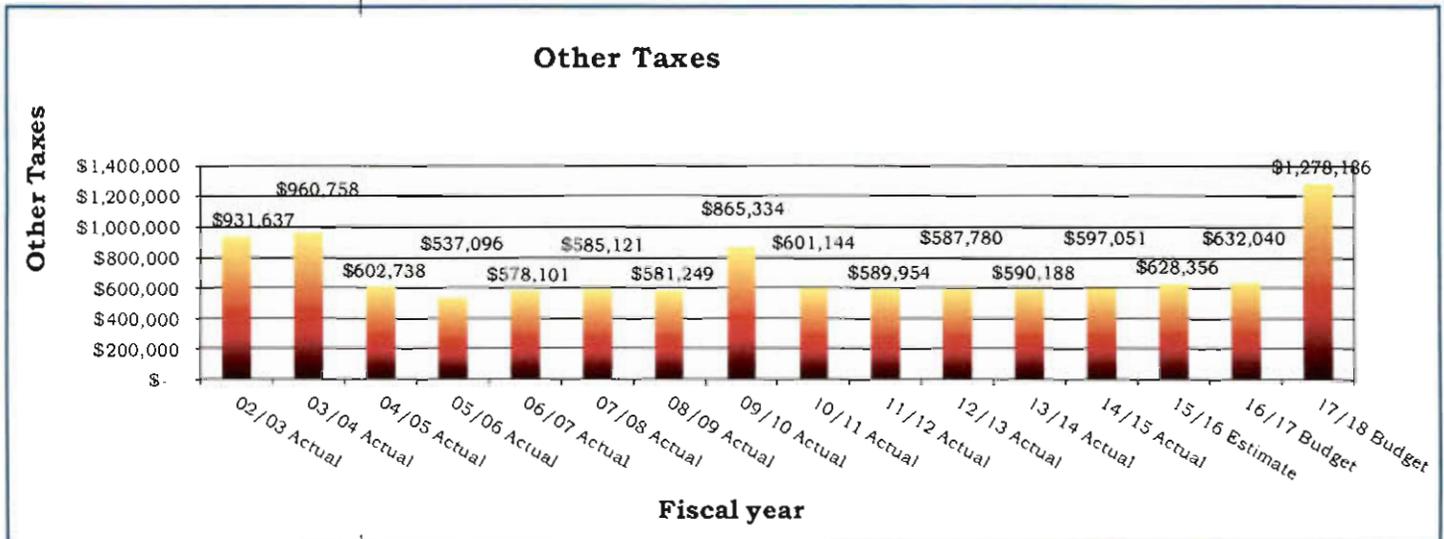
Below is a chart that shows the change in the Other Taxes since 2003-2004.

General Fund

Other Taxes

Other Taxes		
Fiscal Year	Other Taxes	Increase (Decrease)
02/03 Actual	\$ 931,637	1.00%
03/04 Actual	\$ 960,758	3.13%
04/05 Actual	\$ 602,738	-37.26%
05/06 Actual	\$ 537,096	-10.89%
06/07 Actual	\$ 578,101	7.63%
07/08 Actual	\$ 585,121	1.21%
08/09 Actual	\$ 581,249	-0.66%
09/10 Actual	\$ 865,334	48.87%
10/11 Actual	\$ 601,144	-30.53%
11/12 Actual	\$ 589,954	-1.86%
12/13 Actual	\$ 587,780	-0.37%
13/14 Actual	\$ 590,188	0.41%
14/15 Actual	\$ 597,051	1.16%
15/16 Estimate	\$ 628,356	5.24%
16/17 Budget	\$ 632,040	0.59%
17/18 Budget	\$ 1,278,186	102.23%

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



General Fund

Property Tax In Lieu of Motor Vehicle License Fee

Property Tax in Lieu of Motor Vehicle License Fees (Property Tax in Lieu of VLF) is a General Fund revenue source for the City of Winters since the passage of Proposition 1A and represents 12% of General Fund revenues for 2016-2017 and 11% of General Fund revenues for 2017-2018.

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

Budget Assumptions: A budgeted increase of 2.0% for 2016-2017 is based on the information received from the Yolo County. Staff is assuming a 11% increase in revenue for 2017-2018, similar to the increase Property Tax shown in the Property Tax section of this budget.

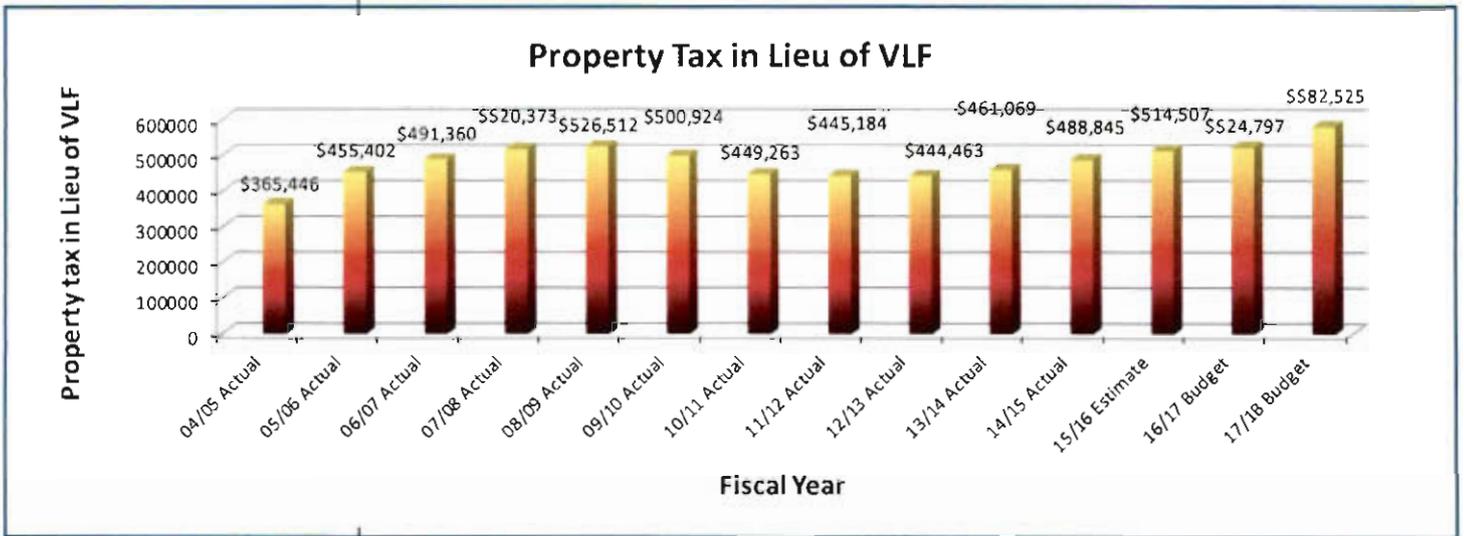
Below is a chart that shows the growth in Property Tax in Lieu of VLF.

General Fund

Property Tax In Lieu of Motor Vehicle License Fee

Property Tax in Lieu of VLF		
Fiscal Year	Property Tax In Lieu of VLF	Increase (Decrease)
04/05 Actual	\$ 365,446	0.00%
05/06 Actual	\$ 455,402	24.62%
06/07 Actual	\$ 491,360	7.90%
07/08 Actual	\$ 520,373	5.90%
08/09 Actual	\$ 526,512	1.18%
09/10 Actual	\$ 500,924	-4.86%
10/11 Actual	\$ 449,263	-10.31%
11/12 Actual	\$ 445,184	-0.91%
12/13 Actual	\$ 444,463	-0.16%
13/14 Actual	\$ 461,069	3.74%
14/15 Actual	\$ 488,845	6.02%
15/16 Estimate	\$ 514,507	5.25%
16/17 Budget	\$ 524,797	2.00%
17/18 Budget	\$ 582,525	11.00%

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



General Fund

Sales Tax

Sales tax revenue is derived from one percent of the sales price on taxable products sold within the City of Winters and is projected to be approximately 14% of the general fund revenues for 2016-2017 and 13% for 2017-2018.

Budget Assumptions: Budgeted revenues are predicted to have a decrease for 2016-2017 and an increase 2017/2018. A review with our sales tax consultant Hinderliter, De Llamas and Associates (HdL) provided the estimate for the both the 2016-2017 and 2017-2018 year. Additionally, the opening of a new retail establishment 2017 or early 2018 will increase the revenues from Sales Taxes. In 2015/2016, the triple flip will end, therefore all sales taxes received will be included as sales tax, and the City will no longer receive Property Tax in Lieu of Sales Tax. What appears as a large increase from 2014-2015 sales tax is actually the reclassification of the amount that used to be received as Property tax in lieu of sales tax.

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

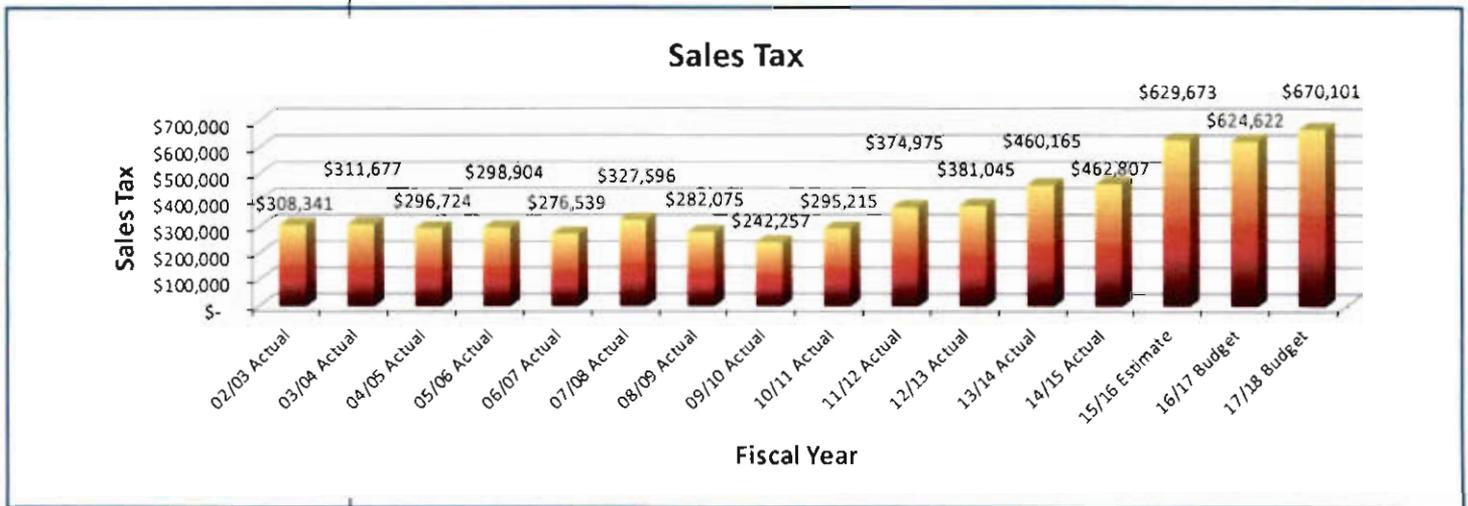
Sales Tax		
Fiscal Year	Sales Tax	Increase (Decrease)
02/03 Actual	\$ 308,341	1.00%
03/04 Actual	\$ 311,677	1.08%
04/05 Actual	\$ 296,724	-4.80%
05/06 Actual	\$ 298,904	0.73%
06/07 Actual	\$ 76,539	-74.39%
07/08 Actual	\$ 327,596	328.01%
08/09 Actual	\$ 282,075	-13.90%
09/10 Actual	\$ 242,257	-14.12%
10/11 Actual	\$ 295,215	21.86%
11/12 Actual	\$ 374,975	27.02%
12/13 Actual	\$ 381,045	1.62%
13/14 Actual	\$ 460,165	20.76%
14/15 Actual	\$ 462,807	0.57%
15/16 Estimate	\$ 629,673	36.06%
16/17 Budget	\$ 624,622	-0.80%
17/18 Budget	\$ 670,101	7.28%

General Fund

Sales Tax

In 2002/2003 the City contracted with Hinderliter, DeLlamas and Associates (HdL) to do a sales tax audit, the result of which was the significant increase in sales tax collections in 02/03. In 2004, 25% of the local sales tax was pledged as a repayment source for the State of California Deficit Reduction Bonds approved in March 2004, we now receive the 25% as "Property Tax in Lieu of Sales Tax". This is known as part of the "triple-flip" in California. As mentioned above, this triple flip ended in 2015/2016, therefore, the increase of Sales tax beginning in 2015/2016 is actually mostly a reflection of the end of the "triple-flip", and all sales tax revenues now being reported as Sales tax, instead of 25% recorded as Property tax in lieu of sales tax and 75% recorded as sales tax.

The graph below shows the growth in sales tax since 2003/2004.



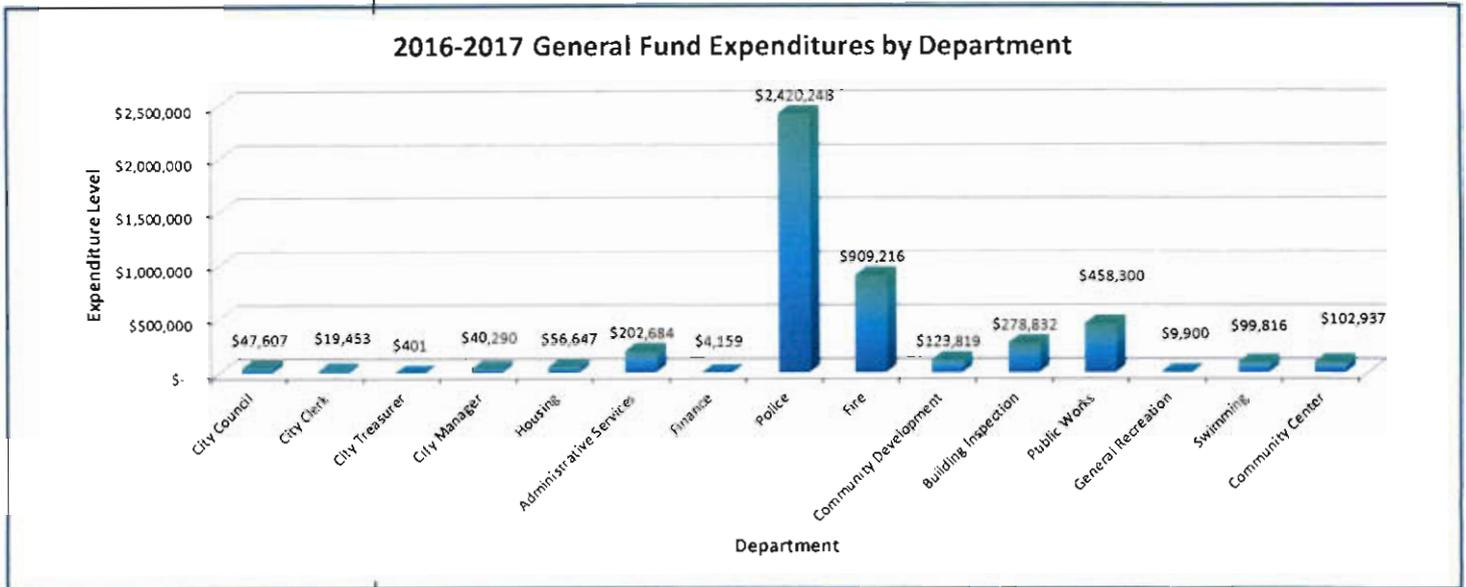
General Fund

Below is a General Fund Budget Comparison for the years 2011-2018

City of Winters 2011-2018 Budget Comparison												
	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Estimated	2017 Proposed	2017 Change from 2016 Estimated		2018 Proposed	2018 Change from 2017 Proposed	
								In \$	In %		In \$	In %
Financial Sources:												
Property Taxes	\$ 637,141	\$ 646,590	\$ 750,163	\$ 657,737	\$ 687,655	\$ 715,161	\$ 749,464	\$ 34,303	4.80%	\$ 833,414	\$ 83,949	11.20%
Property Tax in Lieu of VLF	449,263	445,184	444,463	461,069	488,845	514,507	524,797	10,290	2.00%	582,525	57,728	11.00%
Property Taxes in Lieu of Sales Tax	74,074	94,279	124,584	129,086	151,959	17,972	-	(17,972)	-100.00%	-	-	0.00%
Sales and Use Taxes	295,215	374,975	381,045	480,165	462,807	629,673	624,622	(5,051)	-0.80%	670,101	45,479	7.28%
Other Taxes	1,265,424	1,238,547	1,305,954	1,280,460	1,299,886	1,288,737	1,308,129	19,392	1.50%	1,991,186	683,057	52.22%
Service Charges	137,908	109,059	118,980	128,912	115,853	196,198	188,260	(7,938)	-4.05%	191,536	3,270	1.74%
Fines and Penalties	53	-	-	-	-	-	-	-	-	-	-	-
Rents and Concessions	39,251	47,825	65,074	66,280	75,327	66,000	66,000	-	0.00%	66,000	-	0.00%
Interest	2,970	1,957	8,361	3,929	4,221	2,850	2,850	-	0.00%	2,850	-	0.00%
Licenses and Permits	150,566	73,794	118,126	105,136	164,913	482,388	428,741	(53,647)	-11.12%	316,323	(112,418)	-26.22%
Grants	495	4,974	3,724	1,509	508	1,000	3,500	2,500	250.00%	3,500	-	0.00%
All other Revenues	88,376	389,278	312,085	486,869	634,370	1,548,580	633,043	(915,536)	-59.12%	514,721	(118,322)	-18.69%
Total Estimated Financial Sources	\$ 3,140,737	\$ 3,426,462	\$ 3,632,561	\$ 3,781,151	\$ 4,086,343	\$ 5,463,080	\$ 4,529,407	\$(933,659)	-17.09%	\$ 5,172,155	\$ 642,749	14.19%
Expenditures:												
City Council	\$ 286	\$ 61	\$ 3,473	\$ 24,722	\$ 85,471	\$ 12,688	\$ 47,607	\$ 34,919	275.22%	\$ 14,260	\$ (33,347)	-70.05%
City Clerk	16,618	9,980	17,164	11,973	18,048	20,531	19,453	(1,079)	-5.25%	8,960	(10,493)	-53.94%
City Treasurer	324	349	382	350	10,824	324	401	77	23.82%	381	(20)	-5.03%
City Manager	31,142	31,443	68,602	60,463	88,959	162,681	40,290	(122,391)	-75.23%	41,338	1,048	2.60%
Housing	52,447	52,447	186,148	116,074	63,783	188,917	56,647	(132,270)	-70.01%	67,343	10,696	18.88%
Administrative Services	169,299	185,634	204,123	202,151	199,534	265,107	202,684	(62,423)	-23.55%	211,536	8,852	4.37%
Finance	2,964	6,617	36,516	42,068	8,156	59,620	4,159	(55,461)	-93.02%	4,155	(4)	-0.10%
Police	1,720,085	1,864,313	1,821,183	1,913,807	2,069,036	2,395,264	2,420,248	24,964	1.04%	2,717,673	297,424	12.29%
Fire	458,828	784,718	768,482	949,910	896,471	1,104,946	909,216	(195,729)	-17.71%	1,041,355	132,138	14.53%
Community Development	253,061	298,139	78,181	84,516	183,022	212,467	123,819	(88,648)	-41.72%	118,025	(7,793)	-6.29%
Building Inspection	120,466	140,957	156,166	170,547	194,844	333,577	278,832	(54,745)	-16.41%	296,671	17,839	6.40%
Public Works	224,200	259,191	288,848	286,176	445,800	369,744	458,300	88,557	23.95%	413,928	(44,374)	-9.88%
General Recreation	7,911	9,898	9,702	8,690	7,449	6,500	9,900	3,400	52.31%	9,900	-	0.00%
Swimming	51,743	79,650	74,915	83,523	93,992	79,741	99,816	20,075	25.18%	99,921	105	0.11%
Community Center	75,660	81,623	74,719	71,549	78,850	90,589	102,937	12,348	13.63%	107,221	4,283	4.16%
Total Budgeted Expenditures	\$ 3,132,587	\$ 3,805,022	\$ 3,868,354	\$ 4,028,517	\$ 4,423,039	\$ 5,302,714	\$ 4,774,308	\$(528,406)	-9.90%	\$ 5,150,683	\$ 378,355	7.88%
Net Increase(Decrease) in Fund Balance	\$ 8,150	\$(378,559)	\$(235,794)	\$(247,366)	\$(336,696)	\$ 150,365	\$(244,902)			\$ 21,492		
Fund Balance July 1	\$ 4,576,325	\$ 4,648,010	\$ 4,295,242	\$ 4,180,521	\$ 4,211,044	\$ 4,196,387	\$ 4,473,339			\$ 4,345,037		
Transfers	\$ 83,535	\$ 25,791	\$ 121,073	\$ 277,890	\$ 322,039	\$ 116,600	\$ 116,600			\$ 116,600		
Adjustments												
Fund Balance June 30	\$ 4,648,010	\$ 4,295,242	\$ 4,180,521	\$ 4,211,044	\$ 4,196,387	\$ 4,473,339	\$ 4,345,037			\$ 4,483,129		

General Fund

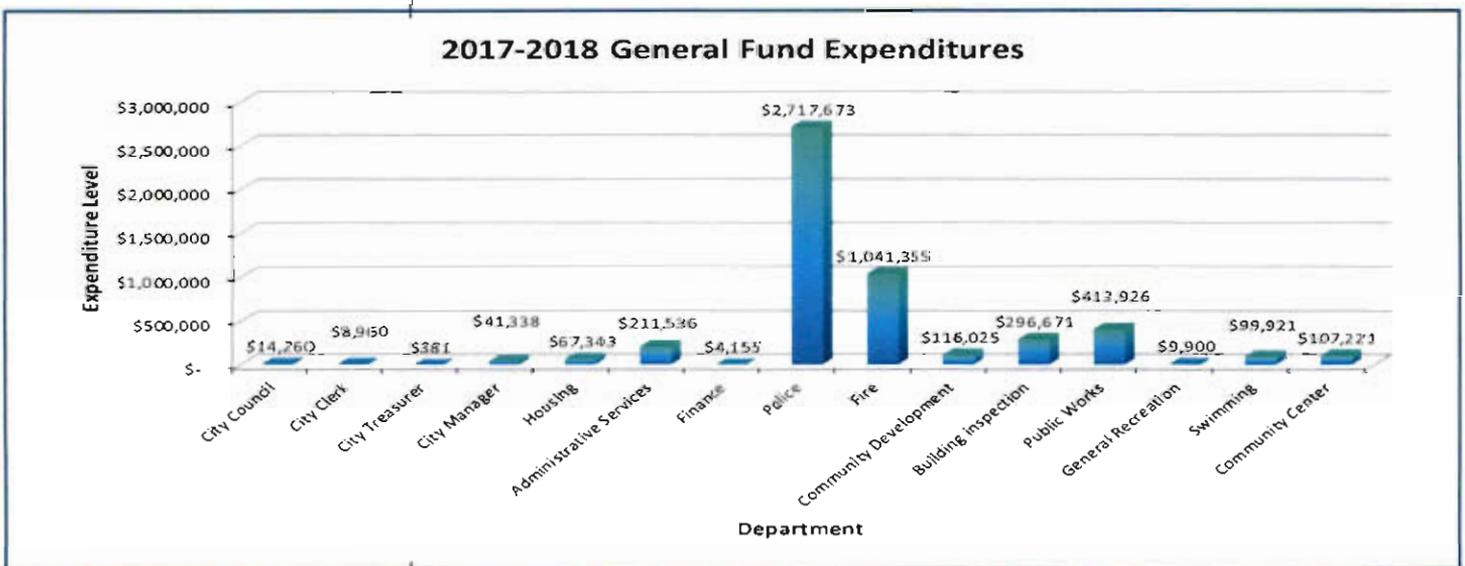
Below is a chart of the expenditures of the General fund by Department for the City of Winters for 2016-2017



For Fiscal Year 2016-2017 the General Fund Expenditures points of interest include:

- Reclassification of Management Analyst to Associate Planner.
- Reclassification of Building Official from Mid-Management to Management.

Below is a chart of the expenditures of the General Fund by Department for the City of Winters for 2017-2018



General Fund

For Fiscal Year 2017-2018 the General Fund Expenditures points of interest include:

- Addition of 1 Police Officer Position
- Addition of 1 Fire Engineer Position

General Fund Reserves

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

City of Winters	
Fund Balance and ability to meet Reserve Policy Requirements	
Estimated General Fund fund Balance 6/30/16	\$ 4,473,339
Cash Reserve \$4,774,309 X 50%	2,387,154
Fund balance used to fund 2016-17	128,302
Un-appropriated, unreserved Fund Balance	<u>\$ 1,957,883</u>
Required Emergency Reserve (Per Policy) \$4,473,339 x 25% of Fund Balance	<u>1,118,335</u>
Fund Balance Available	\$ 1,957,883
Unappropriated Unreserved Fund Balance	\$ -
Required Unappropriated Unreserved Fund Balance	<u>1,118,335</u>
Unappropriated Unreserved Fund Balance above Policy	<u>\$ 839,548</u>

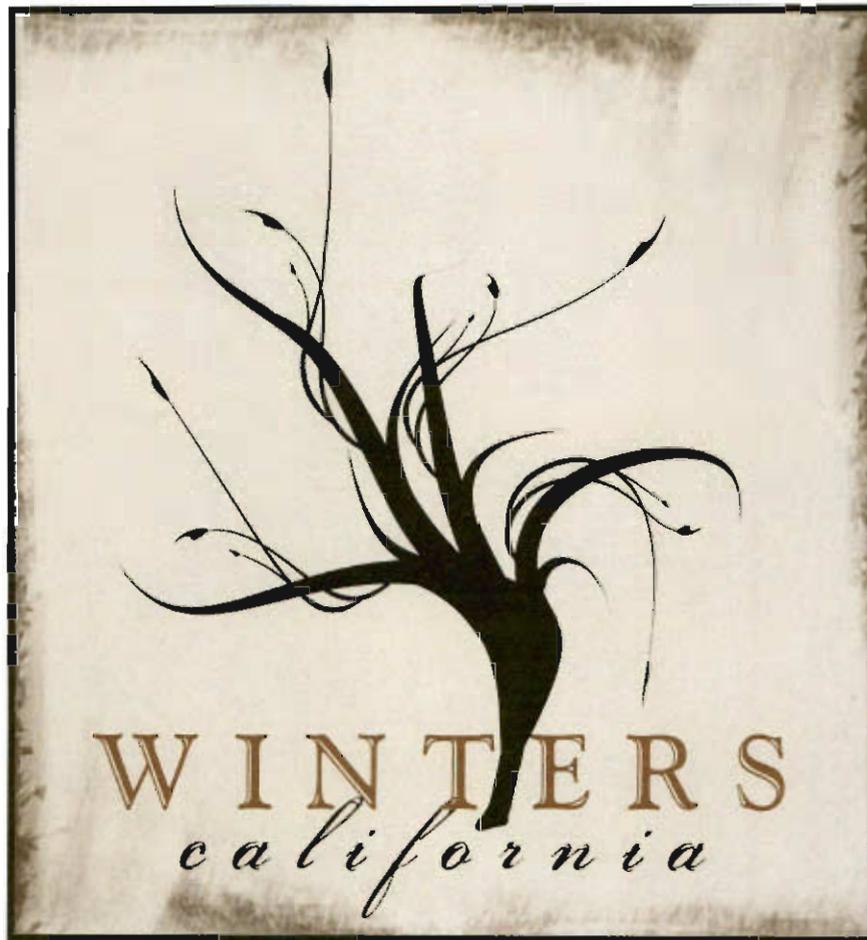
The estimated un-appropriated unreserved fund balance for 2016-2017 is \$1,957,883 or \$839,548 more than required, based on the estimated fund balance as of June 30, 2016.

City of Winters	
Fund Balance and ability to meet Reserve Policy Requirements	
Estimated General Fund fund Balance 6/30/17	\$ 4,345,037
Cash Reserve \$5,150,663 X 50%	2,575,332
Fund balance used to fund 2012-13	-
Un-appropriated, unreserved Fund Balance	<u>\$ 1,769,705</u>
Required Emergency Reserve (Per Policy) \$4,345,037 x 25% of Fund Balance	<u>1,086,259</u>
Fund Balance Available	\$ 1,769,705
Unappropriated Unreserved Fund Balance	\$ -
Required Unappropriated Unreserved Fund Balance	<u>1,086,259</u>
Unappropriated Unreserved Fund Balance above Policy	<u>\$ 683,446</u>

General Fund

The estimated un-appropriated unreserved fund balance for 2017-201 is \$1,769,705 or \$683,446 more than required, based on the estimated fund balance as of June 30, 2017.

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Why the tree? Because...

The tree represents all of the elements of the overarching brand that defines Winters. It is a symbol of our architectural heritage and the beautiful natural surroundings in which we live.

Other Funds

Other Funds

Other Funds included in the City of Winters budget are:

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

Each fund group will be presented separately in this section.

Special revenue funds account for activities funded by special purpose revenue that is legally restricted to expenditure for specific use. The City currently has 45 special revenue funds with budgeted activity for 2016-2018. Seven (7) of these funds are on-going special revenue funds, that is, they are each active on a year-to-year basis. The balance of the special revenue funds reflect one-time or limited duration funding from grants from the State of California or the Federal Government and may take several years to properly expend the funds.

The on-going special revenue funds are:

- City Wide Assessment District
- Gas Tax
- Transportation Development Act Funds
- Winters Swim Team
- Community Festival
- Recycling Grant Program
- Quilt Show Fund

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

Additional special revenue funds can be categorized as follows:

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

Other Funds

Special Revenue Funds

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

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

City Wide Assessment District

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

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

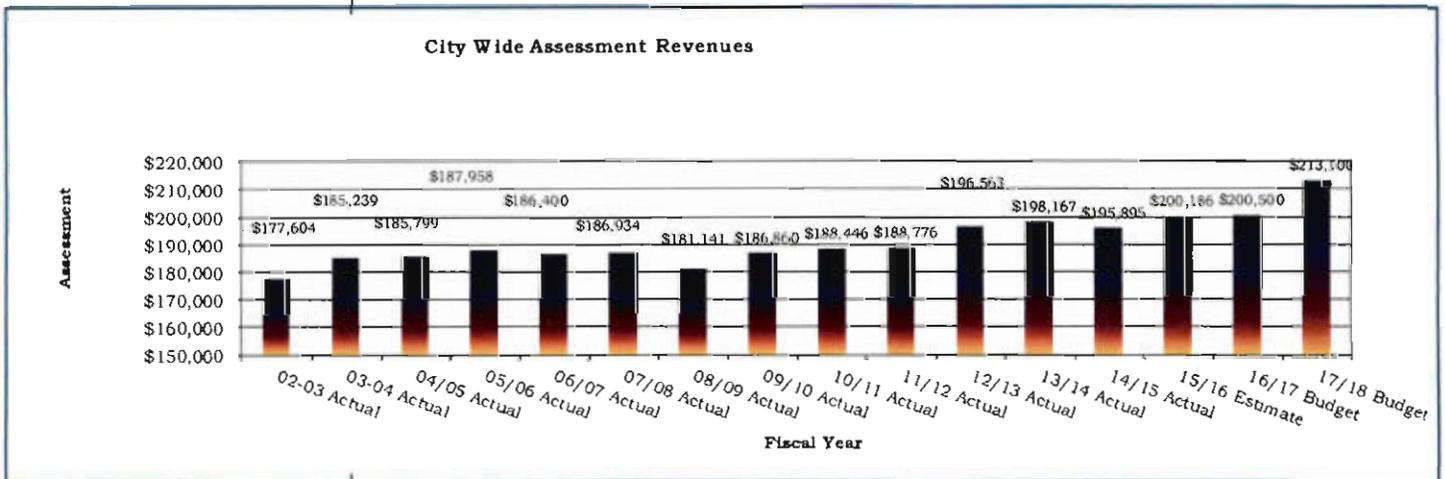
The following chart shows the level of assessments for 2002/2003 through 2017/2018.

Other Funds

Special Revenue Funds

City Wide Assessment Revenues			Increase/ (Decrease)
Fiscal Year	Amount		
02-03 Actual	\$ 177,604		11%
03-04 Actual	\$ 185,239		4%
04/05 Actual	\$ 185,799		0%
05/06 Actual	\$ 187,958		1%
06/07 Actual	\$ 186,400		-1%
07/08 Actual	\$ 186,934		0%
08/09 Actual	\$ 181,141		-3%
09/10 Actual	\$ 186,860		3%
10/11 Actual	\$ 188,446		1%
11/12 Actual	\$ 188,776		0%
12/13 Actual	\$ 196,563		4%
13/14 Actual	\$ 198,167		1%
14/15 Actual	\$ 195,895		-1%
15/16 Estimate	\$ 200,186		2%
16/17 Budget	\$ 200,500		0%
17/18 Budget	\$ 213,100		6%

The following graph shows the City Wide Assessment Revenues for 2002-2003 through 2017-2018.



In addition to the assessment indicated above, the General Fund began subsidizing the City Wide Assessment District in 2005/2006. Due to the recession, and the decrease in the assessed value of property within the City of Winters, the City Council made budget decisions to reclassify and restructure personnel assigned to park maintenance in .

Other Funds

Special Revenue Funds

order to reduce the subsidy beginning in 2010-2011 from the amount in prior years.

The subsidy is estimated to be as follows:

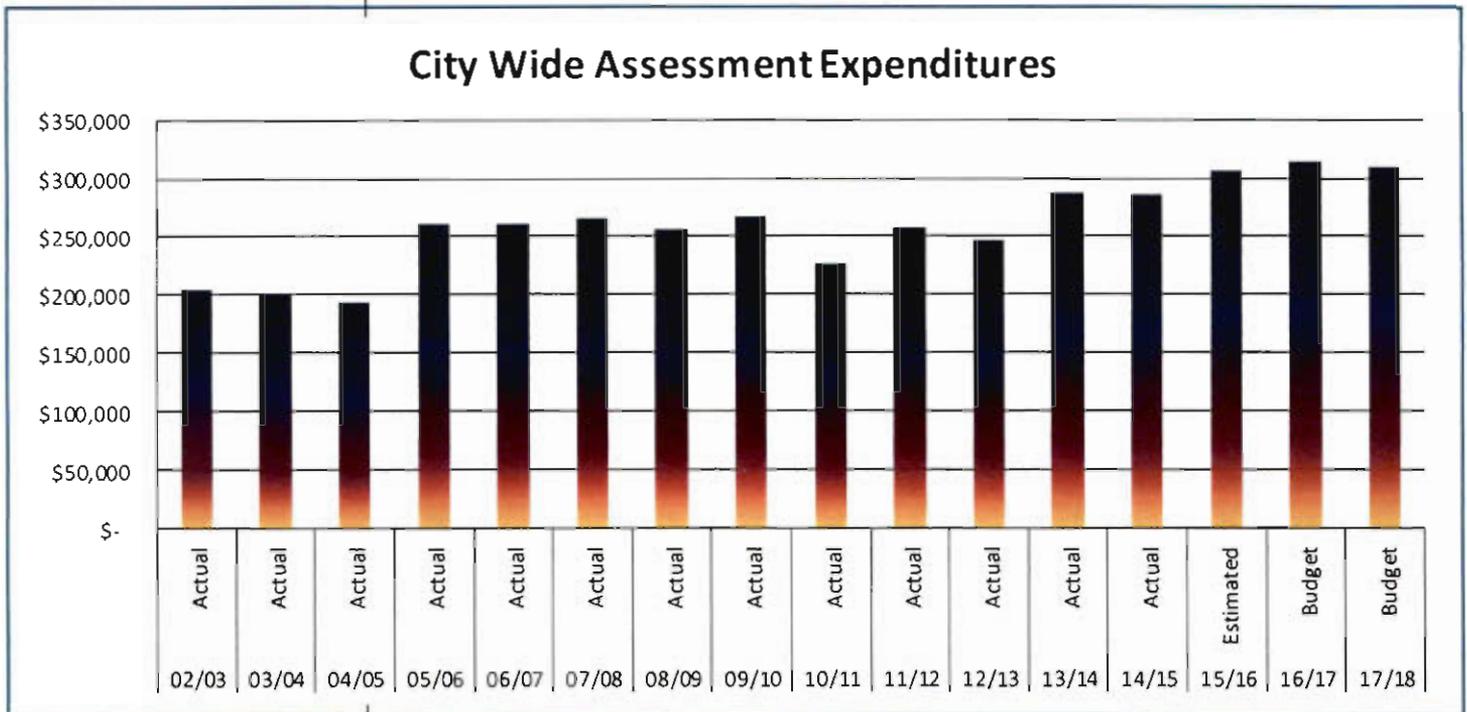
Fiscal Year	Amount	Increase/ (Decrease)
02-03 Actual	\$ -	
03-04 Actual	\$ -	
04/05 Actual	\$ -	
05/06 Actual	\$ 108,782	
06/07 Actual	\$ 83,991	-23%
07/08 Actual	\$ 82,904	-1%
08/09 Actual	\$ 101,463	22%
09/10 Actual	\$ 96,822	-5%
10/11 Actual	\$ 77,535	-20%
11/12 Actual	\$ 87,128	12%
12/13 Actual	\$ 72,934	-16%
13/14 Actual	\$ 88,774	22%
14/15 Actual	\$ 87,058	-2%
15/16 Estimate	\$ 101,951	17%
16/17 Budget	\$ 113,702	12%
17/18 Budget	\$ 101,102	-11%

The cost of maintaining all City Parks and the cost of operating streetlights, stoplights, and park lights is paid from the City Wide Assessment Fund. The following table shows the expenditures for 2002/2003 through 2017/2018.

Fiscal Year		Amount	Increase/Decrease
02/03	Actual	\$ 204,607	-6%
03/04	Actual	\$ 201,277	-2%
04/05	Actual	\$ 193,392	-4%
05/06	Actual	\$ 260,986	35%
06/07	Actual	\$ 260,953	0%
07/08	Actual	\$ 265,539	2%
08/09	Actual	\$ 256,791	-3%
09/10	Actual	\$ 267,452	4%
10/11	Actual	\$ 226,380	-15%
11/12	Actual	\$ 257,093	14%
12/13	Actual	\$ 247,271	-4%
13/14	Actual	\$ 287,069	16%
14/15	Actual	\$ 286,221	0%
15/16	Estimated	\$ 305,905	7%
16/17	Budget	\$ 314,202	3%
17/18	Budget	\$ 309,987	-1%

Other Funds

Special Revenue Funds



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

Estimated Fund Balance as of 6/30/16	\$ 70,253
Dry Creek Stabilization	61,081
Rancho Arroyo Bank Stabilization	9,172
Unappropriated/Unreserved Fund Balance	<u>\$ -</u>

The City Wide Assessment District is not self-supporting as of 2005/2006. The assessment amount is a flat amount, not subject to increases; therefore, only additional units will increase the assessment revenue. All additional funding requirements will require a subsidy from the General Fund. The reserve policy for this fund will need to be reviewed and revised in 2016-2018 due to the limitation on assessment revenue growth.

Other Funds

Special Revenue Funds

Gas Tax Fund

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

Budget Assumptions: The gas tax is apportioned on Vehicle Registration Assessed Valuation and on population, the assumption is that the City of Winters will see no increase in the gas tax revenues due to the fact that population within the city limits increased by only slightly in the last few years. Beginning in 2010-2011, the City of Winters began receiving Section 2103 Gas Tax Revenue, formerly received as Traffic Congestion Relief Funds and accounted for in a separate fund. This change was a part of the budget solution for the State of California, and therefore, there was a 49% increase in revenues in 2010-2011 over 2009-2010 due to this funding change by the State of California.

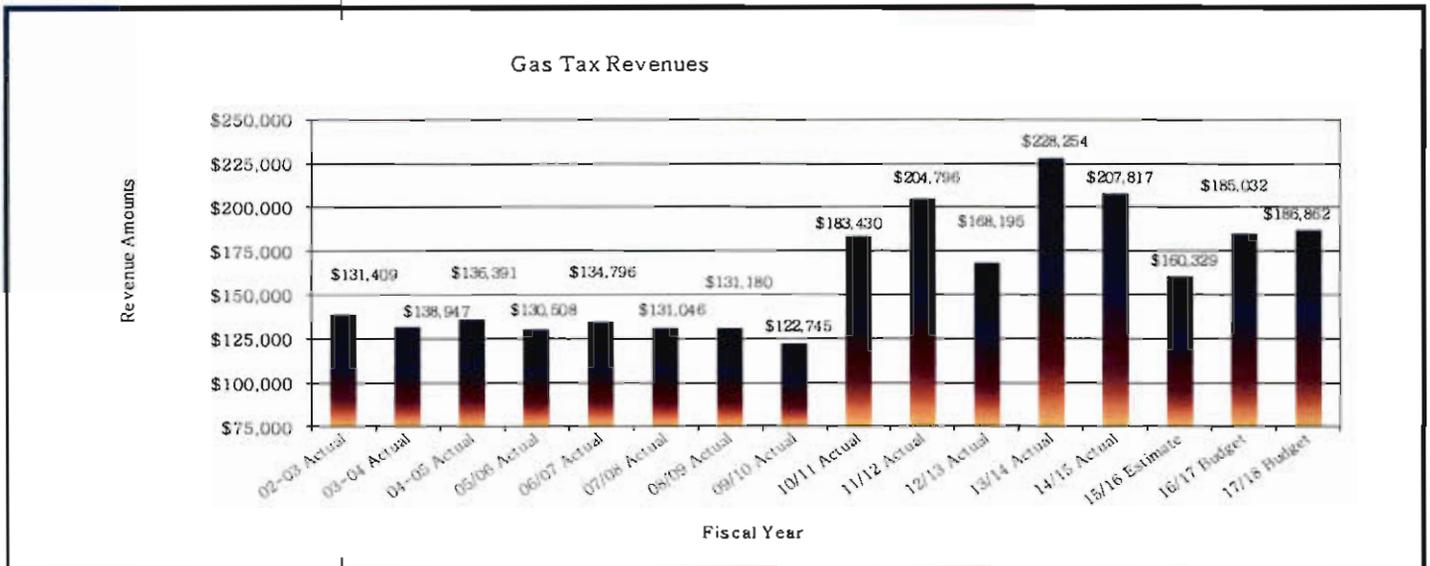
The chart below shows Gas Tax Revenues for 2002/2003 through 2017/2018.

Gas Tax Revenues			
Fiscal Year		Amount	Increase/ (Decrease)
02-03 Actual	\$	138,947	27%
03-04 Actual	\$	131,409	-5%
04-05 Actual	\$	136,391	4%
05/06 Actual	\$	130,508	-4%
06/07 Actual	\$	134,796	3%
07/08 Actual	\$	131,046	-3%
08/09 Actual	\$	131,180	0%
09/10 Actual	\$	122,745	-6%
10/11 Actual	\$	183,430	49%
11/12 Actual	\$	204,796	12%
12/13 Actual	\$	168,195	-18%
13/14 Actual	\$	228,254	36%
14/15 Actual	\$	207,817	-9%
15/16 Estimate	\$	160,329	-23%
16/17 Budget	\$	185,032	15%
17/18 Budget	\$	186,862	1%

The graph below shows the revenues from the Gas Tax Fund for 2002-2003 through 2017/2018.

Other Funds

Special Revenue Funds



The Gas Tax funds are expended for staffing for street repairs and maintenance, road signs and the appropriate materials and supplies for the repair of the streets throughout the city. The gas tax fund expenditures vary from year to year depending on the level of street projects undertaken, or for budget purposes, the projects expected to be implemented during the budget year. Most major street projects require funding from other sources in addition to the gas tax funds in order to have enough resources for the project. Therefore, major projects occur sporadically as additional funding is obtained. Currently most of the gas tax funds are used for patching and filling potholes throughout the city, painting of cross walks and stop lines, and right of way maintenance, as well as maintaining proper street and stop signs throughout the city.

Costs for 2016-2017 and 2017-2018 include funding to begin implementing a yearly street improvement project, improving streets identified by staff that can benefit and have the life of the street extended by some less expensive improvement methods.

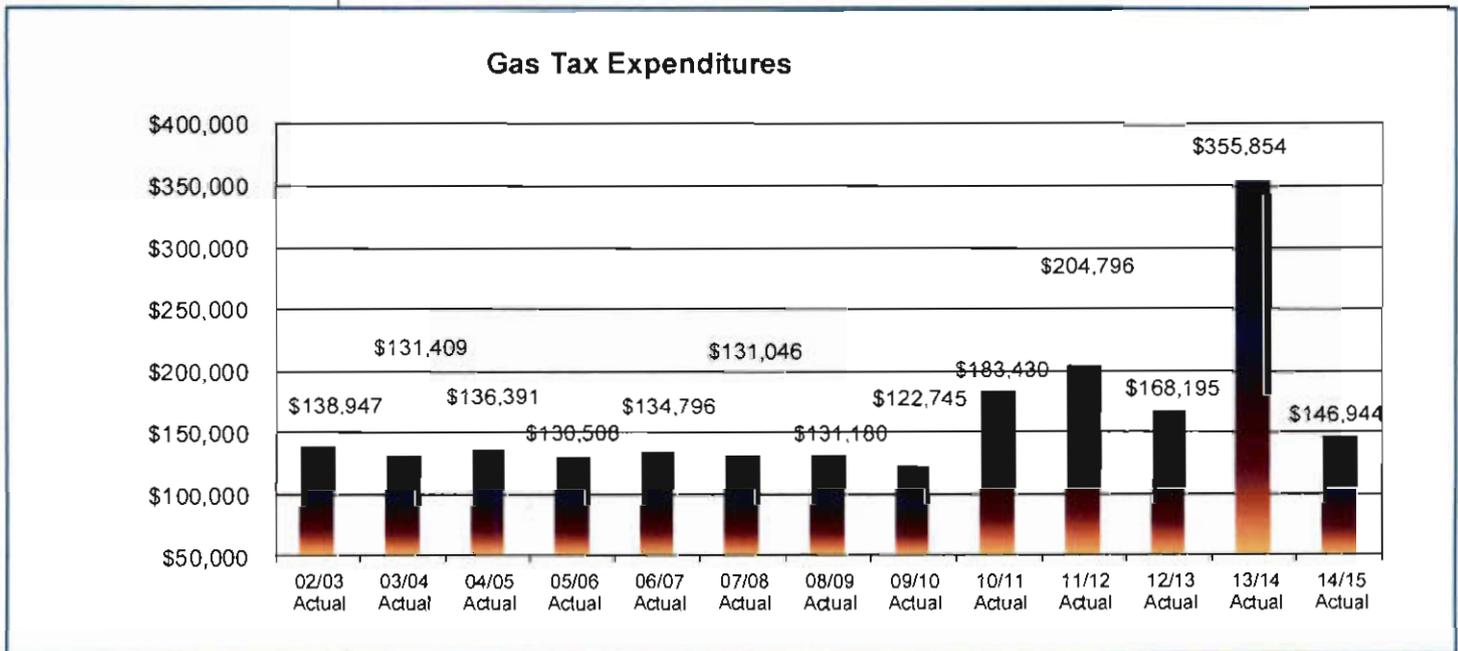
Other Funds

Special Revenue Funds

The chart below shows the expenditures for 2002/2003 through 2017/2018.

Gas Tax Expenditures		
Fiscal year	Amount	Increase/ (Decrease)
02/03 Actual	\$ 138,947	382%
03/04 Actual	\$ 131,409	-5%
04/05 Actual	\$ 136,391	4%
05/06 Actual	\$ 130,508	-4%
06/07 Actual	\$ 134,796	3%
07/08 Actual	\$ 131,046	-3%
08/09 Actual	\$ 131,180	0%
09/10 Actual	\$ 122,745	-6%
10/11 Actual	\$ 183,430	49%
11/12 Actual	\$ 204,796	12%
12/13 Actual	\$ 168,195	-18%
13/14 Actual	\$ 355,854	112%
14/15 Actual	\$ 146,944	-59%
15/16 Estimate	\$ 207,295	41%
16/17 Budget	\$ 221,983	7%
17/18 Budget	\$ 211,395	-5%

The graph below shows expenditures for 2002/2003 through 2017/2018.



Other Funds

Special Revenue Funds

Transportation Development Act Funds

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

Budget Assumptions: The City of Winters receives its allocation for LTF and STA from the Sacramento Area Council of Governments (SACOG). Each year a Findings of Apportionment is adopted by SACOG and the City is responsible for filing a claim for the amount apportioned to it. We have received the Finding of Apportionment for 2016-2017 and the budgeted revenues are based on that finding. Budgeted revenues for 2017-2018 are based on a minor decrease in expected fuel prices along with an increase in population therefore resulting in a small increase in Transportation Development Act Funds.

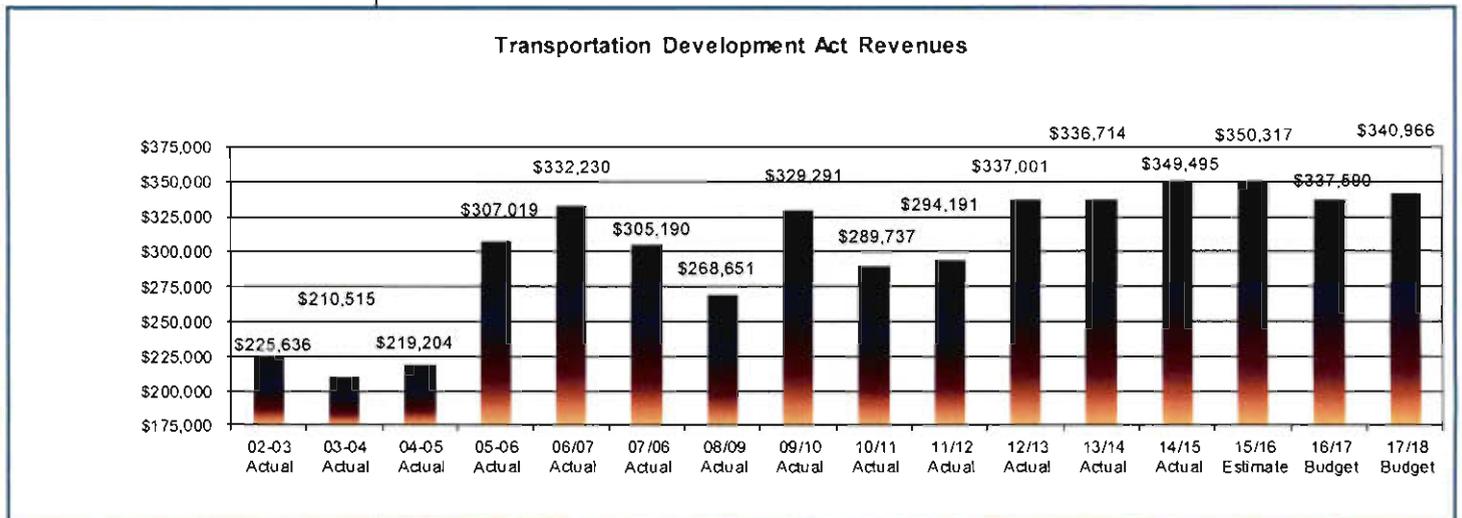
The chart below shows the Revenues since 2002-2003 for the Transportation Development Act Fund.

Fiscal Year	LTF	STA	Total	Increase/ (Decrease)
02-03 Actual	221,228	4,408	\$ 225,636	-41%
03-04 Actual	210,515	-	\$ 210,515	-7%
04-05 Actual	219,204	-	\$ 219,204	4%
05-06 Actual	268,019	39,000	\$ 307,019	40%
06/07 Actual	332,230	-	\$ 332,230	8%
07/08 Actual	305,190	-	\$ 305,190	-8%
08/09 Actual	268,651	-	\$ 268,651	-12%
09/10 Actual	329,291	-	\$ 329,291	23%
10/11 Actual	252,906	36,831	\$ 289,737	0%
11/12 Actual	242,224	51,967	\$ 294,191	2%
12/13 Actual	337,001	-	\$ 337,001	15%
13/14 Actual	336,714	-	\$ 336,714	0%
14/15 Actual	314,837	34,658	\$ 349,495	4%
15/16 Estimate	350,317	-	\$ 350,317	0%
16/17 Budget	337,590	-	\$ 337,590	-4%
17/18 Budget	340,966	-	\$ 340,966	1%

Other Funds

Special Revenue Funds

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



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

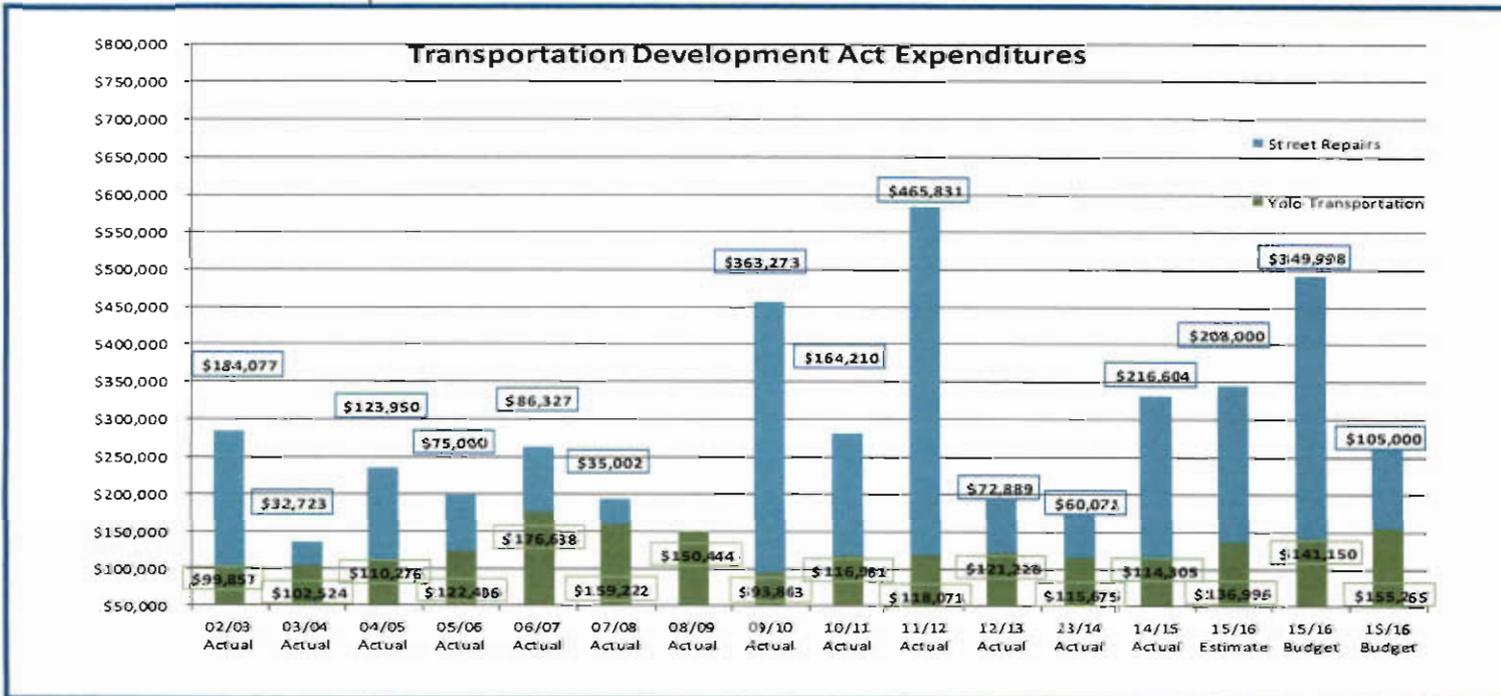
The Chart below details the expenditures from the Transportation Development Act Fund since 2002-2003.

Other Funds

Special Revenue Funds

Transportation Development Act Expenditures			
Fiscal year	Bus Service	Streets & Roads	Total
02/03 Actual	\$ 99,857	\$ 184,077	\$ 283,934
03/04 Actual	\$ 102,524	\$ 32,723	\$ 135,247
04/05 Actual	\$ 110,276	\$ 123,950	\$ 234,226
05/06 Actual	\$ 122,406	\$ 75,000	\$ 197,406
06/07 Actual	\$ 176,638	\$ 86,327	\$ 262,965
07/08 Actual	\$ 159,222	\$ 35,002	\$ 194,224
08/09 Actual	\$ 150,444	\$ (37,037)	\$ 113,407
09/10 Actual	\$ 93,863	\$ 363,273	\$ 457,135
10/11 Actual	\$ 116,961	\$ 164,210	\$ 281,171
11/12 Actual	\$ 118,071	\$ 465,831	\$ 583,902
12/13 Actual	\$ 121,228	\$ 72,889	\$ 194,117
13/14 Actual	\$ 115,675	\$ 60,071	\$ 175,746
14/15 Actual	\$ 114,305	\$ 216,604	\$ 330,909
15/16 Estimate	\$ 136,996	\$ 208,000	\$ 344,996
15/16 Budget	\$ 141,150	\$ 349,998	\$ 491,148
15/16 Budget	\$ 155,265	\$ 105,000	\$ 260,265

The graph below shows expenditures for 2002/2003 through 2017/2018.



Other Funds

Winters Swim Team Fund

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

Budget Assumptions:

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

The chart below shows the revenue generated by the Swim Team registration and Fireworks sales.

Fiscal Year	Amount	Increase/ (Decrease)
04/05 Actual	67,678	
05/06 Actual	66,488	-2%
06/07 Actual	71,945	8%
07/08 Actual	73,887	3%
08/09 Actual	67,625	-8%
09/10 Actual	50,339	-26%
10/11 Actual	54,257	8%
11/12 Actual	62,490	15%
12/13 Actual	34,443	-45%
13/14 Actual	41,314	20%
14/15 Actual	34,805	-16%
15/16 Estimate	29,436	-15%
15/16 Budget	29,436	0%
15/16 Budget	29,436	0%

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

Other Funds

City of Winters Estimated Fund Balances for Special Revenue Funds									
Fund	Estimated Fund Balance 7/1/2016	Budgeted Revenues 2016/2017	Budgeted Expenditures 2016/2017	Budgeted Transfers 2016/2017	Estimated Fund Balance 6/30/2017	Budgeted Revenues 2017/2018	Budgeted Expenditures 2017/2018	Budgeted Transfers 2017/2018	Estimated Fund Balance 6/30/2018
Fireworks	\$ 1,084	\$ 15,000	\$ 15,000		1,084	\$ 15,000	\$ 15,000		1,084
Senior Fund	388	2	150		240	2	150		92
Winters Swim Project	2,203	500	500		2,203	500	500		2,203
Park Maintenance	2,264	6	2,261		9	6	-		15
Munchkins	27,542	16,301	23,456		20,386	16,302	23,457		13,230
2007 Housing TABS	826,897	1,000	750,000		77,897	500	-		78,397
Fire Protection Grant	661	2	200		464	2	200		266
First Time Homebuyer in Lieu	85,060	135	-		85,195	135	-		85,330
In Lieu Affordable Housing	103,317				103,317				103,317
City Wide Assessment	66,485	200,500	314,202	113,702	66,485	213,100	309,987	101,102	70,700
Flood Assessment District	3,856	10	-		3,866	10	-		3,876
Gas Tax Fund	90,126	185,032	221,983		53,175	186,862	211,395		28,642
State COPS 1913	34,820	100,000	98,476		36,344	100,000	99,276		37,068
AB109 Realignment	82,469	8,020	5,000		85,489	8,020	5,000		88,509
AVOID Grant	5,000	5,000	-		10,000	5,000	-		15,000
Traffic Safety Fund	146,246	5,260	15,000		136,506	6,260	23,400		119,366
Asset Forfeiture	9,338	612	6,000		3,950	612	-		4,562
Vehicle Theft Determent	50,289	28	-		50,317	28	-		50,345
Boost Program	-	17,320	17,320		-	17,320	17,320		-
Prop 84 Park Grant	(150,054)	587,733	587,733		(150,054)	-	-	-	(150,054)
After School Donation	761	-	-	-	761	-	-	-	761
Dry Slough Bridge	(220,430)	-	-		(220,430)	-	-		(220,430)
Recycling Grant	23,344	5,036	5,000		23,380	5,036	5,000		23,416
Transportation/Bus Service	479,046	337,678	491,148		325,576	341,054	260,265	-	406,365
After School Program	181,720	130,154	119,773		192,101	130,154	119,288	-	202,967
STBG 96-1043 Grant	(29,070)	-	-	-	(29,070)	-	-	-	(29,070)
HOME 98-0347	127,146	-	-		127,146	-	-		127,146
HOM-Choc	2,843,180	-	-		2,843,180	-	-		2,843,180
10-STBG-6745 Park Grant	(8,934)	-	-		(8,934)	-	-	-	(8,934)
EDBG 99-688 Grant	117,429	15,953	-	(15,953)	117,429	15,953	-	(15,953)	117,429
EDBG 99-405 Grant	238,181	15,247	-	(15,247)	238,181	15,247	-	(15,247)	238,181
Housing Rehab RLF	107,584	-	-		107,584	-	-		107,584
First Time Homebuyer RLF	363,988	-	-		363,988	-	-		363,988
Small Business RLF	53,137	8,757	-	(8,757)	53,137	8,757	-	(87,557)	(25,663)
Home Fund RLF	318,130	180	-	(180)	318,130	180	-	(180)	318,130
Program Income Fund	550,976	800	560,768	40,136	31,145	800	-	40,136	72,081
VFA Grant	(26,867)	-	-		(26,867)	-	-		(26,867)
Elderberry Fund	149,609	1,200	-		150,809	1,200	-		152,009
Winters Swim Team	31,793	29,436	69,973		(8,743)	29,436	70,088	-	(49,395)
Festival DeLa Comunidad	13,177	10,012	7,950		15,239	10,012	7,950		17,301
PCH HOA	15,220	-	-		15,220	-	-		15,220
WPD Youth Services	150	-	-		150	-	-		150
Youth Day	298	-	-		298	-	-		298
Quilt Festival	497	610	200		907	610	200		1,317
Totals	<u>\$ 6,718,058</u>	<u>\$ 1,697,523</u>	<u>\$ 3,312,093</u>	<u>\$ 113,701</u>	<u>\$ 5,217,190</u>	<u>\$ 1,128,098</u>	<u>\$ 1,168,476</u>	<u>\$ 22,301</u>	<u>\$ 5,199,112</u>

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Other Funds

Capital Project Funds

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

Impact Fee Funds

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

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

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

- Street, Storm, Parks, Water, Sewer, Police, Fire, General Facilities and Monitoring Fee impact were calculated based on the estimated building permits to be issued for new construction for the 2016/2017 and 2017/2018 budget years.

Other Funds

Capital Project Funds

Below is a schedule of the fees anticipated to be collected based on the payment of impact fees for 25 single family residential units, 1 multifamily residential project, 1 senior center and 5 commercial projects for 2016-2017. Permits anticipated in 2017-2018 are for 1 new commercial projects and 50 single family residential units.

Projected Impact Fee Revenues		
	2016-2017	2017-2018
Water Impact Fee	\$ 221,954	\$ 194,329
Sewer Impact Fee	654,206	\$ 137,451
General Storm Drain Fee	5,526	\$ 2,930
Street Impact Fee	630,174	\$ 188,389
Police Impact Fee	118,553	\$ 24,371
Fire Impact Fee	168,174	\$ 76,480
Park Impact Fee	139,522	\$ 106,550
Monitoring Impact Fee	149,758	\$ 61,403
Storm Drain	115,834	\$ 21,099
General Impact Fee	171,919	\$ 111,343
	<u>\$ 2,375,620</u>	<u>\$ 924,345</u>

Projects are proposed for the various impact fee funds totaling \$268,000 for 2016-2017 and are detailed below:

- Update of the Traffic Circulation Plan.
- Update of the AB1600 Plan.
- Construction of an Art Park/Paseo within the Downtown of the City.

Projects are proposed for 2017-2018 for the impact fee fund total \$-0-. Due to the fact the City will be updating the Ab1600 Plan, projects to be funding from the impact fee funds will be considered through the AB1600 update process and be brought forward for City Council approval and funding approval at a later date. Staff believes the timeline for bringing the projects to the City Council will occur in the last half of the 2017-2018 budget year.

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

Other Funds

Capital Project Funds

Other Sources of Capital

Other sources of capital are:

- from donation or payment received from other sources, such as capital received as part of a development agreement.

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

- Landfill Capital
- Flood Capital
- Park Capital
- 1992 General Plan Update
- Flood Control Capital
- Rancho Arroyo Storm Drain Capital
- Street Capital
- Capital Asset Recovery Fee
- Non-Flood Storm Drain
- Water Revenue Bonds
- Sewer Revenue Bonds

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

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

The Water Bond and Sewer Bond funds were established in 2007/2008 with the issuance of Water and Sewer Revenue Bonds. A small portion of these funds remain available.

Other Funds

Capital Project Funds

City of Winters Estimated Fund Balances for Capital Funds									
Fund	Estimated Fund Balance 7/1/2016	Budgeted Revenues 2016-2017	Budgeted Expenditures 2016-2017	Budgeted Transfers 2016-2017	Estimated Fund Balance 6/30/2017	Budgeted Revenues 2017-2018	Budgeted Expenditures 2017-2018	Budgeted Transfers 2017-2018	Estimated Fund Balance 6/30/2018
Street Impact Fee	\$ 245,390	\$ 630,699	\$ 134,000		\$ 742,089	\$ 188,914	\$ -		\$ 931,003
Storm Impact Fee	214,089	\$ 5,776	12,000		207,865	\$ 3,180	-		211,046
Parks Impact Fee	(127,212)	\$ 139,522	62,000		(49,690)	\$ 106,550	-		56,660
Police Impact Fee	266,463	\$ 118,953	12,000		373,416	\$ 24,771	-		398,187
Fire Impact Fee	368,326	\$ 168,824	12,000		524,950	\$ 76,930	-		601,880
General Facility Impact Fee	463,391	\$ 172,519	12,000		623,910	\$ 111,943	-		735,853
Water Impact Fee	542,918	\$ 221,954	12,000	-	752,872	\$ 194,329	-	-	947,201
Sewer Impact Fee	78,882	\$ 654,566	12,000		721,448	\$ 137,811	-		859,259
Flood Fees	230,599	\$ 360			230,959	\$ 360			231,319
Landfill Capital	179,116	\$ 300	9,500		169,916	\$ 300	9,500		160,716
Street Capital	118,104	\$ 100			118,204	\$ 100			118,304
Park Capital	-	\$ -	-		-	\$ -	-		-
General Plan Capital	(446,114)	\$ -		\$ 149,758	(296,356)			\$ 61,403	(234,953)
Flood Control Capital	(123,698)	\$ -			(123,698)	\$ -			(123,698)
RAJA Storm Drain	67,460	\$ 65	-		67,525	\$ 65	-		67,590
Capital Asset Recovery Fund	100,800	\$ 3,364	-		104,164	\$ 5,264	-		109,428
Monitoring Fee	-	\$ 149,758	-	(149,758)	-	\$ 61,403	-	(61,403)	-
Non Flood Storm Drain Capital	236	\$ 1			237	\$ 1			238
2007 Water Revenue Bonds	163,129	\$ -	-		163,129	\$ -	-		163,129
2007 Sewer Revenue Bonds	2,040,886	\$ -	-		2,040,888	\$ -	-		2,040,886
Totals	\$ 4,382,767	\$ 2,266,561	\$ 277,500	\$ -	\$ 6,371,828	\$ 911,921	\$ 9,500	\$ -	\$ 7,274,249

Other Funds

Enterprise Funds

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

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

Water Enterprise Fund

The City of Winters fiscal policies require an un-appropriated un-reserved fund balance of 50% annual operating expenditures. The projected fund balance reserve for 2016-2017 is as follows:

Estimated Water O & M Fund Balance 6/30/16	\$	1,125,293
Required Un-appropriated Unreserved Fund Balance \$1,570,911 x 50%		785,455
Fund balance above reserve Requirement	\$	339,837

The projected fund balance reserve for 2017-2018 is as follows:

Estimated Water O & M Fund Balance 6/30/17	\$	920,704
Required Un-appropriated Unreserved Fund Balance \$1,650,982 x 50%		825,491
Fund balance above reserve Requirement	\$	95,213

Other Funds

Enterprise Funds

The following chart shows the 2013/2014 and 2014/2015 actual income and expenses, the 2015/2016 estimated income and expenses and the 2016/2017 and 2017-2018 budgeted income and expenditures for the water funds, this includes Operating and Maintenance Fund (O & M) as well as capital funds, and bond funds.

City of Winters Water Enterprise Fund									
	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	Change from Prior Year		2018 Budget	Change from Prior Year	
					In \$	In %		In \$	In %
Operating Revenues									
Charges for Services	\$ 1,229,850	\$ 1,199,595	\$ 1,262,517	\$ 1,348,021	\$ 85,504	7%	\$ 1,470,530	\$ 122,508	9%
Other Revenues	74,817	62,377	62,357	6,300	(56,057)	-90%	6,300	-	0%
Total Operating Revenues	\$ 1,304,667	\$ 1,261,972	\$ 1,324,874	\$ 1,354,321	\$ 29,447	2%	\$ 1,476,830	\$ 122,508	9%
Operating Expenses									
Allocated Cost	\$ 508,267	\$ 594,319	\$ 665,182	\$ 682,726	\$ 17,544	3%	\$ 729,704	\$ 46,978	7%
Salaries and Benefits	228,345	247,104	270,587	317,356	46,769	17%	329,287	11,932	4%
Contractual Services	-	2,186	-	1,000	1,000	-	1,000	-	0%
Professional Services	42,883	40,432	26,075	19,500	(6,575)	-25%	47,900	28,400	146%
Supplies and Material	20,823	21,132	21,000	15,000	(6,000)	-29%	17,800	2,800	19%
Utilities	145,875	144,289	122,163	114,000	(8,163)	-7%	106,008	(7,992)	-7%
Other Operating Expenses	81,569	83,660	82,600	69,597	(13,003)	-16%	69,526	(72)	0%
Depreciation	94,556	87,554	-	-	-	-	-	-	-
Debt Service	246,656	243,630	246,509	243,231	-	-	244,756	-	-
Capital Projects	-	12,538	15,000	108,500	93,500	-	105,000	(3,500)	-3%
Total Operating Expenses	\$ 1,368,975	\$ 1,476,844	\$ 1,449,115	\$ 1,570,911	\$ 125,073	8%	\$ 1,650,982	\$ 80,071	5%
Operating Income (Loss)	\$ (64,308)	\$ (214,872)	\$ (124,241)	\$ (216,589)	\$ (95,626)	74%	\$ (174,152)	\$ 42,437	-20%
Non Operating Revenues(Expenses)	-	-	-	-	-	-	-	-	-
Income(Loss) before Operating	(64,308)	(214,872)	(124,241)	(216,589)	(95,626)	74%	(174,152)	42,437	-20%
Operating Transfers In	143,044	258,161	158,041	12,000	(146,041)	-92%	12,000	-	0%
Operating Transfers Out	(150,044)	(1,764,017)	-	-	-	0%	-	-	0%
Net Income(Loss)	\$ (71,308)	\$ (1,720,727)	\$ 33,800	\$ (204,589)	\$ (241,667)	0%	\$ (162,152)	42,437	-21%
Retained Earnings July 1	3,185,534	2,944,037	1,091,492	\$ 1,125,293	\$ 33,800	3%	\$ 920,704	\$ (204,589)	-18%
Adjustments	(170,189)	(131,817)	-	-	-	-	-	-	-
Retained Earnings June 30	\$ 2,944,037	\$ 1,091,492	\$ 1,125,293	\$ 920,704	\$ (207,867)	-18%	\$ 758,552	\$ (162,152)	-18%

Other Funds

Enterprise Funds Sewer Enterprise Fund

The Sewer Enterprise Fund reserve policy requires an un-appropriated, unreserved fund balance of 50% of annual expenditures. The projected fund balance reserve for 2016/2017 is as follows:

Estimated Sewer O & M Fund Balance 6/30/16	\$	2,968,658
Required Un-appropriated Unreserved Fund Balance		
\$2,069,022 x 50%		1,034,511
Fund balance above reserve Requirement	\$	<u>1,934,147</u>

The projected fund balance reserve for 2017/2018 is as follows:

Estimated Sewer O & M Fund Balance 6/30/15	\$	2,596,027
Required Un-appropriated Unreserved Fund Balance		
\$1,922,041 x 50%		961,021
Fund balance above reserve Requirement	\$	<u>1,635,006</u>

The following chart shows the actual revenues and expenses for 2013/2014 and 2014/2015, estimated revenues and expenses for 2015/2016 and budgeted revenues and expenses for 2016/2017 and 2017/2018 for the Sewer Funds, including Operating and Maintenance (O&M), capital and bond funds.

Other Funds

Enterprise Funds

City of Winters Sewer Enterprise Fund									
	2014	2015	2016	2017	Change from Prior Year		2018	Change from Prior Year	
	Actual	Actual	Estimate	Budget	Change from Prior Year	In %	Budget	Change from Prior Year	In %
					In \$			In \$	
Operating Revenues									
Charges for Services	\$ 1,671,494	\$ 1,715,575	\$ 1,629,991	\$ 1,695,191	\$ -	4%	\$ 1,844,143	\$ 148,952	9%
Other Revenues	2,094	\$ 1,997	\$ 1,200	1,200	65,200	0%	1,200	-	0%
Total Operating Revenues	\$ 1,673,588	\$ 1,717,572	\$ 1,631,191	\$ 1,696,391	\$ 65,200	4%	\$ 1,845,343	\$ 148,952	9%
Operating Expenses									
Allocated Cost	\$ 428,947	\$ 477,108	\$ 499,347	\$ 567,686	\$ 68,339	14%	\$ 587,871	\$ 20,185	4%
Salaries and Benefits	169,009	\$ 317,129	\$ 423,396	\$ 445,148	\$ 21,751		\$ 480,027	\$ 34,879	
Contractual Services	29,349	18,419	20,000	22,000	2,000	10%	42,000	20,000	91%
Professional Services	436,417	216,048	57,506	76,677	19,170	33%	85,916	9,239	12%
Supplies and Material	5,873	25,883	24,500	26,000	1,500	6%	34,000	8,000	31%
Utilities	132,756	200,601	138,897	139,360	463	0%	152,396	13,036	9%
Other Operating Expenses	178,812	313,934	59,137	72,911	13,774	23%	97,778	24,867	34%
Depreciation	291,115	226,920	229,459	291,241	61,783		292,054	813	
Capital Projects	20,707	104,081	35,000	428,000	393,000		150,000	(278,000)	-65%
Total Operating Expenses	\$ 1,692,985	\$ 1,900,123	\$ 1,487,242	\$ 2,069,022	581,780	39%	\$ 1,922,041	(146,981)	-7%
Operating Income (Loss)	\$ (19,397)	\$ (182,551)	\$ 143,949	\$ (372,631)	\$ 65,200	-359%	\$ (76,698)	\$ 295,933	-79%
Non Operating Revenues(Expenses)	\$ -	\$ -	\$ -	\$ -			\$ -		
Income(Loss) before Operating	\$ (19,397)	\$ (182,551)	\$ 143,949	(372,631)	65,200	-359%	(76,698)	295,933	-79%
Operating Transfers In	168,001	365,518	2,243,945	-	(2,243,945)	0%	-	-	
Operating Transfers Out	(174,536)	(348,137)	(2,133,945)	-	2,133,945	0%	-	-	
Net Income(Loss)	\$ (25,932)	\$ (165,170)	\$ 253,949	\$ (372,631)	\$ (44,801)	0%	\$ (76,698)	(76,698)	-79%
Retained Earnings July 1	3,208,058	3,016,051	2,714,709	\$ 2,968,658	\$ -	9%	\$ 2,596,027	\$ 2,596,027	-13%
Adjustments	(166,075)	(136,172)							
Retained Earnings June 30	\$ 3,016,051	\$ 2,714,709	\$ 2,968,658	\$ 2,596,027	\$ (44,801)	-13%	\$ 2,519,328	\$ 2,519,328	-3%

Other Funds

Internal Service Fund

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

Central Service Overhead

The Central Service Overhead fund is used for expenditures that cannot be specifically charged to a particular fund or department, and therefore, are allocated to departments based on the City of Winters cost allocation plan. The following table has 2013/2014 and 2014/2015 actual expenditures and allocations, 2015/2016 estimated expenditures and allocations, and 2016/2017 and 2017/2018 budgeted expenditures and allocations.

Central Service Overhead	Central Service Overhead Expenditures									
					Change from Prior Year			Change from Prior Year		
	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Budgeted 2016-2017	In \$	In %	Budgeted 2017-2018	In \$	In %	
Beginning Fund Balance	\$ 8,129	\$ 0	\$ 0	\$ 0	\$ -	0%	\$ 0	\$ 0	4	
Food and Water	897	927	2,500	2,500	-	0%	2,500	-	-	
Computer (It) Services	93,815	88,475	99,980	103,240	3,260	3%	104,979	1,739	0	
Computer Software	-	2,800	-	39,763	39,763		10,193	(29,570)		
Printing	1,033	2,345	5,000	5,000	-	0%	5,000	-	-	
Equipment Repairs	5,241	5,202	4,000	4,000	-	0%	4,500	500	0	
Repairs	1,137	1,371	3,000	10,000	7,000	233%	3,000	(7,000)	(1)	
Supplies	2,881	3,379	3,268	3,000	(268)	-8%	3,000	-	-	
Professional Services	35,830	47,254	50,000	52,840	2,840	6%	54,405	1,565	0	
Natural Gas	5,279	4,347	4,028	2,160	(1,868)	-46%	2,400	240	0	
Maintenance Supplies	3,819	5,381	5,000	5,000	-	0%	5,000	-	-	
Postage and Mail	7,318	15,298	21,000	18,000	(3,000)	-14%	18,000	-	-	
Auditing	14,390	38,300	32,785	31,680	(1,105)	-3%	34,848	3,168	-	
Legal Services	128,667	73,773	114,000	115,000	1,000	1%	115,000	-	-	
Fuel	47,833	55,114	46,000	50,000	4,000	9%	50,000	-	-	
Telephone	41,734	42,756	42,096	42,096	-	0%	41,400	(696)	(0)	
Office Supply	36,478	33,833	28,000	29,000	1,000	4%	30,000	1,000	0	
Electricity	16,902	13,697	18,000	18,000	-	0%	18,000	-	-	
Equipment Rental	27,983	25,928	28,160	24,494	(3,666)	-13%	24,416	(78)	(0)	
Insurance and Bonding	112,561	133,882	184,500	168,429	(16,071)	-9%	175,000	6,571	0	
Taxes	464	105	-	-	-		-	-		
Water	6,432	4,114	4,445	4,080	-		4,080	-		
Office Equipment	-	-	-	-	-		-	-		
City Memberships	3,688	3,383	6,000	5,210	(790)	-13%	6,110	900	0	
Permits	409	690	1,000	1,000	-	0%	1,000	-	-	
Miscellaneous Fees	257	6	-	-	-	0%	-	-	-	
Staff Development	-	956	500	500	-	0%	500	-	-	
Total Expenditures	\$ 595,047	\$ 603,315	\$ 703,262	\$ 734,992	\$ 31,730	5%	\$ 713,331	(21,661)	(0)	
Costs Allocated Out	(603,176)	(603,315)	(703,262)	(734,992)	(31,730)	5%	(713,331)	21,661	(0)	
Ending Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	376%	\$ 0	\$ -	-	

Other Funds

Internal Service Fund

The following areas have increases for 2016-2017

- Computer (IT) Services
- Computer Software
- Repairs
- Professional Services
- Legal Services
- Fuel
- Telephone
- Office Supply

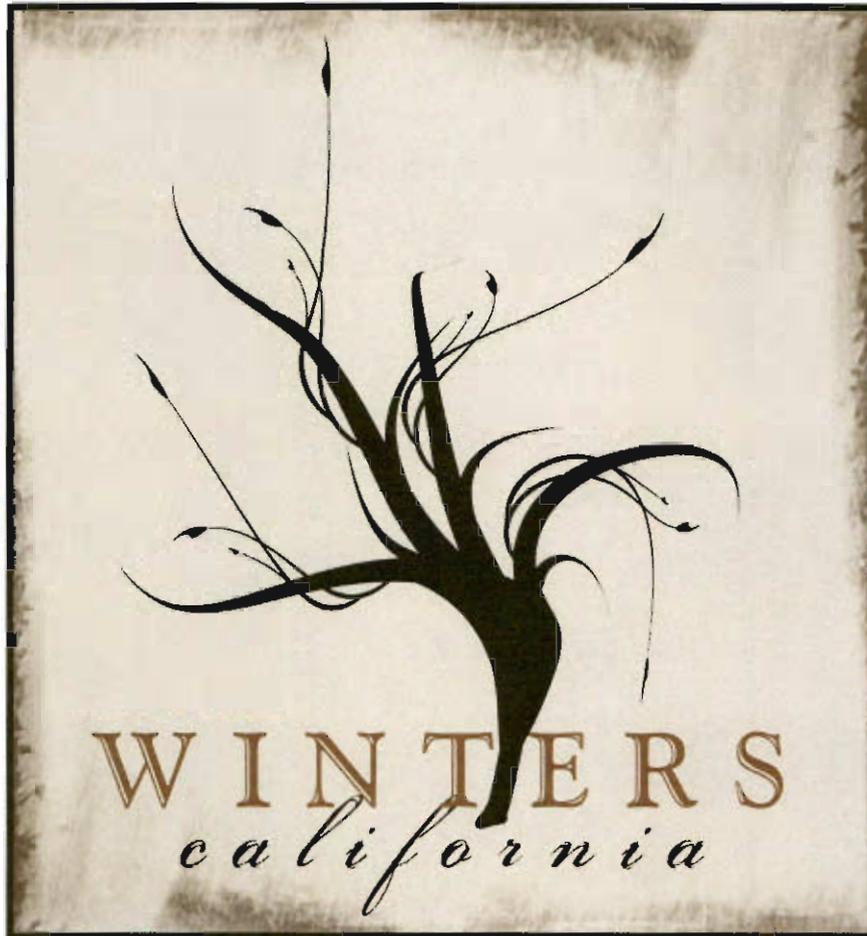
Areas of significant decreases for 2016-2017 are:

- Postage and mail
- Insurance and Bonding

Debt Service Fund Group

The Debt Service Fund Group consists of General Debt Service .

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



Why the tree? Because...

The tree is welcoming, offering a place to sit and take shelter.

Department Information

City Council

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

City Council Mission

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

Long Term Objectives

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

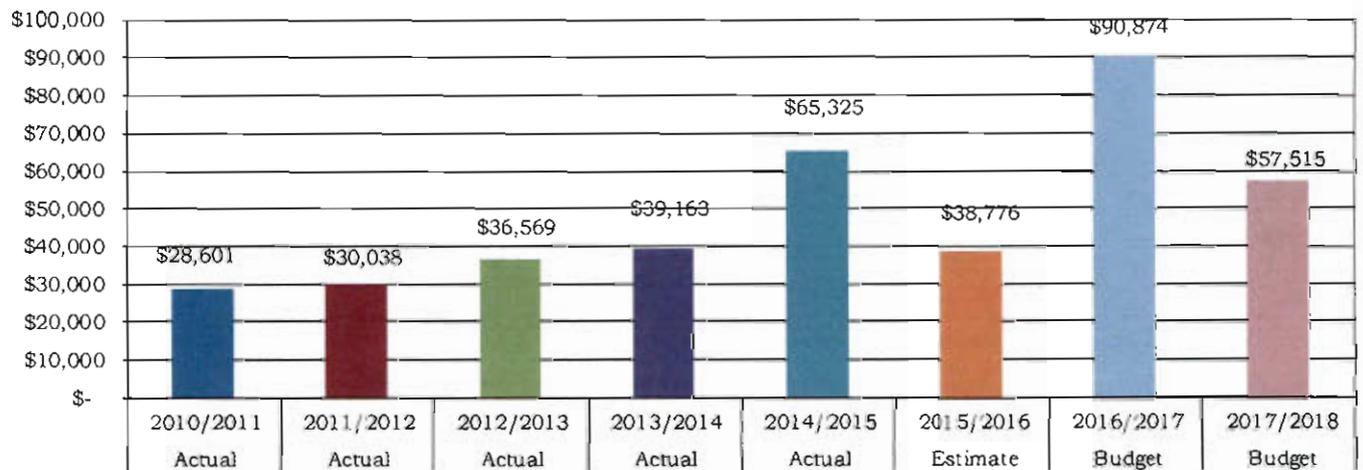
City Council

The chart below shows the historical expenditures for the City Council as well as budgeted expenditures for 2016/2017 and 2017/2018, the graph below the chart illustrates expenditures for same time period.

City of Winters City Council Expenditures

	Actual 2010-2011	Actual 2011-2013	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Proposed 2016-2017	Proposed 2017-2018
Stipends	\$ 9,815	\$ 9,848	\$ 12,470	\$ 12,210	\$ 12,339	\$ 12,159	\$ 12,058	\$ 11,626
Operating Expenditures	18,786	19,286	24,099	26,952	50,415	25,617	68,816	35,889
Contingencies	-	904	-	-	2,571	1,000	10,000	10,000
Total Expenditures	\$ 28,601	\$ 30,038	\$ 36,569	\$ 39,163	\$ 65,325	\$ 38,776	\$ 90,874	\$ 57,515

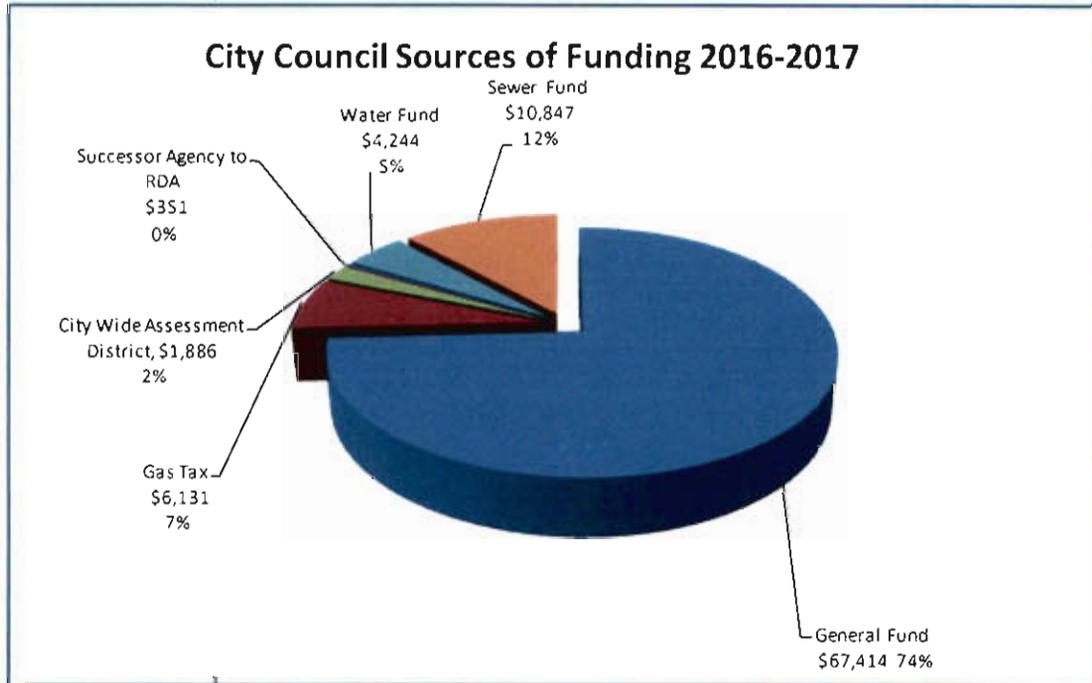
City Council Expenditures



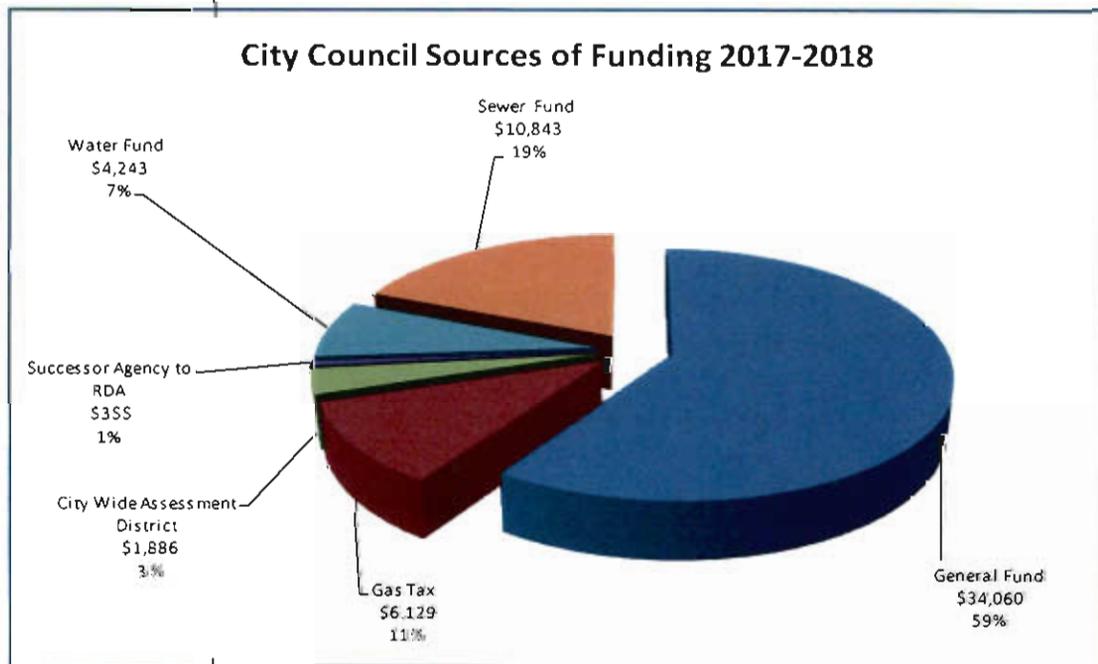
Expenditures for 2016-2017 have increased for the City Council due to the purchase of a new car pool vehicle and additional computer equipment.

City Council

The sources of funding for 2016-2017 for the City Council are shown in the graph below.



The sources of funding for 2017-2018 for the City Council are shown in the graph below.



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City Treasurer

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

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

City Treasurer Mission

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

Long Term Objectives

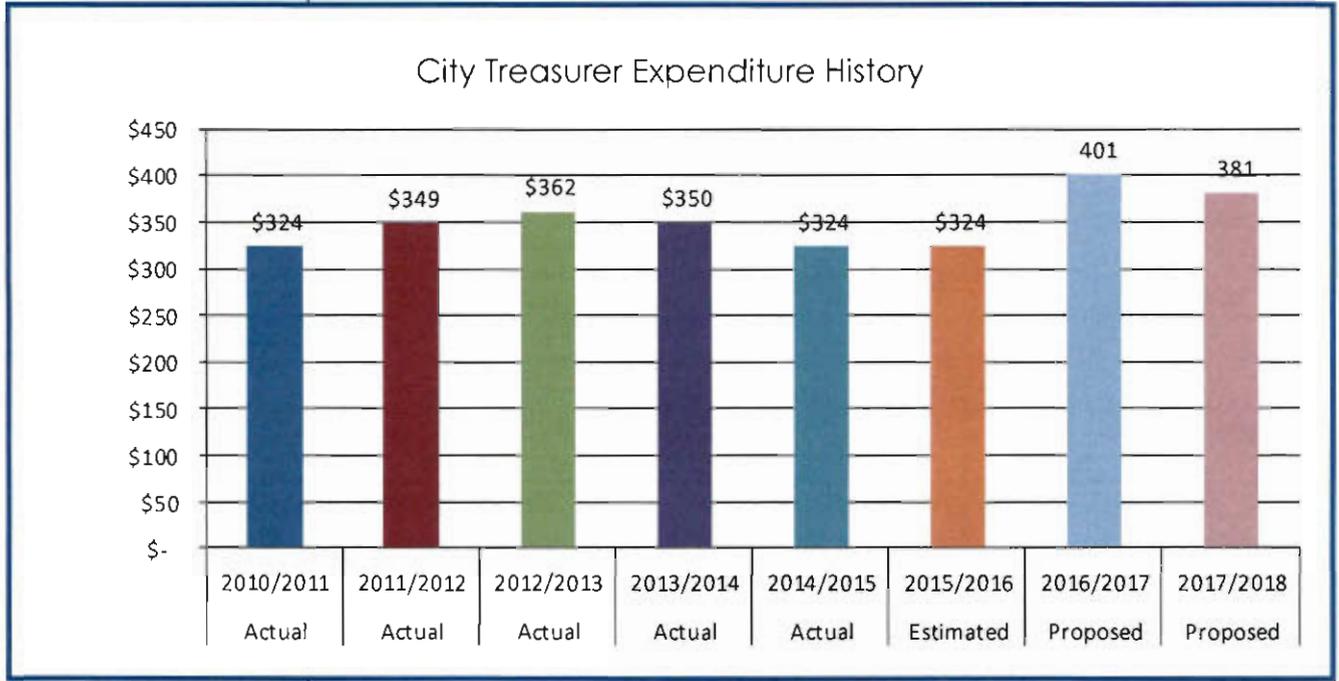
- Annual review of City Budgets and fiscal policies.
- Consideration of spending for conformance with adopted financial policies and procedures.

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

City of Winters City Treasurer Expenditures

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Proposed 2016-2017	Proposed 2017-2018
Stipends	\$ 324	\$ 349	\$ 362	\$ 350	\$ 324	\$ 324	\$ 401	\$ 381
Operating Expenditures								
Contingencies								
Total Expenditures	\$ 324	\$ 349	\$ 362	\$ 350	\$ 324	\$ 324	\$ 401	\$ 381

City Treasurer



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

City Clerk

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

City Clerk Mission

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

2014/2016 Accomplishments

- Continued enhancement of Records Management as well as Contracts and Agreements.

Long-term Objectives

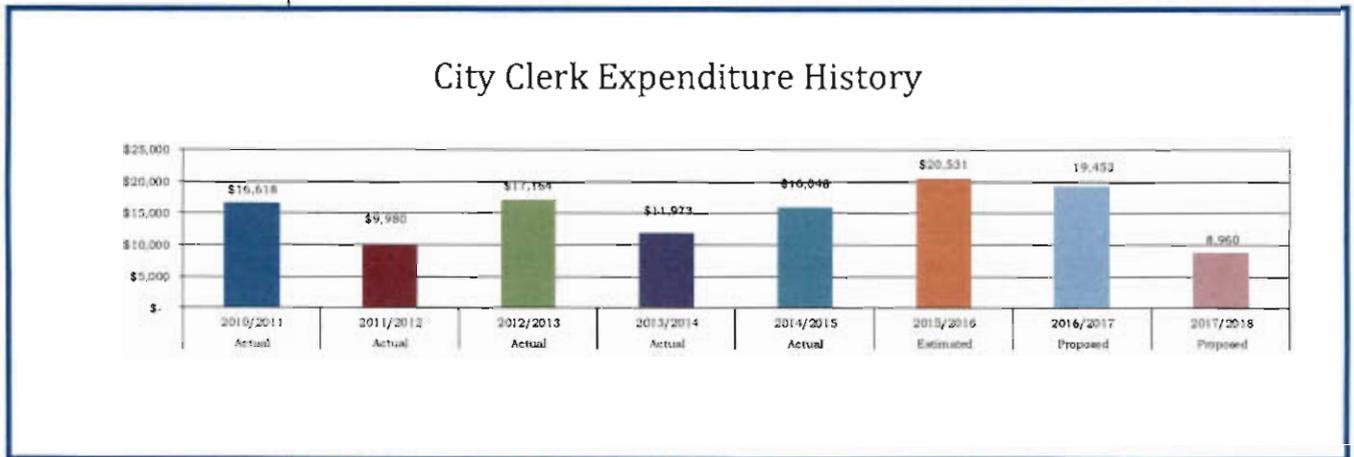
- Add Additional years to the Archives
- Develop a new Records Management System.

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

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Proposed 2016-2017	Proposed 2017-2018
Stipends	\$ 1,089	\$ 1,068	\$ 275	\$ 1,037	\$ 77	\$ 1,037	\$ 1,072	\$ 1,033
Operating Expenditures	8,058	253	8,969	172	8,128	10,352	10,454	448
Allocated Costs	7,471	8,659	7,920	10,763	7,843	9,142	7,927	7,478
Total Expenditures	\$ 16,618	\$ 9,980	\$ 17,164	\$ 11,973	\$ 16,048	\$ 20,531	\$ 19,453	\$ 8,960

City Clerk

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



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

The City Clerk department is funded solely by the General Fund.

City Manager

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

City Manager Mission

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

2014/2016 Accomplishments

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

City Manager

- Managing the process of dissolving the Winters Community Development Agency as mandated by the State of California.
- Manage grants and the grant application process for the following grants
 - Housing related Parks program
 - SACOG Community Design Program Roundabout design and environmental process
 - Proposition 84 State Parks Grant for Walnut Park

Long term Objectives

- Implement the policies established by the City Council and provide staff support to the Council.
- Maintain positive working relationship with the City Council with regular communication in a timely manner.
- Attract and maintain high performing city staff with an emphasis on community mindedness.
- Maintain the fiscal stability of the City with continued use of the 10 year fiscal forecast model.
- Revise and update Strategic Plan for the City of Winters.
- Public Safety retention of personnel and expansion of services.
- Employee Development Program
- Continued focus on Green energy practices by the City and encouragement and education of citizens to use environmentally friendly methods.
- Continued assistance for first time and low income homebuyers and rehabilitation programs for Senior owned homes.
- Focus on Economic Development to provide recurring General Fund Revenues.
- Explore the possibility of either renovating the current Community Center or replacing it with a new facility. This will include exploring financing and design.

City Manager

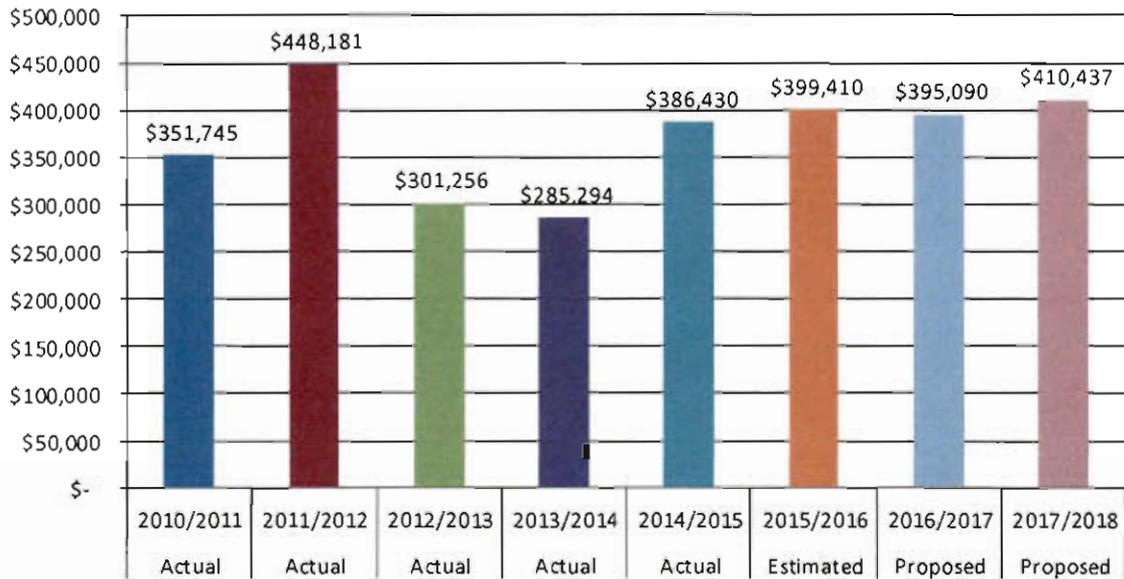
Below is a chart of historical expenditures for the City Manager Department as well as proposed expenditures for 2016/2017 and 2017/2018.

City Manager Expenditure History

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries and Benefits	\$ 342,826	\$ 416,212	\$ 284,746	\$ 271,919	\$ 370,198	\$ 385,356	\$ 380,528	\$ 398,448
Operating Expenditures	4,839	23,253	12,184	7,662	9,907	9,061	9,362	7,155
Capital	-	-	-	-	-	-	-	-
Allocated Costs	4,080	8,715	4,325	5,713	6,324	4,993	5,200	4,834
Total Expenditures	\$ 351,745	\$ 448,181	\$ 301,256	\$ 285,294	\$ 386,430	\$ 399,410	\$ 395,090	\$ 410,437

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

City of Winters City Manager Expenditures



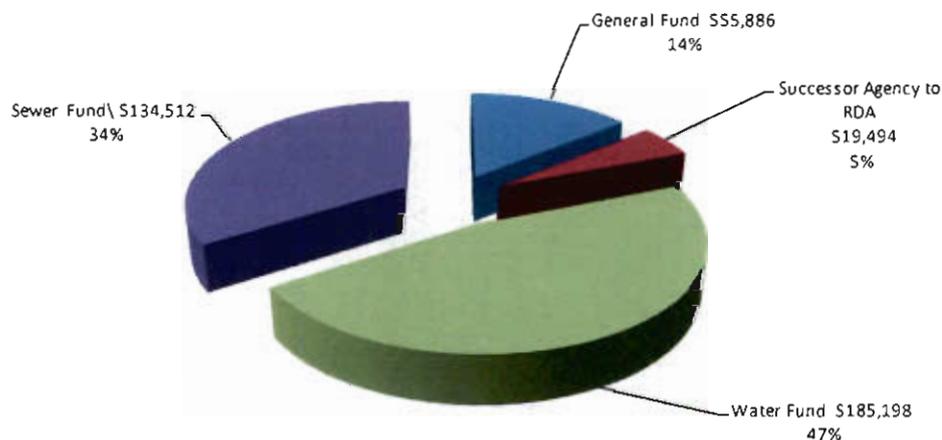
City Manager

The City Manager Department budget has decreased expenditures for 2016/2017 due to the anticipated leave of absence of an employee for a portion of the budget year.

There is a budgeted increase in 2017/2018 due to the increase in the employer contributions to the CALPERS retirement system and health care related costs, as well as the return to full time status of the employee on leave of absence during a portion of the 2016/2017 budget year.

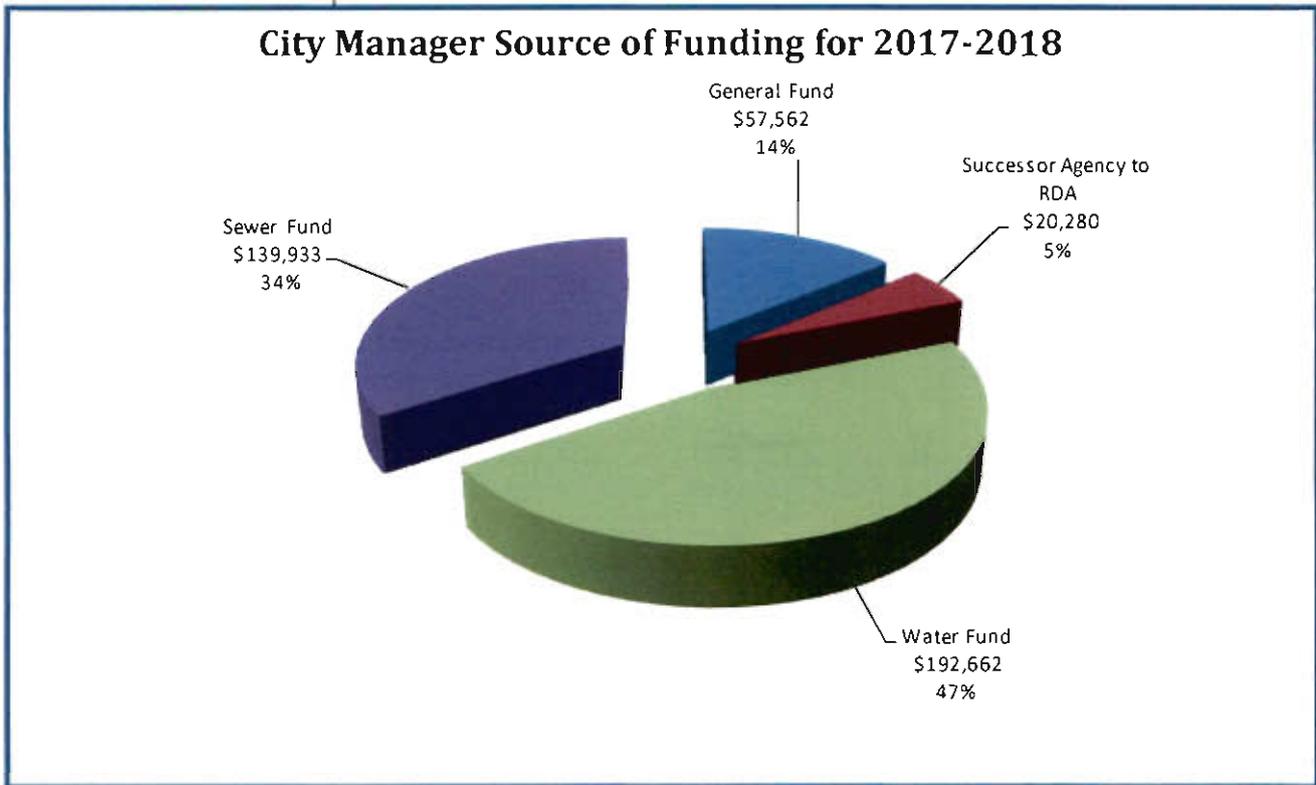
The City Manager Department oversees and contributes to the operation of many funds and departments. The source of funding for the department for 2016/2017 is shown in the graph below.

City Manager Sources of Funding for 2016-2017



City Manager

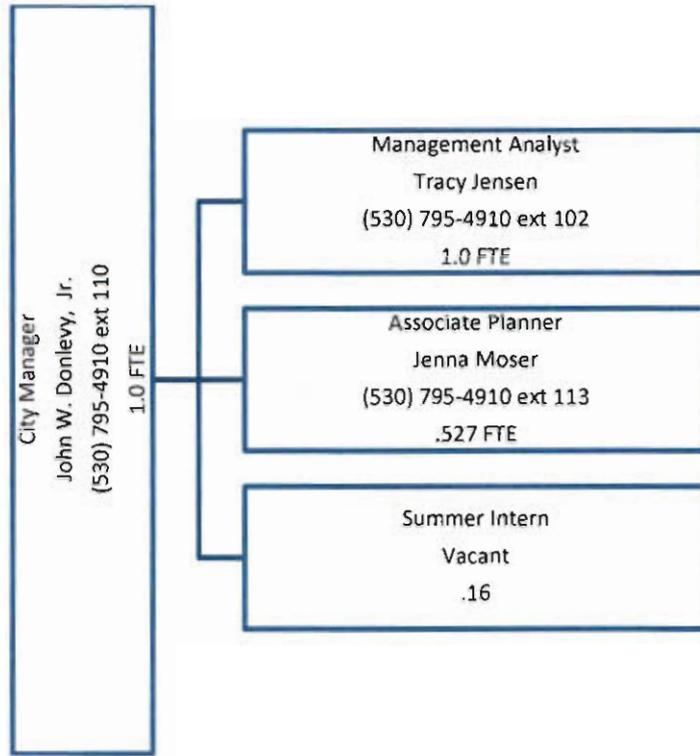
The source of funding for the City Manager Department for 2017/2018 is shown in the graph below.



City Manager

City Manager Department Organizational Chart

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



Housing and Economic Development

The Housing and Economic Development Department was created in February 2012 due to the dissolution of the Winters Community Development Agency as mandated by the State of California.

The City of Winters retained the housing functions of the former Redevelopment Agency, and reassigned the staff of the agency to this new department. In addition to continuing to work towards providing affordable housing for the citizens of Winters, this department is also very involved in the dissolution process of the former redevelopment agency, as well as working to bring sustainable businesses to the community to provide economic opportunities for all citizens.

Housing and Economic Development Mission

The Housing and Economic Development Department is dedicated to providing affordable housing and encouraging development that provides jobs and economic improvement for all Winters Citizens

2014/2016 Accomplishments

- Streamlined the Development Agreement (DA) for the Winters Highlands project with City Council approval of amendments, including approval of a new Affordable Housing Plan with In-Lieu fees and land dedication as part of the Affordable Housing Plan.
- Secured the PG&E Gas Operations Technical Training facility for Winters .
- Completion of the Dollar General store at the Grant Avenue Commercial Property (a former RDA owned property).
- Updated CDBG program guidelines, with streamlined program income guidelines adopted by the City Council and submitted to the State of California HCD (Housing and Community Development).

Housing and Economic Development

- Completed the car bridge over Putah Creek and Streetscape Phase 3.
- Successfully disposed of Successor Agency parcels, with completed property sales to Yolo Federal Credit Union, Domus Development and Royal Guest Hotels.

Long term Objectives

- Continue to work on the PG&E Gas Technical Training Facility Project.
- Development of a Downtown Hotel project.
- Development of a Highway Commercial Projects, including a Highway Hotel and Starbucks project.
- Continue Development of Walnut Park Phase 2 including completing construction, and closing out the Housing Related Parks (HRP) Grant and the Prop 84 Grant.
- Continue commercial development for Grant Avenue with Yolo Federal Credit Union Branch completion.
- Development of DOMUS Senior Housing Project
- Development of Senior Center to be sited with the Domus Housing Project.
- Revision of Highlands DA, including Council approval of Affordable Housing Plan.
- Winters Healthcare project, with Winters Healthcare Foundation to consolidate operations with new construction on Successor Agency owned Grant Avenue Commercial Property.
- Advance Alley Activation project, Pocket Park project and City Parking Lot project in conjunction with Downtown Hotel Project
- Continue exploring Ag Aggregation hub project.
- Continue to work with Winters Chamber of Commerce on business attraction, economic development and visitor services.
- Revisions of Zoning Ordinance for the Inclusionary Housing Ordinance.
- Implement an Affordable Housing program for Teacher, Police Officers and Firefighters.

Housing and Economic Development

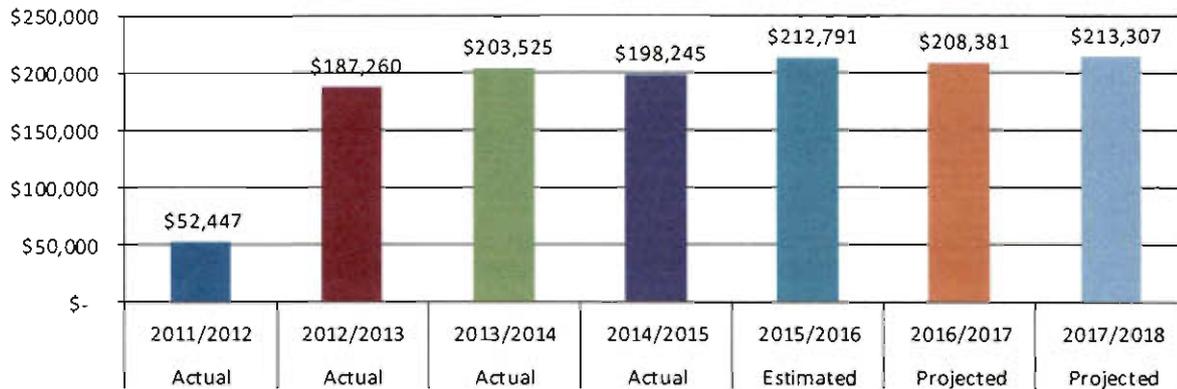
Below is a chart of historical expenditures for the Housing and Economic Development Department as well as proposed expenditures for 2016/2017 and 2017/2018.

Housing & Economic Development Department Expenditures

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries and Benefits		\$ 47,791	\$ 153,238	\$ 167,601	\$ 175,514	\$ 187,560	\$ 190,572	\$ 196,725
Operating Expenditures		4,657	34,021	35,923	22,731	25,231	17,809	16,582
Capital		-	-	-	-	-	-	-
Allocated Costs		-	-	-	-	-	-	-
Total Expenditures	\$ -	\$ 52,447	\$ 187,260	\$ 203,525	\$ 198,245	\$ 212,791	\$ 208,381	\$ 213,307

The graph below shows the historical and proposed expenditures of the Housing and Economic Development Department Expenditures.

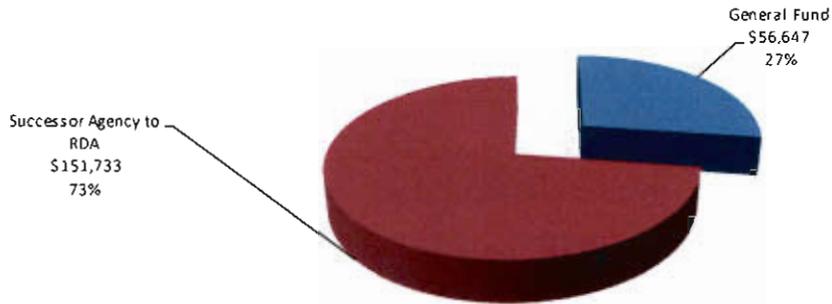
Housing & Economic Development Department Expenditures



The Housing and Economic Development Department is funding by the general fund and by the Successor Agency to the Winters Community Development Agency. The source of funding for 2016/2017 is shown in the graph below.

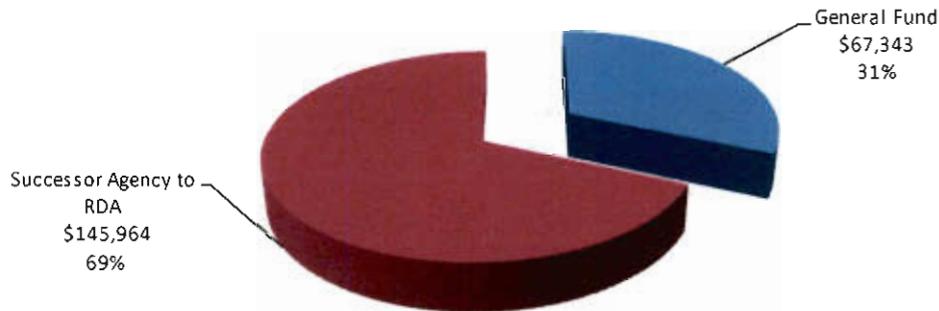
**Housing and
Economic
Development**

**Housing & Economic Development Department Sources of Funding for
2016/2017**



The source of funding for the Housing and Economic Development Department for 2017/2018 is shown in the graph below.

**Housing & Economic Development Department Sources of Funding for
2017/2018**



**Housing and
Economic
Development**

**Housing and Economic Development Department
Organizational Chart**

Staffing for the Housing and Economic Development Department is show below.

Economic Development and
Housing Manager
Dan Maguire
(530 795-4910 ex 118
1 FTE

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Administrative Services

The Administrative Services Department has two main functions:

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

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

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

Administrative Services Mission

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

2014/2016 Accomplishments

- New Employee Handbooks issued
- Ongoing Employee Training.
- Held Employee Benefit Night.

Long term Objectives

- Develop Comprehensive Personnel Rules and Policies
- Enhanced Employee Training and add Departmental Training.
- Implement electronic storage of City records.

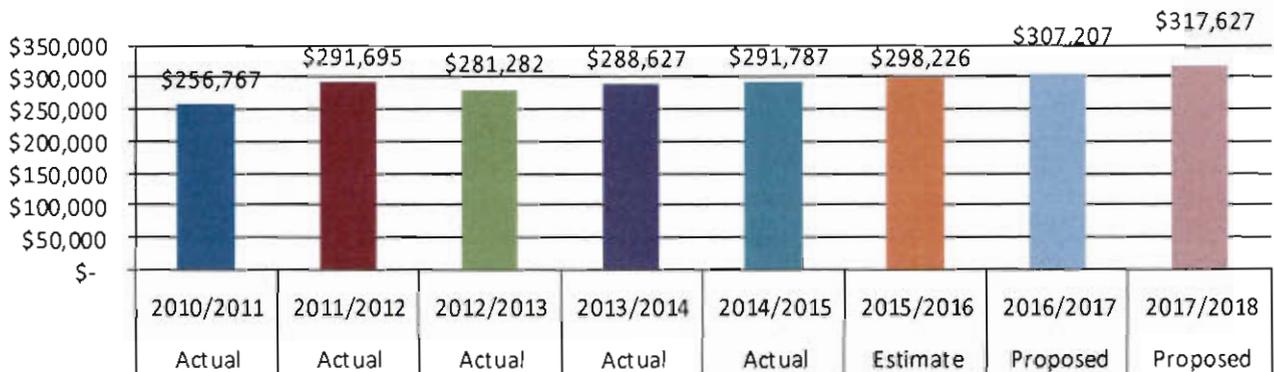
Administrative Services

The chart and graph below show the historical expenditures for the Administrative Services Department as well as the proposed expenditures for 2016/2017 and 2017/2018.

City of Winters Administrative Services Department Expenditures

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries and Benefits	\$ 221,504	\$ 231,576	\$ 240,320	\$ 247,738	\$ 245,385	\$ 244,625	\$ 251,140	\$ 262,444
Operating Expenditures	8,655	29,280	12,756	12,964	18,468	21,040	23,920	23,808
Capital	-	-	-	-	-	-	-	-
Allocated Costs	26,608	30,838	28,206	27,926	27,933	32,561	32,146	31,375
Total Expenditures	\$ 256,767	\$ 291,695	\$ 281,282	\$ 288,627	\$ 291,787	\$ 298,226	\$ 307,207	\$ 317,627

Administrative Services Department Expenditures



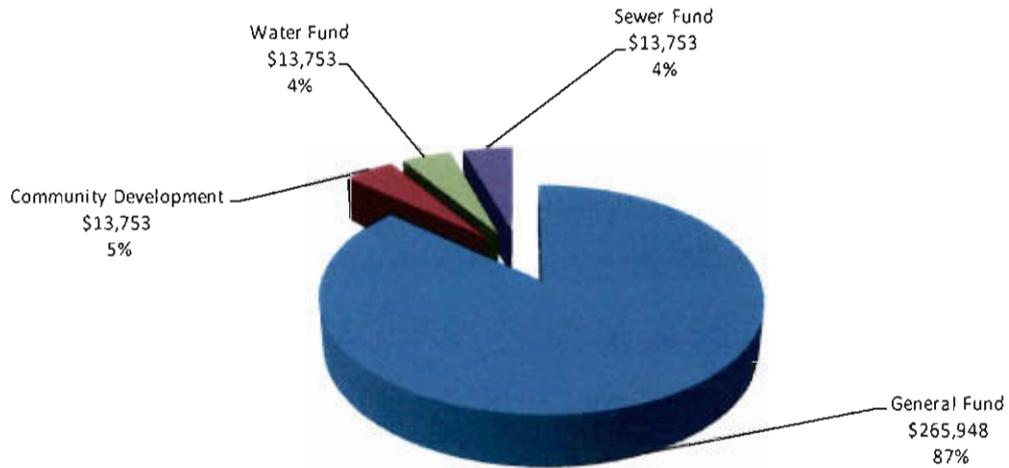
Administrative Services

The Administrative Services Department has an increase in budget in 2016/2017 compared to 2015/2016 estimates, this is due to wage adjustments and increased employer contributions for CalPERS contributions and health insurance costs.

Costs are projected to increase in 2017/2018 compared to 2016/2017 due wage adjustments and increased employer contributions for CALPERS and health insurance costs.

The Administrative Services Department contributes to the operations of many departments and funds, the graph below shows the funding sources for the department for 2016/2017.

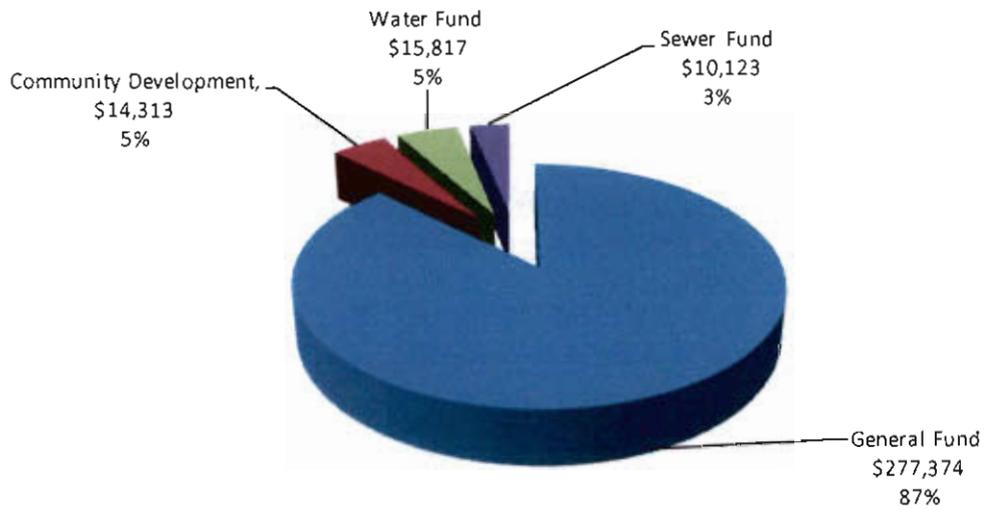
Administrative Services Sources of Funding 2016/2017



The graph below shows the funding sources for the Administrative Services department for 2017/2018.

Administrative Services

Administrative Services Sources of Funding 2017/2018



Administrative Services Department Organizational Chart

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



Finance

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

Finance Mission

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

2014/2016 Accomplishments

- Managing the dissolution of the Winters Community Development Agency as mandated by the State of California.
- Provided financial management support the Winters Fire Protection District.
- Monitoring changes in CalPERS policy and implementation of changes in assumptions and the impact on the City of Winters Budget.
- Monitor Water and Sewer Revenues as a result of mandated Conservation measures and proposed rate increases.
- Worked with Human Resources staff to implement a policy to limit unfunded liabilities with respect to time off accruals for employees.

Finance

Long term Objectives

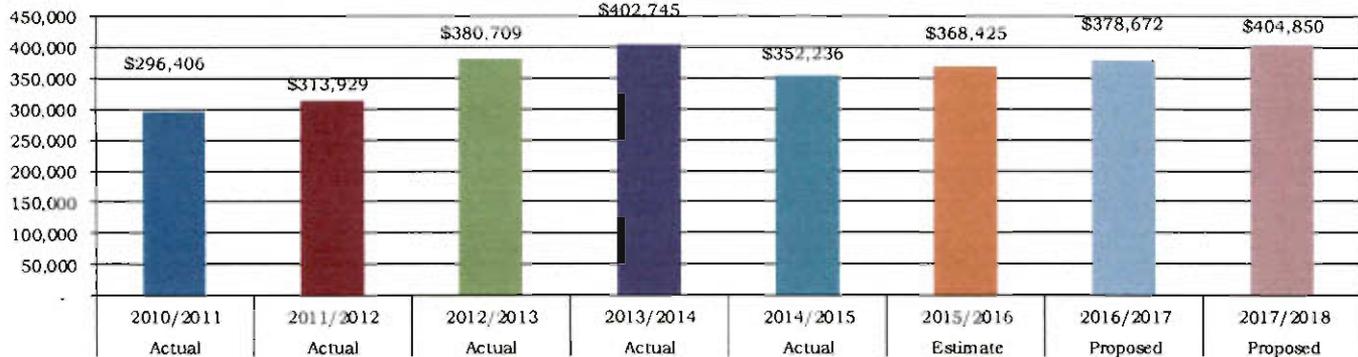
- Continue managing the dissolution of the Winters Community Development Agency as mandated by the State of California.
- Continue to provide financial management support to the Winters Fire Protection District.
- Prepare a Finance Department Procedures manual
- Maintain the fiscal forecasting model.
- Prepare a 5-year capital improvement plan for adoption by the City Council
- Prepare an update of the Major Project Financing Plan (MPFP) and resultant update in the AB1600 document for assessing development impact fees.
- Participate as a member of the Economic Development Program to improve recurring revenues for the City.
- Prepare an update to the fees the City charges.
- Prepare an update to the Cost Allocation Plan utilized by the City.
- Develop a plan for paying down the unfunded liabilities of the city.
- Update Water and Sewer Rate Plan, especially in light of potential cost of implementing the new Chrom 6 requirements.

The chart and graph below show the historical as well as the proposed budget for 2016/2017 and 2017/2018.

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries and Benefits	\$ 292,448	\$ 310,010	\$ 371,168	\$ 397,130	\$ 345,739	\$ 359,421	\$ 370,279	\$ 394,830
Operating Expenditures	3,958	3,919	9,541	5,615	6,496	9,004	8,393	10,020
Total Expenditures	\$ 296,406	\$ 313,929	\$ 380,709	\$ 402,745	\$ 352,236	\$ 368,425	\$ 378,672	\$ 404,850

Finance

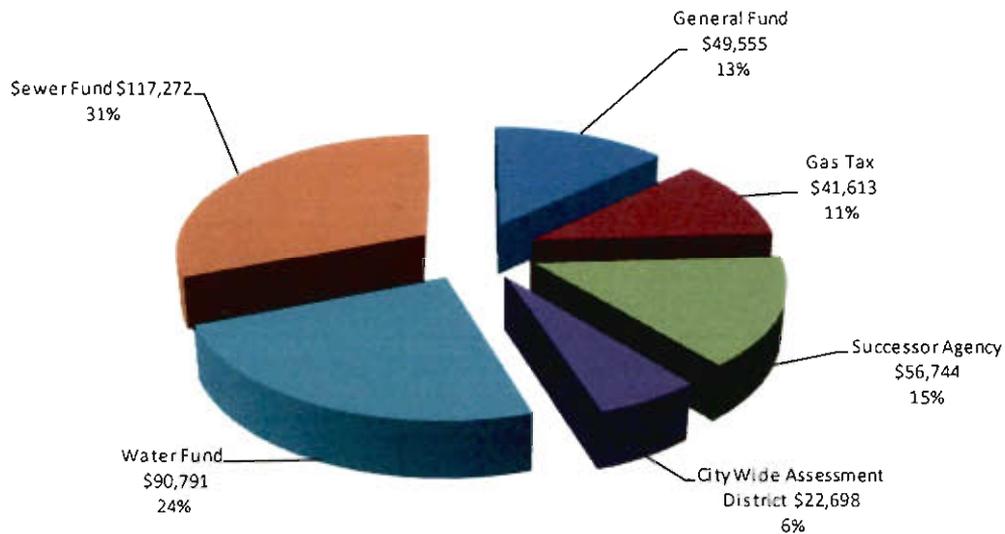
Finance Department Expenditures



Expenditures in the Finance Department increased in 2016/2017 due to wage adjustments and an increased contribution in the employer contribution for CalPERS. In 2017/2018 the increase in expenditures is due wage adjustments and the increase in health insurance costs for staff and the expected increase in employer contributions for CALPERS.

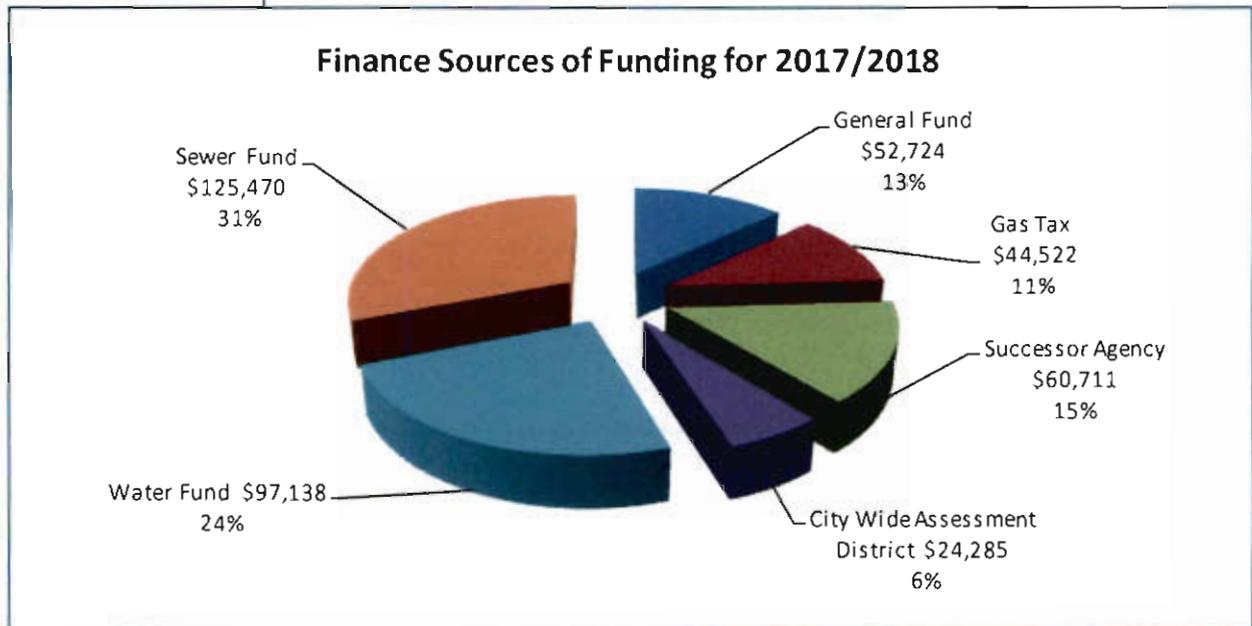
The Finance Department provides support services to many other departments and funds in its day to day activities. The graph below shows the funding sources for the Finance Department for 2016/2017.

Finance Sources of Funding 2016/2017



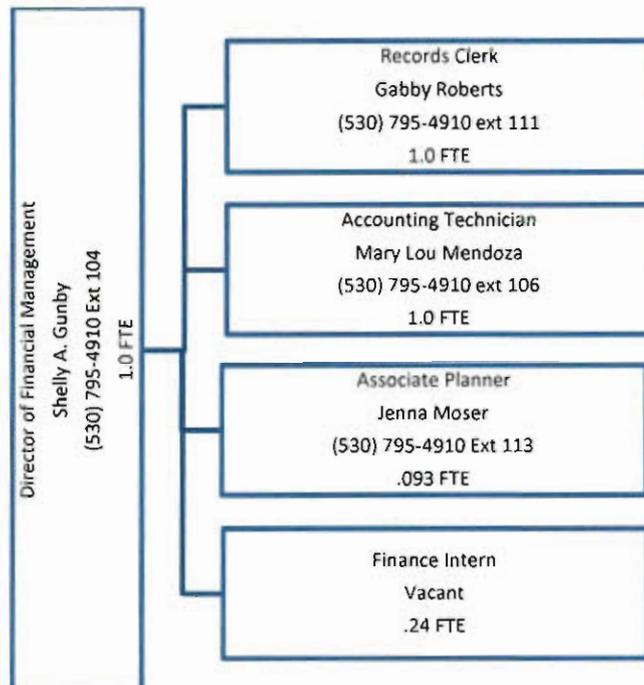
Finance

The graph below shows the funding sources for the Finance Department for 2017/2018.



Finance Department Organization Chart

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



Police

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

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

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

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

Police Department Slogan

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

Police

POLICE DEPARTMENT MISSION STATEMENT

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

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

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

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

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

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

2014/2016 Accomplishments

- Developed and completed first ever Citizens/Community Academy Education Program.
- Established Chaplain/Service K-9 Program
- Enhanced the VIPS (Volunteer in Police Services) program by adding two (2) new volunteers.
- Hired Interim Police Chief upon Retirement of Chief Gutierrez.
- Hired three (3) new Police Officers.
- Coordination of 3 Bicycle Safety Rodeos.
- Facilitated tours of the Winters Public Safety Center for local school children.
- Continued participation in numerous Community Festival and Events.
- Participated in Career Day Recruitment
- Purchased three (3) new patrol vehicles.
- Purchased new safety equipment that consist of tasers, patrol rifles and body worn cameras.
- Participation in Distracted Driving Campaign.
- Participation in Avoid the 8 Dui campaign.

Police

- Enhanced Community Outreach and Social Media Programs.
- Experienced 13% reduction in Part I crimes in 2015, including a 30% reduction in property crimes.
- Experienced a 16% reduction in traffic collisions in 2015.
- Co-ordinated numerous safety presentations in all Winters Schools.
- Officers and Professional Staff attended more that 1,000 hours of advanced officer, legal update and recertification training, including safety, firearms, defensive tactics, traffic safety and enforcement, supervision, management and leadership, cultural awareness and crisis intervention.
- Participation in Turning Point/Empower Yolo Mental Health and County Community Intervention Program .
- Facilitated informational meetings with the Winters Senior Foundation.
- Participation in the California Corrections Realignment Plan.
- Recognized Officer Jose Hermosillo as the Winters Police Department Officer of the Year.
- Recognized Community Services Officer (CSO) Gail Jimenez as the Winters Police Officer Association Employee of the Year.

Long term Objectives

- Conduct promotional testing process to promote new Sergeants and Corporals.
- Focus on Professional Development Training.
- Seek creative opportunities to engage the community through positive contacts, projects and programs.
- Enhance communication and information outreach by improving delivery of our social media platorms.
- Continue School Resource Officer (SRO)Program and seek innovative strategies to engage the SRO, students and community in collaborative partnership.
- Implement a trial "3/12" Patrol schedule to enhance staffing and resources.
- Hire 1-2 additional police officers.
- Hire a full time Records Clerk.
- Re-establish a Police Reserve Officer Program.
- Recruit new Police Volunteers for the VIPS program.

Police

- Establish a Volunteer Police Cadet Program.
- Establish a "Business Watch" Program.
- Plan and implement an enhanced/expanded Citizen/Community Policing Academy and hold two (2) additional programs.
- Plan and implement a Community "Open House" at the Winters Public Safety Facility.
- Officers will attend "Perishable Skills" Training to meet POST compliance.
- Continue Participation in the AVOID the 8 DUI campaign as well as Distracted Driver and other Traffic Safety campaigns and programs.
- Actively seek local, state and federal grant opportunities to enhance resources.
- Prepare and conduct an "Active Shooter Scenario" exercise to test resources.
- Continue AB109 Compliance and PRCS data sharing.
- Continue to conduct community outreach programs by Officers and CSO.
- Research and implement strategies related to ALPR (Automated License Plate Readers) and Surveillance Camera Technologies.
- Research next generation technology for Body Worn Cameras and information storage and retrieval capabilities.
- Complete a Property and Evidence Audit
- Remodel Lobby of Public Safety Facility
- Remodel Sally Port.

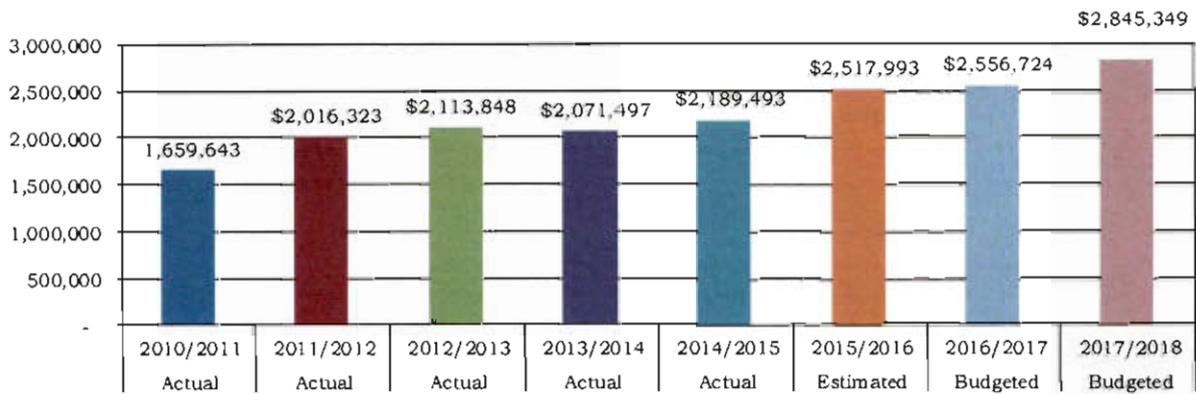
Police

The chart and graph below show the historical expenditures for the police department as well as the proposed expenditures for 2016/2017 and 2017/2018.

City of Winters Police Department Expenditures

	Actual	Actual	Actual	Actual	Actual	Estimated	Proposed	Proposed
Salaries and Benefits	\$1,390,447	\$1,448,611	\$1,439,393	\$1,363,609	\$1,517,327	\$1,782,776	\$1,858,241	\$2,094,540
Operating Expenditures	415,599	353,358	499,726	519,905	512,870	561,633	526,433	567,728
Allocated Costs	144,691	163,171	135,248	158,266	158,266	173,584	160,051	183,081
Capital	(291,094)	51,182	39,481	29,716	1,031	-	12,000	-
Total Expenditures	\$1,659,643	\$2,016,323	\$2,113,848	\$2,071,497	\$2,189,493	\$2,517,993	\$2,556,724	\$2,845,349

Police Department Expenditure History



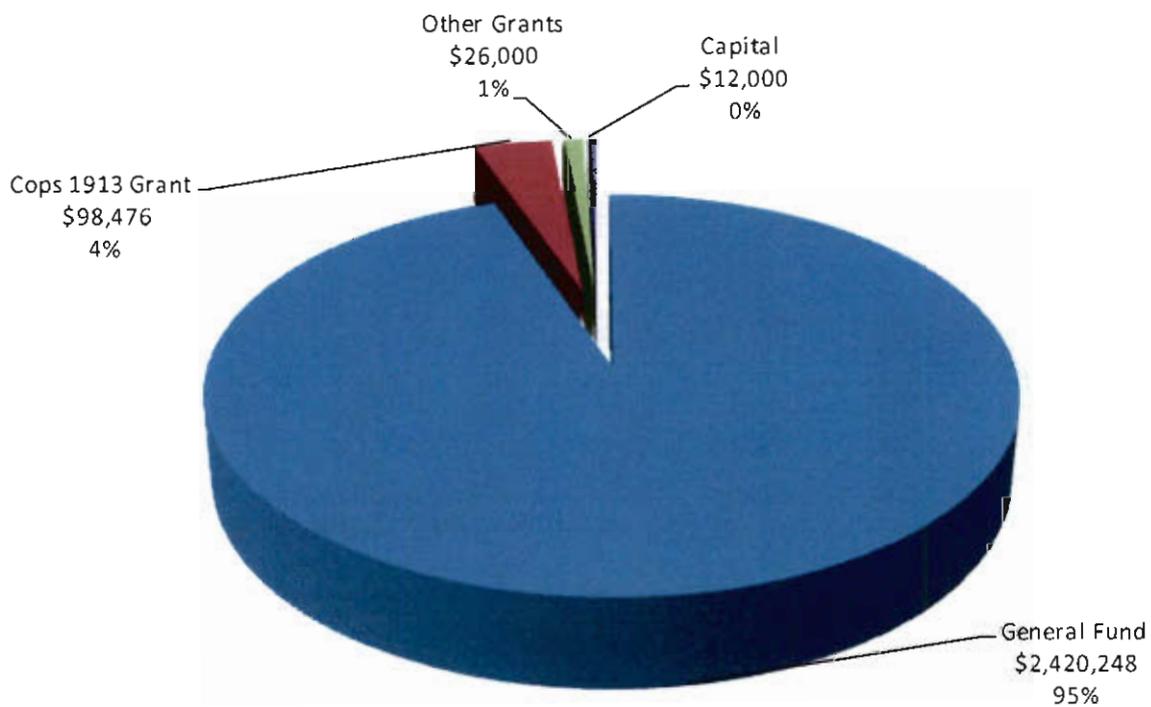
Police

The Police Department has increased expenditures for 2016/2017 due to the increased employer contributions for CalPERS and health insurance.

Expenditures are higher in 2017/2018 than in 2016/2017 due to the fact that an additional Police Officer is funded in 2017/2018 and employer CalPERS payments, as well as health insurance premiums are expected to increase.

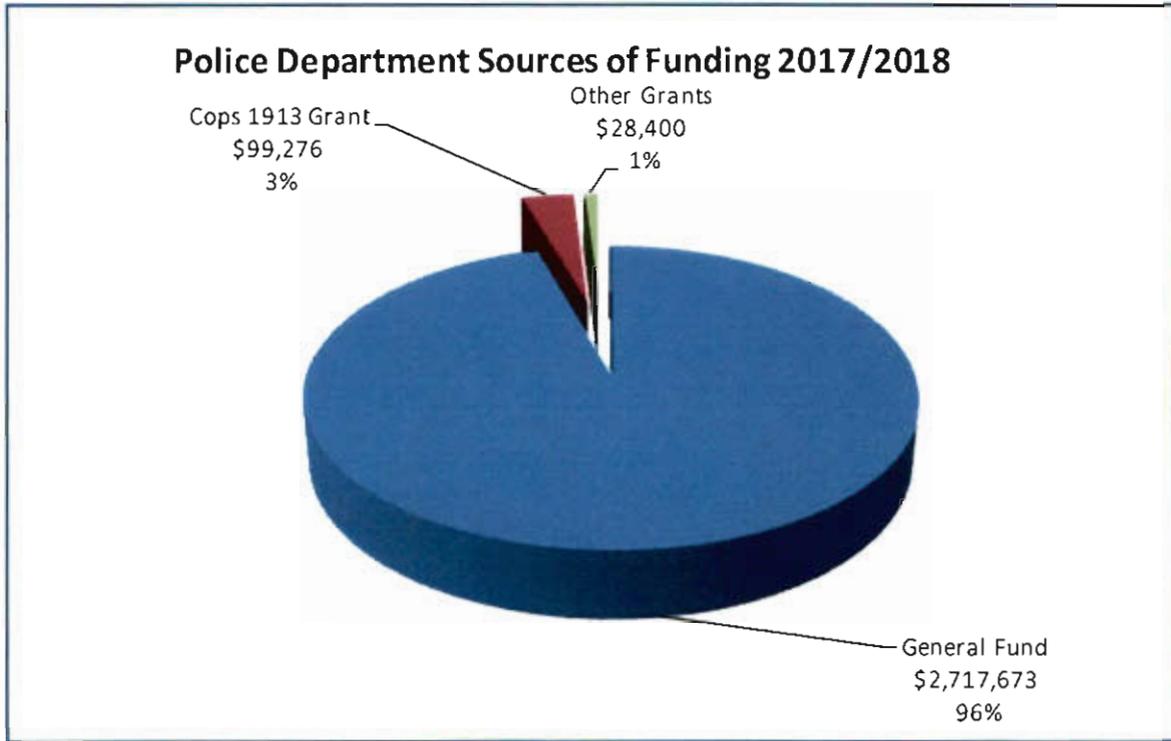
The Police Department is primarily funded through the General Fund. The other funding sources are the Cops 1913 Grant, Impact Fees and Traffic Safety Funds. The graph below shows the funding sources for police spending for 2016/2017.

Police Department Sources of Funding 2016/2017



Police

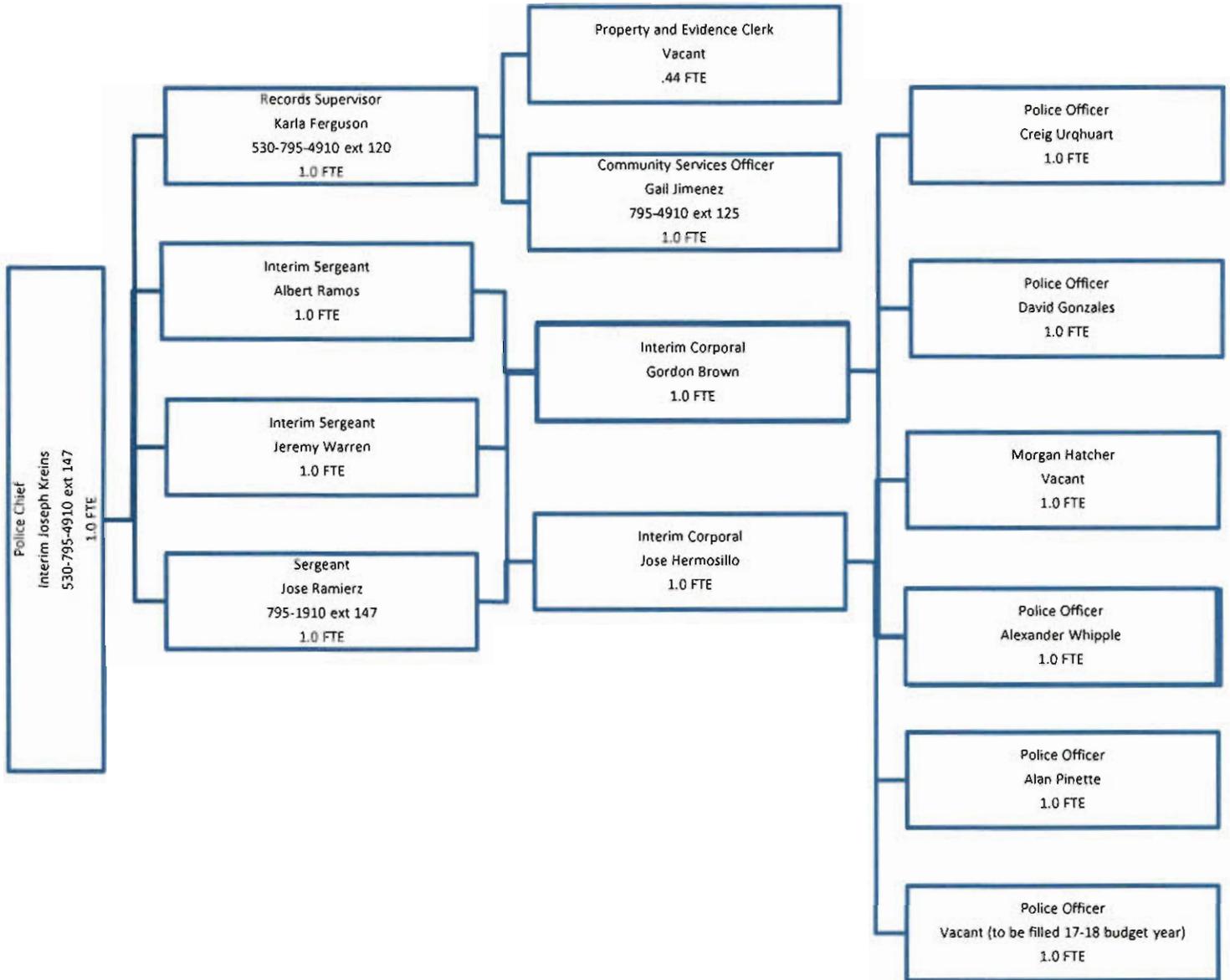
The graph below shows the funding sources for police spending for 2017/2018.



Police

Police Department Organizational Chart

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



Fire

The City of Winters Fire Department was established in January 2011. With the establishment of the City Fire Department, the Department provides all fire prevention, suppression and inspection functions required by the City. The Winters Fire Protection District contracts with the City of Winters to provide all fire prevention, suppression and inspection functions required by the District. The Fire Department also provides emergency medical response and weed abatement activities for the City. The Fire Department includes a volunteer, cadet and reserve program.

Fire Department Mission

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

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

2014/2016 Accomplishments

- Responded to 664 Calls for Service, a 4% increase.
- Conducted Reserve Firefighter Recruitment Process.
- Policy and Procedure review and update.
- Filed several FEMA grant applications.
- Worked collaboratively with the new Yolo LEMSA
- Participated in Ambulance RFP process
- Took Delivery and placed into service new Front Line Engine-90% funded by FEMA grant.

Fire

Long term objectives

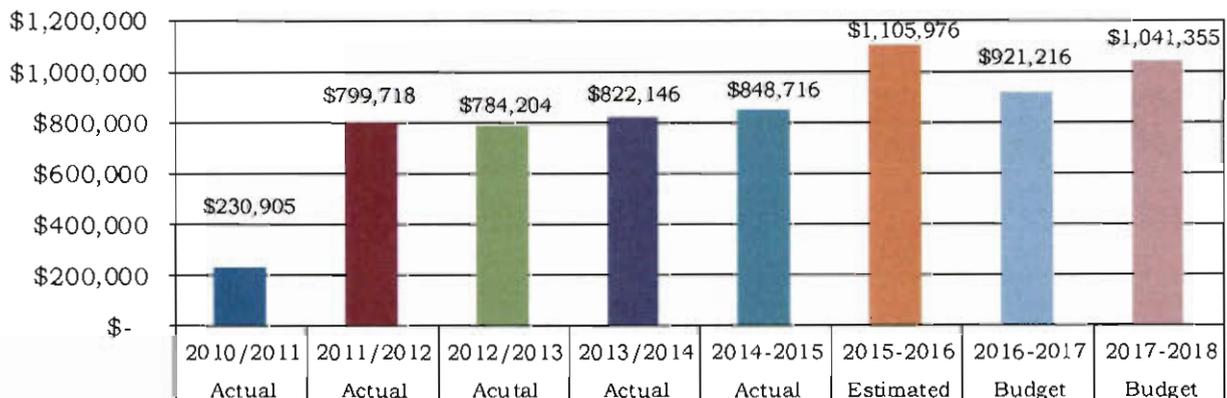
- Establish Pool of Qualified Part Time Employees.
- Continue aggressive pursuit of Grant Opportunities.
- Focus on Fire Prevention within the City of Winters and the Winters Fire Protection District.
- Identify funding sources for replacing the Water Tenders.
- Work with Local Agency Formation Commission (LAFCO) on the Fire District Report and Recommendations.
- Identify Long Term Putah Creek Corridor Response Solutions.

The chart and graph below shows the historical expenditures for the Winters Fire Protection District as well as proposed expenditures for 2014/2015 and 2015/2016.

City of Winters Fire Department Expenditures

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries and Benefits	267,738	530,452	476,028	462,138	513,246	710,250	453,951	626,547
Operating Expenditures	169,540	\$ 229,290	\$ 271,473	\$ 326,729	\$ 314,901	\$ 369,021	\$ 384,321	\$ 389,345
Allocated Costs	21,551	\$ 24,977	\$ 20,981	\$ 21,233	\$ 20,569	\$ 25,675	\$ 25,945	\$ 25,463
Capital Expenditures	(227,923)	15,000	15,722	12,046	-	1,031	57,000	-
Total Expenditures	\$ 230,905	\$ 799,718	\$ 784,204	\$ 822,146	\$ 848,716	\$ 1,105,976	\$ 921,216	\$ 1,041,355

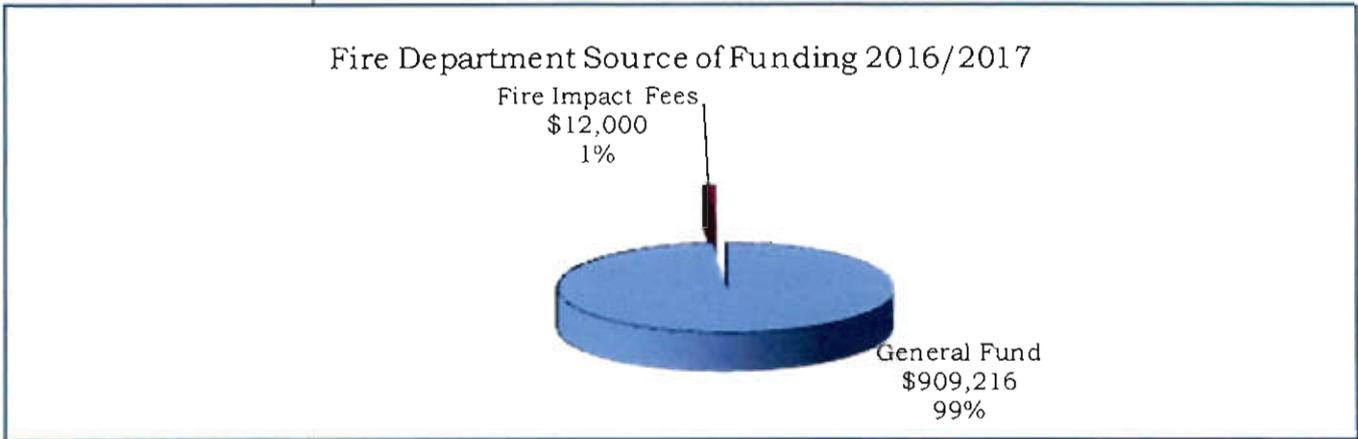
Winters Fire Department Expenditure History



Fire

The expenditures of the Winters Fire Department for 2016/2017 include expenditure of impact fees for an update to the AB1600 Plan. This plan is what allows the City to collect impact fees for the funding of fire equipment.

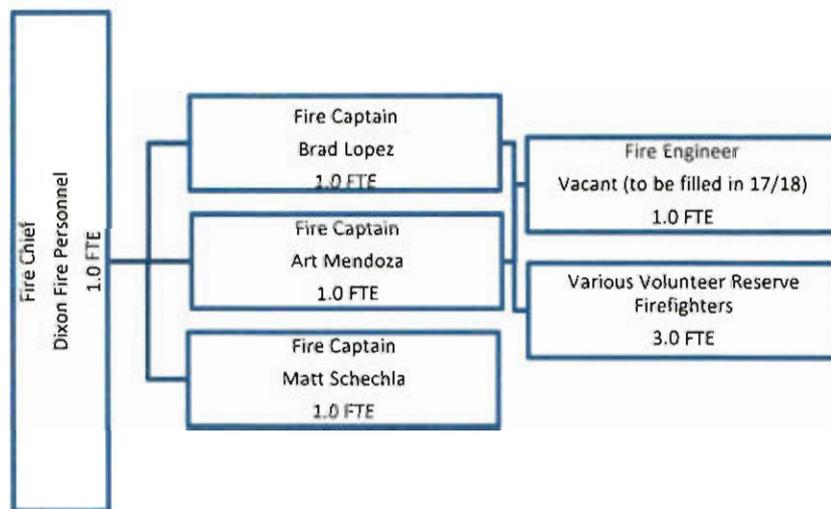
The graph below shows the funding sources for Fire spending for 2016/2017.



The 2017/2018 expenditures are all General Fund expenditures. The expenditures for 2017-2018 are higher than 2016/2017 due to the addition of a Fire Engineer position in the 2017/2018 budget year.

Fire Department Organizational Chart

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



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Community Development Department

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

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

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

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

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

Community Development Department Mission

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

Community Development Department

2014/2016 Accomplishments

- Completed processing of entitlements for the PG&E Gas Operation Technical Training Facility.
- Completed processing of entitlements for Domus Senior Apartment Complex and Senior Center.
- Completed processing of entitlements for Downtown Hotel.
- Completed processing of entitlements for Yolo Federal Credit Union Building.
- Amended the Development Agreement (DA) and subdivision approval for the Winters Highlands project.
- Amended the DA for Callahan Estates project.
- Approved model homes for the Winters Ranch subdivision.
- Amended zoning regulations governing Home Occupations and Secondary Living Units.

Long Term Objectives

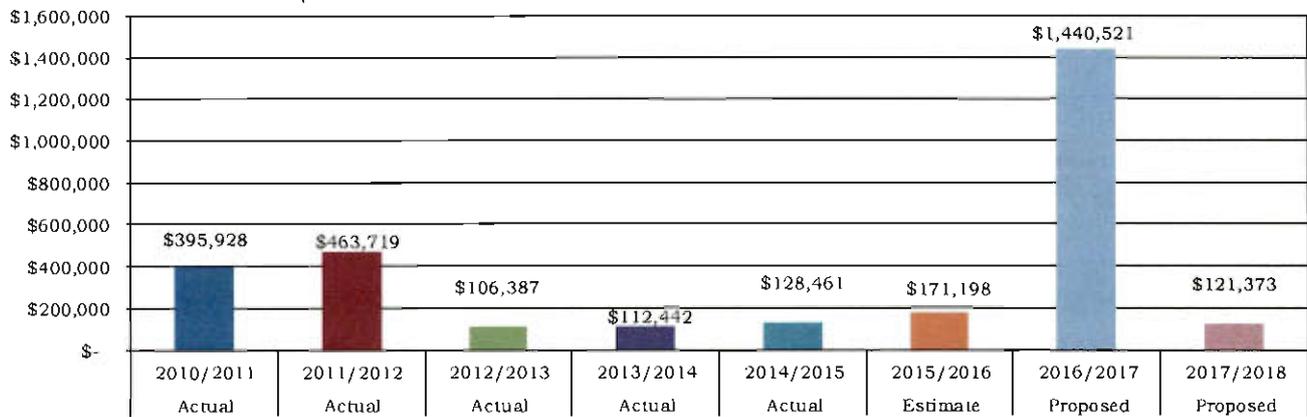
- Prepare RFP for North Area Annexation.
- Prepare RFP for comprehensive General Plan update and hire consultant.
- Complete revision of noise and sign regulations.
- Process entitlements for freeway serving businesses.
- Monitor Subdivision Developments.
- Update Landscape, Marijuana and Seismic Ordinance
- Code Enforcement training
- Project Inspections
- Implement technology with field employees.
- Review and update Building Department fees
- Adopt and receive training on 2016 California Code of Regulation Title 24.
- Provide training to newly added Permit Tech position.

Below are the historical expenditures for the Planning Division of the Community Development Department as well as the proposed 2014/2015 and 2015/2016 expenditures.

Community Development Department

Community Development Planning Division

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries & Benefits	72,743	47,552	738	1,181	378	18,645	7,203	12,359
Operating Expenditures	48,766	93,692	52,426	59,022	76,846	94,208	91,702	76,761
Capital Expenditures								
Grants							1,310,768	-
Allocated Costs	274,419	322,476	53,223	52,239	51,237	58,345	30,848	32,253
Total Expenditures	\$ 395,928	\$ 463,719	\$ 106,387	\$ 112,442	\$ 128,461	\$ 171,198	\$ 1,440,521	\$ 121,373

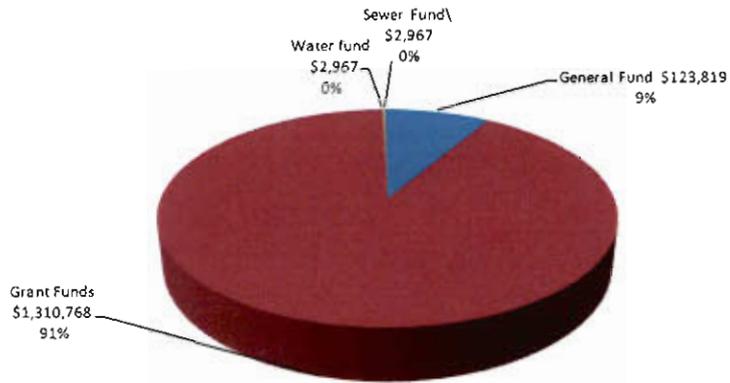


The Planning Division has an increase in 2016/2017 expenditures due to the expenditure of grant funds that support Community Development. In this instance, it is funding in support of a Senior Apartment Complex with an attached Senior Center

The Planning Division provides support services to other departments and funds. The funding sources for the Planning Division for 2016-2017 are shown in the chart below.

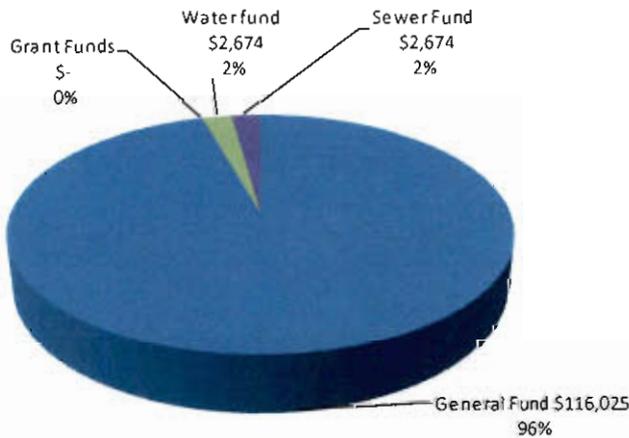
**Community
Development
Department**

Community Development Department Planning Division Sources of Funding 2016-2017



The funding sources for the Planning Division for 2017-2018 are shown in the chart below.

Community Development Department Planning Division Sources of Funding 2017-2018



**Community
Development
Department**

The chart and graph below show historical expenditures as well as the proposed expenditures for 2016/2017 and 2017/2018 for the Building Inspection Division.

City of Winters Community Development Building Inspection Division Expenditures

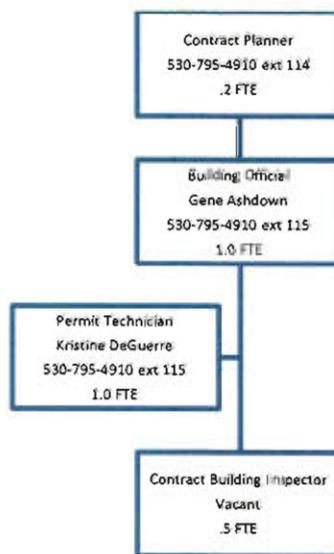
	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimated 2015-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries & Benefits	\$ 127,156	\$ 129,464	\$ 130,150	\$ 134,384	\$ 160,796	\$ 204,108	\$ 219,841	\$ 237,233
Operating Expenditures	18,356	20,245	14,015	24,281	22,163	65,106	40,470	40,818
Allocated Costs	10,459	12,122	12,001	11,882	11,885	13,845	18,720	18,820
Total Expenditures	\$ 155,971	\$ 161,831	\$ 156,166	\$ 170,547	\$ 194,844	\$ 283,060	\$ 279,032	\$ 296,871

The expenditures of the Building Inspection Division are budgeted to be slightly higher in 2016-2017 due to the increase in employer paid CalPERS and health insurance, while the increase in higher in 2017/2018, it is due to wage adjustments and increased CalPERS payments required of the employer and anticipated health insurance costs.

The Building Inspection Division is completely funded by General Fund Revenues.

Community Development Department Organizational Chart

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



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Public Works

The Public Works Department consists of the following Divisions:

- Administration and Engineering
- Maintenance.

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

Public Works functions include:

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

Divisional responsibilities are described below.

Administration and Engineering

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

Administration is also responsible for managing the development of capital Master Plans and the solid waste reduction program.

Engineering is responsible for the operation of engineering functions including:

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

Maintenance Division

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

- Streets

Public Works

The street system includes signs and markings, City trees, traffic signals, and parking lots. There are approximately 22 lane miles of streets within the City of Winters

- Water system
The water system responsibilities include the operation and maintenance of the water system, including water wells, water production, water service installations, water distribution system maintenance, and water quality testing and reporting. There are approximately 20 miles of water distribution lines, 6 wells and 2 non-operational water storage tanks.
- Wastewater system
The operation and maintenance responsibilities for the wastewater system include sewage collection system maintenance, and wastewater treatment facility operation and maintenance.
- Lighting and landscaping
The responsibilities for the maintenance functions associated with the City Wide Assessment District include the maintenance of sound walls, median islands, parks, street lighting, curbside landscaping, riparian area maintenance and bank stabilization.
- Building and property maintenance
Responsibilities include the maintenance function associated with buildings (and properties not covered by other public works units) including City Hall, Public Works Corporation Yard, Community Center, Public Safety Facility which houses both Police and Fire, and the Landfill.
- Storm drains
Responsibilities cover the operation and maintenance of the storm drainage system including collection lines, catch basin, curb inlets, ditches and detention ponds.

Public Works

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

2014/2016 Accomplishments

- Cross trained all public works employees to be proficient in all departments.
- Implemented IWORQ maintenance software program.
- Completed valve exercising program.
- Well 3 decommissioned.
- Chrom 6 compliance implementation begun
- Implemented leak detection and customer notification for water system.
- Upgraded SCADA communication system.
- Installed level sensors at Wells 1,4 and 5
- North Spray field cleaned
- 50% of City storm and sewer lines cleaned via Vacon truck.
- Implemented staff operation of the Wastewater Treatment Facility.
- Pigged force main.
- Obtained permit for recycled wastewater for spray fields.
- Construction of stairs at pond 3 and 4 at treatment plant.
- Repaired 95% pf south field spray heads.
- Buried 1700 feet of return line at wastewater treatment plant.
- Installed fail safe system at lift station 5 and East Street Pump Station.
- Completion of Bio-Solid removal.
- Purchased generator for lift stations.
- Completed Putah Creek Car Bridge.
- Completed street assessment evaluation.
- Repaved Orchard Court and sidewalks.
- Repaved Peach Court.
- Sidewalk repairs completed.
- Completed Dry Slough Bridge.

Public Works

- Improved Railroad Avenue from Grant Ave. to Carrion St.
- Created new parking spaces in the Downtown.
- Build restrooms in Rogers Building.
- Created a new parking lot adjacent to City Hall.
- Removed abandoned Fire Station in preparation for the Downtown Hotel.
- Painted interior of the Community Center.
- Began day to day operations and maintenance of Community Pool.
- Replaced restroom and lifeguard shack floors at the Community Pool.
- Certified seven (7) employees for pool operations.

Long term Objectives

- Ongoing tracking of water loss based on comparison of water pumped vs. delivered.
- Upgrading SCADA communications.
- Construct Water Smart Demonstration Garden in Mini Park.
- Oversee construction of Well 8.
- Renovate and Rehabilitate Wells 6 and 2
- Begin implementation of Chrom6
- Identify and repair water loss infrastructure.
- Oversee construction of Lift Station 6.
- Repair eroding banks on sewer ponds 2 and 3.
- Expand recycled water uses.
- Install influent screen at wastewater treatment facility.
- Improve fats, oil and grease pretreatment outreach program.
- Repave First Street from Main to Abbey.
- Construct alleyway improvements in conjunction with the Downtown Hotel.
- Complete the construction of the Walnut Lane Roundabout project.
- Complete new entrance to Rotary Park from Railroad Avenue.
- Complete ADA transition plan.
- Reroof Rogers Building.
- Complete City Park Rehabilitation project.
- Plant and maintain elderberry plants in the Nature Park.
- Refurbish or replace sand filters at Community Pool.
- Paint interior and exterior of City Hall.

Public Works

- Develop Storm water Management Plan.
- Review and renew Waste Management contract for garbage service.

The chart and graph below show historical expenditures for the public works department as well as projected expenditures for 2012-2013 and 2013-2014.

City of Winters Public Works Expenditures

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimate 2014-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries & Benefits	\$ 300,965	\$ 303,326	\$ 296,588	\$ 299,341	\$ 387,909	\$ 438,271	\$ 451,217	\$ 572,425
Operating Expenditures	28,955	42,211	57,363	66,742	124,913	68,831	241,957	213,709
Transfers	77,535	87,278	72,934	88,774	87,058	101,951	113,703	101,103
Capital Projects							72,000	-
Allocated Costs	64,422	74,664	68,292	67,613	67,632	78,836	71,492	70,062
Total Expenditures	\$ 471,876	\$ 507,480	\$ 495,177	\$ 522,469	\$ 667,511	\$ 687,889	\$ 950,370	\$ 957,299

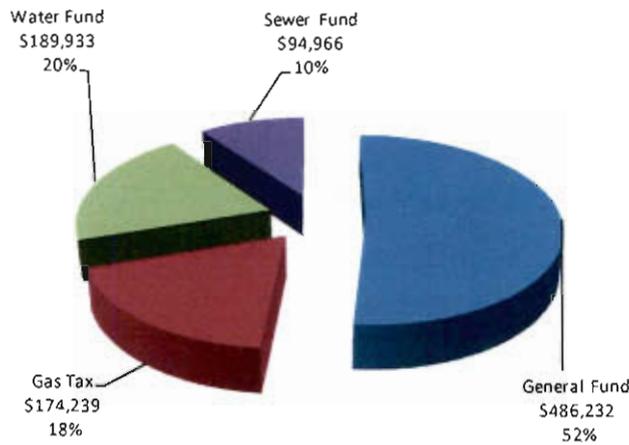
Public Works Department Expenditure History



Public Works

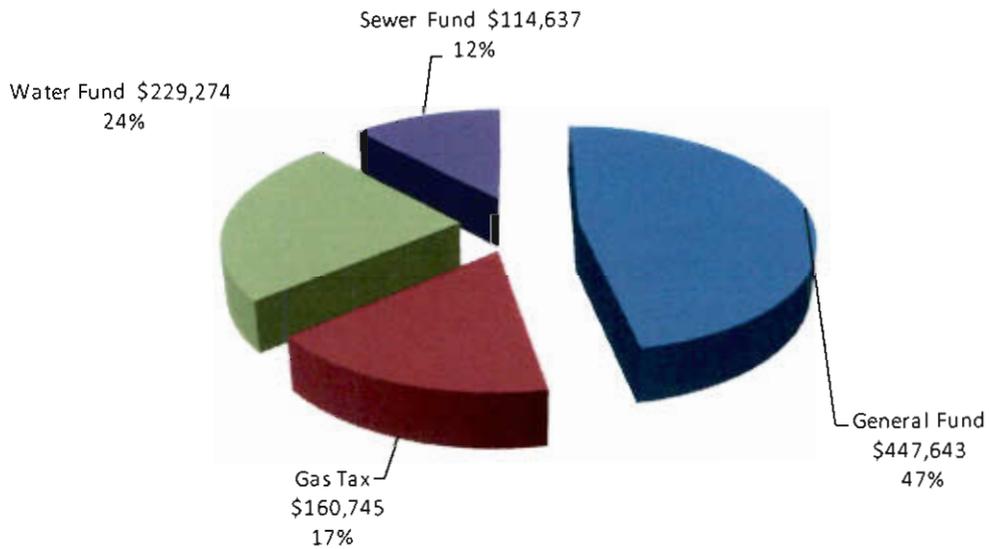
The public works department provides support and services to many other funds and department. The graph below shows the funding sources for the public works department for 2016-2017.

Public Works Department Source of Funding 2016-2017



The graph below shows the funding sources for the public works department for 2017-2018.

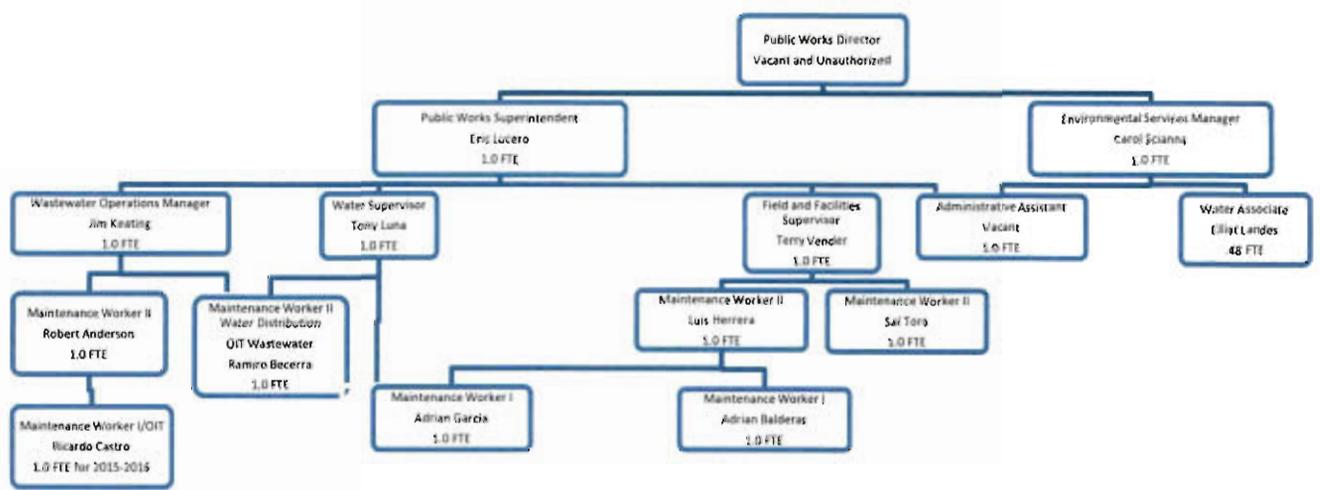
Public Works Department Source of Funding 2017-2018



Public Works

Public Works Department Organizational chart

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



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Recreation

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

- Swimming
- Youth Basketball
- Outstanding Youth Award
- Community events
- Adult Co-ed Softball
- After School Program
- Aquatics Program

The Recreation Department is separated into 3 divisions:

- General Recreation
- Community Center
- Swimming Pool

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

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

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

Recreation Department Mission

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

2014/2016 Accomplishments

- Provided another successful Adult Co-ed softball program.
- Maintained Youth Basketball program.

Recreation

- Bobbi Greenwood Community Pool open for 6 months for Adult Lap Swim.
- Held Movie Night and Family Swim Night at the Community Pool.
- Recruited and Retained Qualified Staff for the Afterschool Program.
- The Afterschool Program Implemented an Accelerated Readers Program.
- The After School Program provided academic enrichment programs with Dance, including hip-hop and ballet.
- The Winters Joint Unified School District and the City of Winters has collaborated successfully in providing the Afterschool program to local children.
- The Afterschool Program received presentations from the Winters Police Department on a variety of topic pertinent to school age children.
- The Afterschool program has been involved in various Community Festivals and Events.
- The participants in the Afterschool program have seen improvements in grades, classroom behavior and reading.

Long Term Objectives

- Create a recreation/rental guide for all City Facilities.
- Provide additional swim lessons in the evenings and on weekends.
- Manage Pool to run smoothly and efficiently.
- Implement a weekly Movie Night and Family Swim Night.
- Provide a successful and engaging Afterschool Program.
- Implement new and fresh ideas for academic enrichment in the Afterschool Program.
- Provide a monthly calendar of themed curriculum in the Afterschool Program.
- Provide service to the Afterschool Program age school children so that the program runs at capacity.

Recreation

General Recreation

The chart and graph below show the historical expenditures for general recreation as well as proposed expenditures for 2016-2017 and 2017-2018.

City of Winters General Recreation Expenditures

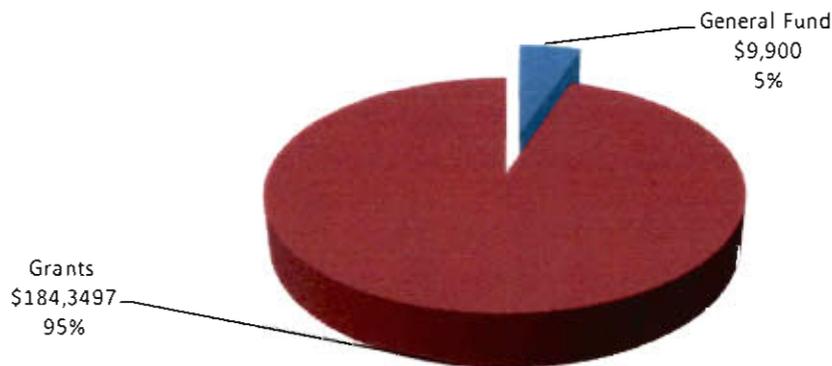
	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimate 2014-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries & Benefits	\$ 110,445	\$ 111,046	\$ 57,347	\$ 84,136	\$ 97,326	\$ 84,965	\$ 102,869	\$ 102,869
Operating Expenditures	34,269	35,463	19,664	39,770	39,590	6,932	91,381	90,897
Allocated Costs	-	-	421	-	-	-	-	-
Total Expenditures	\$ 144,713	\$ 146,509	\$ 77,432	\$ 123,906	\$ 136,916	\$ 91,897	\$ 194,249	\$ 193,765

General Recreation Expenditure History



The graph below shows funding sources for General Recreation for 2016-2017.

General Recreation Sources of Funding 2016-2017

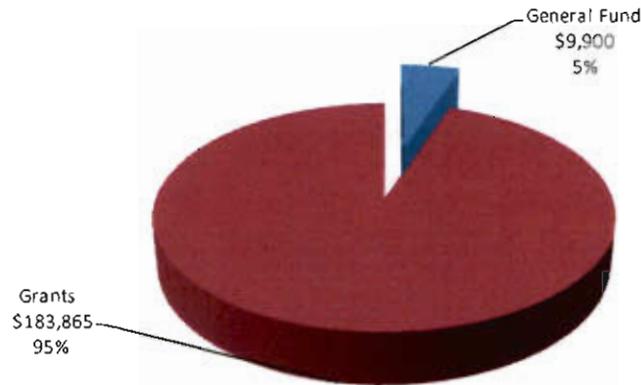


Recreation

General Recreation

The graph below shows funding sources for General Recreation for 2017-2018.

General Recreation Sources of Funding 2017-2018



Winters Community Center

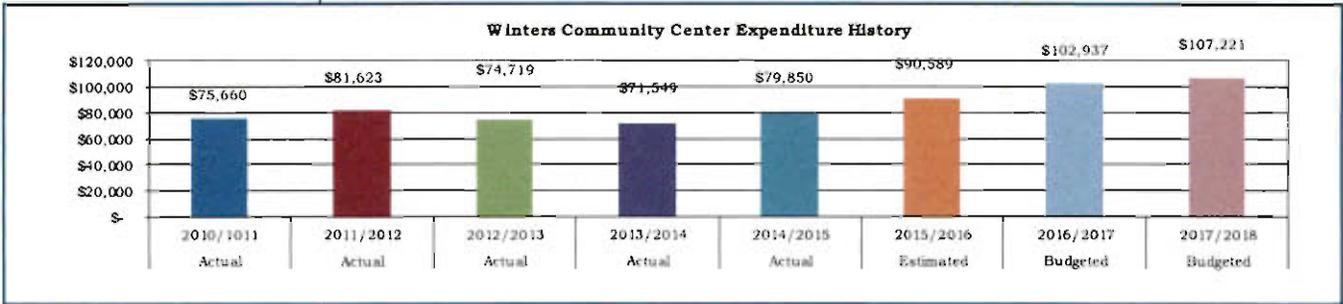
The Community Center is funded entirely by the General Fund. The increased expenditure for 2016/2017 and for 2017/2018 is for the increased estimated wages and benefits as we expect to increase the amount of usage of the Community Center.

The chart and graph below show the historical expenditures for the Community Center as well as the Budgeted expenditures for 2016/2017 and 2017/2018.

City of Winters Community Center Expenditures

	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimate 2014-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries & Benefits	\$ 17,227	\$ 10,487	\$ 9,307	\$ 5,934	\$ 4,428	\$ 8,924	\$ 11,858	\$ 11,858
Operating Expenditures	28,645	39,095	36,028	35,863	39,535	44,016	51,240	51,416
Allocated Costs	29,788	32,041	29,384	29,752	35,887	37,649	39,839	43,947
Total Expenditures	\$ 75,660	\$ 81,623	\$ 74,719	\$ 71,549	\$ 79,850	\$ 90,589	\$ 102,937	\$ 107,221

Recreation



Winters Swimming Program

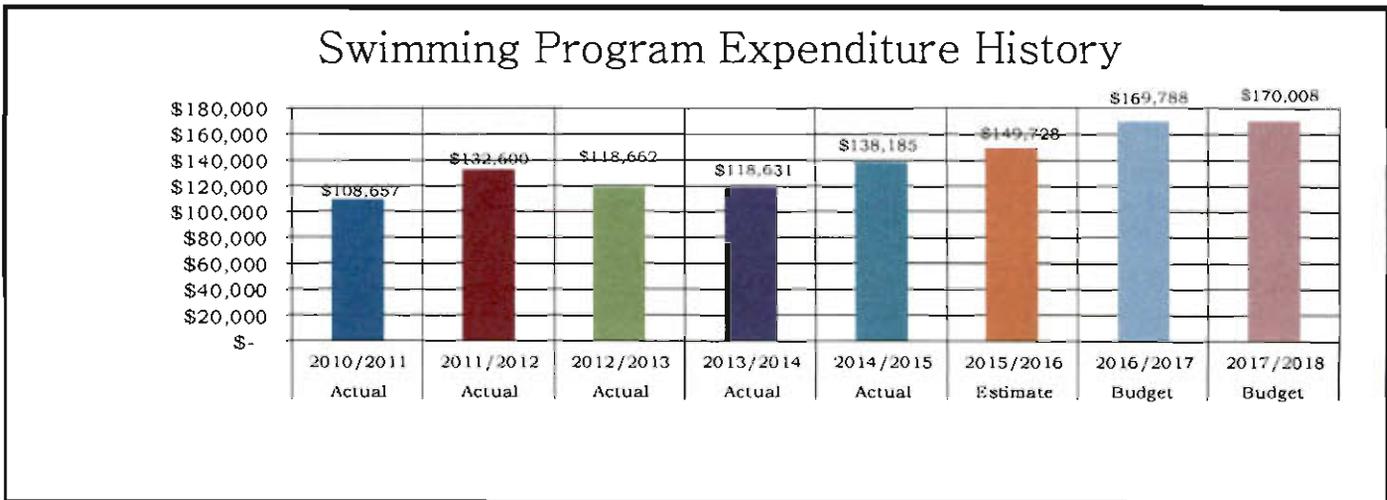
The Swimming program consists of Swim Team, swim lessons, recreational swimming, adult lap swim, and water aerobics.

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

The chart and graph below show the historical expenditures as well as budgeted expenditures for 2016/2017 and 2017/2018 for the Swimming Program.

City of Winters Swimming Expenditures

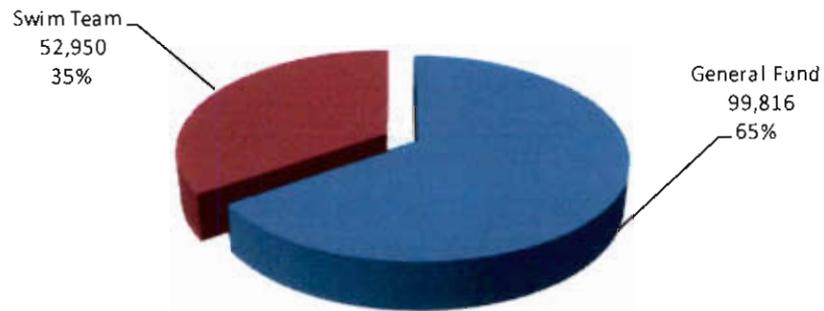
	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Actual 2014-2015	Estimate 2014-2016	Proposed 2016-2017	Proposed 2017-2018
Salaries & Benefits	38,666	45,761	42,807	44,826	51,790	49,608	49,608	49,608
Operating Expenditures	69,990	86,839	75,855	73,805	86,395	100,120	120,180	120,400
Total Expenditures	\$ 108,657	\$ 132,600	\$ 118,662	\$ 118,631	\$ 138,185	\$ 149,728	\$ 169,788	\$ 170,008



Recreation

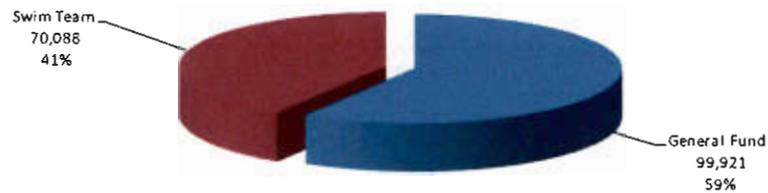
The graph below shows the funding sources for the Swim Program for 2016/2017.

Swim Program Sources of Funding 2016/2017



The graph below shows the funding sources for the Swim Program for 2015/2016.

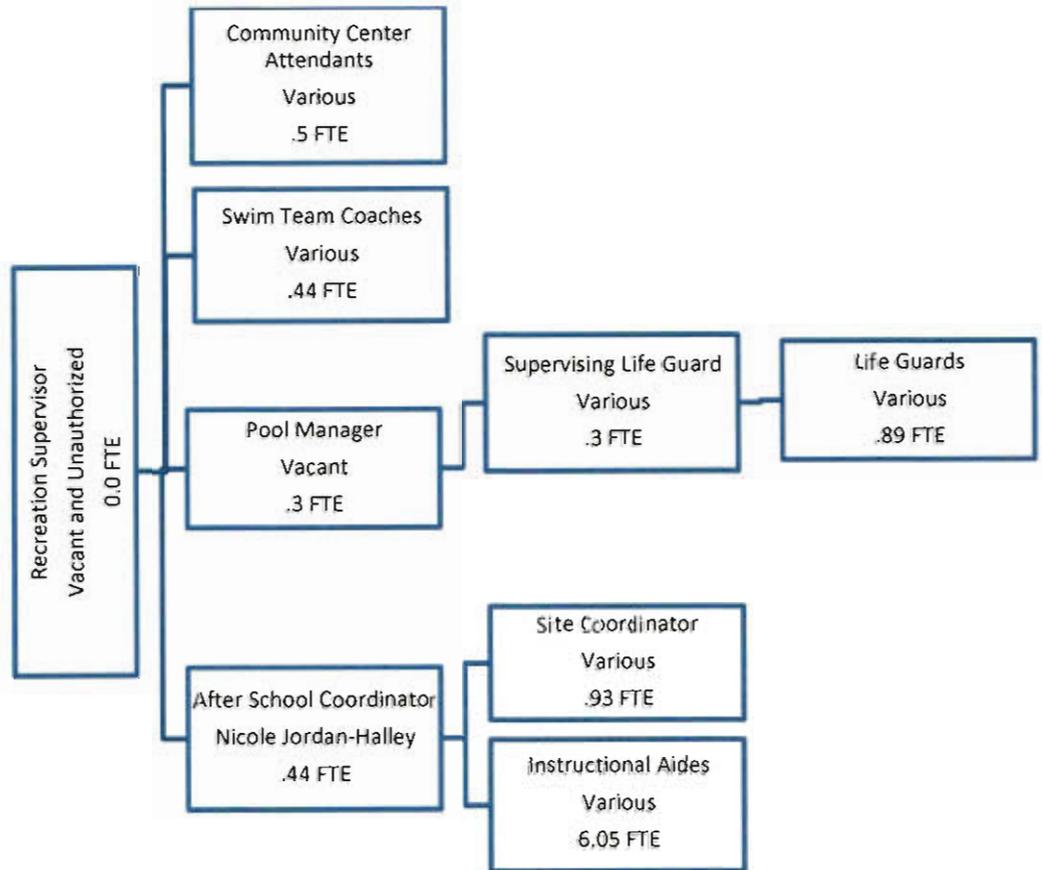
Swim Program Sources of Funding 2017/2018



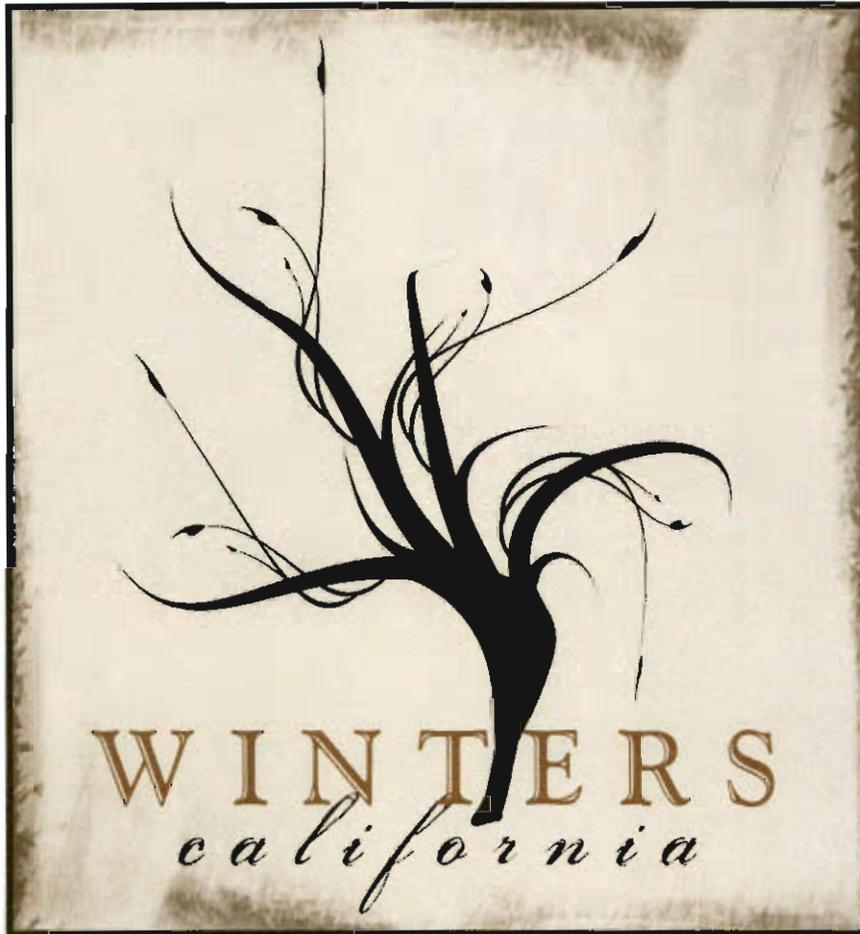
Recreation

Recreation Department Organization Chart

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



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Why the tree? Because...

The stylized nature of the tree is distinctive. It takes its cue from our budding artist community.

Staffing

Staffing

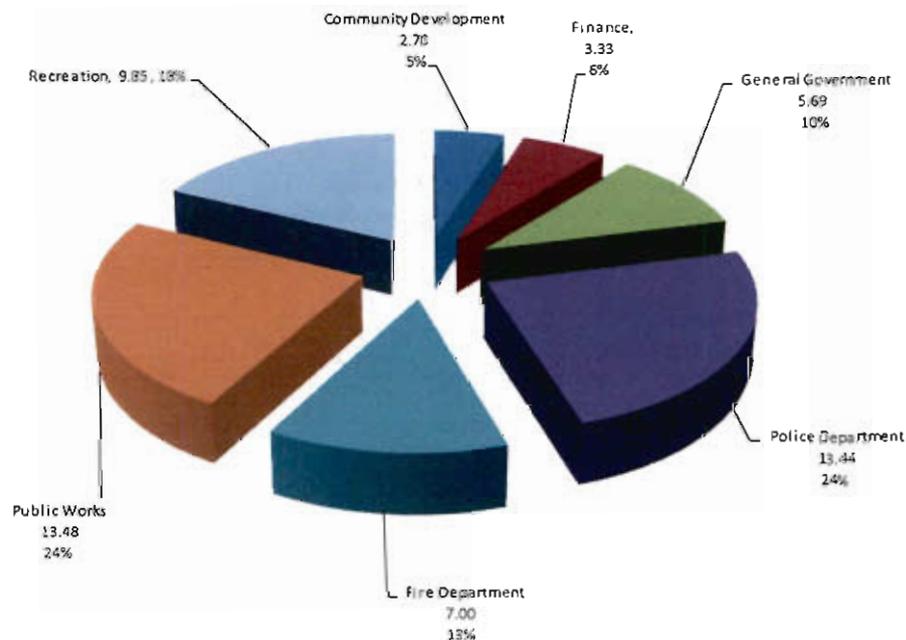
Staffing Comparison by Department In Full Time Equivalent								
Department	10/11 Adopted	11/12 Adopted	12/13 Adopted	13/14 Adopted	14/15 Adopted	15/16 Adopted	16/17 Approved	17/18 Approved
Community Development Department	1.50	1.50	1.20	1.20	2.40	2.40	2.70	2.70
Community Development Director (0)								
Planner (.2)								
Building Official (1)								
Building Inspector (5)								
Permite Tech (1.0)								
Finance	3.00	3.00	4.00	4.00	3.55	3.55	3.33	3.39
Director of Financial Management(1)								
Management Analyst (.093) (.15)								
Accounting Technician (1)								
Records Clerk (1)								
Intern (.24)								
General Government	5.00	5.00	5.25	5.25	6.17	6.17	5.69	6.01
City Manager (1)								
Director of Administrative Services (1)								
Housing & Economic Development Mgr (1)								
Management Analyst (1)								
Associate Planner (.527) (.85)								
Records Clerk (1)								
Intern (.16)								
Police Department	12.44	13.44	13.44	14.44	13.60	13.60	13.44	14.44
Police Chief (1)								
Sergeant (3)								
Records Supervisor (1)								
Corporal (2)								
Police Officers (5.0) (6)								
Community Services Officer (1)								
Property and Records Clerk (.44)								
Fire Department			7.70	7.70	7.00	7.00	7.00	8.00
Chief (1)								
Captain (2)								
Firefighter (1)								
Engineer (0) (1)								
Reserves (3.0)								
Public Works	7.32	7.32	6.98	6.98	12.98	13.98	13.48	13.48
Public Works Superintendant (1.0)								
Enviromental Services Manager (1)								
Administrative Assistant (1)								
Senior Maintenance Worker (3)								
Maintenance Worker II (4)								
Maintenance Worker I (3)								
Associate (.48)								
Recreation	9.85	9.85	9.85	9.85	9.85	9.85	9.85	9.85
Recreation Supervisor (0)								
Community Center Attendants (.5)								
Swim Coaches (.44)								
Pool Manager (.30)								
Supervising Lifeguard (30)								
Lifeguard (.89)								
Summer Recreation Leader (.0)								
Summer Recreation Directors (.0)								
After School Coordinator (.44)								
Site Coordinator (.93)								
Instructional Aides (6.05)								
Total FTE's	39.11	40.11	48.42	49.42	55.55	56.55	55.49	57.87

Staffing

The above charts reflect the following:

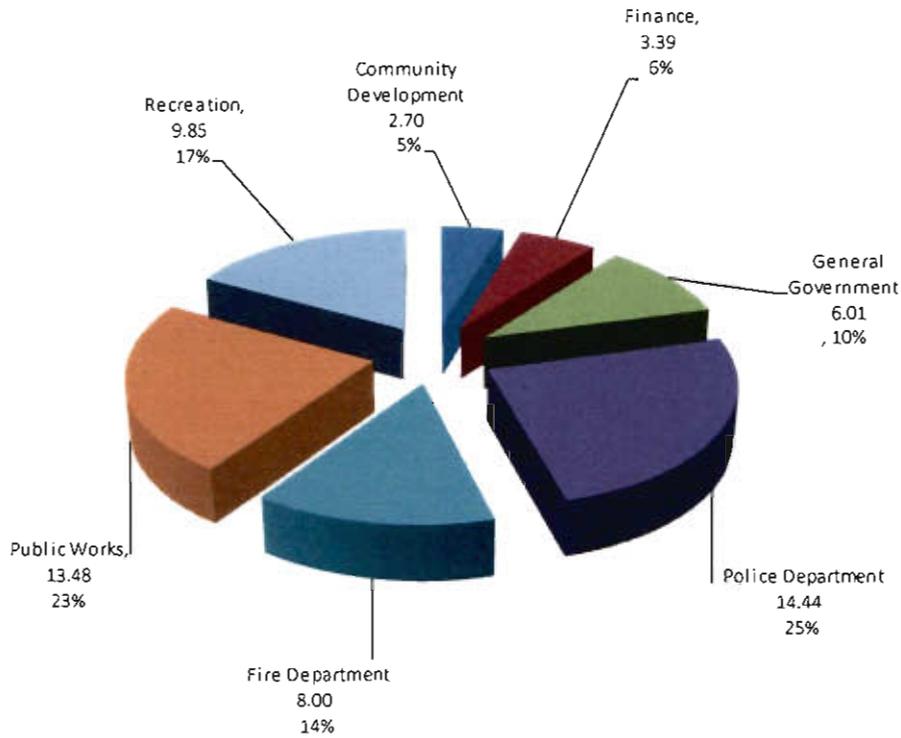
- The Community Development Department increased staffing by .3 FTE in 2016-2017 due to the addition of a full time Permit Counter Tech (1.0 FTE).
- Decrease in Finance Department staffing due to the reorganization of staff with various vacancies.
- Reduction in staff in City Manager Department due to leave of absence and fewer interns.
- The increase of 1.0 FTE for Fire Department in 2017/2018 when a Fire Engineer position is planned.
- The Police Department has decreased staffing in 2016/2017 by .16 due to the elimination of the summer intern position, however, the 2017/2018 FTE will increase by 1.0 in 2017-2018 when an additional Police Officer is planned.

2016-2017 Staffing by Department



Staffing

2017-2018 Staffing by Department



Employee Compensation

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

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

Staffing

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

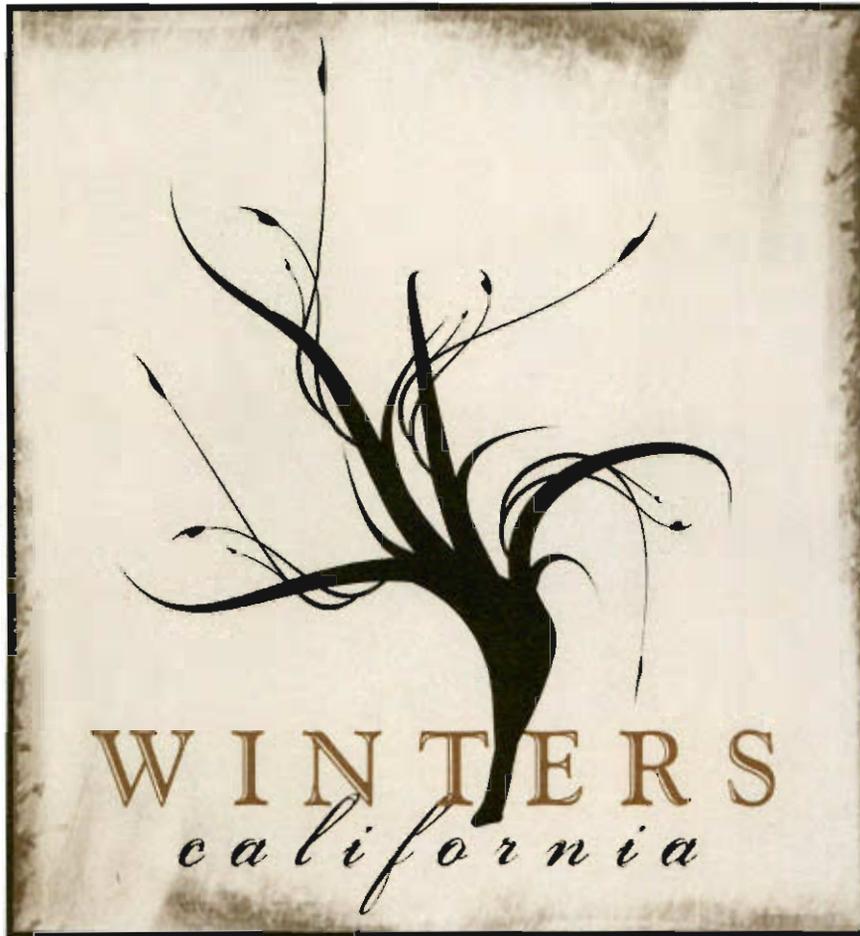
- 2.5% cost of living increases are budgeted for 2016/2017 and 2.0% cost of living increase for 2017/2018.
- City matching employee contributions to 457K (Deferred Compensation Plans) to a maximum of \$500 per year are being suspended for all employees for both 2016/2017 and 2017/2018.
- City Management employees have agreed to a suspension of the City contribution to the 457 Deferred Compensation plan for both 2016/2017 and 2017/2018, for Department heads, this is 7% of salary, for Management staff this is 4% of salary and for Mid-management this is 2% of salary.
- City Management employees have agreed to have the ability to take leave time in cash in lieu of time off for both fiscal years for a limit of 27 hours only.
- All Merit step increases earned will be paid, this is a removal of the freeze on all merit increases that have been in effect since February 2009.
- Miscellaneous employees will receive an adjustment of wages of 8.5% and will begin paying the employee contribution to CalPERS. In the past, the City has paid this contribution on the employee's behalf, but in an effort to have "classic" (an employee with a beginning employment date before 1/1/11) employees compensation to be comparable to those employees subject to "PEPRA" (Public Employees Pension Reform Act, employees hired after 1/1/11), all employees are receiving the adjustment and all employees will begin paying the employee contribution to CalPERS as a deduction from their paycheck.
- Fire employees will receive an adjustment of wages of 10.5% and will begin paying the employee contribution to CalPERS. In the past, the City has paid this contribution on the employee's behalf, but in an effort to have "classic" (an employee with a beginning employment date before 1/1/11) employees compensation to be comparable to those employees subject to "PEPRA" (Public Employees

Staffing

Pension Reform Act, employees hired after 1/1/11), all employees are receiving the adjustment and all employees will begin paying the employee contribution to CalPERS as a deduction from their paycheck.

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

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Why the tree? Because...

Winters is rooted in history, and there is a commonality amongst the community members, but the branches represent the diversity of our community, reaching out and growing towards the future.

Policies



FISCAL POLICIES

BUDGET

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

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

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

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

FINANCIAL REPORTING AND BUDGET ADMINISTRATION

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

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

departments within a fund, except for contingencies, without City Council approval.

GENERAL REVENUE MANAGEMENT

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

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

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

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

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

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

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

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

USER FEE COST RECOVERY GOALS

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

1. Ongoing Review

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

2. User Fee Cost Recovery Levels

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

a. Community Wide vs. Special Benefit.

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

b. Service Recipient vs. Service Driver.

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

c. Effect of Pricing on the Demand for Services

The level of cost recovery and related pricing of services can significantly affect the demand and subsequent level of services provided. At full cost recovery, this has the specific advantage of ensuring that the City is providing

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

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

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

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

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

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

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

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

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

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

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

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

6. **Low Cost Recovery Services**

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

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

7. **Recreation Programs**

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

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

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

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

High Cost Recovery Activities (60%-100%)

1. Classes

2. Adult athletics
3. Community Center rentals

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

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

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

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

8. Development Review Programs

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

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

9. Comparability With Other Communities

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

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

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

ENTERPRISE FUND FEES AND RATES

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

1. Water and Sewer

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

2. Ongoing Rate Review

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

REVENUE DISTRIBUTION

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

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

1. Property Tax Revenues

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

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

2. **Gas Tax Revenues**

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

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

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



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

Updated 1/6/06

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

1. Policy

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

2. Scope

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

3. Responsibility

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

4. Objectives

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

5. Ethics and Conflicts of Interest

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

6. Authorized Investments

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

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

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

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

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

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

7. Diversification

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

8. Authorized Financial Dealers and Institutions

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

9. Collateral Requirements

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

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

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

10. Safekeeping of Securities

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

11. Internal Control

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

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

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

12. Reporting

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

13. Interest Earnings

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

14. Legislative Changes

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

15. Policy Review

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

APPROPRIATION LIMITATION

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

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

FUND BALANCES RESERVES

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

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

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

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

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

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

CAPITAL IMPROVEMENT MANAGEMENT

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

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

CAPITAL FINANCING AND DEBT MANAGEMENT

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

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

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



Fixed Asset Capitalization and Inventory Control Policy

Purpose:

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

Policy:

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

Scope

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

Objectives

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

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

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

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

Capitalization Policy

Fixed assets will be identified as:

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

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

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

Specific capitalization requirements are described below:

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

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

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

Inventory Control Policy

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

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

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

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

Tagging

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

Why Tag an Asset

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

Should the Asset be tagged?

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

Who is responsible for tagging the asset?

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

Purchasing Fixed Assets

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

Disposal of Surplus Property

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

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

Depreciable Lives

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

Depreciation Convention

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

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



Infrastructure Asset Capitalization and Inventory Control Policy

Purpose

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

Policy

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

Scope

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

Objectives

The City of Winters infrastructure asset policy has 2 objectives:

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

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

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

Capitalization Policy

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

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

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

Inventory Control

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

Purchasing Infrastructure Assets

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

How to Retire/Dispose of an Infrastructure Asset

An infrastructure asset is usually only disposed of in connection with its replacement or reconstruction. The Public Works Department and the Finance Department must coordinate the identification of the new and old assets so the proper financial reporting may be accomplished.

Depreciation

Infrastructure assets will be depreciated using the following guidelines:

Category Description	Depreciable Life
Streets, including grading, base, paving and striping	50
Sidewalks, curb, and gutter	50
Street trees	50
Traffic Signals	30
Landscaped Medians	50
Signs, street name, directional, caution, stop etc	30
Sewer laterals and mains	50
Water lines	50
Storm Drains	50

Depreciation convention.

Depreciation is computed using the half-month convention. Depreciation is computed from the beginning of the month it is placed in service if it was acquired by the 15th of the month, if not it is depreciated from the beginning of the next month. Similarly, depreciation for the month of disposition is computed for that month if it is disposed of after the 15th.



Why the tree? Because...

The tree represents fresh food, green living and environmental stewardship.

Capital Improvement Plan

Capital Improvement Plan

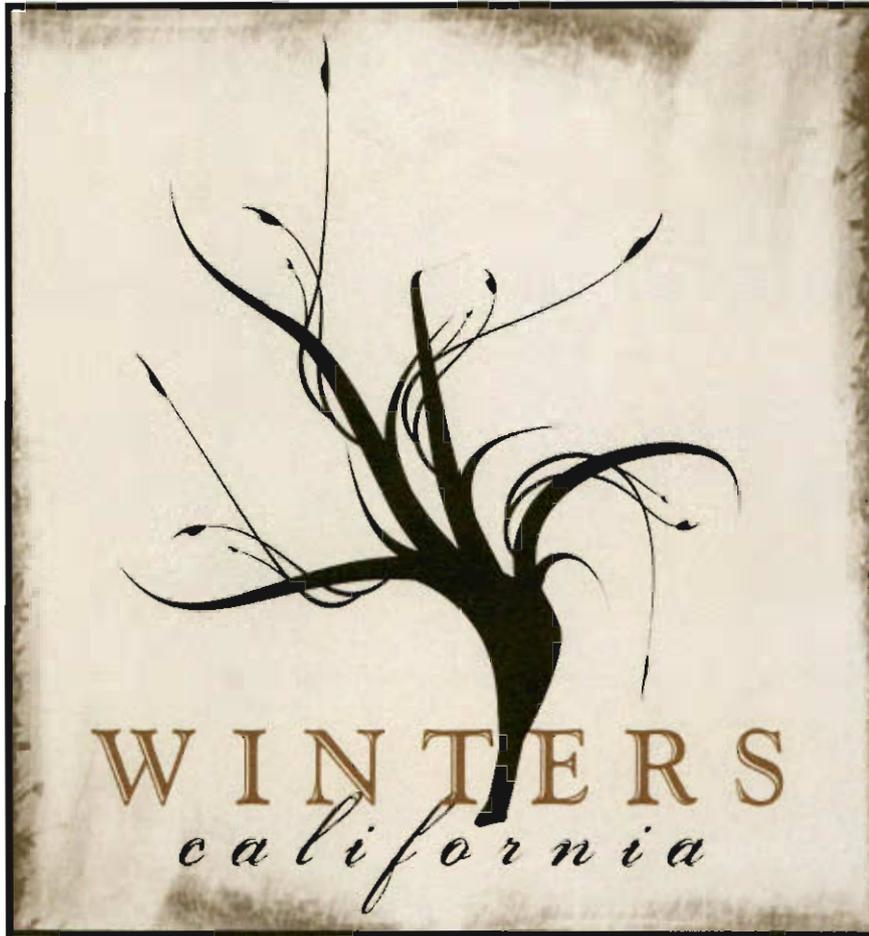
Included in the budget are capital expenditures and capital improvements. The following information is the City of Winters capital improvement plan for 2016-2017 and 2017-2018.

The City will be working on a 5-year capital improvement plan in the upcoming budget years, in addition to the Capital improvement plan, the City will be updated the AB1600 Projects Plan and Financing Plan. Once these plans are complete, staff will request the City Council review the plans, provide input and direction regarding the plans. Once staff has received input from the City Council, the plans will be submitted to the City Council for approval, and staff will then propose projects to be implemented and budget adjustments will be submitted to the City Council for approval. The 5-Year Capital Improvement Plan, the AB1600 Projects Plan and the AB1600 Financing Plan are each separate documents that will be available once approved by the City Council.

There are no actual capital projects included in this budget, however, projects that will be addressed in the upcoming 5 year Capital Improvement Plan include but are not limited to:

- Construction of Well #8, which will be built and funded by the Winters Highlands project.
- Installation of the Traffic Signal at West Main Street and Grant Avenue, which will be built and funded by the Winter Ranch project.
- Construction of a Roundabout at Grant Avenue and Walnut Lane.
- Installation of a Traffic Signal at Timbercrest and Grant Avenue, to be built and funded by the PG&E project.
- Construction of improvements at Matsumoto Lane, to be constructed and funded by the PG&E project.
- Development of the Linear Park in the Callahan Subdivision project.
- Development of a Linear Park in the Winters Highlands project.
- Updating the entrances into the City.

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Why the tree? Because...

The tree is unique . It will provoke an immediate association with Winters and will not be mistaken for another city or location.

10 Year Financing Plan

Future Financial Forecasting

As discussed earlier in this document, the City of Winters has been focusing on the financial wellbeing of the community, and in doing so has completed a ten-year forecast for the City's General Fund and City Wide Assessment District as well as the Water and Wastewater Funds.

The purpose of a long-term forecast is to provide a long-term view of the revenues and expenditures for the funds listed above. The four (4) funds listed provide the services that most impact the citizens of the City of Winters. The information provided in this section of the budget will enable the City Council to evaluate the impact of policy choices on the long-term fiscal health of the City.

The City Council can change the City's long-term financial outlook based upon actions taken or policies enacted. The ten-year forecast will enable the City Council to act more strategically and to understand the impact of its decisions.

The City Council is often faced with making decisions that have long-term fiscal impacts. These decisions include but are not limited to:

- Long-term consequence of employee pay and benefit policies.
- Long-term financial responsibilities for increased City maintained park space.
- Financial implications of growth policies adopted by the City Council.
- Long-term consequences of water and sewer rate levels.
- Long-term consequences of economic development policies.

Forecasting Assumptions

The overall fiscal strategy will be based on compliance with the City's General Plan and the achievement of a variety of community service and infrastructure goals. While acknowledging a current deficiency in meeting certain objectives outlined in the General Plan, the program provides for an incremental achievement over a five-year period. Assumptions include:

Future Financial Forecasting

- The City will not achieve General Plan ratios for parks or police, but they will significantly improve and service goals will advance.
- Population will reach 8,087 by 2026
- No assumptions are made for increased tax revenues from industrial or commercial sectors.

Public Safety Services:

The General Plan provides for a police officer staffing ratio of 1.7 officers per 1,000 population. The funded staffing ratio is 1.52 based on 11 funded sworn personnel positions (Sworn personnel include the police Chief). At 2026 the Department would be as follows:

- 13 Police officers (Including Chief) ratio is 1.6
- 1 Community Services Officer
- 2 Records Personnel

The General Plan currently does not contain a staffing ratio for fire services. At 2026 the Department would be as follows:

- 7 FTE (ratio .98 with seasonal)
- 2 Seasonal

Additionally, the city has completed the construction of a new public safety facility and consolidated the administrative clerical operations for both police and fire. Staffing at the fire station has increased from five (5) day per week (8am-5pm) to 24 hour staffing now that the Fire Department has moved into the new public safety facility with full living quarters for on duty fire personnel.

Parks

The General Plan goal for parks is seven (7) acres per land per 1,000 population. The City presently operates with thirteen (13.61) total acres of parks, generating a present ratio of 1.88 acre per 1,000. This fiscal assumption includes a projection that by 2026 a sports park will be developed at the former landfill facility and a 10.68-acre neighborhood park will be developed. At 2026 the parks would include the following:

Future Financial Forecasting

- 32.68 acres of new parks to a new total of 46.29 acres of parks within the city. A ratio of 5.72 acres per 1,000, a 304% increase.
- Maintenance services will increase proportionally to parkland growth.

Infrastructure Improvements

Based on the overall citywide pavement management system (PMS), staff estimates a current overall deficiency of approximately \$4.5 million of maintenance needs. This includes a combination of need for reconstruction and overlays of current streets and a preventative maintenance program that should be budgeted at approximately \$100,000 annually. Typically, using a 50/50 ratio of expenditures for infrastructure maintenance, you would spend an equal amount of funding toward preventative maintenance. Staff has been unable to identify a source of funding for infrastructure maintenance, and it is not included in this forecasting model.

Fiscal Assumptions

In the development of the fiscal model for the General Fund, the following revenue and expenditure assumptions are being made:

1. Revenues

- Beginning in 2016-2017 Property taxes increase by 2% per year as allowed by law.
- Each new market rate home projected assessed value at \$325,000
- Each new affordable home projected at assessed value \$150,000
- Each new home increases population by 3.248 persons
- UUT (based on regression analysis) increases by \$360 (overall due to the cap in residential property) per unit added.
- Taxable sales (based on regression analysis) increases by \$8,457 per person

Future Financial Forecasting

- Building Permit Fees increase by 2.22% inflationary factor
 - Property tax in Lieu of VLF increase by increase in Assessed Value for the City, not by population increase.
 - All other revenues increase by 2.22% per year.
2. Expenditures
- Wages increase by 2.9% per year beginning 7/1/18.
 - Cafeteria Plan increases by 10% per year for those employees accessing city health insurance options.
 - PERS contributions based on actual for 16-17 and 17 - 18 and estimates provided by CalPERS through 21-22, staff assumes a leveling off of rates from 21-22 through 22-26.
 - Parks Cost estimated at \$14,000 per acre for maintenance of new park space.
 - Include \$20,000 annually for Park Equipment Replacement
 - City Wide Assessment deficit fully funded by General Fund.
 - All other expenditures will increase at 2.22% inflationary factor per year.
 - The City has established a Service Reserve Fund and transfers an amount of General Fund revenues equal to a percentage of Development Fees to an investment fund based on the following schedule:
 1. 17-18 10%
 2. 18-19 20%
 3. 19-20 30%
 4. 20-21 40%
 5. 21-22 and thereafter 50%
3. Other Assumptions
- Utility User Tax Rate remains from at 9.5%.
 - No Increase in Municipal Services Tax Rate
 - No Increase in City Wide Assessment District Assessment amount.
 - Services implemented ahead of or in conjunction with development
 - General Plan compliance in 20-21 with development
4. Fiscal Policy Assumptions

Future Financial Forecasting

- Implementation of General Plan Service/Facility Standards
- Services in place in conjunction with new development
- Make non-recurring revenues become recurring revenues
- New Parks in 17-18
- Fire District revenues increase by 2% per year.

City Wide Assessment Lighting and Landscaping District

- Assessments are fixed at \$82.50 per residential unit per year and \$42.50 per commercial unit per year with no inflationary escalator included per voter approval.
- Service levels increase as additional parks are completed and on line.
- No increase in staffing for parks.

Water Enterprise Funds

- Next anticipated rate adjustment is scheduled for 7/1/18 after completion of a new rate study and financial plan.
- Capital projects included in rate computation
- City became fully metered and billed on a metered rate effective January 1, 2012.
- The City issued revenue bonds in 07/08, for major infrastructure work and to install water meters.
- The monthly water rate consists of the following components:
 - Operations & Maintenance
 - Capital Improvement
 - Capital Replacement
 - Debt Service
 - Operating Reserves

Future Financial Forecasting

Sewer Enterprise fund

- Next anticipated rate adjustment is scheduled for 7/1/18 after completion of a new rate study and financial plan.
- Capital projects included in the rate computation
- The City issued revenue bonds in 07/08 for major infrastructure work.
- The monthly sewer rate consists of the following components:
 - Operations and Maintenance
 - Capital Repair and Replacement
 - Debt Service
 - Operating Reserves

Future Financial Forecasting

General Fund

City of Winters General Fund Revenue Projections 2016-2017 through 2026-2026										
Description	Budget 2016-2017	Budget 2017-2018	Forecast 2018-2019	Forecast 2019-2020	Forecast 2020-2021	Forecast 2021-2022	Forecast 2022-2023	Forecast 2023-2024	Forecast 2024-2025	Forecast 2025-2026
Property Tax	749,464	833,414	890,552	936,668	983,026	1,030,312	1,078,543	1,127,739	1,177,918	1,229,102
Property Tax in Lieu of Sales Tax										
Property Tax in Lieu of VLF	524,797	582,525	603,653	634,913	666,336	698,389	731,082	764,429	798,443	833,137
Sales & Use Tax	578,354	620,464	628,686	636,918	645,150	653,382	661,614	669,846	678,078	686,310
Prop 172 Sales Tax	46,268	49,637	50,295	50,953	51,612	52,271	52,929	53,588	54,246	54,905
Franchise Tax	265,000	266,000	314,937	337,315	359,693	382,071	404,448	426,826	449,204	471,581
Prop. Traf Tax	18,000	18,000	16,803	13,571	27,473	26,813	26,813	26,813	26,813	26,813
Utility Tax	676,089	713,000	723,824	734,638	745,452	756,266	767,080	777,894	788,708	799,522
Muni. Ser. Tax	297,040	313,960	317,520	321,120	324,720	328,320	331,920	335,520	339,120	342,720
Bus. Lic. Tax	26,000	26,000	26,285	26,285	26,285	26,285	26,285	26,285	26,285	26,285
Tot Tax	8,000	636,226	648,951	661,930	675,168	688,671	702,445	716,494	730,824	745,440
Motor Veh. in Lieu	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Homeowner Prop Tax Relief	15,000	15,000	15,847	17,002	18,221	19,046	19,827	20,212	20,597	20,982
Total Taxes	3,207,012	4,077,226	4,240,352	4,374,313	4,526,136	4,664,824	4,805,986	4,948,644	5,093,235	5,239,797
Copy Fees	100	100	100	100	100	100	100	100	100	100
Plan Check Fees	102,125	105,401	63,409	63,409	63,409	63,409	63,409	63,409	63,409	63,409
Planning Application Fees	10,750	10,750	10,965	11,184	11,408	11,636	11,869	12,106	12,348	12,595
Sales of Maps/Publications	-	-	-	-	-	-	-	-	-	-
Investigation Fees	3,500	3,500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Police Reports	500	500	511	522	534	546	558	570	583	596
Fingerprint Fees	3,500	3,500	3,578	3,657	3,738	3,821	3,906	3,993	4,081	4,172
Towing/DUI Reimbursement	300	300	300	300	300	300	300	300	300	300
Ticket Sign Off Fees	300	300	300	300	300	300	300	300	300	300
Recreation Fees	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100
Basketball Revenues	6,700	6,700	6,700	6,700	6,700	6,700	6,700	6,700	6,700	6,700
Pool Parties	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Adult Lap Swim	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Pool Ticket Sales	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400
Swim Passes	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Swim Lessons	13,600	13,600	13,600	13,600	13,600	13,600	13,600	13,600	13,600	13,600
Swim Team Reimbursement	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Park Rental	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Community Center Insuranc	85	85	85	85	85	85	85	85	85	85
Community Center Rental	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
Total Service Charges	188,260	191,636	147,348	147,668	147,974	148,297	148,627	148,964	149,307	149,657
Rents/Leases	66,000	66,000	67,320	68,666	70,040	71,441	72,869	74,327	75,813	77,330
Interest Revenues	1,000	1,000	1,022	1,045	1,068	1,092	1,116	1,141	1,166	1,192
Total Rents, Interest, Concessi	67,000	67,000	68,342	69,711	71,108	72,532	73,986	75,468	76,979	78,522
Building Permits	344,502	231,671	285,222	385,303	35,000	35,000	35,000	35,000	35,000	35,000
Encroachment Permits	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Reinspect Fee	1,200	1,200	250	250	250	250	250	250	250	250
Other License & Permits	73,039	73,452	100,592	109,828	74,709	61,626	40,197	40,197	40,197	40,197
Total Licenses and Permits	428,741	316,323	396,064	505,380	119,959	106,876	85,447	85,447	85,447	85,447
P.O.S.T Reimbursement	3,500	3,500	3,578	3,657	3,738	3,821	3,906	3,993	4,081	4,172
Total Grants	3,500	3,500	3,578	3,657	3,738	3,821	3,906	3,993	4,081	4,172
Miscellaneous Revenues	164,000	35,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Reimbursement/Refunds	110,000	110,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Fire District Payment	248,178	255,623	260,735	265,950	271,269	276,695	282,228	287,873	293,630	299,503
Contributions	95,865	99,098	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total Other Revenues	618,043	499,721	343,735	348,950	354,269	359,695	365,228	370,873	376,630	382,603
Interfund Transfer	16,600	16,600	16,932	17,271	17,616	17,968	18,328	18,694	19,068	19,450
Total General Fund Revenues	4,529,166	5,171,906	5,216,351	5,466,940	5,240,800	5,374,014	5,501,507	5,652,083	5,804,749	5,959,548

Future Financial Forecasting

General Fund

The General Fund Projected Revenues in excess/(less than) projected expenditures is shown in the table below:

City of Winter General Fund Revenues in excess/(less than) expenditures

	Budget 2016-2017	Budget 2017-2018	Forecast 2018-2019	Forecast 2019-2020	Forecast 2020-2021	Forecast 2021-2022	Forecast 2022-2023	Forecast 2023-2024	Forecast 2024-2025	Forecast 2025-2026
Projected Revenues	\$ 4,529,156	\$ 5,171,906	\$ 5,216,351	\$ 5,466,940	\$ 5,240,800	\$ 5,374,014	\$ 5,501,507	\$ 5,652,083	\$ 5,804,749	\$ 5,959,548
Projected Expenditures	4,624,439	5,151,048	5,604,293	5,865,691	6,202,890	6,650,489	6,875,619	7,130,710	7,421,427	7,706,187
Revenue in Excess/(less than Expenditures)	\$ (95,283)	\$ 20,858	\$ (387,942)	\$ (398,751)	\$ (962,090)	\$ (1,276,475)	\$ (1,374,112)	\$ (1,478,627)	\$ (1,616,678)	\$ (1,746,639)

The Chart below shows the impact of the current projections on the general fund balance and the City of Winters ability to meet reserve requirements as adopted in our financial policies. City Staff and City Council will need to review our current policies and projections in order to provide direction to avoid depleting all of the City's General Fund Reserves.

Calculation of Reserve Balances

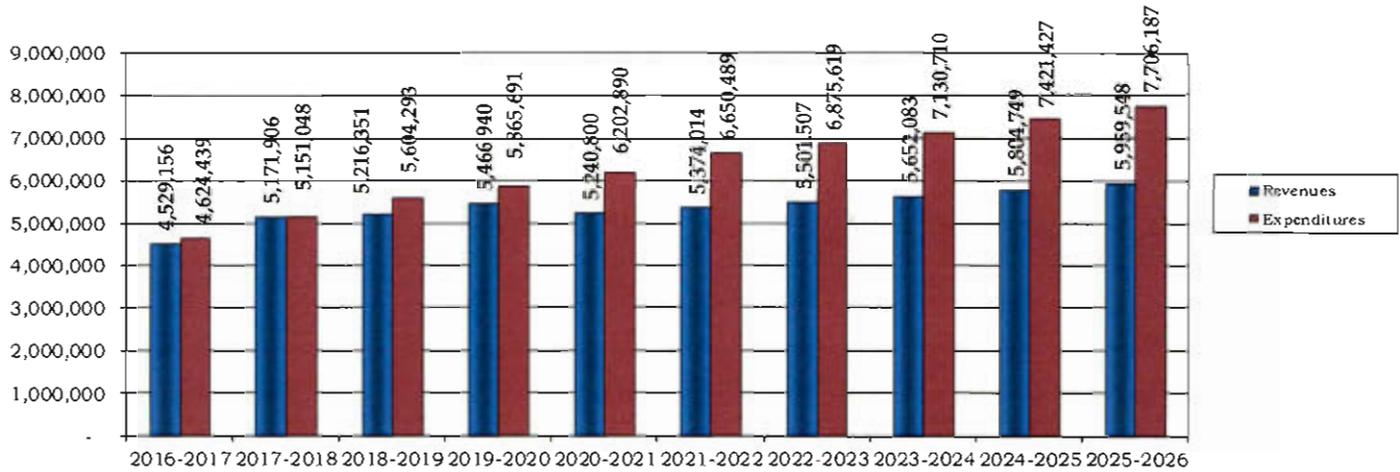
	Budget 2016-2017	Budget 2017-2018	Forecast 2018-2019	Forecast 2019-2020	Forecast 2020-2021	Forecast 2021-2022	Forecast 2022-2023	Forecast 2023-2024	Forecast 2024-2025	Forecast 2025-2026
Estimated Fund Balance										
Prior Year	\$ 4,473,338	\$ 4,378,055	\$ 4,398,913	\$ 4,010,971	\$ 3,612,220	\$ 2,650,130	\$ 1,373,655	\$ (458)	\$ (1,479,084)	\$ (3,095,763)
Less Reduction due to Deficit	(95,283)	20,858	(387,942)	(398,751)	(962,090)	(1,276,475)	(1,374,112)	(1,478,627)	(1,616,678)	(1,746,639)
Available Balance	\$ 4,378,055	\$ 4,398,913	\$ 4,010,971	\$ 3,612,220	\$ 2,650,130	\$ 1,373,655	\$ (458)	\$ (1,479,084)	\$ (3,095,763)	\$ (4,842,402)
Required Cash Reserve	2,312,220	2,575,524	2,802,146	2,932,846	3,101,445	3,325,244	3,437,810	3,565,355	3,710,714	3,853,094
Fund Balance After Cash Reserve	\$ 2,065,836	\$ 1,823,389	\$ 1,208,825	\$ 679,374	\$ (451,316)	\$ (1,951,590)	\$ (3,438,267)	\$ (5,044,439)	\$ (6,806,476)	\$ (8,695,496)
Required Per Policy	1,118,335	1,094,514	1,099,728	1,002,743	903,055	662,532	343,414	(114)	(369,771)	(773,941)
Deficit Fund Balance	\$ 947,501	\$ 728,875	\$ 109,097	\$ (323,368)	\$ (1,354,371)	\$ (2,614,122)	\$ (3,781,681)	\$ (5,044,325)	\$ (6,436,705)	\$ (7,921,555)

Future Financial Forecasting

General Fund

The Graph below shows the trend of revenues and expenditures for 2016-2017 through 2025-2026 as projected by staff.

Projected Revenues and Expenditures



City of Winters General Fund Revenues and Expenditures

Fiscal Year	Type	Revenues	Expenditures
00-01	Actual	2,417,610	1,557,200
01-02	Actual	2,592,750	2,189,753
02-03	Actual	2,799,279	2,035,205
03-04	Actual	2,807,521	2,015,904
04-05	Actual	2,718,615	2,389,363
05-06	Actual	2,706,843	2,822,716
06-07	Actual	3,152,627	3,147,072
07-08	Actual	3,217,993	3,312,598
08-09	Actual	3,163,400	3,147,222
09-10	Actual	2,593,429	3,343,476
10-11	Actual	3,141,286	3,102,069
11-12	Actual	3,452,254	3,626,270
12-13	Actual	3,797,539	4,624,439
13-14	Actual	3,706,239	5,151,048
14-15	Actual	3,974,610	5,604,293
15-16	Estimated	4,968,323	5,865,691
16-17	Projected	4,529,156	4,624,439
17-18	Projected	5,171,906	5,151,048
18-19	Projected	5,216,351	5,604,293
19-20	Projected	5,466,940	5,865,691
20-21	Projected	5,240,800	6,202,890
21-22	Projected	5,374,014	6,650,489
22-23	Projected	5,501,507	6,875,619
23-24	Projected	5,652,083	7,130,710
24-25	Projected	5,804,749	7,421,427
25-26	Projected	5,959,548	7,706,187

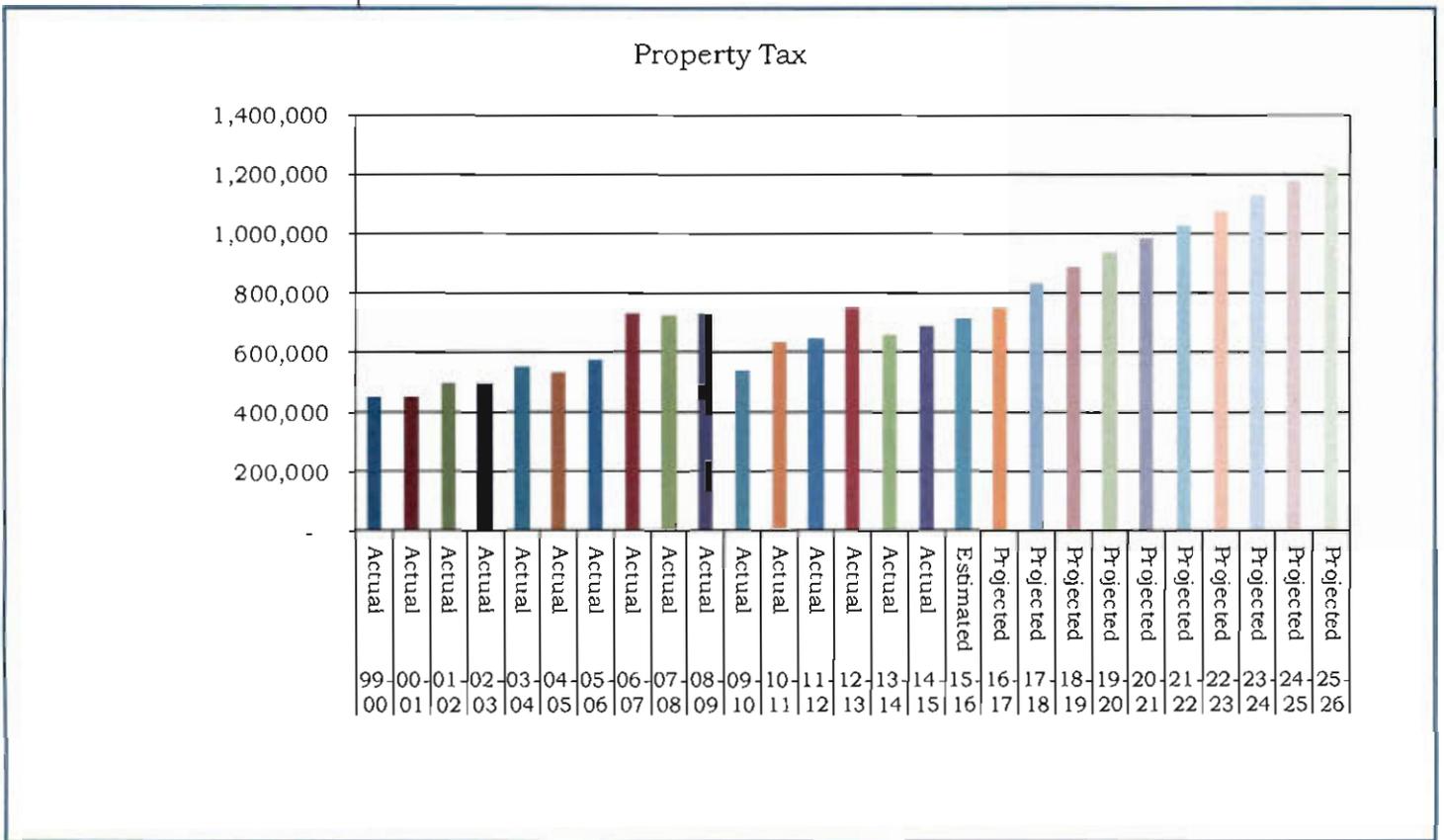
Future Financial Forecasting

General Fund

The projections above show that some revenue creating actions need to be undertaken by the City of Winters. The City is currently implementing Economic Development Plans that will provide additional revenues in the future. The economic impact is not included at this time due to the uncertain nature of timing of the projects. The forecast will be updated as more information is available.

The largest revenues for the City of Winters are Property Tax, Utility User Tax, Property Tax in Lieu of VLF, Municipal Services Tax and Sales Tax.

Property tax remains one of the highest revenue sources for the City of Winters. Below is a chart that illustrates the growth and projected growth of the property tax.



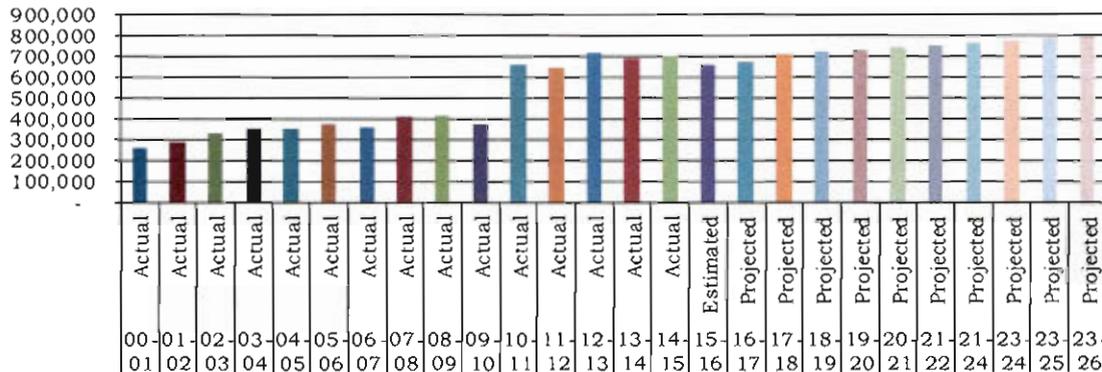
Future Financial Forecasting

General Fund

Fiscal Year		Property Tax		% of Assessed Value received in Taxes
		Property Tax	Assessed Value	
99-00	Actual	449,066	216,791,066	0.207%
00-01	Actual	451,629	235,011,728	0.192%
01-02	Actual	499,038	252,992,011	0.197%
02-03	Actual	498,128	280,287,089	0.178%
03-04	Actual	553,104	311,886,568	0.177%
04-05	Actual	530,507	367,722,629	0.144%
05-06	Actual	576,772	376,975,133	0.153%
06-07	Actual	731,220	464,617,473	0.157%
07-08	Actual	728,428	492,219,254	0.148%
08-09	Actual	734,486	498,026,316	0.147%
09-10	Actual	539,322	473,823,122	0.114%
10-11	Actual	637,141	424,952,997	0.150%
11-12	Actual	646,590	429,202,527	0.151%
12-13	Actual	750,163	457,529,894	0.164%
13-14	Actual	657,737	436,124,186	0.151%
14-15	Actual	687,655	462,397,673	0.149%
15-16	Estimated	715,161	486,671,181	0.147%
16-17	Projected	749,464	489,591,208	0.153%
17-18	Projected	833,414	567,132,664	0.147%
18-19	Projected	890,552	606,014,655	0.147%
19-20	Projected	936,668	637,396,276	0.147%
20-21	Projected	983,026	668,942,292	0.147%
21-22	Projected	1,030,312	701,119,754	0.147%
22-23	Projected	1,078,543	733,939,170	0.147%
23-24	Projected	1,127,739	767,414,136	0.147%
24-25	Projected	1,177,918	801,556,390	0.147%
25-26	Projected	1,229,102	836,384,016	0.147%

The Utility User Tax is a 9.5% tax imposed on the utilities consumed by the residents of the City of Winters, in prior years the rate was 4.75%. This will make the Utility User Tax the top revenue source for the City of Winters General Fund until such time as the assessed value of real property within the City of Winters recovers. The utility user tax is charged on gas, electricity and telephone services. As the cost of energy increases, so does the tax collected on the utility. Below is a chart with the actual and projected Utility User Tax.

Utility User Tax



Utility User Tax

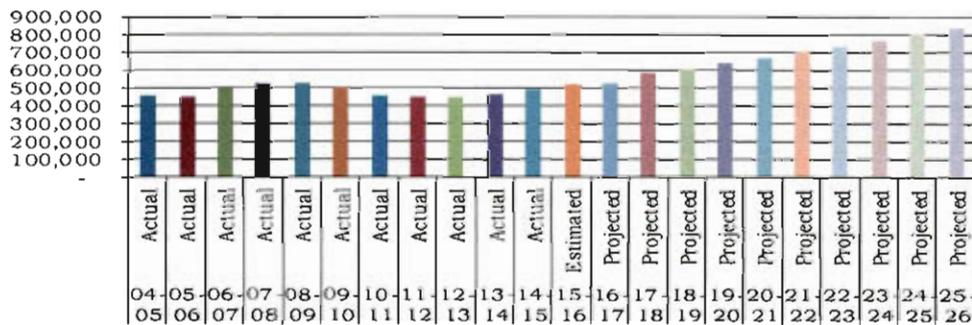
Fiscal Year		Utility User Tax	Units	Utility User Tax per Unit per year
99-00	Actual	223,984	1,889	118.57
00-01	Actual	260,138	1,904	136.63
01-02	Actual	288,538	1,954	147.67
02-03	Actual	332,540	2,000	166.27
03-04	Actual	354,994	2,045	173.59
04-05	Actual	350,033	2,101	166.60
05-06	Actual	377,822	2,116	178.55
06-07	Actual	359,590	2,116	169.94
07-08	Actual	408,243	2,116	192.93
08-09	Actual	414,125	2,116	195.71
09-10	Actual	373,214	2,116	176.38
10-11	Actual	664,280	2,116	313.93
11-12	Actual	648,593	2,187	296.57
12-13	Actual	718,174	2,187	328.38
13-14	Actual	690,272	2,187	315.63
14-15	Actual	702,835	2,187	321.37
15-16	Estimated	660,381	2,475	266.82
16-17	Projected	676,089	2,505	269.90
17-18	Projected	713,000	2,646	269.46
18-19	Projected	723,824	2,676	270.49
19-20	Projected	734,638	2,706	271.48
20-21	Projected	745,452	2,736	272.46
21-22	Projected	756,266	2,766	273.42
22-23	Projected	767,080	2,796	274.38
23-24	Projected	777,894	2,826	275.34
24-25	Projected	788,708	2,856	276.30
25-26	Projected	799,522	2,886	277.26

Future Financial Forecasting

General Fund

Property tax in lieu of VLF is a new revenue source as of 2004-2005 as a result of the Passage of Prop 1A by the people of the State of California. Prop 1A permanently reduced the Motor Vehicle License Fee from 2% to .65% of the value of the automobile. These fees are from the registration of vehicles throughout the state and are distributed to the cities and counties based largely on population. To replace these constitutionally guaranteed fees, the Property Tax in Lieu of VLF was enacted. Below is a chart that illustrates the amount of Property Tax in Lieu of VLF received and the projected Property Tax in Lieu of VLF.

Property Tax in Lieu of VLF



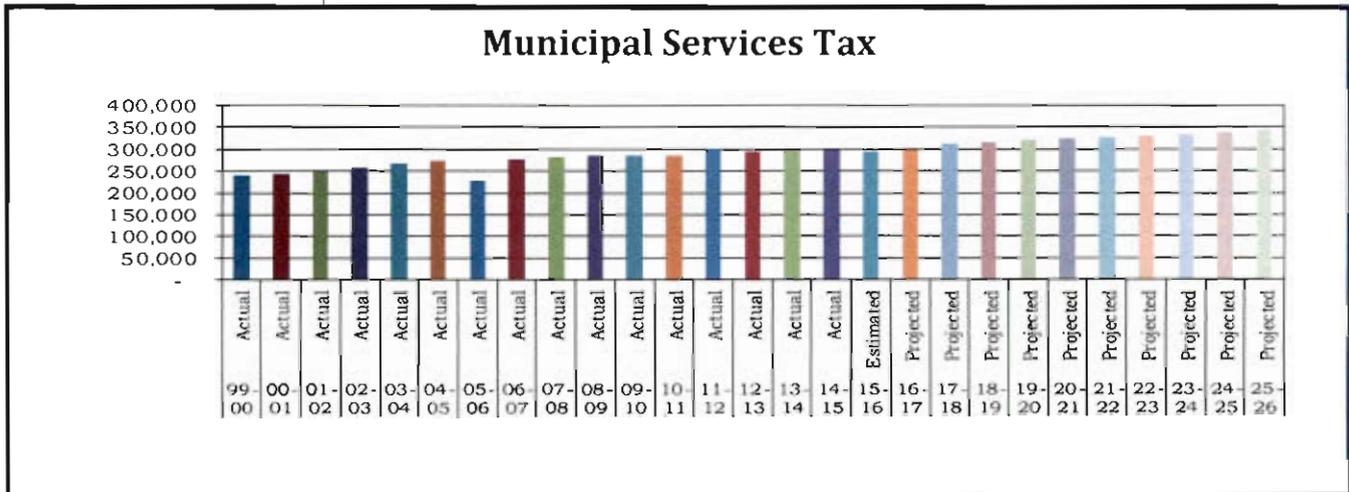
Property Tax in lieu of VLF

Fiscal Year	Category	Revenues
04-05	Actual	455,002
05-06	Actual	445,055
06-07	Actual	491,360
07-08	Actual	520,373
08-09	Actual	526,512
09-10	Actual	500,924
10-11	Actual	449,263
11-12	Actual	445,184
12-13	Actual	444,463
13-14	Actual	461,069
14-15	Actual	488,845
15-16	Estimated	514,507
16-17	Projected	524,797
17-18	Projected	582,525
18-19	Projected	603,653
19-20	Projected	634,913
20-21	Projected	666,336
21-22	Projected	698,389
22-23	Projected	731,082
23-24	Projected	764,429
24-25	Projected	798,443
25-26	Projected	833,137

Future Financial Forecasting

General Fund

The Municipal Services Tax is a \$120 a year tax on every residential and commercial unit within the City of Winters. It is a voter-approved tax, and the tax amount will not increase unless approved by voters. No increase is scheduled to go to the voters at this time. Below is a chart of the actual and projected Municipal Services Tax for the City of Winters.

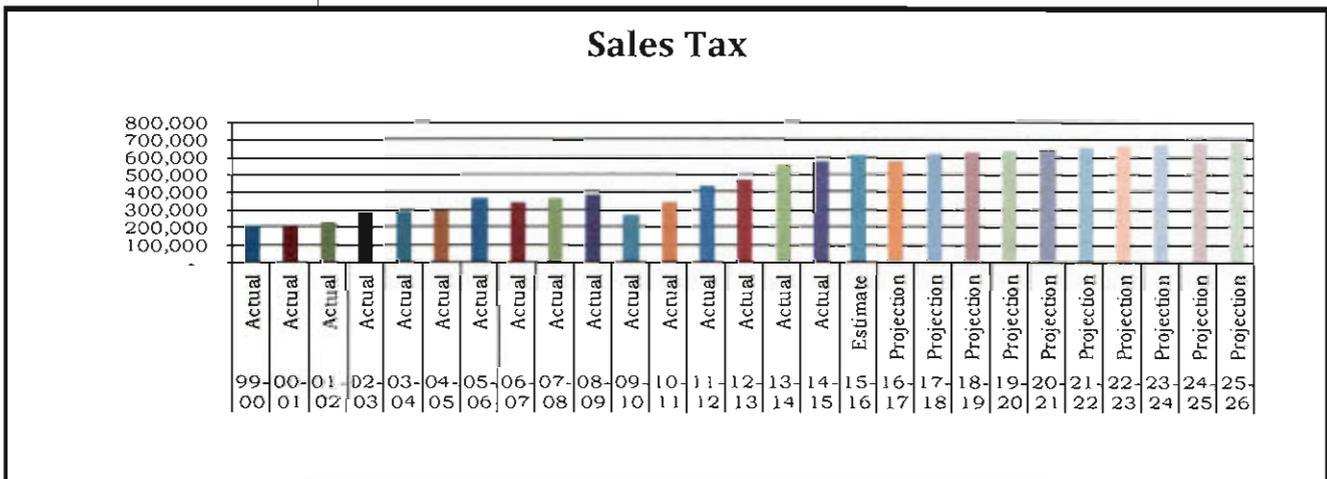


Fiscal Year	Actual / Projected / Estimated	Municipal Services Tax
99-00	Actual	239,857
00-01	Actual	244,080
01-02	Actual	248,945
02-03	Actual	258,161
03-04	Actual	268,773
04-05	Actual	275,095
05-06	Actual	227,200
06-07	Actual	277,166
07-08	Actual	282,073
08-09	Actual	285,050
09-10	Actual	286,070
10-11	Actual	286,808
11-12	Actual	301,120
12-13	Actual	296,230
13-14	Actual	296,730
14-15	Actual	296,850
15-16	Estimated	296,440
16-17	Projected	297,040
17-18	Projected	313,960
18-19	Projected	317,520
19-20	Projected	321,120
20-21	Projected	324,720
21-22	Projected	328,320
22-23	Projected	331,920
23-24	Projected	335,520
24-25	Projected	339,120
25-26	Projected	342,720

Future Financial Forecasting

General Fund

Sales tax is another major General Fund revenue source for the City of Winters. The City should receive 1% of the sales tax on every sale subject to sales tax, however, with the "Triple Flip" in place, the City receives 75% of the 1% as sales tax, and 25% of the 1% as Property Tax in Lieu of Sales tax. The State of California has pledged the 25% as a dedicated revenue source for the deficit bonds authorized in 2004. Below is chart with the history of Sales Tax revenue and the forecasted sales tax revenues. The triple flip's final year was 2015-2016, after that time period, the full 1% will be received directly from the State Board of Equalization as Sales Tax, and the Property Tax in Lieu of Sales Tax will be eliminated.



Fiscal Year		Sales Tax	Population	Per Capital
99-00	Actual	203,336	6125	33.20
00-01	Actual	207,815	6160	33.74
01-02	Actual	222,759	6317	35.26
02-03	Actual	285,619	6591	43.33
03-04	Actual	287,769	6899	41.71
04-05	Actual	295,197	7000	42.17
05-06	Actual	361,415	6904	52.35
06-07	Actual	339,616	6936	48.96
07-08	Actual	368,127	7052	52.20
08-09	Actual	385,609	7025	54.89
09-10	Actual	267,204	6624	40.34
10-11	Actual	341,070	6677	51.08
11-12	Actual	439,059	6942	63.25
12-13	Actual	469,463	7074	66.36
13-14	Actual	554,611	7134	77.74
14-15	Actual	577,549	7200	80.22
15-16	Estimate	611,000	7214	84.70
16-17	Projection	578,354	7214	80.17
17-18	Projection	620,464	7311	84.87
18-19	Projection	628,686	7408	84.87
19-20	Projection	636,918	7505	84.87
20-21	Projection	645,150	7602	84.87
21-22	Projection	653,382	7699	84.87
22-23	Projection	661,614	7796	84.87
23-24	Projection	669,846	7893	84.87
24-25	Projection	678,078	7990	84.87
25-26	Projection	686,310	8087	84.87

Future Financial Forecasting

City Wide Assessment District

The City Wide Assessment District finances the park maintenance function of the City. It is a per developed parcel/per unit tax of \$82.50 per year that was approved by a vote of the citizens of the City of Winters. The dollar amount is fixed, with no inflationary factor included in the voter approved proposition. Due to the fixed amount of income coming into the City Wide Assessment District, the City's general fund began subsidizing the costs of maintaining the city parks in 2005-2006, this will continue on into the future, the revenues received from the addition of developed parcels within the city will not keep pace with the addition of park space, and therefore the amount of park maintenance required as a result of the developments.

The Chart below shows the estimated subsidy required to fund the City Wide Assessment District for the financial planning period.

	Budgeted 16-17	Budgeted 17-18	Projected 18-19	Projected 19-20	Projected 20-21	Projected 21-22	Projected 22-23	Projected 23-24	Projected 24-25	Projected 25-26
Expenditures	\$ 314,201	\$ 309,987	\$ 317,195	\$ 361,682	\$ 409,517	\$ 537,913	\$ 550,542	\$ 563,900	\$ 578,062	\$ 593,196
Revenues	200,500	213,100	215,575	218,050	220,525	223,000	225,475	227,950	230,425	232,900
Required Subsidy	\$ 113,701	\$ 96,887	\$ 101,620	\$ 143,632	\$ 188,992	\$ 314,913	\$ 325,067	\$ 335,950	\$ 347,637	\$ 360,296

Future Financial Forecasting

Water Fund

The City of Winters contracted for and completed a 10 year financing plan for the water fund, with rates for 5 years. 2016-2017 is the fourth year of the rate plan, although with the new Chrome 6 levels set by the State of California, a new rate study to include the cost of providing water that meets the new Chrome 6 standard may be necessary in 2016-2017. The chart below shows the projected financing plan for the water fund.

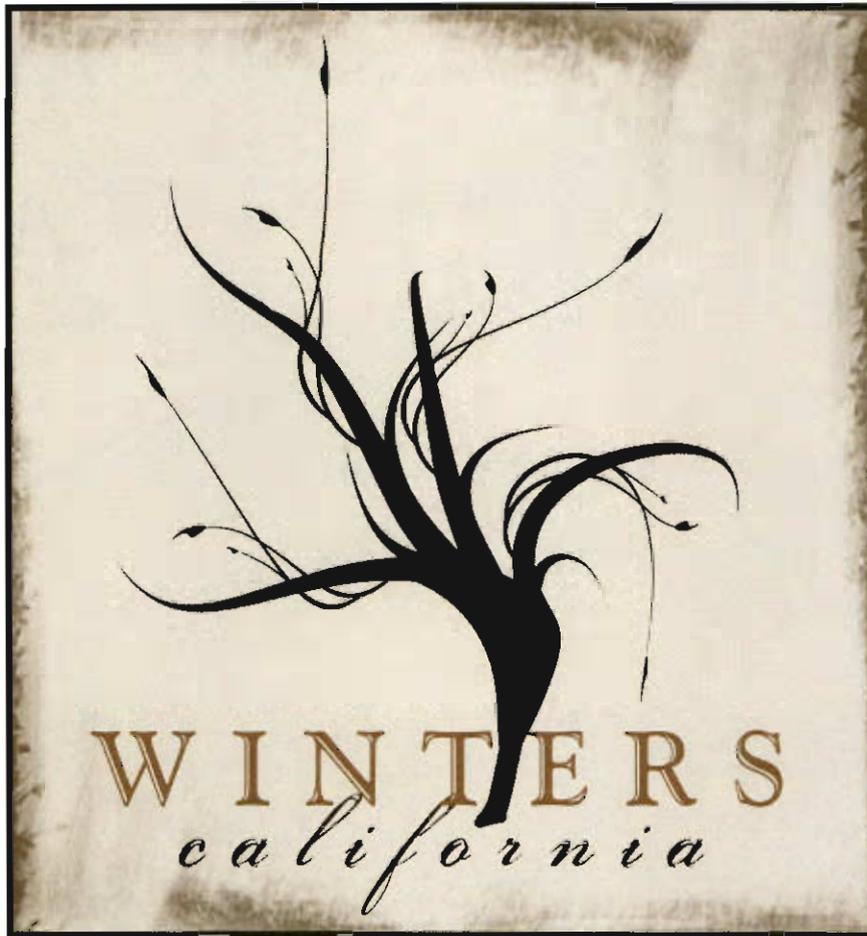
Water Operating and Maintenance Fund										
	Budget 16-17	Budget 17-18	Projected 18-19	Projected 19-20	Projected 20-21	Projected 21-22	Projected 22-23	Projected 23-24	Projected 24-25	Projected 25-26
Charges for Services	\$1,348,021	\$1,470,530	\$1,514,646	\$1,580,605	\$1,633,987	\$1,756,527	\$1,803,238	\$1,855,514	\$1,908,837	\$1,947,013
Other Revenues	18,300	18,300	18,666	19,039	19,420	19,809	20,205	20,609	21,021	21,441
Total Revenues	\$1,366,321	\$1,488,830	\$1,533,312	\$1,599,645	\$1,653,407	\$1,776,336	\$1,823,442	\$1,876,123	\$1,929,858	\$1,968,455
Allocated Cost	682,726	729,704	731,856	760,814	695,398	603,754	713,744	738,278	764,373	793,075
Salaries and Benefits	317,356	329,287	333,311	345,638	357,334	369,689	382,813	396,726	411,608	428,861
Contractual Services	1,000	1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172
Professional Services	19,500	47,900	52,280	53,860	55,439	57,118	58,796	60,574	49,051	49,028
Supplies and Material	15,000	17,800	69,500	71,600	73,800	76,000	78,300	80,700	82,314	83,960
Equipment Leases										
Utilities	114,000	106,008	108,128	110,291	112,497	114,746	117,041	119,382	121,770	124,205
Insurance										
Other Operating Expenses	69,597	69,526	71,056	72,619	74,216	75,849	77,518	79,223	80,966	82,747
Depreciation										
Capital Projects	108,500	105,000								
Debt Service	243,231	244,756	246,001	246,969	242,679	243,179	243,419	243,381	243,040	242,375
Total Expenditures	\$1,570,910	\$1,650,981	\$1,613,152	\$1,662,831	\$1,612,424	\$1,541,417	\$1,672,736	\$1,719,390	\$1,754,271	\$1,805,424
Revenues in Excess of Expenditure	\$ (204,589)	\$ (162,151)	\$ (79,840)	\$ (63,187)	\$ 40,984	\$ 234,918	\$ 150,707	\$ 156,733	\$ 175,587	\$ 163,030

Future Financial Forecasting

Sewer Fund

The City of Winters contracted for and completed a 10 year financing plan for the sewer fund, with rates for 5 years. 2016-2017 is the fourth year of the rate plan. The chart below shows the projected financing plan for the sewer fund.

Sewer Operating and Maintenance Fund										
	Projected 16-17	Projected 17-18	Projected 18-19	Projected 19-20	Projected 20-21	Projected 21-22	Projected 22-23	Projected 23-24	Projected 24-25	Projected 25-26
Charges for Services	\$1,695,191	\$1,844,143	\$ 1,881,026	\$ 1,968,736	\$2,038,685	\$ 2,206,660	\$2,266,006	\$2,334,125	\$ 2,403,575	\$2,451,647
Other Revenues	1,200	1,200	1,224	1,248	1,273	1,299	1,325	1,351	1,378	1,406
Total Revenues	\$1,696,391	\$1,845,343	\$ 1,882,250	\$ 1,969,985	\$2,039,959	\$ 2,207,959	\$2,267,361	\$2,335,476	\$ 2,404,954	\$2,453,053
Allocated Cost	567,686	587,871	518,353	538,919	556,647	580,163	599,960	620,851	643,043	667,621
Salaries and Benefits	445,148	480,027	505,820	528,680	550,909	574,561	599,848	626,818	655,850	689,166
Contractual Services	22,000	42,000	42,924	43,868	44,833	45,820	46,828	47,858	48,911	49,987
Professional Services	76,677	85,916	87,806	89,738	91,712	93,730	95,792	97,899	100,053	102,254
Supplies and Material	26,000	34,000	34,748	35,512	36,294	37,092	37,908	38,742	39,596	40,466
Equipment Leases	-	-	-	-	-	-	-	-	-	-
Utilities	139,360	152,396	155,749	159,175	162,677	166,256	169,914	173,652	177,472	181,376
Insurance	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	72,911	97,778	99,929	102,128	104,374	106,671	109,017	111,416	113,867	116,372
Depreciation	-	-	-	-	-	-	-	-	-	-
Capital Projects	428,000	150,000	-	-	-	-	-	-	-	-
Debt Service	291,241	292,054	287,659	288,064	288,089	287,789	287,219	291,255	289,868	288,134
Total Expenditures	\$2,069,023	\$1,922,042	\$ 1,732,987	\$ 1,786,084	\$ 1,835,535	\$ 1,892,081	\$ 1,946,516	\$2,008,491	\$ 2,068,658	\$2,135,376
Revenues in Excess of Expenditure	\$ (372,632)	\$ (76,699)	\$ 149,263	\$ 183,901	\$ 204,424	\$ 314,878	\$ 320,845	\$ 326,985	\$ 336,296	\$ 317,677



Why the tree? Because...

The tree reflects a different approach to the usual logo and that approach involved a desire to create something intellectually stimulating, visually attractive and adaptable and easily identifiable.

Cost Allocation Plan

Cost Allocation

The City of Winters uses a cost allocation plan to allocate costs to the various funds and departments throughout the organization.

All costs are assigned to the department to which the costs are incurred; for example, all finance department staff are charged to the finance department. The costs for the staff is then allocated to the other departments and funds that the finance department supports based upon a plan prepared by an outside consultant that is updated biannually.

Below is the chart that gives the allocation percentages for each department and fund based on the cost allocation plan prepared by our consultant.

City of Winters Cost Allocation Factors

Dept#	Dept Name	Police	Gas Tax Fund (Streets)	Community Ctr	successor Agency	water	reservoir	sewer	cwa	Total Allocation
110	City Council	41%	13%	1%	1%	9%	0%	23%	4%	92%
120	City Clerk									0%
130	Treasurer									0%
150	City Attorney	0%	0%	0%	0%	0%	0%	0%	0%	0%
160	City Manager	4%	0%		12%	44%	0%	31%	0%	91%
170	Admin Services	23%	0%		7%	4%	0%	4%	0%	38%
180	Finance	12%	11%		17%	23%	0%	30%	6%	99%
210	Police		0%							
310	Fire		0%							
410	Comm Dev	0%	0%		0%	3%	0%	3%	0%	6%
420	Comm Dev-Inspection		0%							
610	public works	1%	8%	4%	0%	34%	0%	17%	0%	64%
710	Recreation	0%	0%		0%	0%	0%	0%	0%	0%

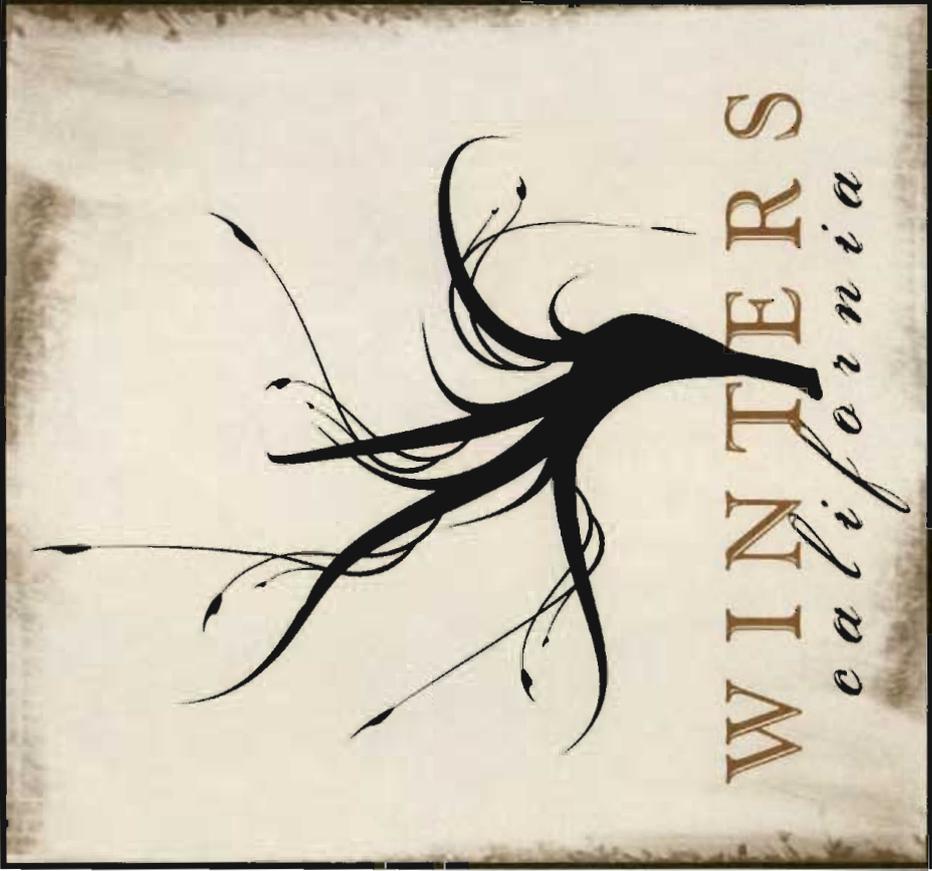
An additional part of the cost allocation process is the charges from the Central Service Overhead Fund (The City's internal service fund) to departments. This is also prepared from the City of Winters cost allocation plan.

Below is a chart that gives all the allocation factors for each department and fund for expenditures made from the central service overhead fund.

Cost Allocation

Internal Service Fund

Department/Fund	Percentage
City Council	0.06%
City Clerk	1.08%
City Treasurer	0.00%
City Manager	0.71%
Housing	0.71%
Administrative Services	4.37%
Finance	0.05%
Police Department	3.66%
Fire Department	3.53%
Community Development	4.20%
Building Inspector	2.55%
Public Works	9.73%
Sewer Fund	26.31%
Water Fund	26.64%
City Wide Assessment District	9.91%
Street Fund	4.13%
Recreation	0.06%
Community Center	2.32%



Comparison to Other Yolo
County Cities

Comparison to Other Yolo County Cities

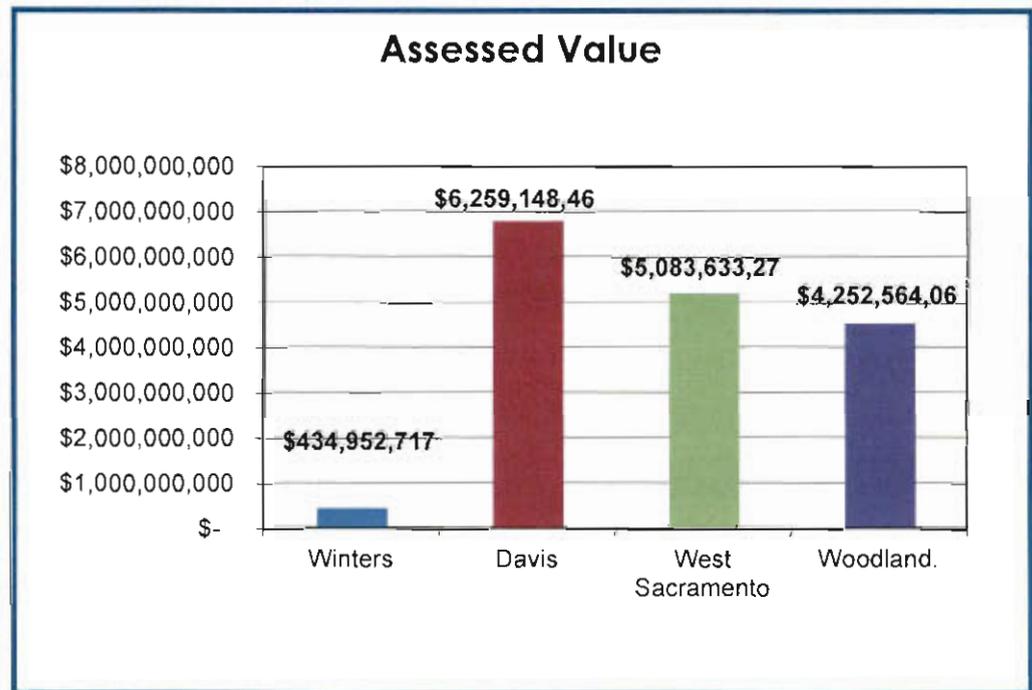
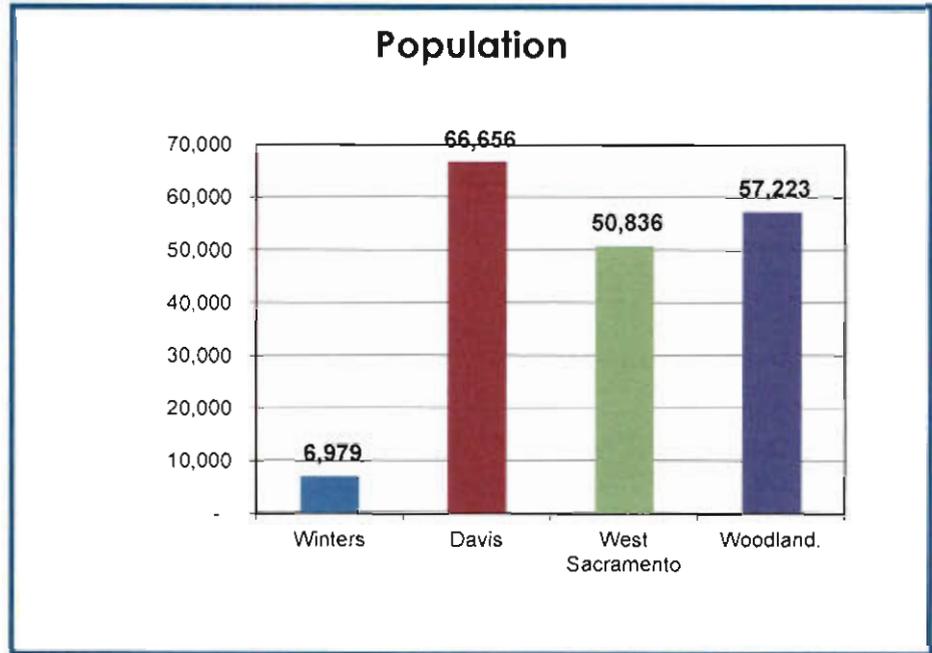
The City of Winters is the smallest City in Yolo County and is the southern most and western most located city. Below is some information that compares the four (4) Yolo County Cities.

Revenue/Expenditure Comparison Yolo County Cities Source: 2013-2014 Cities Annual Report

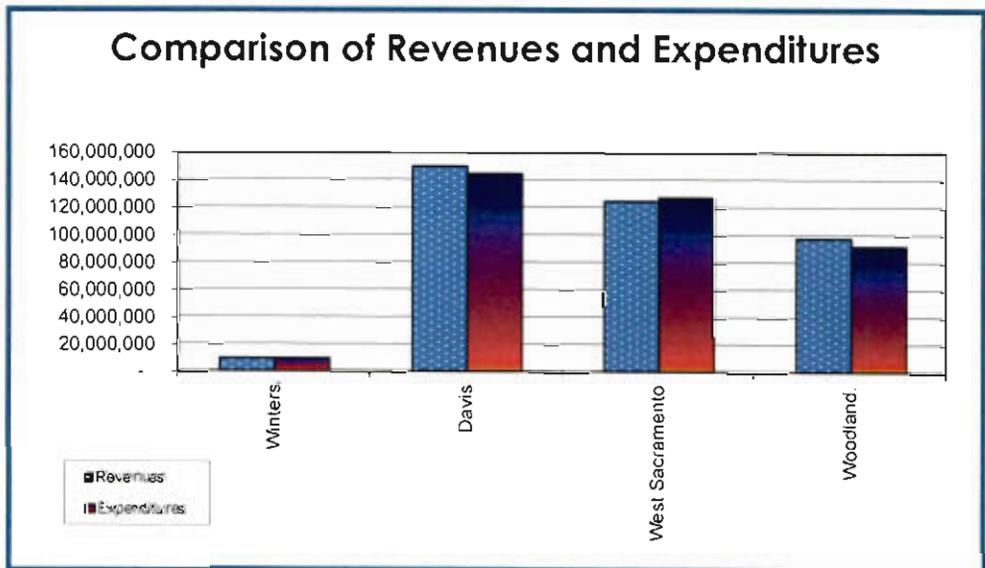
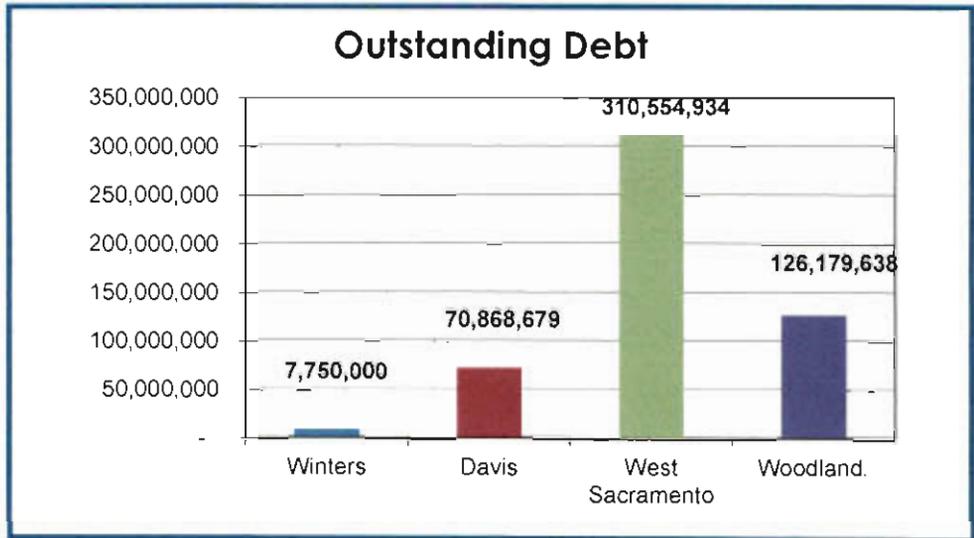
	Winters		Davis		West Sacramento		Woodland	
	City Total	\$ per Capital	City Total	\$ per Capital	City Total	\$ per Capital	City Total	\$ per Capital
Population	6,979		66,656		50,836		57,223	
2012-2013 Assessed Value	434,952,717		6,764,538,802		5,193,342,603		4,526,136,040	
Appropriation Limit	6,173,686		62,695,081		1,117,108,525		57,096,268	
Appropriations Subject to Limit	2,724,173		34,657,812		43,505,250		26,458,696	
Outstanding Debt	7,750,000		70,868,679		310,554,934		126,179,638	
City Revenues:								
Taxes	3,285,335	470.75	43,754,902	656.43	52,349,259	1,029.77	43,111,385	753.39
Special Benefit Assessment	613,378	87.89	-	-	4,121,601	81.08	1,865,145	32.59
Licenses and Permits	124,567	17.85	830,397	12.46	1,552,258	30.53	5,452,692	95.29
Fines and Forfeitures	-	-	800,037	12.00	229,611	4.52	270,097	4.72
Use of Money & Property	170,312	24.40	3,556,587	53.36	726,384	14.29	112,491	1.97
Intergovernmental	1,784,991	255.77	13,486,977	202.34	8,087,297	159.09	4,287,434	74.93
Service Charges	3,161,349	452.98	52,888,471	793.60	34,493,606	678.53	34,975,010	611.21
Other Revenues	193,642	27.75	4,132,105	61.99	3,345,354	65.81	7,355,824	128.55
Other Financing Sources	-	-	30,000,000	0.69	19,367,376	0.37	-	-
Total Revenues	9,333,564	1,337.38	149,459,476	2,242.25	124,272,746	2,444.58	97,430,078	1,702.64
City Expenditures								
General Government	434,168	62.21	7,914,719	118.74	18,889,060	371.57	5,136,727	89.77
Public Safety	3,513,358	503.42	27,085,722	406.35	31,385,666	617.39	25,722,545	449.51
Transportation	657,968	94.28	18,450,992	276.81	13,985,691	275.11	25,756,164	450.08
Community Development	480,937	68.91	3,911,131	58.68	10,188,752	200.42	8,226,074	143.75
Health	1,588,907	227.81	25,480,232	382.41	14,680,793	288.98	9,734,736	170.12
Culture and Leisure	1,092,344	156.52	19,142,229	287.18	9,880,614	194.36	8,348,354	145.89
Public Utilities	1,492,798	213.90	42,277,462	634.26	27,875,566	548.34	8,915,121	155.80
Total Expenditures	9,251,470	1,327.05	144,272,487	2,164.43	126,896,142	2,496.19	91,838,721	1,604.93

Comparison to Other Yolo County Cities

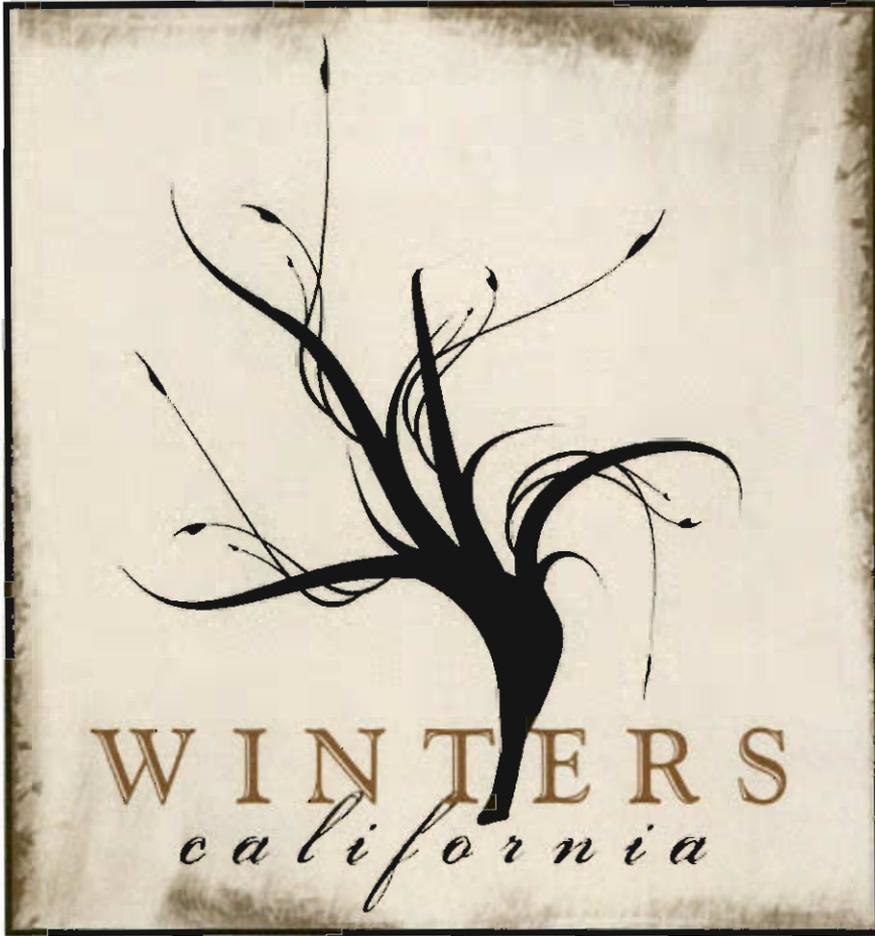
Below are graphs that compare Population, Net Assessed Value, Outstanding Debt and Revenues and Expenditures for the 4 Yolo County Cities according to the 2009-2010 Cities Annual Report.



Comparison to Other Yolo County Cities



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Why the tree? Because...
The tree is a symbol of life.

Glossary

Glossary of Budget Terms

Accounting System

The total set of records and procedures which are used to record, classify and report information on the financial status and operations of an entity

Accrual Basis of Accounting

The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether or not cash disbursements are made at that time.)

Adjusted Budget

An adopted budget, after it has been changed (or adjusted) by the City Council.

Adopted Budget

The budget document formally approved by the City Council.

Appropriation

An authorization made by the City Council of the City of Winters which permits officials to incur obligations against and make expenditures of governmental resources. Appropriations are usually made for fixed amounts and typically are granted for a one-year period.

Appropriation Limit (Gann Limit)

A mandated calculation of how much the City is allowed to expend in one(1) fiscal year. It is mandated on government agencies within California by Article XIII B of the California Constitution. The amount of appropriation subject to the limit is the budgeted proceeds of taxes. Some examples of proceeds of taxes are sales and property taxes. The total of these budgeted revenues cannot exceed the total appropriations limit. Annually, local governments may increase the appropriations limit by a factor comprised of the change in population combined with the California inflation rate as determined by the State Finance Department.

Glossary of Budget Terms

Assessment District

A defined area of land that will be benefited by the acquisition, construction, or maintenance of a public improvement.

Assessed Valuation

The appraised valuation less any exemptions on real estate or other property by the County of Yolo as a basis for levying property taxes.

Audit

A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to:

- Ascertain whether financial statements fairly present financial position as a result of operations
- Test whether transactions have been legally performed.
- Identify areas for possible improvements in accounting practices and procedures
- Ascertain whether transactions have been recorded accurately and consistently.
- Ascertain the stewardship of officials responsible for governmental resources

Authorized Positions

Positions approved by the City Council which may or may not have funding.

Base Budget

Under traditional budgeting, the base budget is that amount that is required, at a minimum, to provide resources for the operations of the organization. Each year, approved amounts are added to the base budget.

Basis of Budgeting

The method used for recognizing revenues and expenditures in the budget. The City uses a base budget budgeting method.

Glossary of Budget Terms

Beginning Balance

Unencumbered resources available in a fund from the prior fiscal year after payment of prior fiscal year expenditures.

Benefits-Insurance

The cost to the City for insurance for all regular full-time employees. This includes the City's cost for health, dental, disability, life and workers compensation insurance.

Benefits-Leave time

Compensation for all leave time to employees who are appointed to regular full-time positions.

Benefits-Retirement

Cost to the City for Public Employee's Retirement for all regular full-time employees, The City participated in the California Public Employee's Retirement System (CalPERS), as well as Social Security

Bond

Capital raised by issuing a written promise to pay a specified sum of money, called the face value or principal amount, with interest at predetermined intervals.

Budget

A plan of financial operation embodying an estimate of proposed expenditures for a given time (usually a fiscal year) and the proposed means of financing them (revenue estimates). This term is sometimes used to describe the officially approved expenditure level under which the City of Winters and its departments operate. The budget must be approved by the City Council prior to the beginning of the fiscal year.

Budget Adjustment

A change of expenditures levels and corresponding resources needed to accomplish an existing service level or unanticipated service. All budget adjustments between departments within a fund may be approved by the City Manager. All budget adjustments increasing total expenditures in a fund or funds are approved by the City Council.

Glossary of Budget Terms

Budgetary Basis of Accounting

The method used for recognizing revenues and expenditures in the budget. The City of Winters uses the modified cash basis of accounting for budgetary purposes.

Budget Calendar

The schedule of key dates or milestones that the City of Winters follows in the preparation and adoption of the budget

Budget Document

The official written statement prepared by the Finance Department and supporting departments and staff that presents the proposed budget to the City Council.

Budget Message

A general discussion of the proposed budget presented in writing as part of the budget document. The budget message explains the principal budget issues against the background of financial experience in recent year and presents recommendations by the City Manager.

Budgetary Control

The management of the City of Winters in accordance with the approved budget for the purposes of keeping expenditures within the limitation of the available appropriations and available revenues.

Capital Assets

Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Budget

A plan of proposed capital expenditures and the means of financing them.

Capital Improvement Projects

A plan for capital expenditures to be incurred each year over a fixed period of several years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended each year and the method of financing those expenditures.

Glossary of Budget Terms

Capital Outlay

Expenditures for the acquisition of capital assets.

Capital Projects

Projects that purchase or construct capital assets. This could include the purchase of land or the construction of a facility.

Cash Basis

The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

City Wide Assessment District

An assessment district encompassing the entire City of Winters, enacted to provide a funding source for the maintenance of city parks, and to provide a funding source for the payment of electricity costs of all streetlights within the City of Winters.

Consultants

Outside individuals who provide advice or services to the City Council and City Staff.

Contingency

An amount, set aside to be used at the discretion of the City Council to fund emergency or extraordinary items.

Contractual

A type of expenditure. Usually a professional consulting service involving a contract for one or more years.

Cost

The amount of money or other consideration exchanged for property, services or expenses.

Cost Accounting

The branch of accounting that provides for the assembling and recording of all elements of the cost incurred to accomplish a purpose, to carry on an activity or operation or to complete a unity of work or a specified job.

Glossary of Budget Terms

Debt Service

The expense of retiring such debts as loans and bond issues. It includes principal and interest payments and the administrative costs for paying agents registrars, and escrow agents.

Deficit

The excess of expenditures over revenues during an accounting period, or in the case of enterprise funds, the excess of expense over income during an accounting period.

Department

An organizational unit comprised of divisions or functions. It is the basic unit of service responsibility encompassing a broad mandate of related activities. It is possible for a department to be comprised of only one division.

Depreciation

That portion of the cost of a capital asset that is charged as an expense during a particular period.

Development Impact Fees

Fees place on the development of land or condition required for the approval of a development project. Fees must be expended on those projects for which the fees were collected.

Discretionary Revenue

Money that the City Council has the authority to allocate for any purpose. Usually refers to the General Fund, as opposed to special or restricted use funds.

Division

A major section of a department indicating management responsibility for a group of related operations within that department.

Encumbrance

A commitment of funds against an appropriation, it may be in the form of a purchase order or contract; until such time as the goods or services are received, the commitment is referred to as an encumbrance.

Glossary of Budget Terms

Enterprise Fund

A type of fund established for the total cost of those governmental facilities and services that are operated in a manner similar to private enterprise. The programs are entirely or predominately self-supporting. The City has two enterprise funds, the Water Fund and the Sewer Fund. This type of fund is also known as a Proprietary Fund.

Expenditure

Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered, whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purchases are made.

Expendable Trust Fund

An expendable trust fund is a fund that is used to hold funds in trust for a particular project; the funds are invested until the project for which it is designated is ready to be implemented. The City of Winters has one expendable trust fund, Winters Library and Arts. This fund was created when one of our citizens passed away and donated funds to the City to build a library and art center. The City is currently seeking additional funding for this project.

Expenses

Decreases in net total assets. Expenses represent the total cost of operations during a period, regardless of the timing of related expenses.

Fees

Charges for services that are based upon the cost of providing the service.

Fiscal Year

A twelve-month period of time to which a budget applies. The City of Winters' fiscal year is July 1-June 30.

Fixed Asset

A tangible item of a long-term character such as land, buildings, furniture, and other equipment with a unit cost in excess of \$5,000.

Glossary of Budget Terms

Full Faith and Credit

A pledge of the general taxing power of a government to repay debt obligations. (Usually used in reference to bonds.)

Full-Time Equivalent (FTE)

A measure of effective authorized positions, indicating the percentage of time a position or group of positions is funded. It is calculated by equating 2,080 hours of work per year with the full-time equivalent of one position; thus one position would have an FTE of 1.0

Fund

An independent fiscal and accounting entity with a self-balancing set of accounts, used to record all financial transactions related to the specific purpose for which the fund was created

Fund Balance

The difference between fund assets and fund liabilities.

Funding Source

Identifies funds that will provide resources for City expenditures.

Gann Limit

See Appropriation Limit.

Gas Tax

A tax on fuel used to propel a motor vehicle or aircraft. Its use is restricted to planning, construction, improvement, maintenance and operation of public streets and highways or public mass transit guideways.

Generally Accepted Accounting Principles (GAAP)

Uniform standards used by state and local governments for financial recording and reporting; established by the accounting profession through the Governmental Accounting Standards Board.

General Fund

The governmental accounting fund supported by property taxes, licenses and permits, service charges, and other general revenues to provide for operating services.

Glossary of Budget Terms

General Obligation Bonds

Bonds backed by the full faith and credit of the City that may be used for various purposes and repaid by the regular revenue raising powers (generally taxes and/or other general revenues) of the City.

General Revenue

General sources of income a city collects and receives for public use. There are no restrictions as to the use of the monies. They are often referred to as Discretionary Revenues. General revenues comprise the General Fund.

Goal

A statement that describes the purpose toward which an endeavor is directed, such as a target or target area.

Governmental Accounting Standards Board (GASB)

The body that sets accounting standards specifically for governmental entities at the state and local level.

Governmental Funds

Self-balancing sets of accounts that are maintained for governmental activities. Financial statements of governmental funds are prepared on the modified accrual basis of accounting and the current financial resource flows measurement focus.

Grant

Contributions or gifts of cash or other assets from another governmental entity or foundation to be used or expended for a specific purpose, activity or facility. An example is the Community Development Block Grant provided by the federal government.

Interfund Transfers

Money transferred from one fund to another such as from a fund receiving revenue to the fund through which the expenditures are to be made.

Internal Service Fund

Funds used to account for the financing of goods or services provided by one department of an agency to other departments of the agency on a cost reimbursement basis.

Glossary of Budget Terms

Levy

The total amount of taxes special assessments, or charges imposed by a government.

Material, Supplies and Services

Expenditures for items that are normally consumed within a fiscal year.

Memorandum of Understanding

The result of labor negotiations between the City of Winters and its various bargaining units.

Motor Vehicle License Fee (VLF)

Based on the market value of a vehicle, VLF is a fee for the privilege of operating a vehicle on public streets. A portion of the fee is returned to cities by the State and its use by a city is unrestricted.

Municipal Code

A book that contains City Council approved ordinances presently in effect. The Muni Code defines City law in various categories. The City of Winters Municipal Code can be found online at the City of Winters website.

Objective

A defined method to accomplish and establish goals.

Operating Budget

Annual appropriation of funds for ongoing program costs, including salaries and benefits, services and supplies. This is the primary means by which most of the financing, acquisition, spending and service delivery of the city are controlled.

Operating Expenses

Expenses incurred as a result of day to day operations.

Ordinance

A formal legislative enactment by the City Council. It has the full force and effect of law within the City boundaries unless it is in conflict with a higher form of law, such as a State statute or constitutional provision. An ordinance has a higher legal standing than a resolution. Adopted

Glossary of Budget Terms

ordinances form the Municipal Code. (See Municipal Code)

Public Employee's Retirement System (PERS)

The retirement system administered by the State of California, to which all permanent City employees belong.

Personnel Expenditures

Salaries, wages and benefits paid to employees.

Property Tax

A tax on the assessed value of property, California State Constitution Article XIII A provides that the combined maximum property tax rate on any given property equal 1% of its assessed value unless an additional amount has been approved by voters for special taxes or general obligation bonds. Yolo County collects and remits the City of Winters share of property taxes.

Proposed Budget

The working document for the fiscal year under discussion.

Reserve

An account used to indicate that a portion of a fund's balance is restricted for a specific purpose and is therefore, not available for general appropriation

Resolution

A special order of the City Council that requires less legal formality than an ordinance in terms of public notice, and the number of public readings prior to approval.

Retained Earnings

The excess of an enterprise fund's assets over its liabilities. A negative retained earnings is sometimes called a deficit.

Revenue

Funds that a city receives as income. Revenues include such items as taxes, licenses, user fees, service charges, fines and penalties and grants.

Glossary of Budget Terms

Revenue Estimate

A formal estimate of how much revenue will be earned from a specific revenue source for some future period, usually a future fiscal year.

Salaries and Benefits

A budget category that generally accounts for full-time and temporary employees, overtime and all employee benefits, such as medical and dental insurance and retirement contributions.

Sales Tax

Taxes assessed on retail sales or leases of tangible personal property in the City. The City of Winters receives 1% of the 8.25% sales tax collected within the City of Winters.

Special Assessment

A compulsory levy imposed on certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Stipend

A fixed sum of money paid for a specific purpose.

Supplies and Services

Expenditures for materials, supplies and related services which are consumed within a fiscal year.

Tax Base

The total property valuations on which the City of Winters receives property taxes.

Tax Increment Financing

A tax incentive designed to attract business investment by dedicating to the Winters Community Development Agency Project Area (project area) the new property tax revenues generated by redevelopment. The increase in revenues (increment) is used to finance development related costs in the project area.

Glossary of Budget Terms

Transfers In and Transfers Out

Movement of revenue out of one fund to another. The recipient fund uses the money to cover the cost of services provided, or to cover the cost of a contract between two funds.

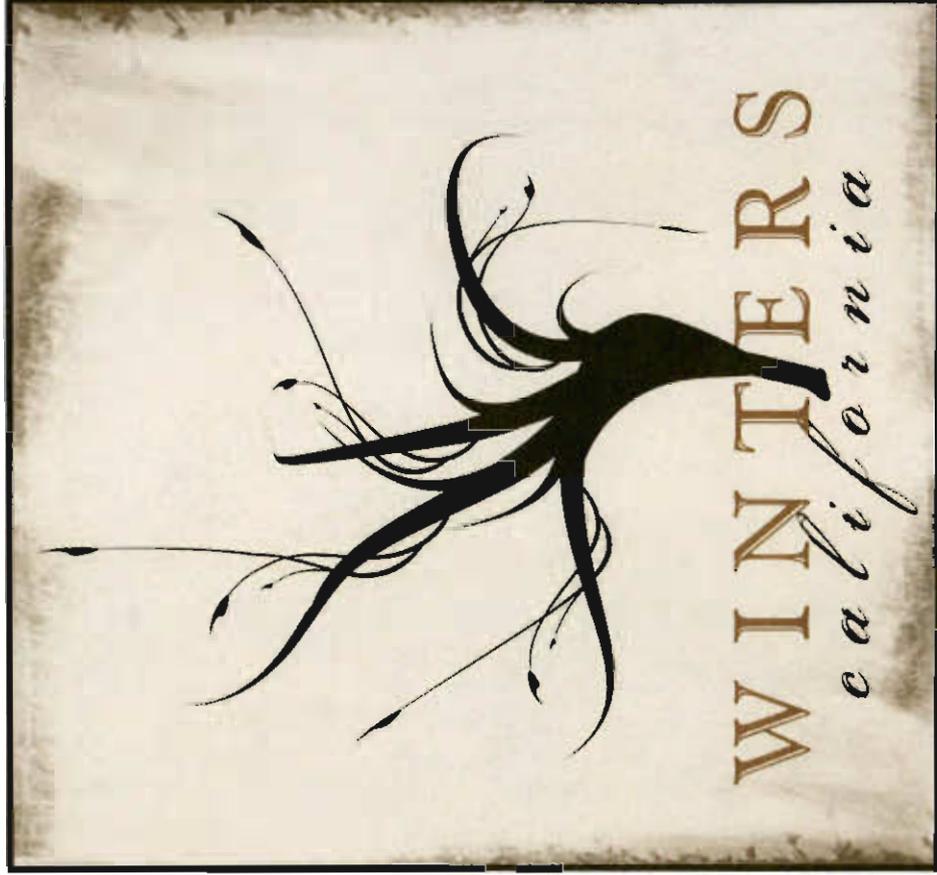
Warrant

An order drawn by a locality's officers directing the treasurer of the locality to pay a specified amount to the bearer, either after the current or some future date.

Year-End

As of June 30th (end of fiscal year)

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Gann Limit

Gann Limit

Article XIII B of the California Constitution was a ballot initiative adopted in 1980 and modified by Proposition 111 that passed in 1990 to limit the amount of tax proceeds state and local governments can spend each year.

The limit is different for each agency and the limit changes each year. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in fiscal 1978-1979 in each agency modified for changes in inflation and population in each subsequent year.

The formula used in calculating the growth rate is:

$$\% \text{ change in population} + 100/100$$

times either

$$\% \text{ change in per capital income} + 100/100$$

or

$$\text{Change in non-residential assessments} + 100/100$$

The calculated rate times the previous appropriation limit equals the new appropriation limit.

The California Department of Finance is mandated to notify each city of the population changes and the per capita personal income factor to be used in calculating the growth rate.

The population of the City of Winters on 1/1/16 was 7,214 compared to 7,200 on 1/1/15, a .19% increase in population.

The change in per capita income for California for 2016/2017 is 5.37

Gann
Limit

The factor for determining the year-to-year increase is computed as follows:

$$\frac{.19+100}{100} \times \frac{5.37+100}{100} = 1.055702$$

The calculation of the 6/30/17 appropriation limits is as follows:

2015-2016 appropriation limit	6,417,714
Calculated growth factor	X <u>1.055702</u>
Appropriation Limit 2009-2010	\$6,775,194

Appropriations Subject to Limitation for Fiscal Year Ending June 30, 2017		
Proceeds from Taxes		\$ 2,937,162
Less Exclusions		
Capital Outlay	\$ -	
Debt Service	-	
Total Exclusions		<u>0</u>
Appropriations subject to Limitation		\$ 2,937,162
Current Year Limit		<u>6,775,194</u>
Over (Under) Limit		<u>\$ (3,838,032)</u>

As shown in the box below, the city is at 43.35% of its limitation and is not impacted by the appropriation limit at this time.

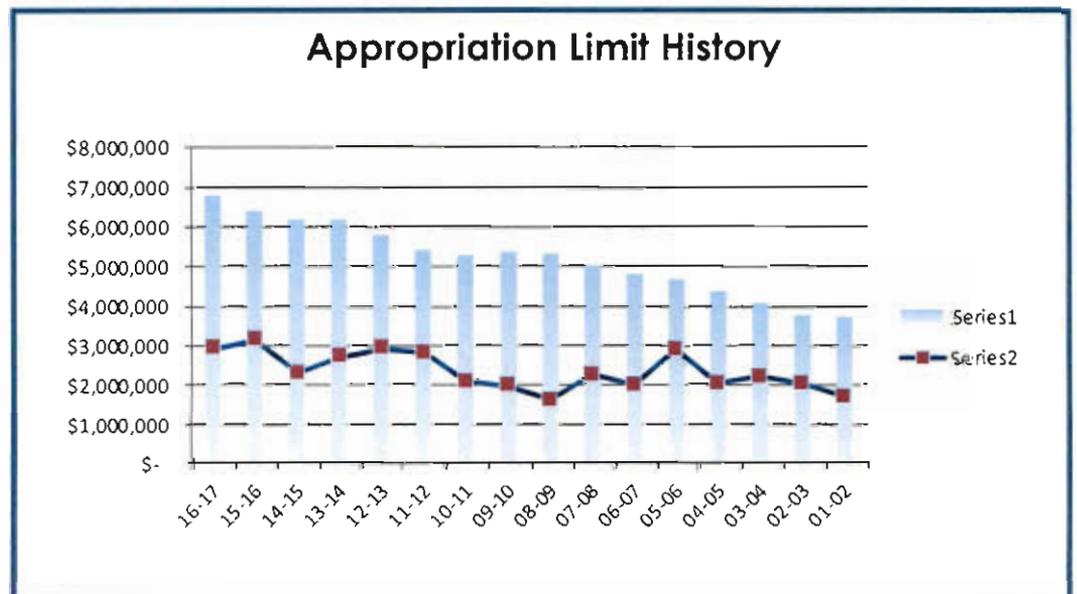
Section 9710 of the California Government Code, added in 1980 by the State Legislature, requires the City Council to adopt the City's Gann Appropriation Limit for the following year by resolution. Resolution 2016-13 was adopted by the City Council on May 17, 2016.

Gann Limit

Below is information for ten (10) years on the appropriations limit.

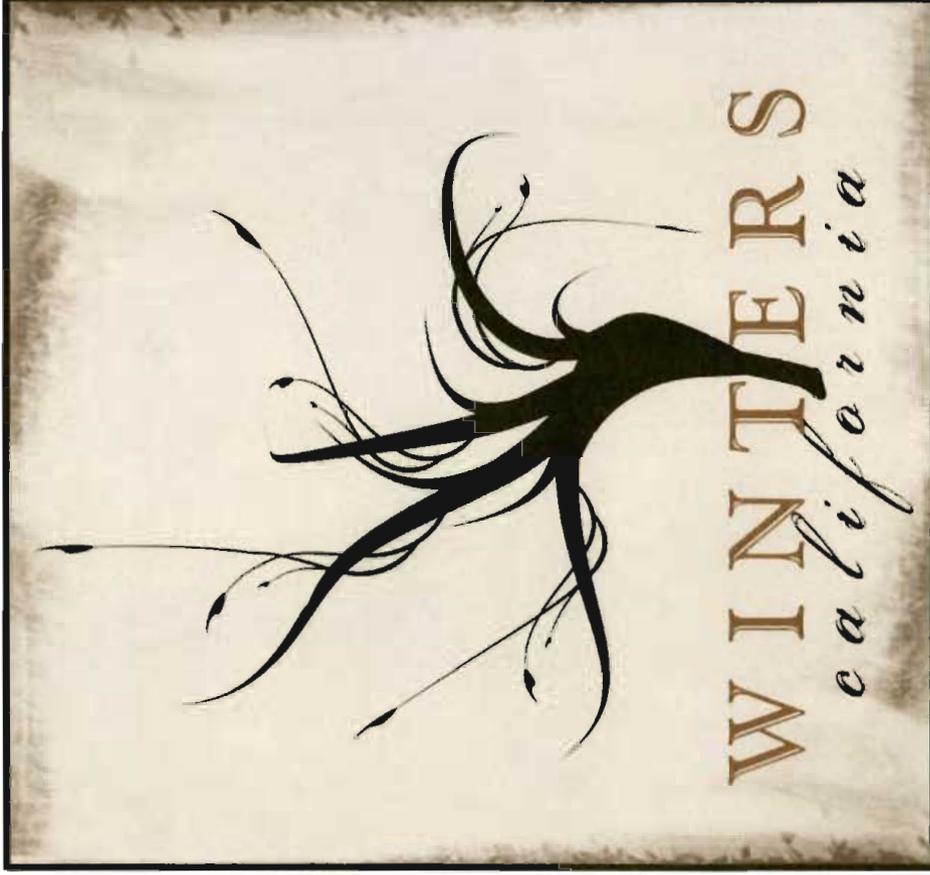
Fiscal Year	Appropriation Limit	Appropriation Subject to Limit	% of Limit Used
16-17	\$ 6,775,194	\$ 2,937,162	43.35%
15-16	6,417,714	3,166,050	49.33%
14-15	6,195,828	2,327,334	37.56%
13-14	6,173,686	2,724,173	44.13%
12-13	5,825,800	2,937,162	50.42%
11-12	5,425,345	2,830,138	52.17%
10-11	5,287,744	2,106,512	39.84%
09-10	5,396,412	2,003,076	37.12%
08-09	5,342,858	1,641,159	30.72%
07-08	5,038,928	2,276,464	45.18%

The graph below shows the appropriation limit and the appropriations subject to the limit.



Gann Limit

The City of Winters has been cautious about adding costs into the budget over the last several years. This cautious approach has been why we have not approached the appropriation limit for expenditures.



RESOLUTION No. 2016-12

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS
APPROVING AND ADOPTING A BUDGET OF ESTIMATED EXPENDITURES
FOR FISCAL YEARS 2016-2017 AND 2017-2018**

WHEREAS, every local agency is required to adopt a budget for the subsequent fiscal year for estimated revenues and expenditures; and

WHEREAS, every local governmental agency shall file with the county auditor of the county in which the agency conducts its principal operations, a budget for the fiscal year then in progress; and

WHEREAS, the City of Winters has determined that a 2 year budget is appropriate for the City to prudently plan it's financial future; and

WHEREAS, the City Council and Staff members have thoroughly reviewed and analyzed the proposed budget in order to determine the needs of the City of Winters;

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Winters that:

A budget for the Fiscal Year 2016-2017 and 2017-2018, a copy of which is on file in the City Clerk's Office, is hereby adopted for the City of Winters as follows;

Section 1. For the Fiscal Year 2016-2017, General Fund estimated revenues of \$4,646,007 use of available fund balance of \$129,602, for a total source of funds of \$4,775,609 and total appropriations of \$4,774,309.

For the Fiscal Year 2017-2018, General Fund estimated revenues of \$5,288,755 , use of available fund balance of \$-0-, for a total source of funds of \$5,288,755 and total appropriations of \$5,150,663.

Section 2. For the Fiscal Year 2016-2017, Special Revenues Funds estimated revenues of \$1,851,361 use of available fund balance of \$1,524,672 for a total source of funds of \$3,376,033, and total appropriations of \$3,371,249.

For the Fiscal Year 2017-2018, Special Revenues Funds estimated revenues of \$1,269,336, use of available fund balance of \$186,103 for a total source of funds of \$1,455,439 and total appropriations of \$1,287,410.

Section 3. For Fiscal Year 2016-2017 Capital Revenue Funds estimated revenues of \$1,416,319, use of available fund balance of \$15,434 for total source of funds of \$1,431,753 and total appropriations of \$427,258.

For Fiscal Year 2017-2018 Capital Revenue Funds estimated revenues of \$973,324, use of available fund balance of \$9,500 for total source of funds of \$9,82,824 and total appropriations of \$70,903.

Section 4. For Fiscal Year 2016-2017 Water O & M Fund estimated revenues of \$1,366,322 use of available fund balance of \$204,589 for total source of funds of \$1,570,911 and total expenses of \$1,570,911.

For Fiscal Year 2017-2018 Water O & M Fund estimate estimated revenues of \$1,488,830, use of available fund balance of \$162,152 total source of funds of \$1,650,982 and total expenses of 1,650,982.

Section 5. For Fiscal Year 2016-2017 Sewer O & M estimated revenues of \$1,696,391 use of available fund balance of \$372,631 for a total source of funds of \$2,069,022 and total expenses of \$2,069,022.

For Fiscal Year 2017-2018 Sewer O & M estimated revenues of \$1,845,343, use of available fund balance of \$76,698 for a total source of funds of \$1,922,041 and total expenses of \$1,922,041.

Section 6. For Fiscal Year 2016-2017 Successor Agency to the Dissolved Winters Community Development Agency estimated revenues of \$1,204,595 use of available fund balance of \$-0- for a total source of funds of \$1,204,595 and total expenditures of \$1,204,595.

For Fiscal Year 2017-2018 Successor Agency to the Dissolved Winters Community Development Agency estimated revenues of \$1,214,590 use of available fund balance of \$-0- for a total source of funds of \$1,214,590 and total expenditures of \$1,214,590.

Section 7. For Fiscal Year 2016-2017 Winters Housing Fund estimated revenues of \$-0- use of available fund balance of \$-0- for a total source of funds of \$-0- and total expenditures of \$-0-.

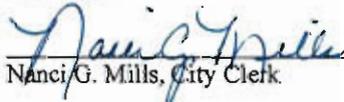
For Fiscal Year 2017-2018 Successor Agency to the Dissolved Winters Community Development Agency estimated revenues of \$-0- use of available fund balance of \$-0- for a total source of funds of \$-0- and total expenditures of \$-0-.

PASSED AND ADOPTED by the City of Winters this 7th day of June, 2016 by the following vote:

AYES: Council Members Anderson, Cowan, Fridae, Neu, Mayor Aguiar-Curry
NOES: None
ABSTAIN: None
ABSENT: None


Cecilia Aguiar-Curry, Mayor

ATTEST:


Nanci G. Mills, City Clerk