



318 First Street, Winters, CA 95694

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



**2020-2021**

## **ADOPTED BUDGET**

**JOHN W. DONLEVY, JR**

**City Manager**

**SHELLY GUNBY**

**Director of Financial Management**



## ***Adopted Operating Budget 2020-2021***

### **CITY COUNCIL**

Wade Cowan-Curry, Mayor  
Bill Biasi, Mayor Pro Tem  
Jesse Lorens, Council-member  
Pierre Neu, Council-member  
Harold Anderson, Council-member

### **CITY STAFF**

John W. Donlevy, Jr., City Manager  
John Miller, Police Chief  
Crystal Zaragoza, Human Resource Manager  
Shelly Gunby, Director of Financial Management  
Brad Lopez, Fire Chief

### **BUDGET TEAM**

John W. Donlevy, Jr., City Manager  
Shelly Gunby, Director of Financial Management  
Mary Lou Mendoza, Accounting Technician  
Gabby Roberts, Records Clerk

### **CITY WEBSITE ADDRESS**

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

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **City of Winters, California** for its annual budget for the fiscal years beginning **July 1, 2018 through June 30, 2020**. 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, 2018

*Christopher P. Morill*

Executive Director

*California Society of  
Municipal Finance Officers*

*Certificate of Award*

*Excellence Award  
Fiscal Year 2018-2019 & 2019-2020  
Biennial Operating Budget*

*Presented to the*

*City of Winters*

For meeting the criteria established to achieve the CSMFO Excellence Award in Budgeting

*February 4, 2019*



*Margaret Moggia*

*Margaret Moggia  
CSMFO President*

*Sara J. Roush*

*Sara Roush, Chair  
Recognition Committee*

*Dedicated Excellence in Municipal Financial Reporting*

The California Society of Municipal Finance Officers (CSMFO) presented an award for Excellence in Operational Budgeting to the City of Winters for its annual budget for the Fiscal Years 2018-2019 and 2019-2020.

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

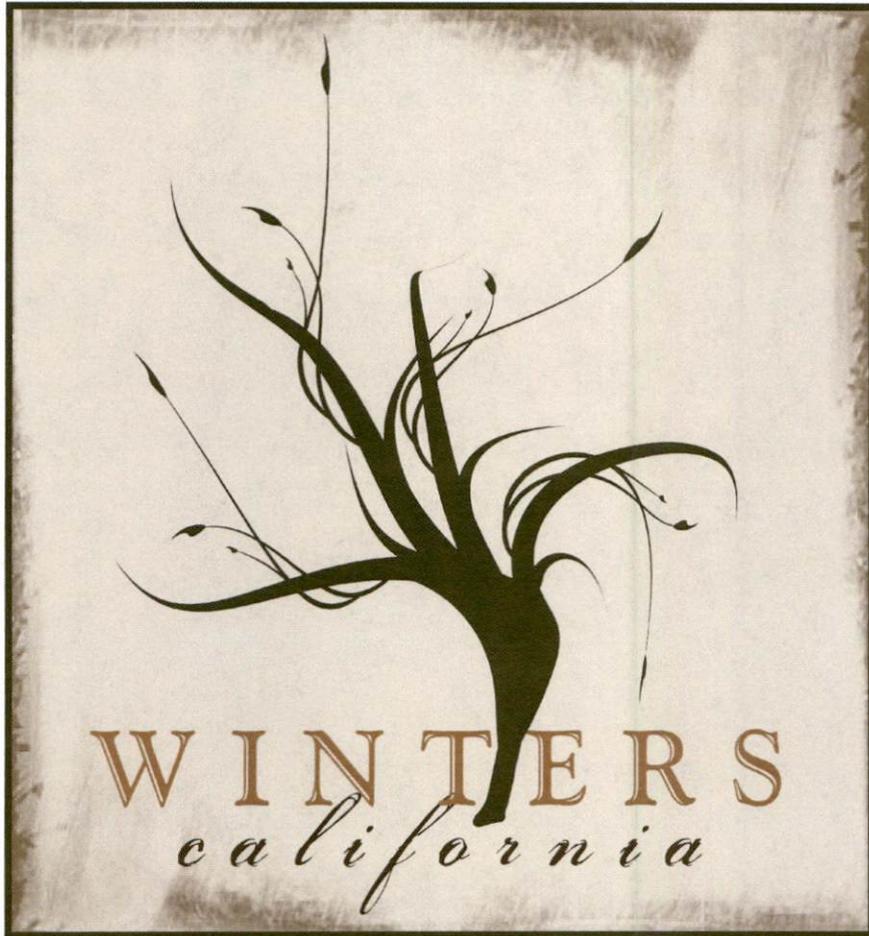
The City Manager and Director of Financial Management would like to thank all members of the City of Winters Staff for their individual assistance in preparing the budget document.

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**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 2020-2021 as well as accomplishments of the prior two years. The budget overview also summarizes the financial components of the City, including revenue trends and significant new expenditures.

### Strategic Plan

Senior Staff has been working on strategic planning throughout the 2019-2020 year and has advanced various projects and issues with the City Council at meetings throughout the fiscal year. 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.

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.

# Guide to the Document

## **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

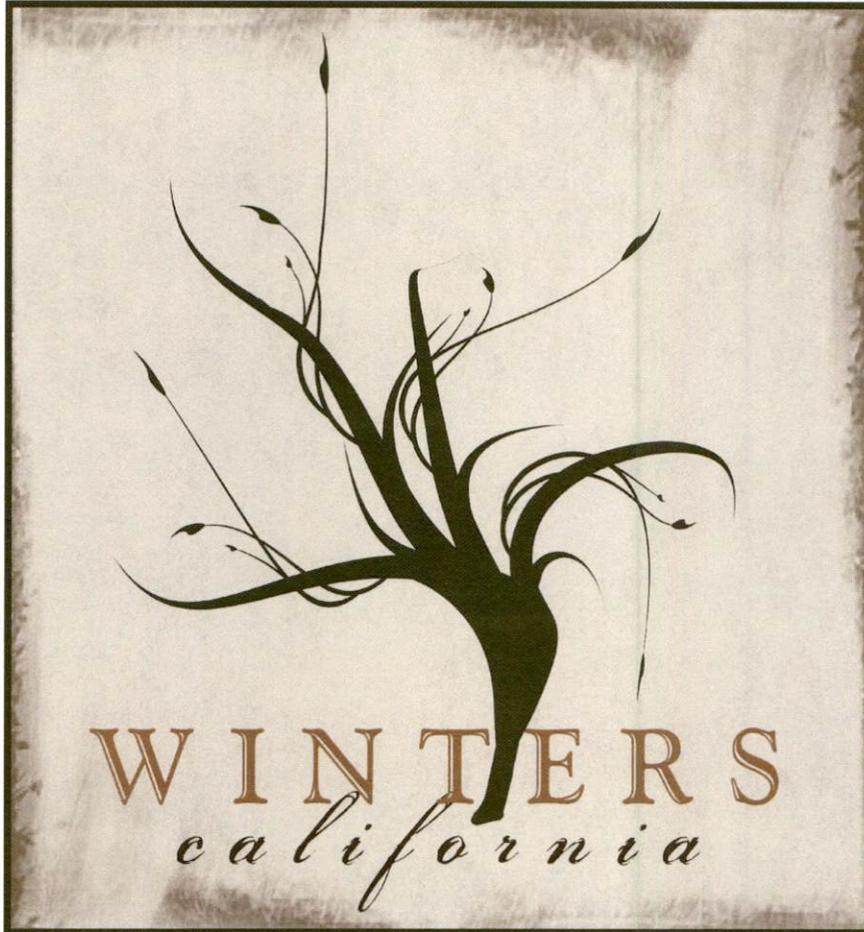
## **Guide to the Document**

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.

**Budget Overview**

# 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 since 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.

Prior to the Covid-19 pandemic, Winters was beginning to see an upturn in the economic vitality of our community. Past investments in critical infrastructure and facilities led to payoffs 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. Housing developments, the PG&E Training Center and the Hotel Winters 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 an additional hotel and retail opportunities will add to the City's transient occupancy and sales tax revenues.

The reality of the Covid-19 pandemic, however, is that sales tax and transient occupancy tax revenue streams have experienced a significant decrease since March 2020. Sales tax is not expected to return to pre-Covid-19 levels for at least 5 years, and the effect on transient occupancy tax remains to be determined. Building permit revenue is expected to decline for the 20-21 fiscal year, to be determined by the depth and length of the recession as a result of business closures during the Covid-19 stay at home order issued by the State of California and Yolo County. The proposed budget is only for the 2020-2021 fiscal year instead of our normal 2-year budget, and takes a very cautious approach to expenditures.

Building permit activity for single family homes as increased as multiple developers are actively building and selling homes within the City of Winters at a pace greater than at any time in the past 20 years. In 2017-2018 5 permits were issued for new buildings, we expect to see building permits to increase to approximately 72 per year for residential buildings in the coming few years.

## Budget Overview

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.

Over the past fifteen (15) years, Winters has focused on a cycle of planning then implementation. The planning future for Winters may see significant challenges with a proposed ballot initiative which may "re-designate" more than half of the remaining open land within our General Plan area as "open space". If adopted, the measure will significantly challenge the City's ability to do job creation or any real form of economic development. The City will be preparing an updated housing element, providing a City Limit General Plan update, and potentially responding to the citizen-based initiative to limit development to inside the existing City Limits only without voter approval.

State mandates on water use and mandated conservations 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. A consultant is currently working on updating the fees required to efficiently operate both the water and sewer enterprises and expect to have information to the City Council in mid-August 2020 for implementation on October 1, 2020.

City utilities will also be required to deal with new State regulation involving water quality and revised monitoring. The Department of Drinking Water is in a constant state of adding new "maximum contaminant Level" (MCL's) for new elements, causing increased operational costs. The Regional Water Quality Control Board is adding new discharge requirements and monitoring for the former landfill area. This new regulation adds additional costs and load to operational budgets that has very little to do with the production of water or the processing of wastewater. The only alternatives are higher utility rates.

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. As of the preparation of the Budget, the realities of the impacts Covid-19 are not yet known and will play a key role in the overall destiny of the City.

## Budget Overview

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 slow 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, now compounded by the economic effects of Covid-19 stay at home orders, significantly limits the City's ability to be responsive to our residents' needs. The prospects of subdivision development, commercial projects, the Downtown Hotel and the completion of a PG&E Training Facility all represent very bright spots and hope for needed revenue growth in the City. Conversely, the proposed ballot initiative could represent a significant impediment to economic growth and investment.

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!

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.

### **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.

# Budget Overview

## 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.

## Key Issues Facing the Fiscal 2020-2021 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 approximately the same as the 2019-2020 projected revenues as of 5-26-2020 after the effects of the Covid-19 stay at home order on the businesses within the City. While property tax revenues are projected to increase by 9%, they will have just reached the 2008-2009 levels in 2019-2020. Sales tax revenues were increasing due to additional retail outlets opened, until the Covid-19 pandemic closure of businesses. Approximately 64.3% of the total sales tax collected in the City of Winters is from restaurants and gas stations, restaurants were only allowed to operate as take out only beginning in March 2020, and as of May 26, 2020 were still in that mode, seriously reducing the sales tax revenues from restaurants. Additionally, the stay at home order issued by the State of California and Yolo County caused a severe decrease in gasoline sales during the same time period mentioned above, this, in addition to decreasing gas prices has caused the sales tax revenue from gasoline sales to decline tremendously. Development is expected to occur during the 2020-2021 fiscal year, including home building, the completion of a 72-unit freeway serving hotel, the completion of senior living apartment complex.

Expenditures, however, are \$488,138 (or 8.18%) lower than budgeted revenues in 2019-2020. The expenditure reduction was arrived at by significant reductions in the operating costs of each department, as well as freezing employee pay levels for the fiscal year. Staff has agreed to defer the 2.5% COLA scheduled for July 2, 2020 to July 1, 2021. In 2018-2019 the City of Winters entered into Memorandum of Understandings (MOUs) with all the organizations that limited the impact to the city of rising health insurance costs.

## Budget Overview

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 2020-2021 budget if the assumptions are significantly different than the reality of implementation of the economic development and home building projects.

Pension is a critical issue facing cities throughout California. The City's unfunded liability for all pension categories is approximately \$7 million with increases in annual contributions projected. In FY 2024-2025, the City will pay approximately 27% of its payroll, up from 23% in the current fiscal year toward pension obligations. A key factor to watch will include the investment returns by CalPERS as the CalPERS board adjusts the discount rate of estimated average returns which determines both payments and unfunded liabilities. The City adopted a Policy on Pension and OPEB (other post-employment benefits) on June 18, 2019 and amended that policy on 12-17-19, this policy will be included in the policy section of the budget document. In May 2020, the City Council approved the establishment of a Section 115 Trust for the funding of OPEB liabilities to provide for the pre-funding of the OPEB liability amount, and therefore provide a means for the liabilities to be "funded" instead of "unfunded" at a point in the future. The policy described above provided that beginning in the 2020-2021 fiscal year, contribution amounts would be included in the budget to begin funding these liabilities. The pro-rata share of the funding from the Water and Sewer enterprise funds are included in the 2020-2021 as presented, however, due to the severe impact of the Covid-19 pandemic, the City has not included the general fund portion of the yearly contribution as budgeted. As the budget year progresses, this issue will be re-examined for making the contributions as stated in the policy.

The **Water System** has a small positive cash flow projected for the 2020-2021, although, the rate study that is currently underway will address this issue moving forward, setting rates at the appropriate level to operate the Water system effectively and meeting all debt service covenants for the 2018 Water Refunding bonds. The negative cash flow experienced in the 2017-2018 fiscal year was addressed by adjusting rates to increase cash flow in September 2018. The rate increase was necessary 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. Funding has not been included to begin working on the reduction of Chrom6 in the water supply to meet the new State Department of Drinking Water Standard when issued. Funding needs will be determined once the standards are issued and the City has examined the options for meeting the new standards. Additional budget issues may arise after the

## Budget Overview

adoption of the budget based on when the standards are issued, and what those standards are.

The **Sewer (Wastewater) System** has a positive cash flow projection for 2020-2021. A rate study is currently underway to determine the appropriate rates for operating the Wastewater System and meeting the debt service covenants of the 2018 Refunding Sewer Bonds.

- **Impact Fee** revenues are projected to decrease in 2020-2021 as compared to 2019-2020 due to projected decreases in building activity throughout the city.
- **Capital** revenues are projected to receive interest only during the 2020-2021 fiscal year.
- **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. The amounts will be included in future budgets. The cost of retirement for the City of Winters is limited to the CalPERS contribution and the contribution of the City share of health insurance as required by the CalPERS contract for retired 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.
- **SB1 Road Maintenance and Rehabilitation fund**, this was a new fund in 2017-2018 as passed by the State of California. The City is budgeting to use all funds for street maintenance throughout the city based on the Pavement Condition index (PCI).

### 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:

## Budget Overview

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

Since 2002, the City staff has undertaken an aggressive program to improve how we run the business of the City of Winters. From a fiscal approach, the City has implemented an award-winning approach to budgeting, annually producing a Comprehensive Annual Financial Report and implementing 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 2020-2021 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 not included cost of living increases in 2020-2021 as a way to mitigate some of the financial issues as a result of the Covid1-19 pandemic.

The City has limited hiring to replacement of personnel as they have resigned or retired. The City has decided not to fill the position of Community Development Director, which will be handled through a consultant agreement providing services

## Budget Overview

on a part-time basis, Additionally, the following positions have retired and will not be filled as we face the uncertain financial future created by the Covid-19 pandemic:

- Police Sergeant
- Economic and Housing Manager
- Part-time contract Planner
- Public Works/Planning Management Analyst

Some consultant services costs have been included in the budget to provide for fill-in services for some of the positions, however, in most circumstances, the workload will be distributed to other employees.

The City completed negotiations with all bargaining units through 6/30/2021, however, these contracts have been extended to June 30, 2022 as a result of the deferral of the scheduled July 1, 2020 COLA to July 1, 2021. The deferral of the COLA is included in the budget as presented.

The City is facing the retirement of key personnel that will impact the current 20-21 budget as well as future budgets. Including the retirement of the following positions in December 2020:

- Records and Information Manager/City Clerk
- Administrative Coordinator-Police Department

The City reorganized in 2018 based on retirements, and in June 2018, the citizens voted to provide for the appointment of the City Clerk and the City Treasurer instead of electing those positions. The Records and Information Manager is now the appointed City Clerk, and the Director of Financial Management is the appointed City Treasurer.

Succession planning will be an important part of the strategic planning process in the development of the 2021-2022 budget as more staff reaches retirement age and chooses to retire from service.

The City has taken important steps in the succession planning process by beginning the implementation of the following projects in 2019-2020, to be completed during the 2020-2021 fiscal year:

- Intime, a cloud-based scheduling software purchase and installation for police and fire scheduling and electronic time tracking.
- Neogov. A cloud-based Human Resource and payroll software program to provide for a powerful employee portal based, electronic time tracking, human resource information and payroll system. This will allow the city to move away from the current paper and spreadsheet-based system and integrating with the existing accounting program

## Budget Overview

- Energov-upgrading the current server-based building permit and planning software to a cloud-based system with additional capabilities, including the use of technology in the field with tablets for electronic inspection cards.
- Central Square, a cloud-based law enforcement reporting and record management system (RMS) that will integrate with YECA's Computer aided dispatch (CAD) system.

Additional projects to aid in succession planning for staff retirements are being implemented in the 2020-2021 fiscal year:

- Opengov, a cloud based budgeting and transparency program that will move the city budget from an excel spreadsheet based process to an integrated program that will provide a powerful tool for determining the impact of decisions on staffing and other expenditures choices and priorities on the financial condition of the City.
- Credit card processing service that can provide not only the ability to provide credit card services for the customers we serve, but, lower the fees for the use of the credit cards and provide electronic utility billing presentment for those customers that prefer an electronic version of their utility bill instead of the traditional paper utility bill. We are looking for a provider that can accept various types of payments, including but not limited to, traditional credit cards, ATM cards, echecks, paypal, and venmo.
- Procurement and implementation of a Records Management System to provide for creation of City Council and Planning Commission agenda packets as well as an organized digital storage system for all city records
- METR, a cloud-based law enforcement training tracking and reporting program with an equipment and inventory management module.

### **Capital Purchases:**

In the 2020-2021 budget, the City will include capital purchases throughout the organization, including the following:

- Replace the Roof on City Hall.
- Remodel and repurpose the vacated "old" Police Department building
- Various Water and Sewer capital improvements as required.

### **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;

## Budget Overview

- Completion of Installation of a mechanical influent screen at the Wastewater Treatment Facility.
- Construction of the first two phases of Three Oaks Linear Park in the Stones Throw Subdivision.
- Various street rehabilitation projects throughout the City have been submitted to the California Transportation Commission (CTC) for the implementation of SB1 Road Maintenance and Rehabilitation Program.

## 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 2020-2021, 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.

### **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.
  - 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

## Budget Overview

- **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.

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, without use of available fund balance. The budget can 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.

## Budget Overview

- 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.
- Implementation of the City Council adopted Pension and OPEB Policy.

**Community Development and Building:** The Community Development Department (CDD) has seen a significant increase in planning and building activity over the last two fiscal years. We are forecasting residential and commercial growth which will provide needed revenue and an overall fiscal boost for the City, provided the impact of Covid-19 does not significantly impact the housing industry.

**Recreation:** As a result of Covid-19 and the phasing of opening of the economy, the budget for 2020-2021 includes the closure of the City Pool and the Community Center. Based on the timeline indicated by the Governor and confirmed by Yolo County, it is the belief of staff that we will not legally be allowed to open and operate these facilities during the fiscal year. Should the State of California make a decision that allows for the types of gatherings found at a swimming pool and/or a Community Center, the City will review the budget and determine whether we have sufficient resources to provide those services.

Additionally, our recreation programs actively work with the community on a variety of events, including 4<sup>th</sup> of July Fireworks, Earthquake Festival and Concert in the Park, all of which will require that these types of gatherings are allowed under the reopening phase at the time of the event.

**Employee Development:** The Administrative Services/Human Resource 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 2020-2021 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. Chief John Miller assumed command in July 2016.

The Department underwent some organization changes beginning in 2016, the department has 3 Sergeants and switched to 12 hour shift work. This was a change

## Budget Overview

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.

The training, equipment, capacity and professionalism of the Police Department has increased substantially, including the establishment of a dedicated Detective and ancillary Bike Patrol unit for special events. The Police Department is a participant in regional efforts, including the recently established and re-focused Yolo County Special Investigations Unit (formerly YONET), which investigates major cross-jurisdictional crimes and assist participating agencies in their investigations of major crimes.

**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. The City is currently under-going a rate review for the water system to be sure that we are charging the appropriate rates to effectively operate the water system.

In 2020-2021 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.

## Budget Overview

- 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.
- Cellular read water meter installation for all new homes, and replacement of malfunctioning water meters with Cellular read meters.
- Review of the Chrome 6 standards and preparation of plans for mitigating the impact of Chrome 6 in the city's water supply.

**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 (RWQCB). To date there have been no new requirements imposed by them, however 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.

The City has updated its Wastewater Treatment Facility Master Plan and selected the preferred options for both treatment and capacity. Key projects in the coming years will be to continue to pursue opportunities for alternative uses of recycled wastewater and the lining of any new storage ponds that are needed.

**Emergency Response and Preparedness:** In 2012, the Cities 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 4.4.

## Budget Overview

While the City is doing a good job of exceeding the targets established there is always room for improvement. 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. There are new proposed requirements with SB1383 which require cities to do more than show a "good faith effort" towards meeting statewide organics recycling goals. These will include more oversight, monitoring and possible implementation of fines on businesses who are out of compliance.

In coming years, the City will also see increased pressure to end the practice of on street green-waste collections. This a storm water quality and pollution issue which may result in containerized collection only for green-waste.

### **Storm Water**

Although the City does not currently fall under the MS4 Storm Water regulations, we have chosen to be proactive and recently implemented a containerized green waste program. We have a hybrid system that still allows limited green waste on the street service, which has been in place for almost a year. There are still a few issues that need to be worked out to streamline the program. Once the City reaches a population of 10,000 residents it will be mandated to implement a number of new policies that include monitoring, reporting, education/outreach, and enforcement. The City obtained a grant from Water Resource Agency that allowed us to develop a draft Storm Water Master Plan, which will assist the City when the time comes for us to implement the MS4 guidelines.

### **Closed Landfill**

The RWQCB has recently mandated that the old City Landfill now requires a Waste Discharge Permit. There is concern that the landfill has impacted groundwater. More extensive monitoring will be required and an evaluation of the current soil cover. If the results of this monitoring show that the groundwater has been negatively impacted, the City may be required to substantially improve the final cover, the cost of which could be \$1 million or more. The expanded monitoring will take several years to determine what, if any, new improvements will be required.

**Long Range Capital Project Planning:** In 2017 Staff, along with a consultant, began working on updating the Public Facilities Project List along with the AB1600 Major Project Financing Plan. The project was completed in 2018 and new impact fees were adopted effective January 1, 2019.

## Budget Overview

**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.

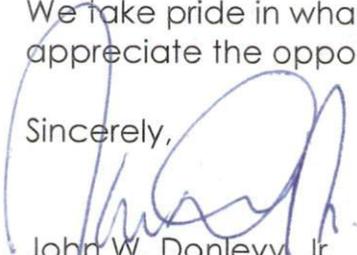
The continuance of this committee and the overall outreach will continue into the coming fiscal year.

### Summation:

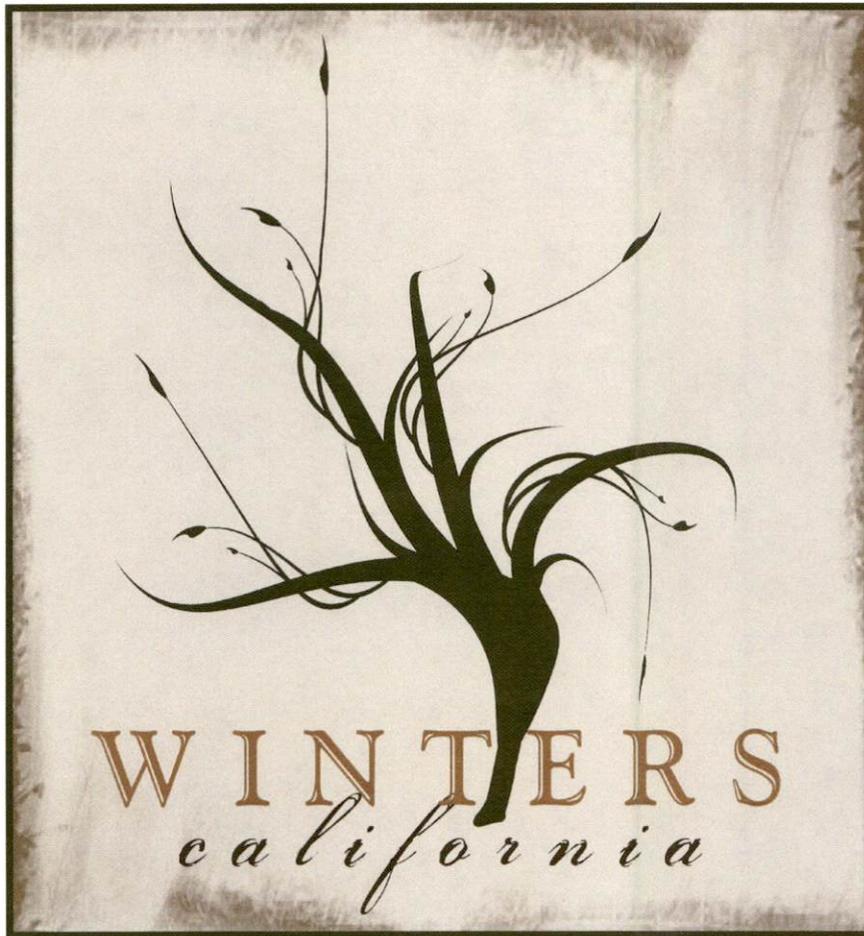
The City of Winters is currently in a very delicate situation in planning its future. The Covid-19 pandemic and resulting stay at home order has created a great deal of fiscal uncertainty, so much so in fact, that the City has determined it would not be appropriate to prepare a two year budget as usual, but, rather, to provide a single year budget in order to more readily determine and respond to the impact on the economy due to the business shut down in the March -June 2020 time period and into the 20-21 fiscal year. 2020-2021 will be fiscally tight and has required severe cuts to the individual departments serving the citizens of the City of Winters. How the stay at home reopening phases are implemented and the health of the businesses within our community will determine the course which the City will follow as we strive to provide services to our citizens. Beyond the recovery of our existing business base, the path to a successful financial and service future depends on 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

Throughout the last few months, the Staff has discussed items of interest with the City Council 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

- Senior Center
- Visitor Center
- Local Commercial
- Broadband
- Downtown Business Attraction
- Freeway Serving Business Development

## Public Works

- Well #8
- Well#5 1-2-3 TCP Treatment
- Wastewater Treatment Facilities
- Water Facilities Maintenance
- State Regulation-Groundwater and water quality
- Street Maintenance
- City Hall Emergency Preparedness and Safety Upgrades
- Chromium 6 Treatment

## Police

- Staffing challenges
- VIPS Program
- Central Square CAD/RMS
- Community Engagement and Communication via Social Media Presence
- Training and personnel development.
- Enhanced capability RADAR trailer.
- Emergency Exercise

## Fire

- Staffing-Operations and Administrative
- Fire Prevention Services, Education and Code Enforcement
- Water Tender Replacement
- Command Vehicle
- Volunteer Recruitment and Retention
- Vehicle and Equipment Replacement Plan
- Training and Professional Development
- Solano Community College Fire Academy
- Cross-Training Police and Fire
-

## Strategic Planning

### Planning and Building

- General Plan Updates
- Housing Element
- Freeway Area Development
- Monitor Subdivision Development
- Ordinance Updates-Noise, Landscape, Marijuana
- Seismic Ordinance
- Code Enforcement
- Project Inspection
- Use Technology in the field
- Implement Energov Building and Planning Software
- Increase staff ICC Certifications

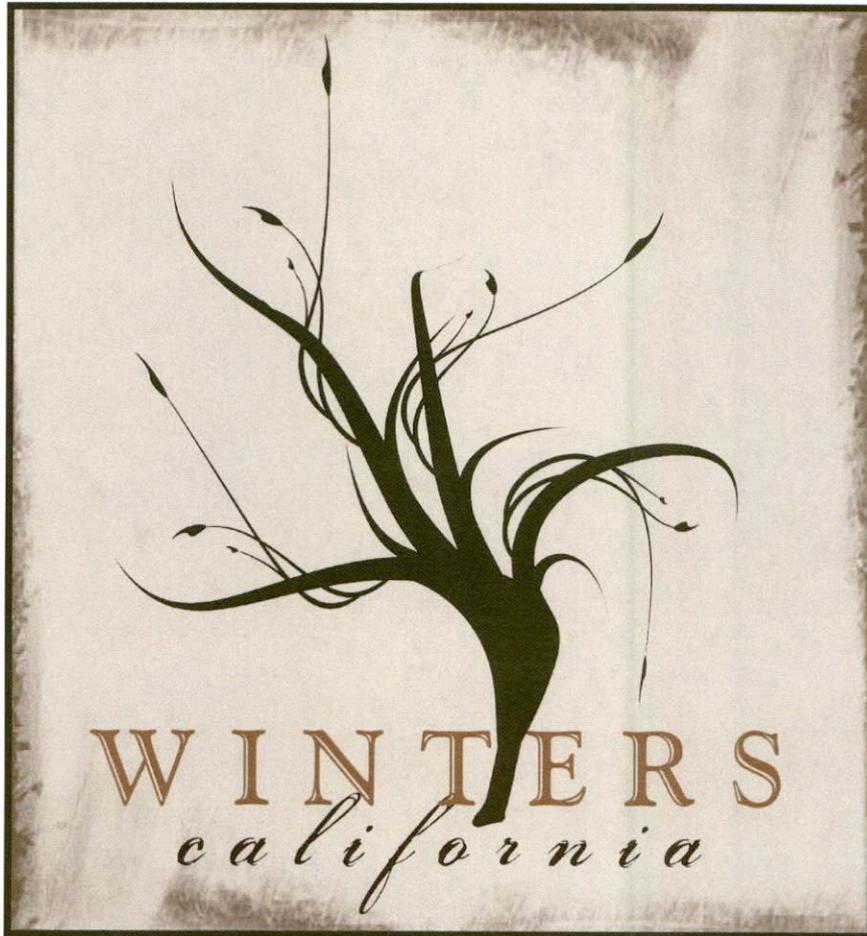
### General Government

- Succession Planning
- Staff Development
- Install a Records Management System
- Update Capital Improvement Plan
- Implement OPEB and Pension Policy
- Update Fiscal forecasting model
- Water and Sewer Rate Plan Update
- Implement the NeoGov HR software
- Implement the OpenGov Software
- Prepare for the potential results of the Urban Growth Limitation initiative.

### Capital Projects

- Well 8
- Linear Park
- 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 for budget approval for implementation. Those projects not completed in prior years as well as those projects identified as needing to occur in 2020-2021 are included in the 2010-202 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 30<sup>th</sup> of each year through passage of an adopting resolution. This resolution sets expenditure limits at the fund level for the City's General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and all Enterprise Funds.

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

### **Budget Phases**

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

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

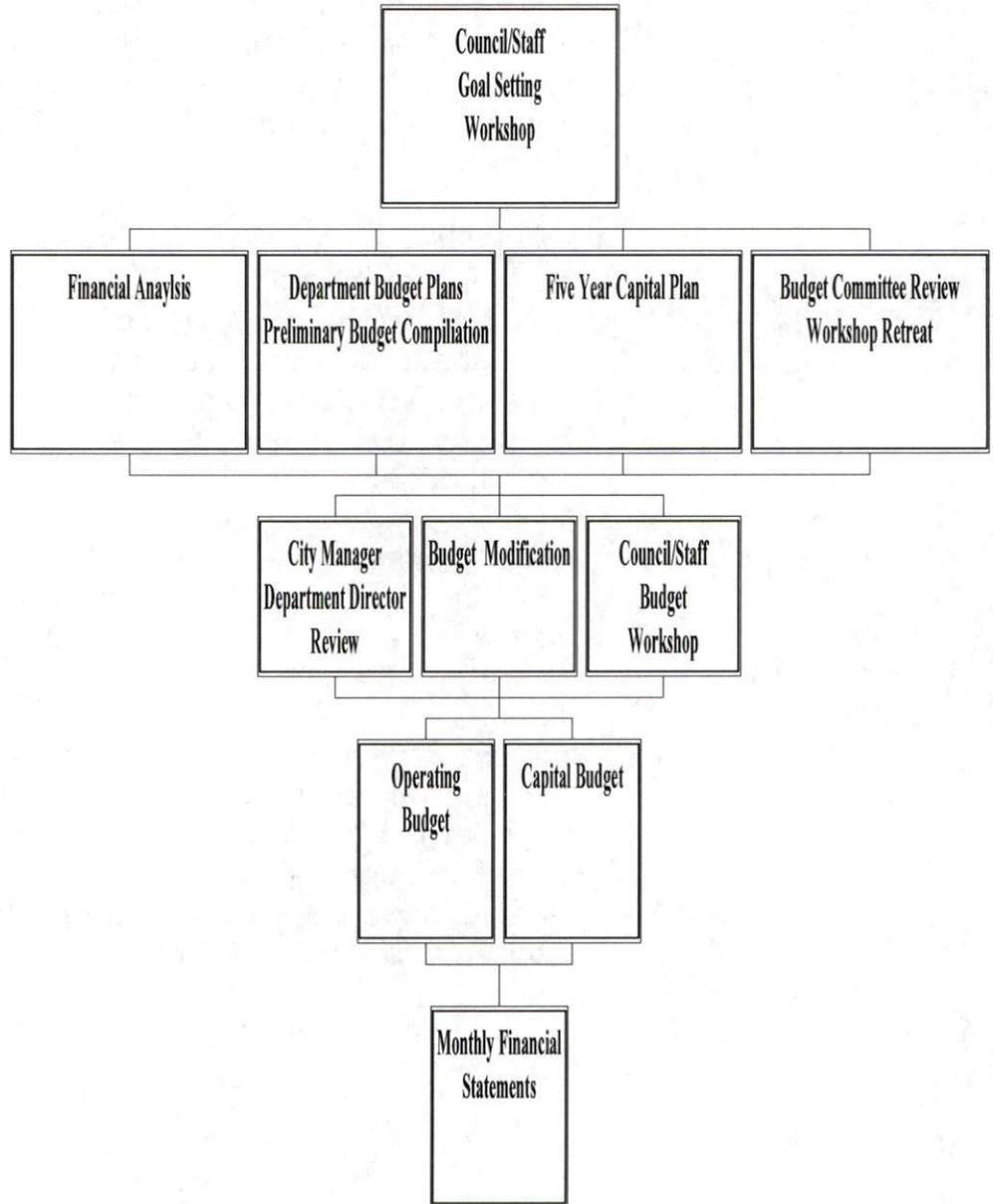
**Budget Development Phase**  
March-April

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

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

## **Amendment to the Budget**

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

## **Use of Contingency Operating and Transfers**

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

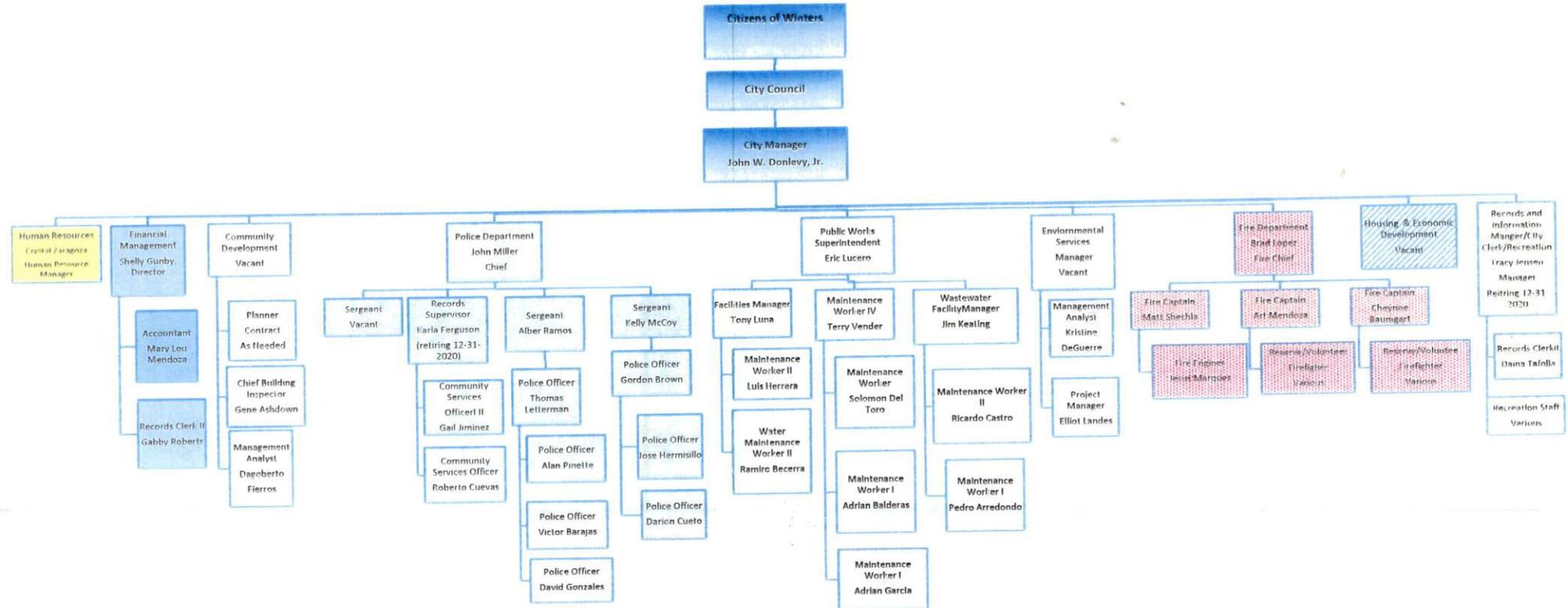
## **Capital Budget Relationship and Organization**

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

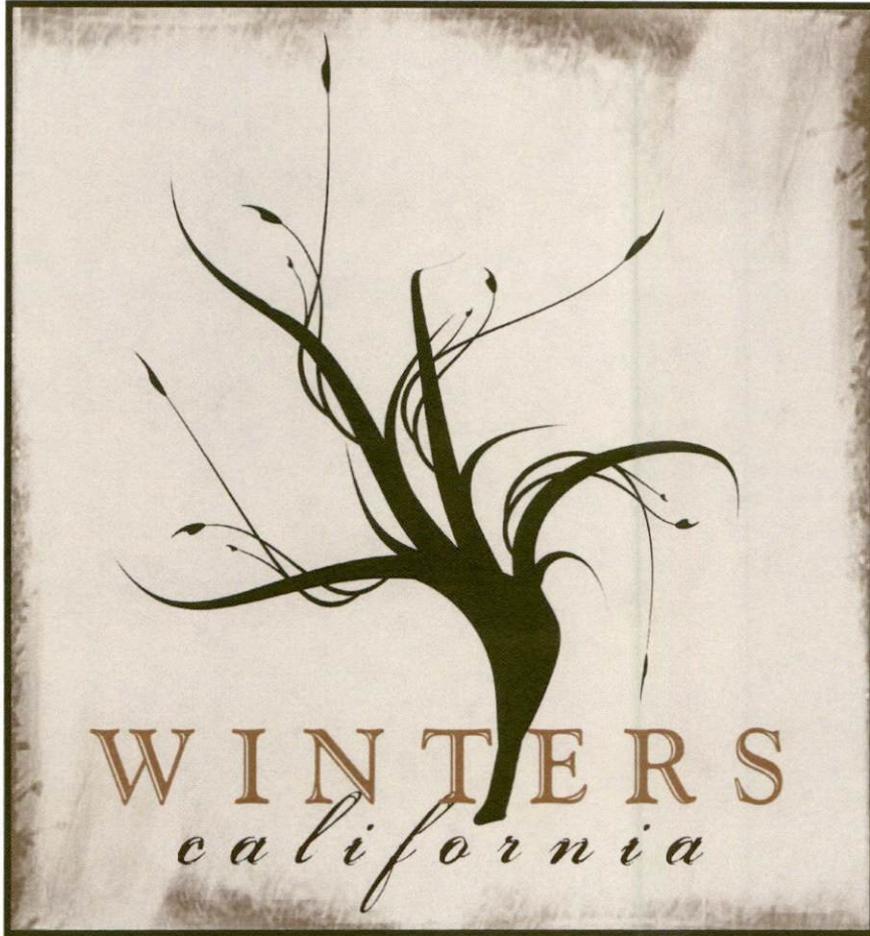
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# City of Winters Organizational Chart

## Fiscal Year 2020-2021



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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 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 "Put-a-to".

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.

The City of Winters is an established and changing community. The easygoing nature of the community gives

## City Profile

one a sense of longtime tradition. Winters was on the cusp of an economic takeoff before the Covid-19 pandemic and resulting stay at home order issued by the State of California. New residential developments have been approved and were being built, only time will tell whether the impacts of the Covid-19 pandemic will affect the housing market. New businesses had begun to start up, however, the almost 3 month closure of the majority of the businesses within the City of Winters will impact the ability for businesses to recover and continue operations as well as decreasing new business startups until the economy has recovered enough to make those businesses viable. 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. Unfortunately, due to the Covid-19 stay at home order, this annual celebration of youth was cancelled in April 2020.

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 2018-2019 and 2019-2020<sup>1</sup>

	2018-2019	2019-2020
Community Development	2.20	2.20
Finance	3.00	3.00
General Government	4.16	4.16
Police Department	13.48	13.98
Fire Department	7.18	7.20
Public Works	13.48	13.48
Recreation	9.85	9.85
	<u>53.35</u>	<u>53.87</u>

## Demographics

### Population

1970	2,419
1975	2,510
1980	2,652
1990	4,450
2000	6,125 <sup>2</sup>
2010	6,624 <sup>3</sup>
2011	6,609 <sup>4</sup>
2012	6,839 <sup>5</sup>
2013	6,974 <sup>6</sup>
2014	6,979 <sup>7</sup>
2015	7,200 <sup>8</sup>
2016	7,214 <sup>9</sup>
2017	7,130 <sup>10</sup>
2018	7,427 <sup>11</sup>
2019	7,169 <sup>12</sup>
2020	7,297 <sup>13</sup>

<sup>1</sup> 2018-2020 Adopted Budget

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

<sup>3</sup> U.S. Census Bureau, Census 2010

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

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

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

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

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

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

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

<sup>11</sup> California Department of Finance

<sup>12</sup> California Department of Finance

<sup>13</sup> California Department of Finance

# City Profile

**Land Area** 2.516 square miles

<b>Households<sup>14</sup></b>	2,187	
Family Households	1,711	78.3%
Married Couples	1,322	
Female Householder	134	
Male Householder	255	
Non-family Householder	475	21.75%

<b>Age<sup>15</sup></b>		
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

<b>Sex<sup>16</sup></b>		
Male	3,351	50.6%
Female	3,273	49.4%

<b>Housing Units<sup>17</sup></b>	<b>2135</b>
Single Family	1695 79.39%
Multi Family	358 16.77%
Mobile Homes	82 3.84%

<sup>14</sup> U.S. Census Bureau, Census 2010

<sup>15</sup> U.S. Census Bureau, Census 2010

<sup>16</sup> U.S. Census Bureau, Census 2010

<sup>17</sup> U.S. Census Bureau, Census 2010

## City Profile

### Housing Value<sup>18</sup>

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 Housing<sup>19</sup>

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 Income<sup>20</sup>

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	

<sup>18</sup> U.S. Census Bureau, Census 2010

<sup>19</sup> U.S. Census Bureau, Census 2010

<sup>20</sup> U.S. Census Bureau, Census 2010

# City Profile

## Level of Educational Attainment<sup>21</sup>

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 Composition<sup>22</sup>

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 Employers<sup>23</sup>

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

<sup>21</sup> U.S. Census Bureau,  
Census 2010

<sup>22</sup> U. S. Census Bureau, Census 2010

<sup>23</sup> U.S. Census Bureau, Census 2010

# City Profile

## Distribution of Jobs by Industry<sup>24</sup>

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 16.75 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

<sup>24</sup> U.S. Census Bureau,  
Census 2010

## City Profile

### Education

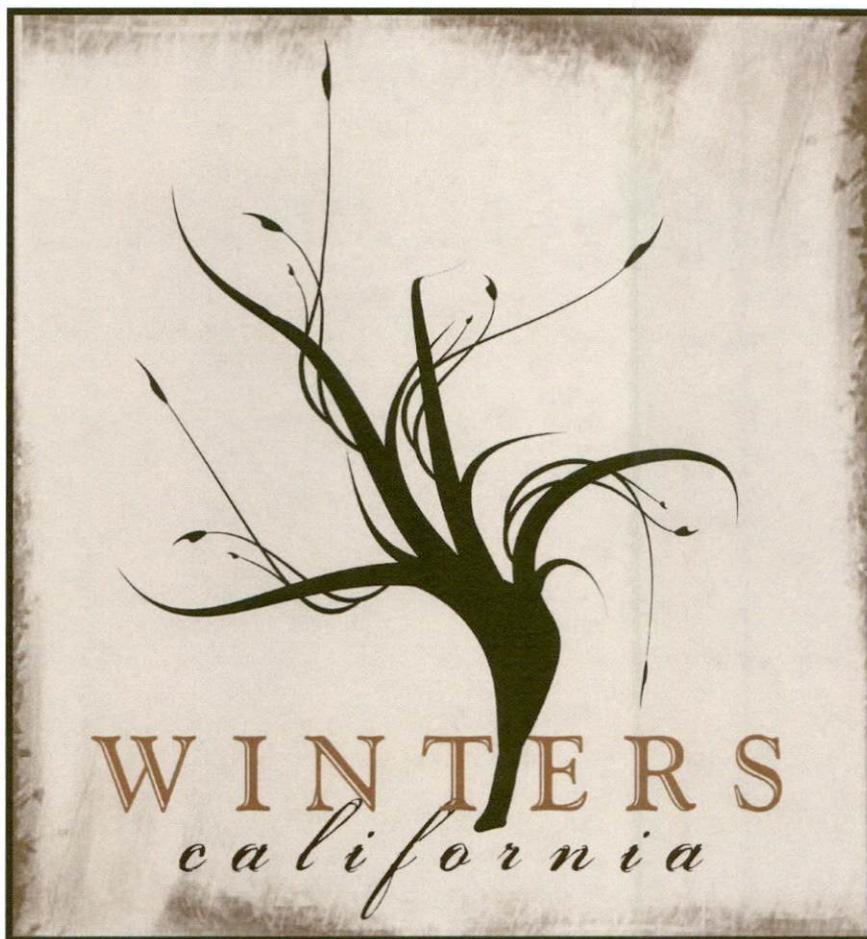
The Winters Joint Unified School District operates the following:

- 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 48 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 19 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 four (4) enterprise funds (water, sewer and 2 Central Service Overhead Funds) 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 Funds**  
Two funds are used for expenditures that cannot be specifically charged to a particular fund or department. Expenditures are made from these funds, 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 2017-2018. One overhead fund is for costs related to City Hall, but, have no impact on the operation of the Police/Fire Station. The second overhead fund include costs that impact the Police/ Fire Station.

### **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:

- 2017-2021 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
- 2017-2021 Summary of Estimated Revenues, Expenses and Changes in Retained Earnings for Enterprise Funds. This includes the Water, Sewer and Central Service Overhead Funds.

## Budget Summary

- Total Revenue Summary
- Total Expenditure 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 budget anticipates no expenditure of carry forward savings for 2020—2021. The budget is prepared in such a manner that we expect no reduction in Fund Balance in the General Fund for the fiscal year 2020-2021. City Revenues were gradually increasing, due to the increase in assessed value of property throughout the city with the increase in building activity in 2016-2020 and projected to continue through 2020-2021 which will help the city continue to fund services as the businesses recover from being closed due to the Covid-19 pandemic. Once the buildings are completed and included in the assessed value of the property throughout the City, property tax revenues will increase and provide reoccurring revenues that can be depended on to fund services and potentially add services as the economy recovers from the effects of the Covid-19 pandemic. 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.

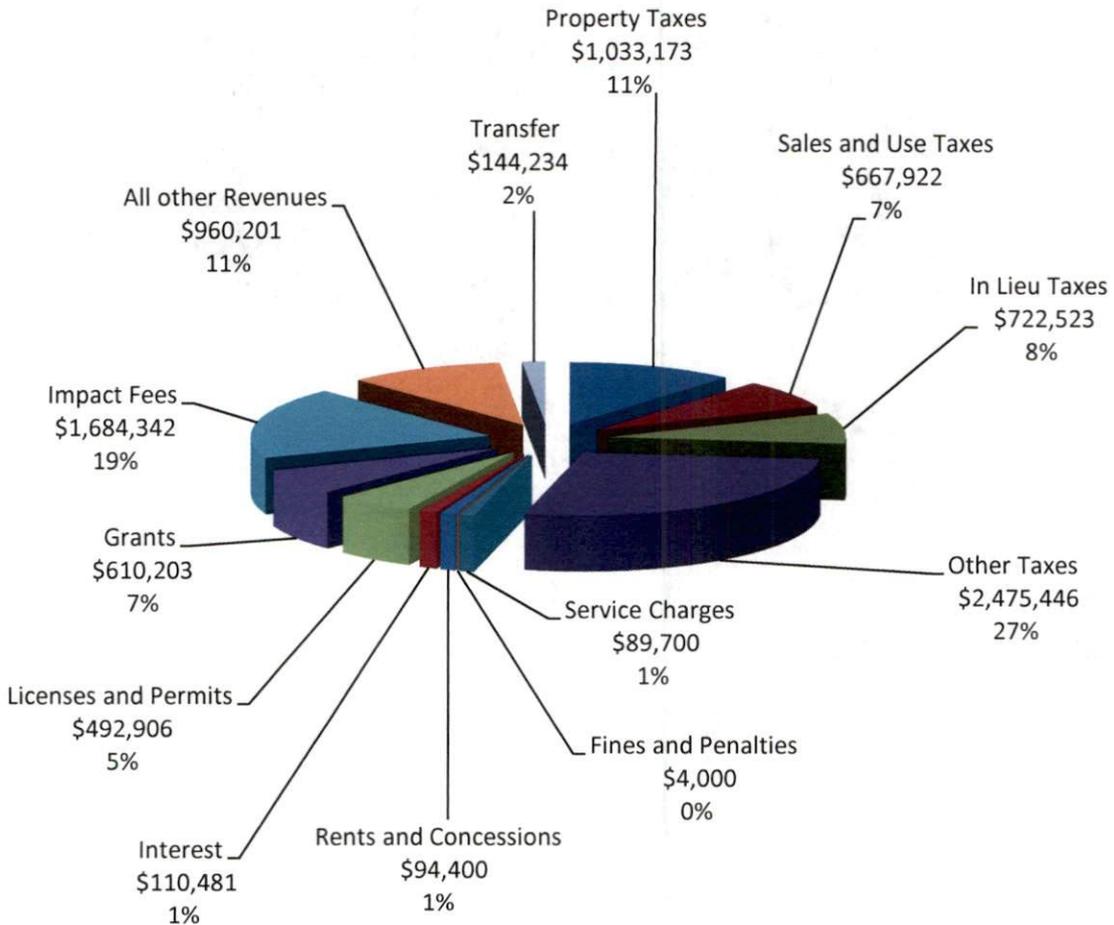
The Special Revenue Funds group anticipates a reduction in fund balance for certain individual funds, and an increase in the fund group as a whole for 2020-2021. Special Revenue funds typically must accumulate cash over a period of years before a substantial amount of funds are available to undertake projects to be funded from these funds. This will be addressed in more detail in the "Other Funds"

# Budget Summary

The Capital Funds group anticipates an increase in fund balance in some individual funds, and an increase in the fund group as a whole for 2020-2022. Capital 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" section of this budget.

## Governmental Funds Summary of Estimated Sources and Expenditures

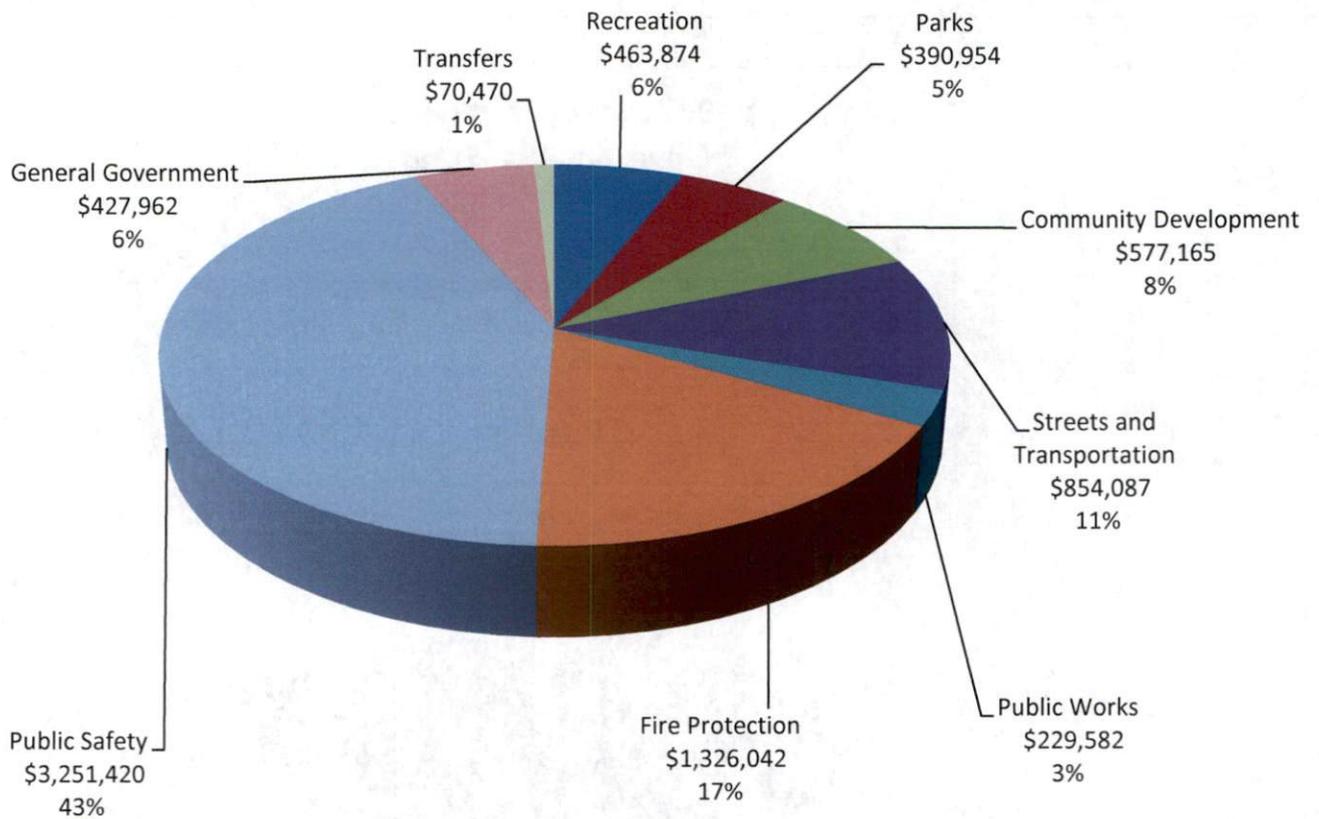
**2020-2021 Sources of Revenues  
Governmental Funds  
(Total Sources \$9,089,530)**



# Budget Summary

## Governmental Funds Summary of Estimated Sources and Expenditures

### 2020-2021 Estimated Expenditures Governmental Funds (Total Expenditures \$7,591,556)



**Governmental Funds**  
**2017-2021 Summary of Estimated Revenues, Expenses and Changes in Fund Balance**  
 (For Budgetary Purposes Only)

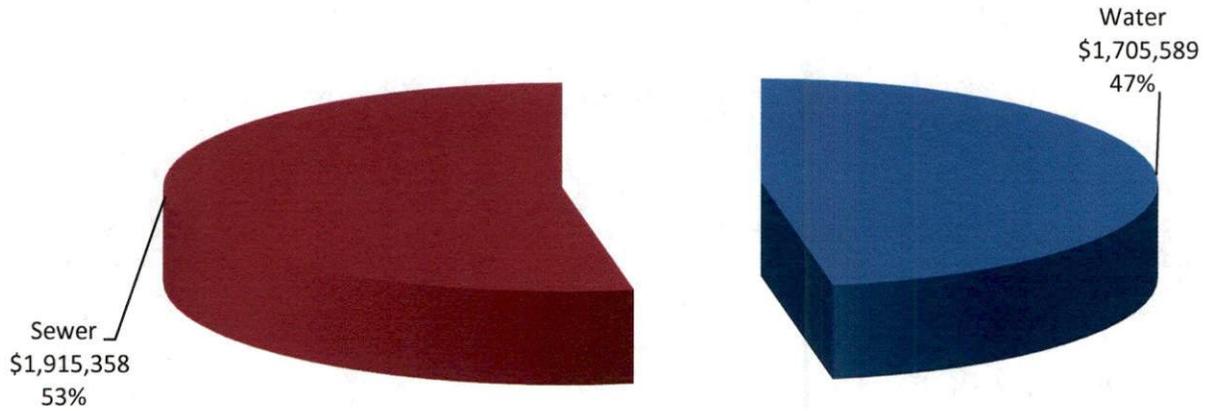
	General Fund					Special Revenue Funds					Debt Service Funds					Capital Funds					Total Governmental Funds					
	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Estimate	2020-2021 Budget	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Estimate	2020-2021 Budget	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Estimate	2020-2021 Budget	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Estimate	2020-2021 Budget	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Estimate	2020-2021 Budget	
<b>Financial Sources:</b>																										
Property Taxes	\$ 763,742	\$ 689,887	\$ 719,646	\$ 754,317	\$ 818,228	\$ 203,673	\$ 203,961	\$ 203,560	\$ 202,175	\$ 214,945											\$ 967,414	\$ 893,849	\$ 923,206	\$ 956,492	\$ 1,033,173	
Property Tax in Lieu of VLF	540,840	590,774	629,654	680,598	722,523																540,840	590,774	629,654	680,598	722,523	
Sales and Use Taxes	598,426	654,776	759,199	589,554	667,922																598,426	654,776	759,199	589,554	667,922	
Other Taxes	1,351,258	1,617,208	1,667,512	1,772,779	1,907,110	523,681	447,557	469,531	733,184	568,336											1,874,939	2,064,765	2,137,043	2,505,963	2,475,446	
Service Charges	174,726	303,378	317,159	209,740	89,700																174,726	303,378	317,159	209,740	89,700	
Fines and Penalties	-	-	-	-	-	17,002	16,504	11,428	4,644	4,000											17,002	16,504	11,428	4,644	4,000	
Rents and Concessions	86,249	93,852	102,728	94,400	94,400																86,249	93,852	102,728	94,400	94,400	
Interest	8,801	12,638	21,052	34,322	34,322	61,208	113,961	78,785	80,394	58,780	423	811	1,410	502	502	16,475	31,494	52,199	17,705	16,877	86,907	158,903	153,447	132,923	110,481	
Licenses and Permits	283,390	267,021	503,269	632,053	492,906																283,390	267,021	503,269	632,053	492,906	
Grants	(358)	7,908	2,525	21,567	3,500	802,007	1,672,767	499,826	547,429	606,703											801,649	1,680,675	502,351	569,017	610,203	
Impact Fees	-	-	-	-	-																667,063	204,648	590,128	1,889,254	1,684,342	
All other Revenues	629,876	981,017	1,017,798	743,722	660,531	227,940	116,080	671,966	317,180	272,817											615,714	20,133	99,311	328,491	1,684,342	
<b>Total Estimated Financial Sources</b>	<b>\$4,636,949</b>	<b>\$5,218,459</b>	<b>\$5,740,543</b>	<b>\$5,533,072</b>	<b>\$5,491,141</b>	<b>\$1,835,511</b>	<b>\$2,570,830</b>	<b>\$1,935,096</b>	<b>\$1,885,006</b>	<b>\$1,725,581</b>	<b>\$ 423</b>	<b>\$ 811</b>	<b>\$ 1,410</b>	<b>\$ 502</b>	<b>\$ 502</b>	<b>\$1,299,252</b>	<b>\$ 256,274</b>	<b>\$ 741,638</b>	<b>2,235,449</b>	<b>\$ 1,728,072</b>	<b>\$ 7,772,134</b>	<b>\$ 8,046,374</b>	<b>\$ 8,418,687</b>	<b>\$ 9,654,030</b>	<b>\$ 8,945,296</b>	
<b>Expenditures</b>																										
General Government	\$ 161,196	\$ 237,159	\$ 284,810	\$ 511,574	224,074	\$ -	\$ -	\$ -	\$ -	\$ -					1,337	6,084	1,748	343	203,888	162,533	\$ 243,243	\$ 286,556	\$ 511,917	\$ 427,962		
Public Safety	2,522,704	2,508,365	3,161,845	3,123,367	2,953,465	167,478	130,703	253,207	133,516	196,127					809	6,088	43,334	57,300	101,828	2,690,991	2,645,155	3,458,385	3,314,184	3,251,420		
Fire Protection	1,159,163	1,273,279	1,114,679	1,234,200	1,325,887	4,024									816	6,096	1,760	356	155	1,164,003	1,279,375	1,116,439	1,234,556	1,326,042		
Public Works	260,918	166,787	180,841	292,922	223,946	30,368	22,633	5,000	5,000	5,000					128,827	32,357	55,313	1,063	636	420,112	221,776	241,154	298,985	229,582		
Streets and Transportation	-	-	-	-	-	1,131,517	2,198,934	577,523	650,357	853,941					375,592	891,795	29,229	61,850	145	1,507,109	3,090,729	606,752	712,207	854,087		
Community Development	518,604	805,723	728,143	521,332	577,165	32,918	109,392	1,531	1,532	-					-	-	7,715	-	-	551,522	915,115	737,389	522,864	577,165		
Debt Service	-	345	-	-	-	-	-	-	-	-					-	-	-	-	-	-	345	-	-	-	-	
Parks	-	-	-	-	-	904,573	322,218	266,429	316,509	287,791					5,997	171,532	219,845	51,962	103,163	910,570	493,750	486,274	368,471	390,954		
Recreation	449,089	319,115	400,884	279,491	124,833	241,815	228,126	279,393	404,684	339,041					-	-	-	-	690,904	547,241	680,277	684,175	463,874			
<b>Total Budget</b>	<b>\$5,071,675</b>	<b>\$5,310,773</b>	<b>\$5,871,202</b>	<b>\$5,962,667</b>	<b>\$5,429,369</b>	<b>\$2,512,693</b>	<b>\$3,012,006</b>	<b>\$1,383,082</b>	<b>\$1,511,599</b>	<b>\$1,681,901</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 513,377</b>	<b>\$ 1,113,951</b>	<b>\$ 358,945</b>	<b>\$ 172,874</b>	<b>\$ 409,815</b>	<b>\$ 8,097,745</b>	<b>\$ 9,436,729</b>	<b>\$ 7,613,228</b>	<b>\$ 7,647,359</b>	<b>\$ 7,521,086</b>		
<b>General Contingencies and Reserves</b>																										
<b>Total Use of Resources</b>	<b>\$5,071,675</b>	<b>\$5,310,773</b>	<b>\$5,871,202</b>	<b>\$5,962,667</b>	<b>\$5,429,369</b>	<b>\$2,512,693</b>	<b>\$3,012,006</b>	<b>\$1,383,082</b>	<b>\$1,511,599</b>	<b>\$1,681,901</b>					<b>\$ 513,377</b>	<b>\$ 1,113,951</b>	<b>\$ 358,945</b>	<b>\$ 172,874</b>	<b>\$ 409,815</b>	<b>\$ 8,097,745</b>	<b>\$ 9,436,729</b>	<b>\$ 7,613,228</b>	<b>\$ 7,647,359</b>	<b>\$ 7,521,086</b>		
<b>Net Increase (Decrease) in Fund Balance</b>	<b>\$ (434,726)</b>	<b>\$ (92,313)</b>	<b>\$ (130,659)</b>	<b>\$ (429,815)</b>	<b>\$ 61,772</b>	<b>\$ (677,182)</b>	<b>\$ (441,175)</b>	<b>\$ 552,014</b>	<b>\$ 373,408</b>	<b>\$ 43,680</b>	<b>\$ 423</b>	<b>\$ 811</b>	<b>\$ 1,410</b>	<b>\$ 502</b>	<b>\$ 502</b>	<b>\$ 785,653</b>	<b>\$ (857,677)</b>	<b>\$ 382,693</b>	<b>\$ 2,062,575</b>	<b>\$ 1,318,257</b>	<b>\$ (325,833)</b>	<b>\$ (1,390,354)</b>	<b>\$ 805,459</b>	<b>\$ 2,006,670</b>	<b>\$ 1,424,210</b>	
<b>Fund Balance July 1</b>	<b>\$2,067,879</b>	<b>\$1,570,512</b>	<b>\$1,369,866</b>	<b>\$1,141,296</b>	<b>\$ 711,482</b>	<b>7,347,119</b>	<b>6,630,053</b>	<b>6,187,599</b>	<b>\$7,097,919</b>	<b>7,676,358</b>	<b>\$ 56,963</b>	<b>\$ 57,086</b>	<b>\$ 57,897</b>	<b>\$ 59,307</b>	<b>\$ 59,809</b>	<b>\$3,474,683</b>	<b>\$ 4,260,336</b>	<b>\$3,356,682</b>	<b>\$ 3,739,375</b>	<b>\$ 5,802,156</b>	<b>\$12,946,344</b>	<b>\$12,517,987</b>	<b>\$10,972,043</b>	<b>\$12,037,897</b>	<b>\$14,249,804</b>	
<b>Adjustments</b>																										
Transfers In	50,858	12,831	221,645	-	-	64,003	94,180	402,394	241,008	129,141					49,818	63,904	45,025	23,433	15,093	164,478	170,916	669,064	264,441	144,234		
Transfers Out	(113,499)	(121,164)	(319,556)	-	-	(103,886)	(95,459)	(44,088)	(35,977)	(55,377)					(49,618)	(109,862)	(45,025)	(23,227)	(15,093)	(267,003)	(326,505)	(408,669)	(59,204)	(70,470)		
<b>Fund Balance June 30</b>	<b>\$1,570,512</b>	<b>\$1,369,866</b>	<b>\$1,141,296</b>	<b>\$ 711,482</b>	<b>\$ 773,253</b>	<b>\$6,630,053</b>	<b>\$6,187,599</b>	<b>\$7,097,919</b>	<b>\$7,676,358</b>	<b>\$7,793,801</b>	<b>\$ 57,086</b>	<b>\$ 57,897</b>	<b>\$ 59,307</b>	<b>\$ 59,809</b>	<b>\$ 60,311</b>	<b>\$4,260,336</b>	<b>\$ 3,356,682</b>	<b>\$3,739,375</b>	<b>\$ 5,802,156</b>	<b>\$ 7,120,412</b>	<b>\$12,517,987</b>	<b>\$10,972,043</b>	<b>\$12,037,897</b>	<b>\$14,249,804</b>	<b>\$15,747,778</b>	

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# Budget Summary

## Enterprise Funds Summary of Revenues and Expenditures

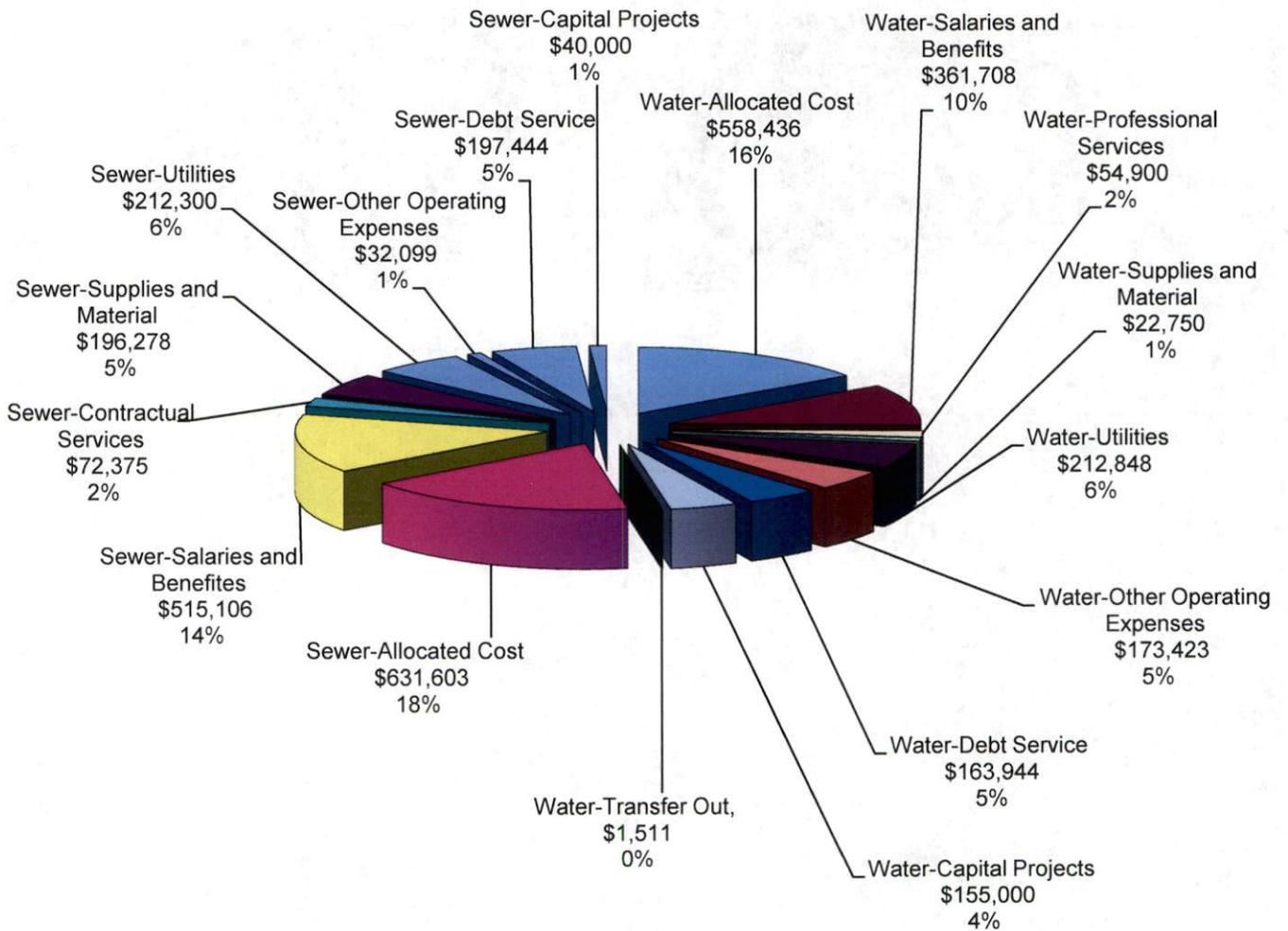
**Enterprise Funds  
2020-2021 Estimated Sources of Funds  
(\$3,620,947)**



# Budget Summary

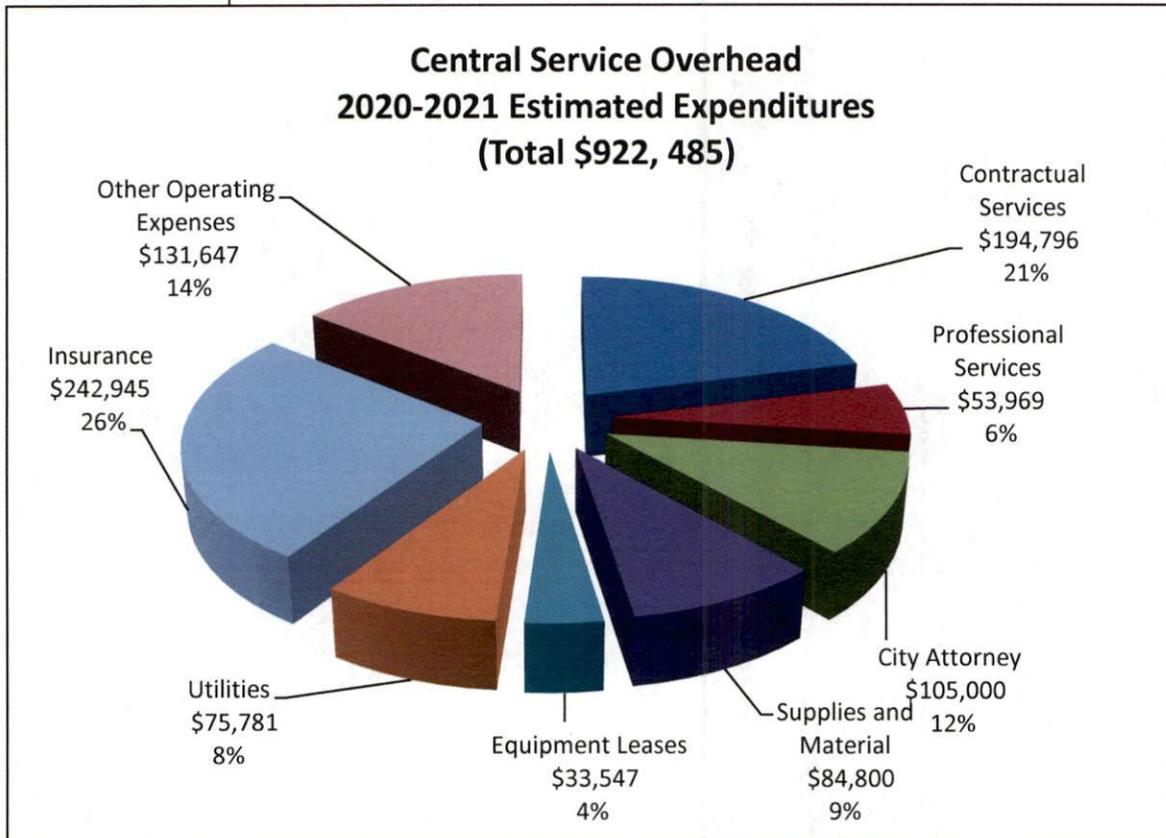
## Enterprise Funds Summary of Revenues and Expenditures

### Enterprise Funds 2020-2021 Estimated Expenditures (Total \$3,601,725)



# Budget Summary

## Central Service Overhead Estimated Expenditures



**Budget  
Summary**

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**Enterprise Funds**  
**2017-2021 Summary of Estimated Revenues, Expenses**  
**and Changes in Retained Earnings**  
**(For Budgetary Purposes Only)**

	Water Fund					Sewer Fund					Total Enterprise Funds				
	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Estimate	2020-2021 Budget	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Estimate	2020-2021 Budget	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Estimate	2020-2021 Budget
<b>Operating Revenues</b>															
Charges for Services	\$ 1,405,104	\$ 1,493,316	\$ 1,538,921	\$ 1,674,659	\$ 1,694,929	\$ 1,655,159	\$ 1,709,863	\$ 1,870,526	\$ 1,898,495	\$ 1,911,358	\$ 3,060,263	\$ 3,203,179	\$ 3,409,447	\$ 3,573,153	\$ 3,606,287
Other Revenues	1,707	5,397	5,130	18,297	10,660	5,844	12,058	17,352	16,813	4,000	7,551	17,455	22,482	35,110	14,660
<b>Total Operating Revenues</b>	<b>\$ 1,406,811</b>	<b>\$ 1,498,713</b>	<b>\$ 1,544,051</b>	<b>\$ 1,692,956</b>	<b>\$ 1,705,589</b>	<b>\$ 1,661,003</b>	<b>\$ 1,721,921</b>	<b>\$ 1,887,878</b>	<b>\$ 1,915,308</b>	<b>\$ 1,915,358</b>	<b>\$ 3,067,814</b>	<b>\$ 3,220,634</b>	<b>\$ 3,431,929</b>	<b>\$ 3,608,264</b>	<b>\$ 3,620,947</b>
<b>Operating Expenses</b>															
Allocated Cost	\$ 542,944	\$ 592,388	\$ 682,062	\$ 568,993	\$ 558,436	\$ 447,964	\$ 462,521	\$ 626,779	607,126	\$ 631,603	\$ 990,908	\$ 1,054,909	\$ 1,308,841	\$ 1,176,119	\$ 1,190,039
Salaries and Benefits	280,624	366,886	324,620	350,214	361,708	528,476	489,788	507,056	539,876	515,106	809,100	856,674	831,676	890,090	876,815
Contractual Services	-	-	-	47,700	-	65,659	46,466	75,825	82,875	72,375	65,659	46,466	75,825	130,575	72,375
Professional Services	29,111	59,607	54,052	21,050	54,900	-	-	-	171,004	196,278	29,111	59,607	54,052	192,054	251,178
Supplies and Material	17,129	63,734	73,616	187,000	22,750	257,308	244,810	298,340	163,300	212,300	274,437	308,544	371,956	350,300	235,050
Equipment Leases	-	-	-	123,059	212,848	-	-	-	-	-	-	-	-	123,059	212,848
Utilities	132,766	175,164	147,327	-	-	147,968	204,914	189,028	-	-	280,734	380,078	336,355	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating Expenses	64,218	-	-	-	173,423	22,899	24,623	46,703	28,123	32,099	87,117	24,623	46,703	28,123	205,522
Depreciation	90,732	102,374	105,645	246,969	-	161,870	182,619	184,781	288,064	-	252,602	284,993	290,426	535,033	-
Debt Service	147,123	143,548	84,942	125,000	163,944	174,900	170,604	100,357	10,000	197,444	322,023	314,152	185,299	135,000	361,388
Capital Projects	4,350	-	-	-	155,000	-	-	-	-	40,000	4,350	-	-	-	195,000
<b>Total Operating Expenses</b>	<b>\$ 1,308,997</b>	<b>\$ 1,503,701</b>	<b>\$ 1,472,264</b>	<b>\$ 1,689,985</b>	<b>\$ 1,703,009</b>	<b>\$ 1,807,044</b>	<b>\$ 1,826,345</b>	<b>\$ 2,028,869</b>	<b>\$ 1,890,368</b>	<b>\$ 1,897,205</b>	<b>\$ 3,116,041</b>	<b>\$ 3,330,046</b>	<b>\$ 3,501,133</b>	<b>\$ 3,580,353</b>	<b>\$ 3,600,214</b>
<b>Operating Income (Loss)</b>	<b>\$ 97,814</b>	<b>\$ (4,988)</b>	<b>\$ 71,787</b>	<b>\$ 22,971</b>	<b>\$ 2,580</b>	<b>\$ (146,041)</b>	<b>\$ (104,424)</b>	<b>\$ (140,991)</b>	<b>\$ 24,939</b>	<b>\$ 18,153</b>	<b>\$ (48,227)</b>	<b>\$ (109,412)</b>	<b>\$ (69,204)</b>	<b>\$ 47,911</b>	<b>\$ 20,733</b>
Non-Operating Revenues(Expenses)	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	-
<b>Income(Loss) before Operating Transfers</b>	<b>\$ 97,814</b>	<b>\$ (4,988)</b>	<b>\$ 71,787</b>	<b>\$ 22,971</b>	<b>\$ 2,580</b>	<b>\$ (146,041)</b>	<b>\$ (104,424)</b>	<b>\$ (140,991)</b>	<b>\$ 24,939</b>	<b>\$ 18,153</b>	<b>\$ (48,227)</b>	<b>\$ (109,412)</b>	<b>\$ (69,204)</b>	<b>\$ 47,911</b>	<b>\$ 20,733</b>
Operating Transfers In	38,514	564,820	210,000	-	-	-	1,097,707	350,000	162,463	-	38,514	1,662,527	560,000	162,463	-
Operating Transfers Out	-	(62,317)	-	-	(1,511)	-	(102,745)	-	-	-	-	(165,062)	-	-	(1,511)
<b>Net Income(Loss)</b>	<b>\$ 136,328</b>	<b>\$ 497,515</b>	<b>\$ 281,787</b>	<b>\$ 22,971</b>	<b>\$ 1,069</b>	<b>\$ (146,041)</b>	<b>\$ 890,538</b>	<b>\$ 209,009</b>	<b>\$ 187,402</b>	<b>\$ 18,153</b>	<b>\$ (9,713)</b>	<b>\$ 1,388,053</b>	<b>\$ 490,796</b>	<b>\$ 210,374</b>	<b>\$ 19,222</b>
<b>Retained Earnings July 1</b>	<b>\$ 896,794</b>	<b>\$ 1,033,122</b>	<b>\$ 1,530,637</b>	<b>\$ 1,812,424</b>	<b>\$ 1,835,395</b>	<b>2,743,626</b>	<b>2,597,585</b>	<b>3,488,123</b>	<b>3,697,132</b>	<b>3,884,534</b>	<b>3,640,420</b>	<b>3,630,707</b>	<b>\$ 5,018,760</b>	<b>\$ 5,509,556</b>	<b>\$ 5,719,930</b>
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Retained Earnings June 30</b>	<b>\$ 1,033,122</b>	<b>\$ 1,530,637</b>	<b>\$ 1,812,424</b>	<b>\$ 1,835,395</b>	<b>\$ 1,836,464</b>	<b>\$ 2,597,585</b>	<b>\$ 3,488,123</b>	<b>\$ 3,697,132</b>	<b>\$ 3,884,534</b>	<b>\$ 3,902,687</b>	<b>\$ 3,630,707</b>	<b>\$ 5,018,760</b>	<b>\$ 5,509,556</b>	<b>\$ 5,719,930</b>	<b>\$ 5,739,151</b>

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# Budget Summary

## City Wide Position Changes

### Mid-Year Adjustments 2018-2019

None

### Mid-Year adjustments 2019-2020

Full Time Firefighter	1.00
Police Sergeant	-1.00
Police Officer	1.00

### Budgeted General Fund Positions Added 2020-2021

### Budgeted General Fund Positions Deleted 2020-2021

Economic Development and Housing Manager	-1.00
Police Commander	-1.00
Records Manager	-0.50
Public Works Management Analyst	-1.00
Police Corporal	-1.00

## 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 2017-2021

	2017	2018	2019	2020	2021
2017 Community Development Tax Allocation Bonds	\$ 14,250,000	\$ 14,030,000	\$ 13,710,000	\$ 13,370,000	\$13,005,000
2007 Water Revenue Bonds	3,275,000	3,175,000	-	-	-
2018 Water Refunding Revenue Bonds			2,980,000	2,935,000	2,875,000
2007 Sewer Revenue Bonds	3,865,000	3,745,000	-	-	-
2018 Sewer Refunding Revenue Bonds			3,515,000	3,460,000	3,385,000
	<u>\$ 21,390,000</u>	<u>\$ 20,950,000</u>	<u>\$ 20,205,000</u>	<u>\$ 19,765,000</u>	<u>\$19,265,000</u>

### Annual Debt Service Requirement

	2017 Refunding Tax Allocation	2018 Water Refunding Revenue Bonds	2018 Sewer Refunding Revenue Bonds
2020-2021	857,500	163,944	197,444
2021-2022	873,375	167,694	195,944
2022-2023	887,500	166,069	194,069
2023-2024	904,750	161,119	196,744
2024-2025	922,138	167,094	194,344
2025-2026	925,800	164,644	196,444
2026-2027	943,800	166,744	193,044
2027-2028	1,275,300	163,744	194,544
beyond 2028	11,175,588	3,449,822	4,058,953
Total Principal and Interest	18,765,750	4,770,872	5,621,528
Less Interest	(5,395,750)	(1,835,872)	(2,161,528)
Total Principal	<u>13,370,000</u>	<u>2,935,000</u>	<u>3,460,000</u>

The 2004 Tax Allocation Bonds, issued February 2004, and the 2007 Tax Allocation Bonds, issued in June 2007 were paid in full by the issuance of the Tax Allocation Refunding Bonds, Series 2017 in March 2017. The bonds are special obligations of the Community Development Agency

# Budget Summary

## City Debt

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 5% 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 issued in September 2007 were paid in full with the issuance of the 2018 Water Refunding Revenue Bonds and the 2018 Sewer Refunding Revenues bonds in October 2018. The interest rate is variable.

### **Compliance with Capital Financing and Debt Management Policy 2020-2021**

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>\$5,429,579</u>
10% of Budgeted Revenues	\$542,958
Less General Fund Supported Debt Service	-
Policy Debt Capacity	<u>\$542,958</u>

# Budget Summary

## City Debt

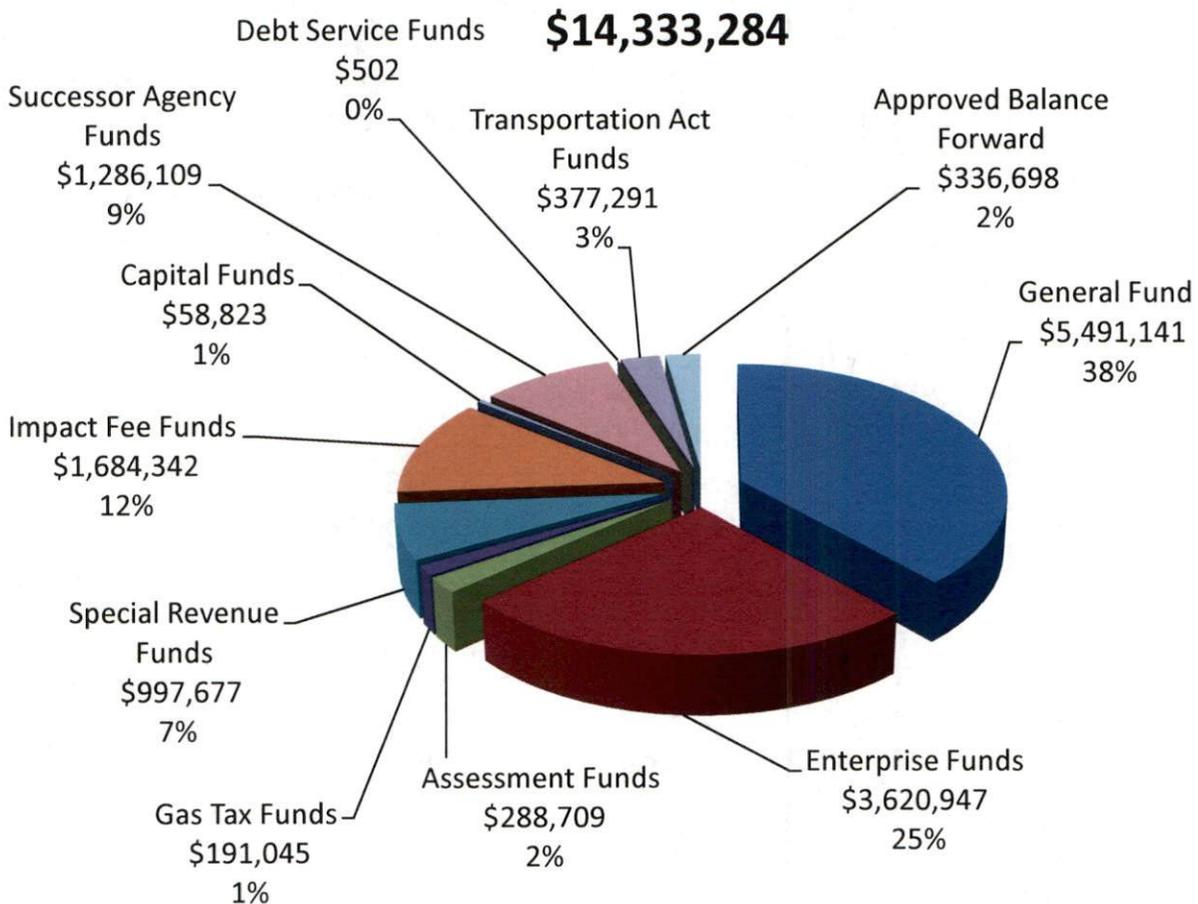
### ***Legal Debt Limit Margin***

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

### ***Computation of Legal Debt Margin as of June 30, 2020***

Assessed Valuation (Net)	\$ 643,775,750
Debt Limit of 15% of Assessed Value	<u>96,566,363</u>
Less Outstanding Debt Subject to Debt Limit	-
Debt Margin Available	<u>\$ 96,566,363</u>

**Total Annual Budget by Revenue Source  
Fiscal Year 2020-2021**



**Summary of Total Revenue Sources**

The revenue sources chart above reflects all expected revenues to be received as well as existing resources needed to fund anticipated expenditures for 2020-2021

The net Approved Balance Forward is 0% of the total budget and represents prior year fund balances being designated for expenditure for 2020-2021. Special Funds are expending prior year accumulated fund balance. Information on the expenditure of fund balances will be

## Budget Summary

### Revenue Summary

included in the department and funds that utilize the fund balance as part of the spending plan for that fund and department.

The Impact Fee Funds, which are collected from developers, are 12% 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 38% of total budgeted revenues for 2020-2021. Please see the General Fund section of this budget for additional information.

The Capital Funds are 1% of the total budgeted revenues for 2020-2021. 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 2015-2016	Budget 2016-2017	Budget 2017-2018	Budget 2018-2019	Budget 2019-2020	Budget 2020-2021	% Change
General Fund	\$ 4,141,976	\$ 4,646,007	\$ 5,288,755	\$ 5,571,008	\$ 5,885,427	\$ 5,491,141	-7%
Enterprise Funds	\$ 3,319,823	\$ 3,062,717	\$ 3,334,173	\$ 3,191,207	\$ 3,215,819	\$ 3,620,947	13%
Assessment Funds	\$ 245,317	\$ 314,202	\$ 314,202	\$ 266,259	\$ 275,162	\$ 288,709	5%
Gas Tax Funds	\$ 183,537	\$ 185,032	\$ 186,862	\$ 189,304	\$ 191,115	\$ 191,045	0%
Special Revenue Funds	\$ 384,555	\$ 1,014,450	\$ 427,218	\$ 589,566	\$ 606,069	\$ 997,677	65%
Impact Fee Funds	\$ 1,620,898	\$ 2,112,613	\$ 844,428	\$ 3,644,148	\$ 2,920,540	\$ 1,684,342	-42%
Capital Funds	\$ 343,581	\$ 303,706	\$ 128,896	\$ 380,447	\$ 379,896	\$ 58,823	-85%
Successor Agency Funds	\$ 1,309,905	\$ 1,204,595	\$ 1,214,590	\$ 1,090,026	\$ 1,102,495	\$ 1,286,109	17%
Housing Successor Agency	\$ 2,980	\$ -	\$ -	\$ 501	\$ -	\$ -	0%
Debt Service Funds	\$ 148	\$ 92	\$ 94	\$ 94	\$ 94	\$ 502	434%
Transportation Act Funds	\$ 350,841	\$ 337,678	\$ 341,054	\$ 314,680	\$ 324,120	\$ 377,291	16%
Total Revenues	\$ 11,903,561	\$ 13,181,091	\$ 12,080,272	\$ 15,237,240	\$ 14,900,737	\$ 13,996,586	-6%
Approved Balance Forward	\$ 408,718	\$ 2,246,918	\$ 434,453	\$ 917,942	\$ 515,532	\$ 336,698	-35%
Total Sources	\$ 12,312,279	\$ 15,428,009	\$ 12,514,725	\$ 16,155,182	\$ 15,416,269	\$ 14,333,284	-7%

### **Budget Year Resource Comparison**

The Fiscal Year 2020-2021 Revenue Budget is 7% lower than the 2019-2020 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, however these increase in revenues are not enough to mitigate the expected decrease in other general fund revenue sources. Sales tax and TOT (Transient Occupancy Tax) are expected to be lower for 20-21 than was expected in the 19-20 year. 2019-2020 saw significant reductions in the TOT and sales tax revenues due to the Covid-19 shut down. As previously mentioned, approximately 63% of all sales tax generated within the City of Winters is generated through restaurant and gas sales, two of the hardest hit sectors of the economy during the Covid-19 pandemic. The Enterprise Fund Revenues are expected to be higher than

## Budget Summary

### Revenue Summary

in 2019-2020 due to rate changes made as part of the refunding of the. Assessment Fund revenues are budgeted higher than the prior year, due to the increase in single family homes completed during the 2018-2020 fiscal years. Much of the revenue received in the Impact Fee Funds will be expended over a period of years, not in a single year. More information on these projects can be found in the Capital Improvement Section of this budget.

The Revenue Detail Summary on the next page shows the actual 2015/2016, 2016/2017, 2017/2018, and 2018/2019, estimated revenues for 2019/2020, and the 2020/2021 budgeted revenues and compares the budgeted amount for 2020/2021 to the estimated amount for 2019/2020 both by actual dollar difference and a percentage difference.

# Budget Summary

## Revenue Summary

Sources of Funds	Actual	Actual	Actual	Actual	Estimated	Proposed	Change From Prior Year		% of All	Cum % of
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	Estimated	Estimated	Revenue	Total
							in \$	in%	2020-2021	2020-2021
<i>General, Special Revenue,</i>										
<i>Debt Service, Capital and Community Development Agency</i>										
Impact Fees	\$ 786,859	\$ 666,841	\$ 204,648	\$ 590,128	\$ 1,889,254	\$ 1,684,342	\$ (204,912)	-10.85%	15.723%	15.72%
Property Tax Increment	953,778	1,190,696	1,143,155	1,230,649	1,378,512	1,286,109	(92,403)	-6.70%	12.006%	27.73%
Property Tax	708,701	763,742	689,887	719,646	754,317	818,228	63,911	8.47%	7.638%	35.37%
Property Tax In Lieu of VLF	514,507	540,840	590,774	629,654	680,598	722,523	41,925	6.16%	6.745%	42.11%
Federal & State Grants	2,003,828	802,007	1,672,767	499,826	547,429	606,703	59,274	10.83%	5.664%	47.78%
Devel & Bldg Permit Fees	417,647	283,390	267,021	503,269	632,053	492,906	(139,147)	-22.02%	4.601%	52.38%
Motor Vehicle in Lieu	2,806	3,232	-	3,500	5,870	-	(5,870)	-100.00%	0.000%	52.38%
Utility Tax	650,469	760,075	735,466	761,421	798,000	801,000	3,000	0.38%	7.477%	59.85%
Muni. Ser. Tax	296,750	300,621	305,030	305,950	333,820	339,820	6,000	1.80%	3.172%	63.03%
Sales & Use Tax	530,365	598,426	648,124	759,199	589,554	634,778	45,224	7.67%	5.926%	68.95%
Transportation Tax	391,354	380,712	297,155	314,680	539,961	377,291	(162,670)	-30.13%	3.522%	72.47%
City Wide Assmt	193,537	203,673	203,961	203,560	202,175	214,945	12,770	6.32%	2.007%	74.48%
Interest Revenue	-	89,006	71,003	71,003	71,003	71,003	-	0.00%	0.663%	75.14%
Franchise Tax	254,705	210,984	321,811	313,102	279,400	280,000	600	0.21%	2.614%	77.76%
Gas Tax	159,770	142,969	150,402	146,627	184,885	191,045	6,160	3.33%	1.783%	79.54%
Service Charges	150,576	65,945	177,775	212,395	142,746	57,368	(85,377)	-59.81%	0.536%	80.08%
Project Monitoring Fees	27,984	49,618	12,826	45,025	23,559	15,093	(8,466)	-35.94%	0.141%	80.22%
Other Sources	2,028,356	2,272,504	864,969	1,594,402	1,669,976	1,283,756	(386,220)	-23.13%	11.984%	92.20%
Recreation & Cultural Events	85,756	108,780	125,603	104,765	66,995	32,332	(34,663)	-51.74%	0.302%	92.50%
Tot Tax	12,216	7,198	11,485	20,699	79,283	221,688	142,405	179.62%	2.069%	94.57%
Bus. Lic. Tax	29,185	30,949	35,685	36,771	36,000	33,000	(3,000)	-8.33%	0.308%	94.88%
Property Transfer Tax	26,885	26,932	21,004	27,946	40,000	20,000	(20,000)	-50.00%	0.187%	95.07%
in Lieu Fees	54,000	96,000	7,500	459,579	91,618	191,710	100,093	109.25%	1.790%	96.86%
Approved Balance Forward	1,336,931	402,541	1,756,994	268,678	172,321	336,698	164,377	95.39%	3.143%	100.00%
<b>Total</b>	<b>11,727,733</b>	<b>9,997,680</b>	<b>10,315,046</b>	<b>9,822,474</b>	<b>11,209,327</b>	<b>10,712,338</b>	<b>(496,989)</b>	<b>-4.43%</b>	<b>100%</b>	
<i>Enterprise Funds</i>										
Water Fund	1,538,464	1,393,674	1,747,831	1,696,699	1,799,074	1,705,589	(93,485)	-5.20%	47%	47.10%
Sewer Fund	3,968,027	1,865,130	1,899,998	2,064,505	2,077,770	1,915,358	(162,413)	-7.82%	53%	100.00%
Approved Balance Forward	-	85,023	-	-	-	-	-	-	0%	100.00%
<b>Total</b>	<b>5,506,491</b>	<b>3,343,827</b>	<b>3,647,829</b>	<b>3,761,204</b>	<b>3,876,845</b>	<b>3,620,947</b>	<b>(255,898)</b>	<b>-6.60%</b>	<b>100.00%</b>	
<b>Grand Total All Funds</b>	<b>\$ 17,234,224</b>	<b>\$ 13,341,507</b>	<b>\$ 13,962,875</b>	<b>\$ 13,583,678</b>	<b>\$ 15,086,172</b>	<b>\$ 14,333,284</b>	<b>\$ (752,888)</b>	<b>-4.99%</b>		

# Budget Summary

# Revenue Summary by Fund Budget Summary

Fund Title	Actual	Actual	Actual	Actual	Estimated	Proposed	Change From Prior Year	
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	In \$	In %
General Fund	\$ 5,024,290	\$ 4,636,949	\$ 5,218,459	\$ 5,740,543	\$ 5,533,466	\$ 5,491,141	\$ (42,325)	-1%
Fireworks	8,788	7,387	9,011	825	16,768	-	\$ (16,768)	-100%
Senior Program	1	102	5	9	15	10	\$ (5)	-32%
Winters Swim	6	13	24	42	20	20	\$ (0)	0%
Park Maintenance	11	17	32	56	620	58	\$ (564)	-91%
Munchkin Summer Camp	39,380	33,494	46,234	40,190	10,076	-	\$ (10,076)	-100%
ASP Tuition Fund	-	-	-	55,811	167,319	41,000	\$ (126,319)	-75%
Housing Successor agency	-	-	-	-	54,569	-	\$ (54,569)	-100%
2007 Housing Bond Proceeds	4,968	4,635	13,194	13,897	2,112	-	\$ (2,112)	-100%
Police Canine Fund	18,860	(5,277)	49	1,509	5	5	\$ (1,504)	-100%
Police Cadet Fund	2,379	1,404	647	120	20	20	\$ (100)	-83%
Community Garden Fund	2,379	441	361	483	364	364	\$ (119)	-25%
Fire Prevention	4	7	14	23	8	5	\$ (3)	-35%
First Time Homebuyer In Lieu	360	636	1,219	2,121	755	756	\$ 1	0%
In Lieu Affordable Housing	54,174	96,828	9,307	464,977	94,582	196,710	\$ 102,128	108%
City Wide Assessment	197,237	204,945	206,268	523,742	316,509	288,709	\$ (27,800)	-9%
Flood Assessment District	16	29	55	96	34	25	\$ (9)	-27%
Gas Tax Fund	159,888	142,986	159,301	156,044	193,223	191,045	\$ (2,178)	-1%
SB1 RMRA	-	-	42,511	133,722	136,644	140,084	\$ 3,440	3%
State Cops 1913	90,743	100,696	194,501	148,735	152,903	140,025	\$ (12,878)	-8%
AB109 Realignment Funds	29,369	20,765	1,028	1,812	597	400	\$ (197)	-33%
BSCC Grant	-	9,581	-	-	-	-	\$ -	-
AVOID	8,116	-	-	-	-	-	\$ -	-
Traffic Safety	18,279	17,930	20,586	14,186	10,030	4,100	\$ (5,930)	-59%
Asset Forfeiture	634	2,321	2,833	1,259	422	422	\$ 0	0%
Vehicle Theft Deterrent	118	376	18,721	1,068	310	-	\$ (310)	-100%
I-505 Overpass	-	-	119,145	-	-	-	\$ -	-
Boost Grant	39,826	30,505	15,379	5,126	-	-	\$ -	-
Prop 84 Grant	277,458	414,695	173,038	-	-	-	\$ -	-
Afterschool Fundraising	2	3	2	-	-	-	\$ -	-
Dry Slough Bridge Grant	1,098,720	71,858	51,132	3,653	-	-	\$ -	-
Recycling Grant	5,044	5,142	5,299	10,289	5,013	5,005	\$ (8)	0%
Transportation/Bus Service	391,398	381,712	297,368	320,117	539,961	377,291	\$ (162,670)	-30%
After School Grant	134,765	134,270	155,247	171,807	75,025	73,951	\$ (1,074)	-1%
RSTP Roundabout	-	-	646,269	-	-	-	\$ -	-
SHOPP Roundabout Grant	-	-	290,000	-	-	-	\$ -	-
Housing Related Parks Grant	117,225	374	-	-	-	-	\$ -	-
Sustainable Communities	9,437	-	-	-	-	-	\$ -	-
Quilt Show	610	2	3	5	-	-	\$ -	-
EDBG 99-688 Grant	5,619	5,001	4,366	2,524	2,556	2,319	\$ (237)	-9%
EDBG 99-405 Grant	9,433	8,314	8,736	2,735	12,260	3,000	\$ (9,260)	-76%
City Park Renovation Grant	59,140	-	-	-	-	-	\$ -	-
YQAMD Grant	-	10,367	5,000	-	-	-	\$ -	-
16-Home-10803	-	-	-	-	2,685	-	\$ -	-
WRA Grant	-	28,147	-	-	-	-	\$ (2,685)	-100%
15-CDBG-10578	-	-	1,275	-	-	-	\$ -	-
ASP-Rominger Grant Fund	-	-	-	-	86,915	63,600	\$ -	-27%
21st-Waggoner Grant Fund	-	-	-	-	21,125	66,941	\$ -	217%
21st Rominger Grant Fund	-	-	-	-	31,888	35,150	\$ -	11%
21st-Munchkin Grant Fund	-	-	-	-	35,000	81,550	\$ -	133%
Green House Gas	-	-	-	31,137	-	-	\$ -	-
Housing Rehab RLF	398	2,387	4,773	4,773	4,773	4,773	\$ (0)	0%
First Time Homebuyer RFL	13,502	-	-	16,092	-	-	\$ -	-
HOME RLF	470	829	46,665	17,139	1,060	8	\$ (1,052)	-99%
Small Business RLF	2,399	1,193	950	84	-	-	\$ -	-
Microenterprise RLF	-	-	-	-	-	-	\$ -	-
Program Income Fund	115,600	48,656	56,652	77,718	60,240	57,377	\$ (2,863)	-5%
2018-19 VFA Grant Income	-	-	-	5,553	-	-	\$ -	-
CWPP and GIS Grant	-	-	-	25,500	-	-	\$ -	-
Cal Fire Equipment Grant	21,524	-	-	-	-	-	\$ -	-
SCBA Grant	138,678	13,291	-	-	-	-	\$ -	-
Elderberry Trust	72,058	29,740	17,485	-	45,732	40,000	\$ (5,732)	-13%
Winters Swim Team	30,119	30,418	20,680	33,149	16,870	15,000	\$ (1,870)	-11%
Festival	12,121	17,976	21,629	48,649	24,855	24,856	\$ 1	0%
Senior Foundation	7,222	-	-	-	-	-	\$ -	-
Pulaski Creek Hamlet HOA	65	114	219	380	135	135	\$ -	0%
WPD Youth Services	351	142	5	9	3	3	\$ -	0%
Youth Day	201	392	194	18	6	6	\$ -	0%
PD Cancer Fundraiser	-	-	2,085	1,361	482	-	\$ (482)	-100%
Street Impact Fee	212,712	335,797	8,346	52,708	280,000	294,394	\$ 14,394	5%
Storm Impact Fee	23,464	21,741	4,772	15,164	6,377	1,400	\$ (4,977)	-78%
Park Impact Fee	1,066	-	100,983	113,339	408,230	442,513	\$ 36,283	9%
Police Impact Fee	15,642	20,321	9,797	29,779	91,637	96,230	\$ 4,593	5%
Fire Impact Fee	76,740	69,312	39,376	75,015	190,621	193,517	\$ 2,896	2%
General Facility Impact Fee	90,771	98,507	30,541	102,428	165,792	162,605	\$ (3,187)	-2%
Water Impact Fee	87,210	29,523	8,050	80,213	262,691	221,531	\$ (41,161)	-16%
Sewer Impact Fee	248,931	260,912	50,589	163,917	300,406	286,632	\$ (13,774)	-5%
Flood Impact Fee	978	1,725	3,281	5,200	201,709	1,300	\$ (200,409)	-99%
Landfill Capital	567	1,320	2,308	2,094	-	-	\$ -	-
Street Capital	118,004	9	39	2,072	58	20	\$ (38)	-66%
Park Capital	319,430	387,548	27,632	607	289,594	331	\$ (289,263)	-100%
General Plan 1992	27,984	49,618	12,826	45,025	23,433	15,093	\$ (8,340)	-36%
Flood Control	6	10	19	33	12	8	\$ (4)	-31%
RAJA Storm Dragn Capital	38,453	290	557	39,257	345	260	\$ (85)	-25%
Capital Asset Recovery Fund	19,943	22,617	8,233	14,782	16,415	12,237	\$ (4,178)	-25%
Monitoring Fee	27,984	49,618	12,826	45,025	23,559	15,093	\$ (8,466)	-36%
Storm Dragn	-	2	3	6	2	2	\$ (0)	-4%
General Debt Service	240	423	811	1,410	502	502	\$ (0)	0%
Successor agency to RDA	1,097,321	1,748,404	1,143,190	1,230,649	1,378,512	1,286,109	\$ (92,403)	-7%
2007 TABS Proceeds	9	-	-	-	-	-	\$ -	-
Successor Agency Long Term Debt	7,296	35	-	-	-	-	\$ -	-
Water Enterprise Fund	1,538,464	1,577,335	1,747,831	1,696,699	1,799,074	1,705,589	\$ (93,485)	-5%
Sewer Enterprise Fund	3,968,027	1,865,130	1,899,998	2,064,505	2,077,770	1,915,358	\$ (162,413)	-8%
<b>Total Revenues</b>	<b>\$ 16,121,006</b>	<b>\$ 13,079,038</b>	<b>\$ 12,995,478</b>	<b>\$ 13,857,958</b>	<b>\$ 15,174,221</b>	<b>\$ 13,996,586</b>	<b>\$ (1,177,635)</b>	<b>-8%</b>

# Budget Summary

# Expenditure Summary

## Expenditure Summary by Activity 2015-2016 through 2020-2021

Uses of Funds	Actual	Actual	Actual	Actual	Estimate	Budgeted	Changes from prior Year		% of Total	Cumulative
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-20201	Estimated In \$	In %	Expenditures 2020-2021	% of Total 2020-2021
<i>General Fund, Special Revenue Funds, Debt Service</i>										
<i>Capital and Community Develop.</i>										
General Fund	\$ 5,250,560	\$ 5,185,105	\$ 5,431,937	\$ 6,190,758	\$ 5,962,887	\$ 5,429,369	\$ (533,518)	-9%	62%	62%
Impact Funds	84,335	354,586	912,970	63,991	62,494	306,815	244,321	391%	4%	66%
Streets & Transportation	1,732,398	1,161,885	2,124,510	532,480	655,357	853,941	198,584	30%	10%	76%
City Wide Assmt/Parks	490,552	904,573	322,218	266,429	316,509	287,791		-9%	3%	79%
Swim Team	18,143	50,033	13,877	69,928	39,928	9,500	(28,719)	-76%	0%	79%
Recreation Grants	208,587	191,782	214,249	209,465	364,756	329,541	(35,215)	-10%	4%	83%
Police Grant Activities	158,442	167,478	130,703	253,207	133,516	196,127	62,611	47%	2%	85%
Fire Grant Activities	3,854	4,094	-	-	-	-	-		0%	
Infrastructure Bonds	17,032	-	97,056	50,043	-	-	-		0%	0%
Capital Funds	27,984	208,408	310,863	339,979	133,607	118,093	(15,514)	-12%	1%	1%
Community Development Activities	730,147	136,804	204,851	579,259	37,509	60,377	22,868	61%	1%	2%
Successor Agency	1,310,249	2,194,556	1,086,706	1,090,025	1,107,500	1,111,120	3,620	0%	13%	15%
Total	10,032,283	10,559,304	10,849,940	9,645,564	8,814,063	8,702,676	(111,387)	-1%	100%	
<i>Enterprise Funds</i>										
Water Fund	1,704,354	1,308,997	1,566,018	1,472,264	1,669,985	1,704,520	34,535	2%	47%	47%
Sewer Fund	4,096,194	1,807,044	1,929,090	2,028,869	1,890,838	1,897,204	6,366	0%	53%	100%
Total	5,800,549	3,116,041	3,495,108	3,501,133	3,560,823	3,601,724	40,901	1%	100%	
Grand Total All Funds	\$15,832,832	\$13,675,345	\$ 14,345,048	\$13,146,697	\$12,374,886	\$12,304,400	(70,487)	-1%		

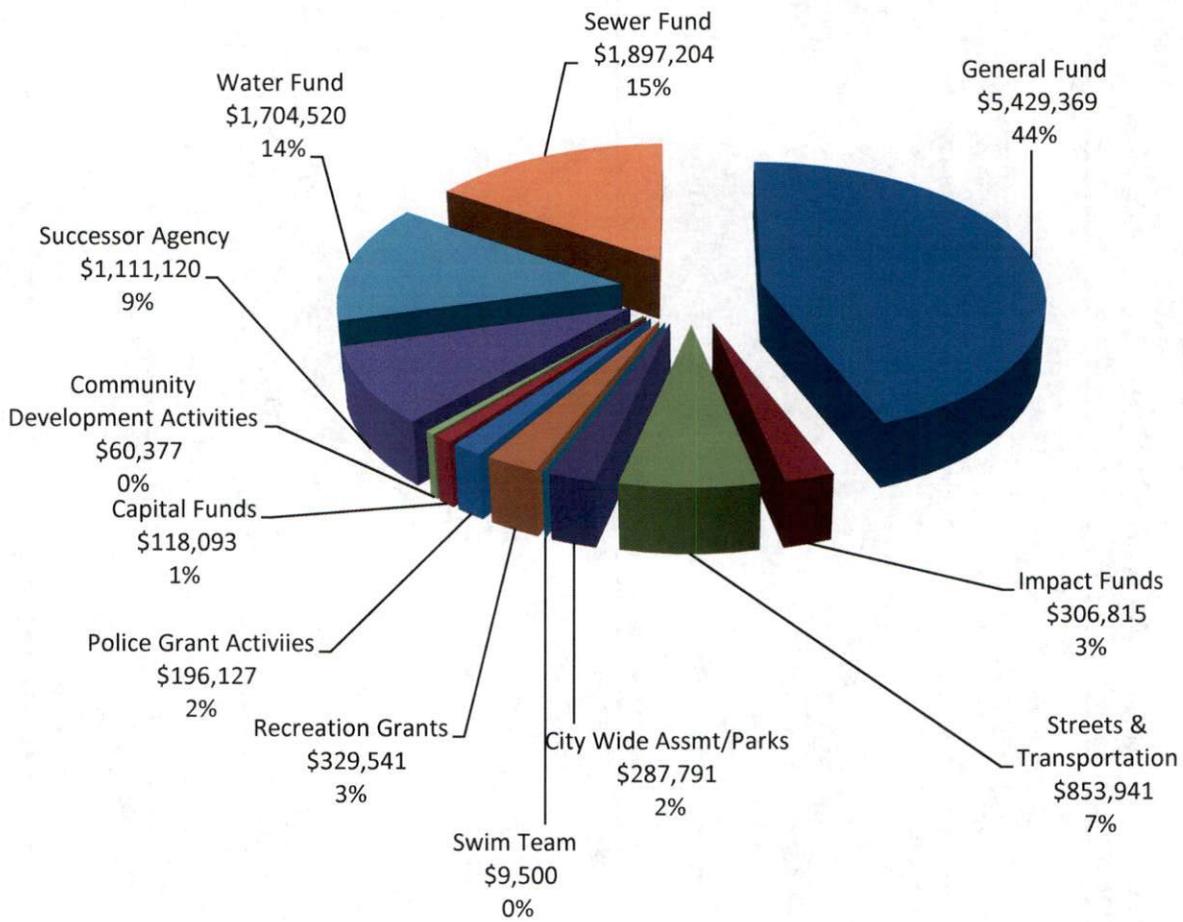
The above expenditure summary by activity shows a comparative schedule of expenditures by major activity type. The table shows actual results for 2015/2016, 2016/2017, 2017/2018, 2018/2019, estimated results for 2019/2020 and budget amounts for 2020/2021. The table also compares 2020/2021 budget to 2019/2020 estimates both in dollars and in percentages.

# Budget Summary

## Expenditure Summary

Below is a graphic representation of the expenditures by activity for 2020-2021

### Total Annual Expenditures by Activity For Fiscal Year 2020-2021 Total \$12,304,400



# Budget Summary

## Expenditure Summary

### Expenditure Summary by Department for Fiscal Year 2020-2021

	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	\$ 24,875	\$ 1,724	\$ 7,047	\$ 9,585					\$ 398			\$ -	\$ 43,629
City Clerk	1,260								-				1,260
City Manager	110,780		87,044	78,257					\$ 1,842			-	277,923
Housing & Economic Dev	-								-			-	-
Administrative Services	11,842		20,704	31,117					\$ 5,796			-	69,460
Finance	75,315	8,995	97,629	104,033					4,727			-	290,700
Police	2,953,465				196,127			101,828	-				3,251,420
Fire	1,325,887							155	-				1,326,042
Community Development	174,682		-	-		-	-		-				174,682
Building Inspection	402,483								-				402,483
Public Works	223,946	-	144,521	193,697		5,000			132,901				700,065
General Recreation	7,485		-	-							7,950		15,435
Afterschool Program											321,591		321,591
Swimming	64,422									9,500			73,922
Community Center	52,926												52,926
Successor Agency												1,111,120	1,111,120
Capital Projects			-				103,000	204,314	198,644				505,958
City Wide Assment/Parks		277,072						163	-				277,235
Yolo Bus									165,633				165,633
Street Maintenance	-								344,000				344,000
RLF Funds						55,377			-				55,377
Transfers to other funds	-						15,093		-				15,093
Water Fund			1,347,575					213	-				1,347,788
Sewer Fund				1,480,515				142	-				1,480,657
<b>Total Expenditures</b>	<b>\$ 5,429,369</b>	<b>\$ 287,791</b>	<b>\$ 1,704,520</b>	<b>\$ 1,897,204</b>	<b>\$ 196,127</b>	<b>\$ 60,377</b>	<b>\$ 118,093</b>	<b>\$ 306,815</b>	<b>\$ 853,941</b>	<b>\$ 9,500</b>	<b>\$ 329,541</b>	<b>\$ 1,111,120</b>	<b>\$ 12,304,400</b>

The expenditure summary for 2020-2021 shows funding per department. This includes all expenditures for that department. Please note due to cost allocations, the total costs for departments on this table will not match the total expenditures for the individual departments on the Department schedules.

## Budget Summary

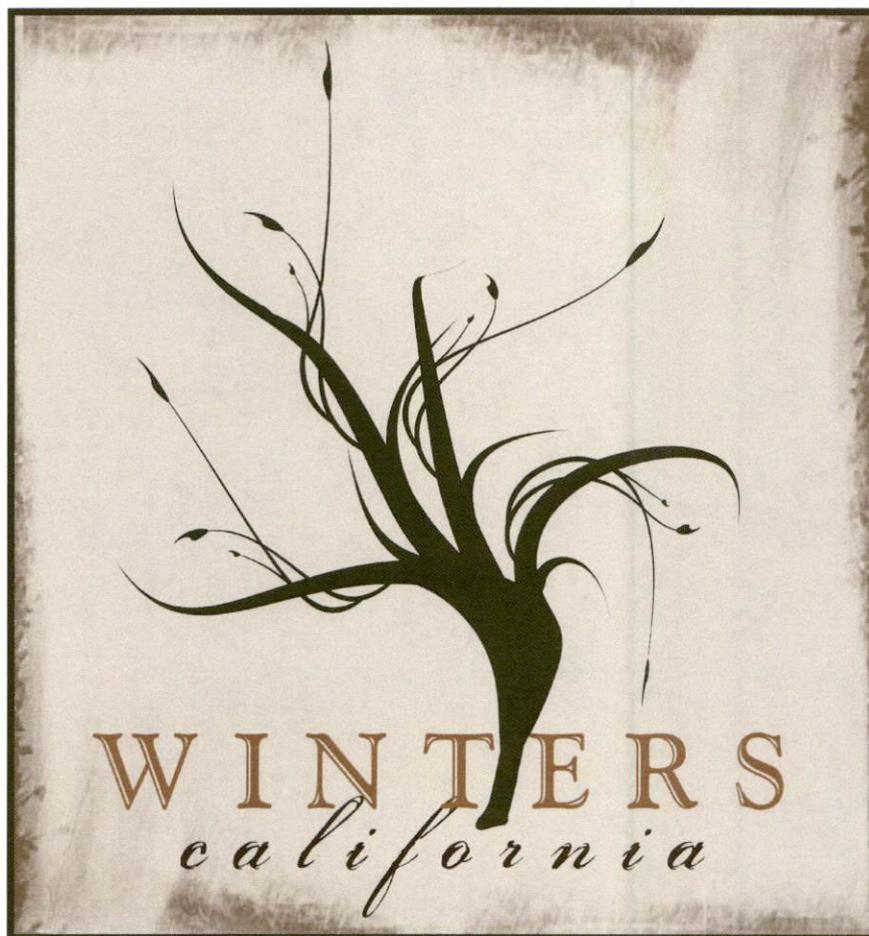
### Expenditure Summary

On the following page is a summary of expenditures by fund for the Fiscal Years 2015-2016 through 2020-2021. The chart shows actual expenditures for 2015/2016, 2016/2017, 2017/2018, 2018/2019. Estimated expenditures for 2019-2020 are included as well as budgeted expenditures for 2020/2021. The chart compares 2020/2021 budgeted expenditures to the estimated expenditures for 2019/2020.

# Budget Summary

Fund Title	Actual	Actual	Actual	Actual	Estimate	Proposed	Change From Prior Year	
	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	In \$	In %
General Fund	\$ 5,250,560	\$ 5,185,105	\$ 5,431,937	\$ 6,190,758	\$ 5,962,887	\$ 5,429,369	(533,518)	-12%
Fire Works	17,201	10,400	11,101	-	-	-	-	-
Fire Prevention Grant	200	-	-	-	202	-	(202)	#DIV/0!
Senior Fund	142	-	-	150	59	-	(59)	-100%
Winters Swim Project	-	-	-	500	500	-	(500)	-100%
Koda/Munchkins Summer Camp	50,981	40,596	35,822	53,881	22,792	-	(22,792)	-100%
Housing Trust	-	-	-	3,432	-	-	-	-
2007 Housing Tabs	424,340	5,154	665	518,116	1,000	-	(1,000)	-100%
Canine Program	-	1,568	3,512	7,500	400	-	(400)	-100%
Cadet Program	-	325	367	161	400	-	(400)	-100%
Community Gardent	-	-	417	101	-	-	-	-
In Lieu Housing	850	1,695	328	300	330	-	(330)	-100%
City Wide Assessment	313,302	308,987	353,431	273,314	316,509	287,791	(28,719)	5%
Gas Tax Fund	272,804	188,791	247,756	149,983	206,607	190,664	(15,943)	27%
SB1 RMRA	-	-	-	-	120,000	136,644	16,644	0%
State Cops 1913	78,707	92,760	95,649	101,655	126,722	174,559	47,837	72%
AB109 Realignment Funds	14,330	8,757	10,322	27,812	5,383	6,163	780	-78%
BSCC Grant	-	178	-	-	-	-	-	-
AVOID Grant	8,116	-	-	-	-	-	-	-
Homeland Security Grant	-	1,793	-	1,793	-	-	-	-
Traffic Safety	53,706	59,765	10,048	5,034	-	15,406	15,406	206%
Asset Forfeiture	3,583	2,242	10,804	-	612	-	(612)	0%
Vehicle Theft Deterrent	-	-	-	31,341	-	-	-	-100%
I505 Overpass Grant	-	20,000	99,862	717	-	-	-	-
Boost Grant	29,419	26,069	24,304	11,044	-	-	-	-
Prop 84 Park Grant	150,764	595,586	(31,214)	-	-	-	-	-
Afterschool Contributions	-	-	768	-	-	-	-	-
Dry Slough Bridget	1,060,842	71,858	51,132	3,653	-	-	-	-
Recycling Grant	3,668	3,874	4,337	30,569	5,000	5,000	-	-84%
Transportation/Bus Service	398,752	215,641	860,446	224,782	323,750	526,633	202,883	134%
Afterschool Grant	121,589	130,226	150,770	218,916	158,727	74,350	(84,377)	-66%
STBG700 Housing Grant	-	-	850	-	-	-	-	-
RSTP Roundabout Grant	-	644,217	646,269	-	-	-	-	-
SHOPP Roundabout Grant	-	50,778	290,000	-	-	-	-	-
Civic Engagement	-	-	45,085	-	-	-	-	-
EDBG 99-688 Grant	17,404	16,372	18,437	15,954	15,955	-	(15,955)	-100%
11-HRP-7851 Grant	50,206	-	-	-	-	-	-	-
HRP Grant	117,599	-	-	-	-	-	-	-
EDBG 99-405 Grant	16,797	17,854	19,126	15,248	15,249	-	(15,249)	-100%
EDBG 392 Grant	-	-	-	23,078	-	-	-	-
Housing Rehab RLF	1,989	2,387	4,773	4,773	4,773	-	(4,773)	-100%
First Time Homebuyer RFL	68,702	-	-	53,292	-	55,377	55,377	-
HOME RLF	-	-	2,387	7,621	-	-	-	-
Small Business RLF	9,364	7,436	27,114	13,849	-	-	-	-100%
Cal Fire Grant	(9,437)	-	-	-	-	-	-	-
SCBA Grant	13,291	-	-	-	-	-	-	-
YQAMD Grant	-	9,091	6,276	-	-	-	-	-
WRA Grant I	-	16,127	12,020	15,666	-	-	-	-
WRA Grant II	-	1,275	-	-	-	-	-	-
ASES Rominger	-	-	-	-	86,915	63,600	(23,315)	-
21st-Waggoner	-	-	-	-	21,125	66,941	45,816	-
21st-Rominger	-	-	-	-	31,888	35,150	3,462	-
21st-Munchkin	-	-	-	-	35,000	81,550	46,550	-
Microenterprise RLF	-	14,872	59,001	42,941	-	-	-	-
IRWWP Grant	7,588	-	-	-	-	-	-	-
VFA Grant	9,437	4,094	-	5,553	-	-	-	-
CWPP and Gis Grant	-	-	-	25,500	-	-	-	-
Winters Swim Team	18,143	50,033	13,877	31,017	39,928	9,500	(30,428)	-69%
Festival	5,841	10,561	16,007	39,889	7,950	7,950	-	-80%
Historical Photos	1,907	-	-	-	-	-	-	0%
Senior Foundation	6,456	-	-	-	-	-	-	-
WPD Youth Services	206	90	-	-	-	-	-	-
Youth Day Committee	-	95	255	-	-	-	-	-
PD Cancer Patch Project	-	-	1,595	1,676	-	-	-	-
Quilt Festival	50	-	549	-	-	-	-	-
Street Impact Fee	58,987	313,290	858,749	9,408	2,275	145	(2,130)	-98%
Storm Impact Fee	1,656	21,761	18,434	1,722	316	281	(35)	-84%
Park Impact Fee	3,667	1,512	5,300	2,472	1,157	163	(994)	-93%
Police Impact Fee	1,656	809	6,088	43,334	57,300	101,828	44,528	135%
Fire Impact Fee	1,656	816	6,096	1,760	356	155	(201)	-91%
General Facility Impact Fee	1,656	326	6,084	1,748	343	203,888	203,545	11562%
Water Impact Fee	13,402	15,268	6,137	1,801	404	213	(191)	-88%
Sewer Impact Fee	1,656	805	6,083	1,748	343	142	(201)	-92%
Landfill Capital	9,285	4,485	28,027	87,479	50,805	103,000	52,195	18%
Park Capital	-	-	141,419	129,895	-	-	-	-100%
Equipment Replacement Fund	-	39,660	-	-	-	-	-	-
Service Reserve Fund	-	1,011	-	-	-	-	-	-
Sewer Capital	-	90,994	1,703	-	-	-	-	-
Street Capital	-	7,743	33,046	19,822	59,575	-	(59,575)	-
Capital Asset Recovery Fund	-	-	-	7,715	-	-	-	-
Monitoring Fee	27,984	49,618	12,826	45,025	23,227	15,093	(8,134)	-66%
Successor Agency	1,310,249	2,194,556	1,086,706	1,090,025	1,107,500	1,111,120	3,620	2%
Water Enterprise Fund	1,704,354	1,308,997	1,566,018	1,472,264	1,669,985	1,704,520	34,535	16%
2007 Water Revenue Bonds	17,032	-	97,056	-	-	-	-	-
Sewer Enterprise Fund	4,096,194	1,807,044	1,929,090	2,028,869	1,890,838	1,897,204	6,366	-6%
<b>Total Expenditures</b>	<b>\$ 15,838,831</b>	<b>\$ 13,675,345</b>	<b>\$ 14,345,048</b>	<b>\$ 13,146,697</b>	<b>\$ 12,374,887</b>	<b>\$ 12,304,400</b>	<b>(70,487)</b>	<b>-6%</b>

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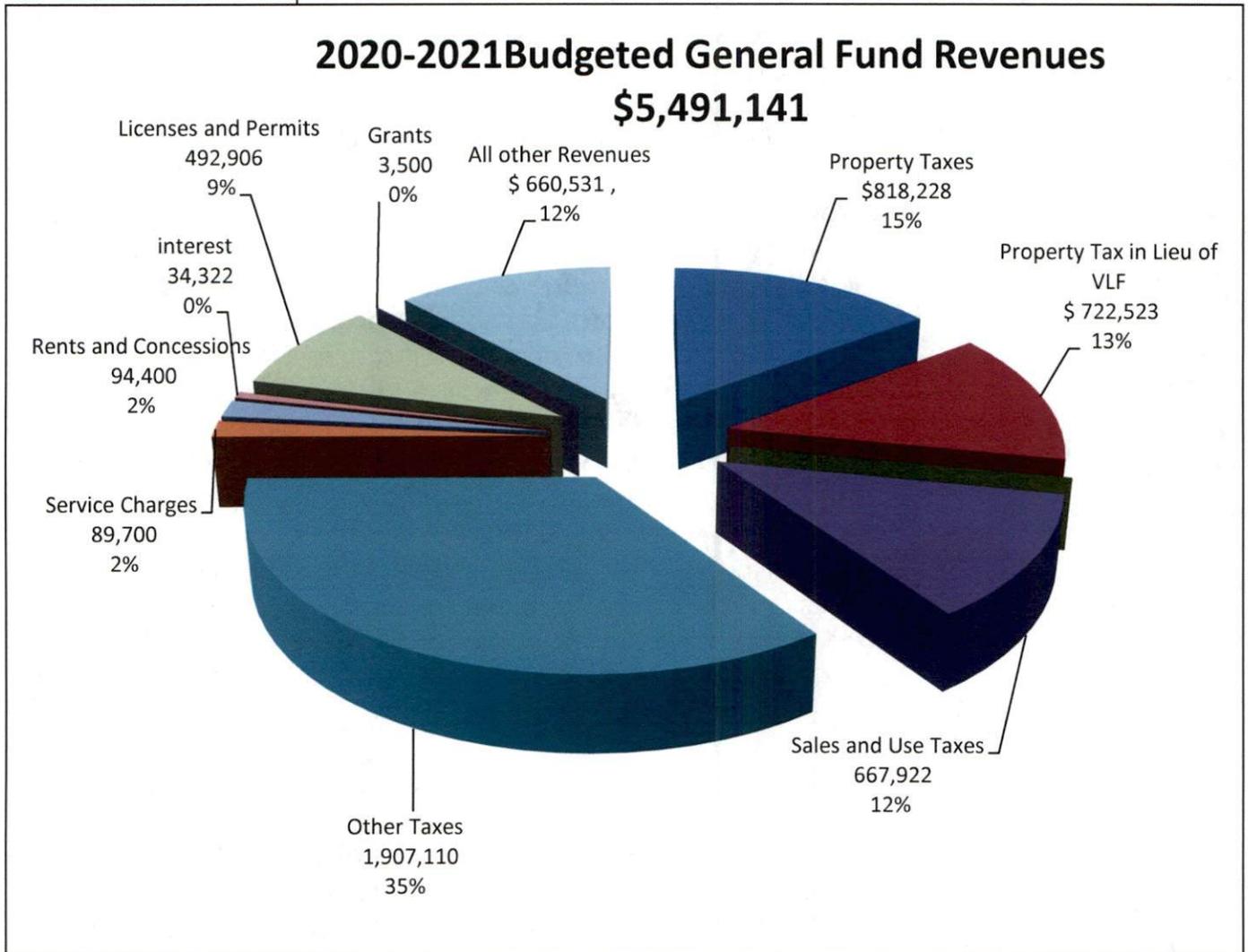
**Why the tree? Because...**

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 69% 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 second highest revenue source for the City of Winters General Fund and are estimated to be 15% of the City's total General Fund Revenue for 2020-2021. 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 saw significant decreases in assessed value of property due to the great recession. 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 has stopped, and the City of Winters has experienced modest increases since 2014-2015 and anticipates greater increases in the coming years due to the addition of several projects that have added assessed value in the last two years. The City further anticipates additional increases in assessed value of property throughout the City in the future for due to the beginning of construction of 2 subdivisions of residential development currently under construction. The City of Winters growth in the next 5 years by as much as \$271,000,000.

# General Fund

## Property Taxes

Budget Assumptions: The City engaged Coren & Cone as the property tax consultant to better track, understand and forecast the changes in assessed value year to year. Data provided from Coren & Cone projects an increase in assessed value, and therefore property tax revenue of 8.47% over that projected for 2019-2020.

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

Property Tax Revenues			
Fiscal Year		Property Tax	Increase/Decrease
02/03	Actual	\$ 498,128	-0.20%
03/04	Actual	\$ 553,104	11.04%
04/05	Actual	\$ 530,507	-4.09%
05/06	Actual	\$ 576,772	8.72%
06/07	Actual	\$ 731,220	26.78%
07/08	Actual	\$ 728,428	-0.38%
08/09	Actual	\$ 734,193	0.79%
09/10	Actual	\$ 646,590	-11.93%
10/11	Actual	\$ 750,163	16.02%
11/12	Actual	\$ 657,737	-12.32%
12/13	Actual	\$ 687,655	4.55%
13/14	Actual	\$ 708,701	3.06%
14/15	Actual	\$ 687,655	-2.97%
15/16	Actual	\$ 708,701	3.06%
16/17	Actual	\$ 763,742	7.77%
17/18	Actual	\$ 689,887	-9.67%
18/19	Actual	\$ 719,646	4.31%
19/20	Estimate	\$ 754,317	4.82%
20/21	Budget	\$ 818,228	8.47%

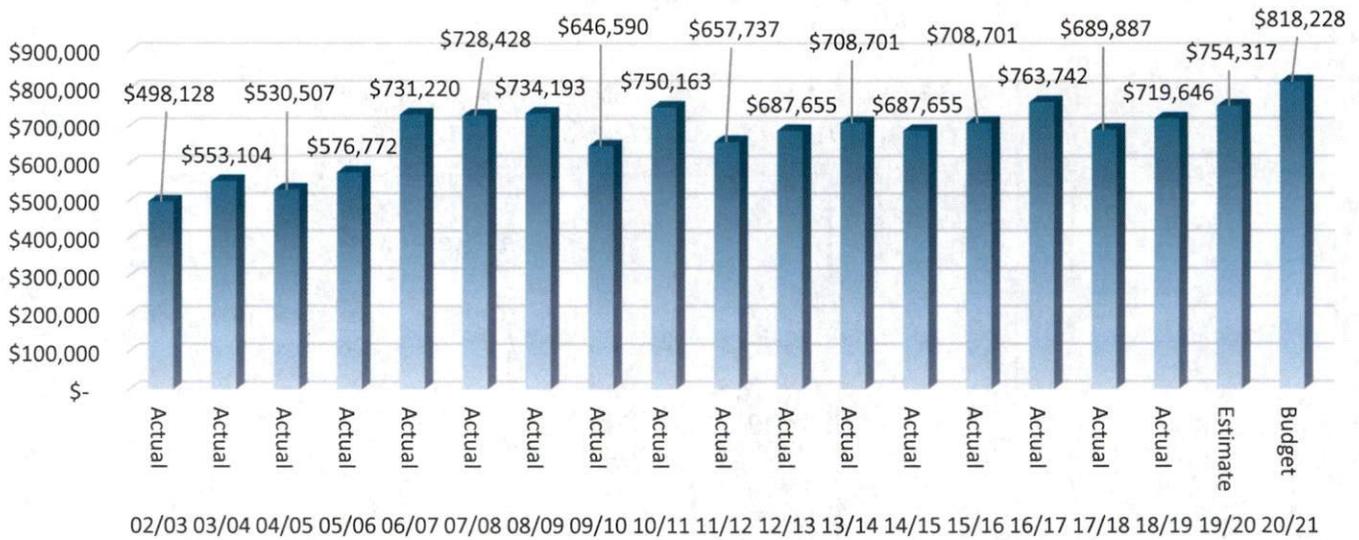
The chart above shows that the property tax revenues of the City have been somewhat volatile. This is due to the decrease in assessed values during the recession, the borrowing of property tax by the State of California and the subsequent repayment of that loan in 2012/2013. The repayment of the property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

# General Fund

## Property Taxes

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

Property Tax



## 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 2020-2021. The amount of funds received from the Utility User Tax will increase as development occurs, both residential and commercial development.

# General Fund

## Utility User Tax

### 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 .38% for 2020-2021. This small increase is projected due to the changing cost of the various utilities that are taxed.

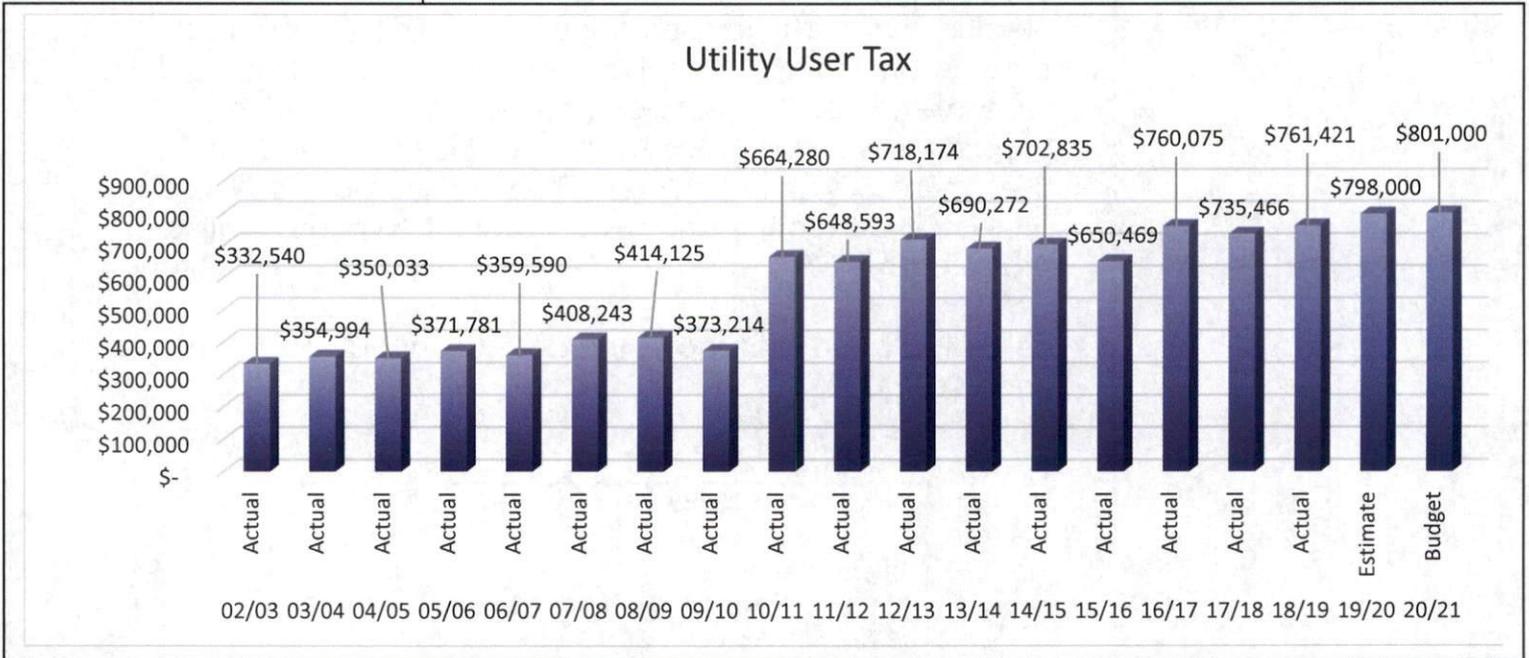
Below is a chart that shows the change in Utility User Tax since 2002/2003.

Utility User Tax (UUT)			
Fiscal Year		UUT	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	Actual	\$ 650,469	-7.45%
16/17	Actual	\$ 760,075	16.85%
17/18	Actual	\$ 735,466	-3.24%
18/19	Actual	\$ 761,421	3.53%
19/20	Estimate	\$ 798,000	4.80%
20/21	Budget	\$ 801,000	0.38%

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

## Utility User Tax



### Other Taxes

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

- Franchise Fees
- Property Transfer Tax
- Business License Fee
- Transient Occupancy Tax (TOT)
- Municipal Services Tax
- 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, as well as Waste Management.
- The Property Transfer Tax is based on an estimate of the number and value of property transaction within the City of Winters this was developed by looking at the number of vacant and under construction

## General Fund

### Other Taxes

at the time the budget was organized.

- 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. With the ongoing construction of various commercial and residential projects, the business license fee is a relatively stable 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 increase in the "Other Taxes" for the fiscal year 2020-2021 is due to the expectation that 1 hotel that was completed in 2019-2020 will continue operations now that it has been allowed to reopen during the phased re-opening of the California economy and will generate Transient Occupancy Tax for the full 2020-2021 fiscal year. A second hotel is currently under construction and should open at the end of 2020/2021 and begin generating TOT.
- 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.
- 1290 Pass through is funds received as a direct pass through from the former redevelopment agency. This revenue source will stay in place until the former redevelopment agency is completely closed out.
- Residual RDA Funds is the funds that are distributed to all the taxing entities that are receiving less property taxes as a result of the former redevelopment agency, this is the amount of property tax that is received each year that is not required to be used to pay the liabilities of the former redevelopment agency.

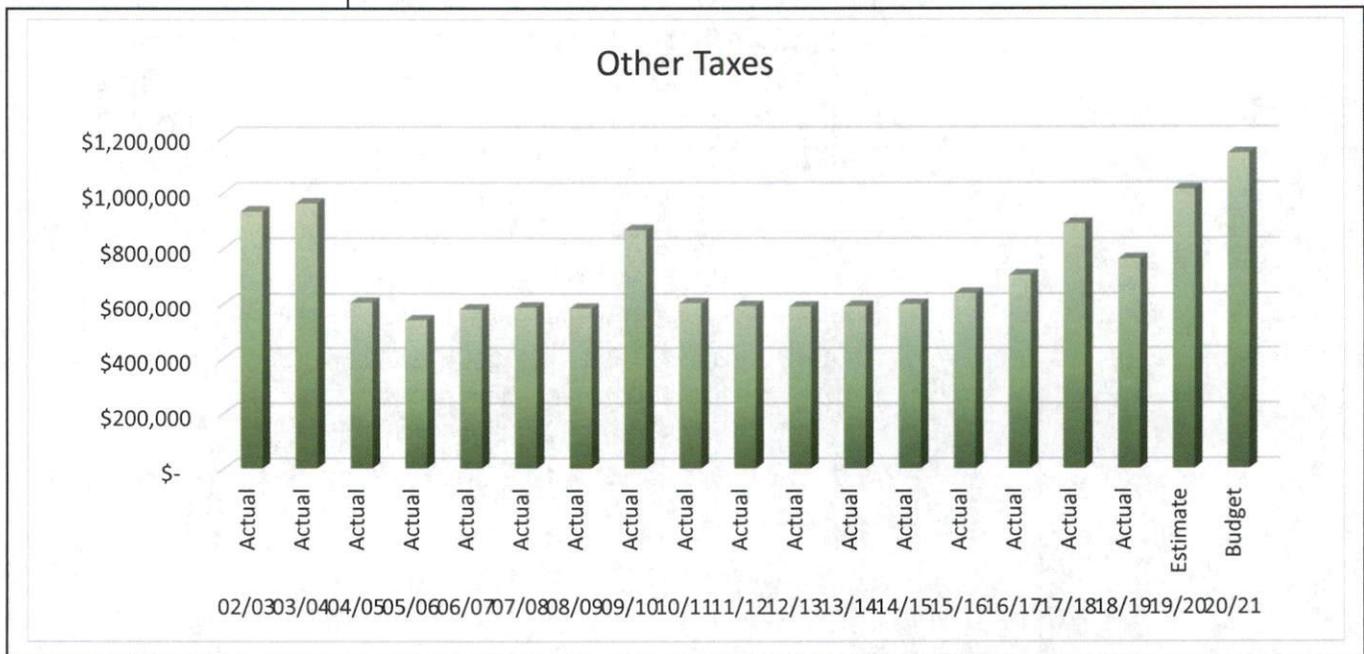
Below is a chart that shows the change in the Other Taxes since 2002-2003.

# 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	Actual	\$ 636,934	6.68%
16/17	Actual	\$ 704,021	10.53%
17/18	Actual	\$ 888,394	26.19%
18/19	Actual	\$ 761,421	-14.29%
19/20	Estimate	\$ 1,011,395	32.83%
20/21	Budget	\$ 1,140,671	12.78%

The graph below shows the change in the Other Taxes category since 2002-2003.



## 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 13% of General Fund revenues for fiscal year 2020-2012.

Proposition 1A permanently reduced the Motor Vehicle License Fee from 2% to .65% of the value of an automobile. These fees are from the registration of vehicles throughout the state and are distributed to the cities and counties based largely on population. To replace these constitutionally based Motor Vehicle License Fees, the implementation of a "Property Tax in Lieu of Motor Vehicle License Fees" was enacted. The budgeted amount increases or decreases by the percentage increase or decrease in the assessed value of property within the City of Winters based on the same year as the Property tax, 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: The City engaged Coren & Cone as the property tax consultant to better track, understand and forecast the changes in assessed value year to year, this includes providing information for the Property Tax In Lieu of VLF. Data provided from Coren & Cone projects an increase in assessed value, and therefore property tax in lieu of vlf revenue of 6.16% over that projected for 2019-2020.

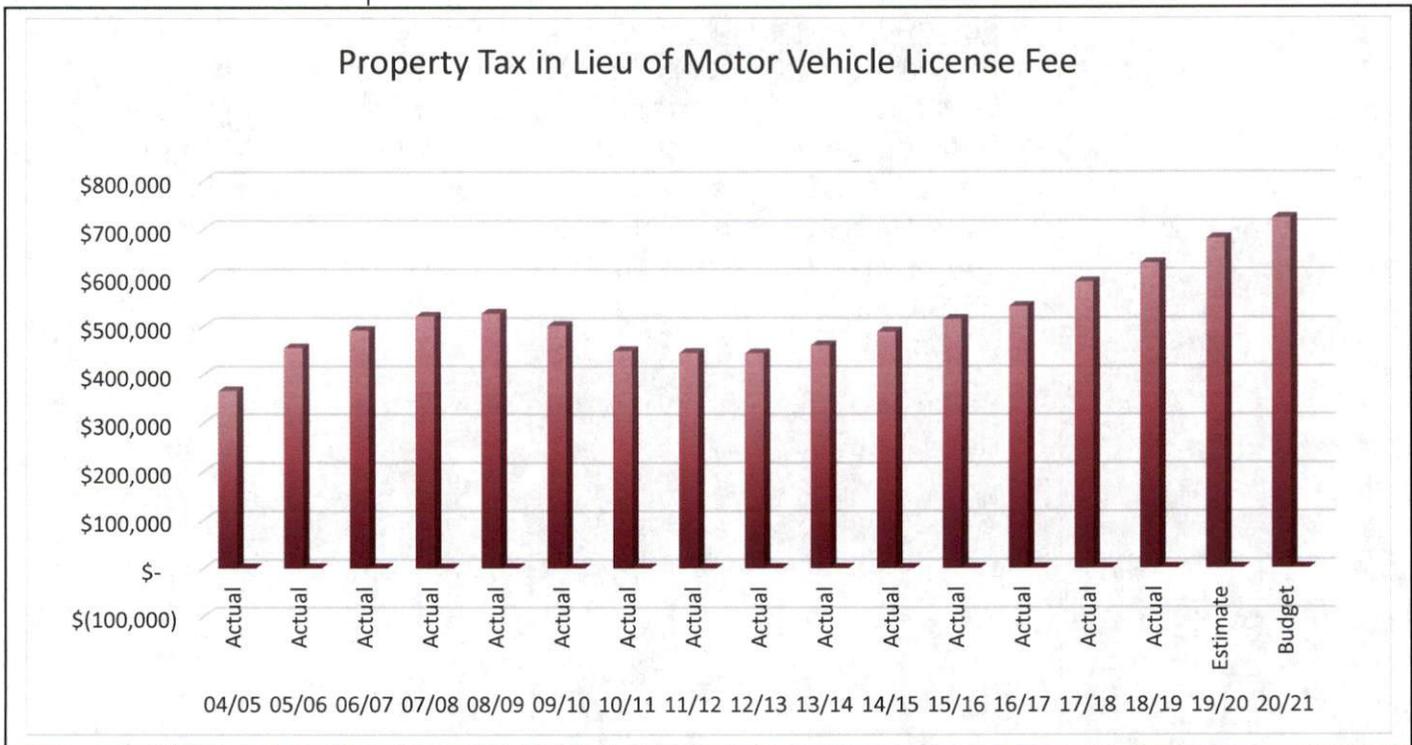
Below is a chart that shows the growth in Property Tax in Lieu of VLF.

# General Fund

## Property Tax In Lieu of Motor Vehicle License Fee

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	Actual	\$ 514,507	5.25%
16/17	Actual	\$ 540,840	5.12%
17/18	Actual	\$ 590,774	9.23%
18/19	Actual	\$ 629,654	6.58%
19/20	Estimate	\$ 680,598	8.09%
20/21	Budget	\$ 722,523	6.16%

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 12% of the general fund revenues for 2020-2021.

Budget Assumptions: Budgeted revenues are predicted to increase from 2019-2020 to 2020-2021 but expected to be lower than the amount received in the 2018-2019 fiscal year. This reduction in sales tax is expected as a result of the Covid-19 economic shut down, phased re-opening and the impact on the economy as a result. A review with our sales tax consultant Hinderliter, De Llamas and Associates (HdL) provided the estimate for the 2020-2021 year. In 2015/2016, the triple flip will ended, 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.

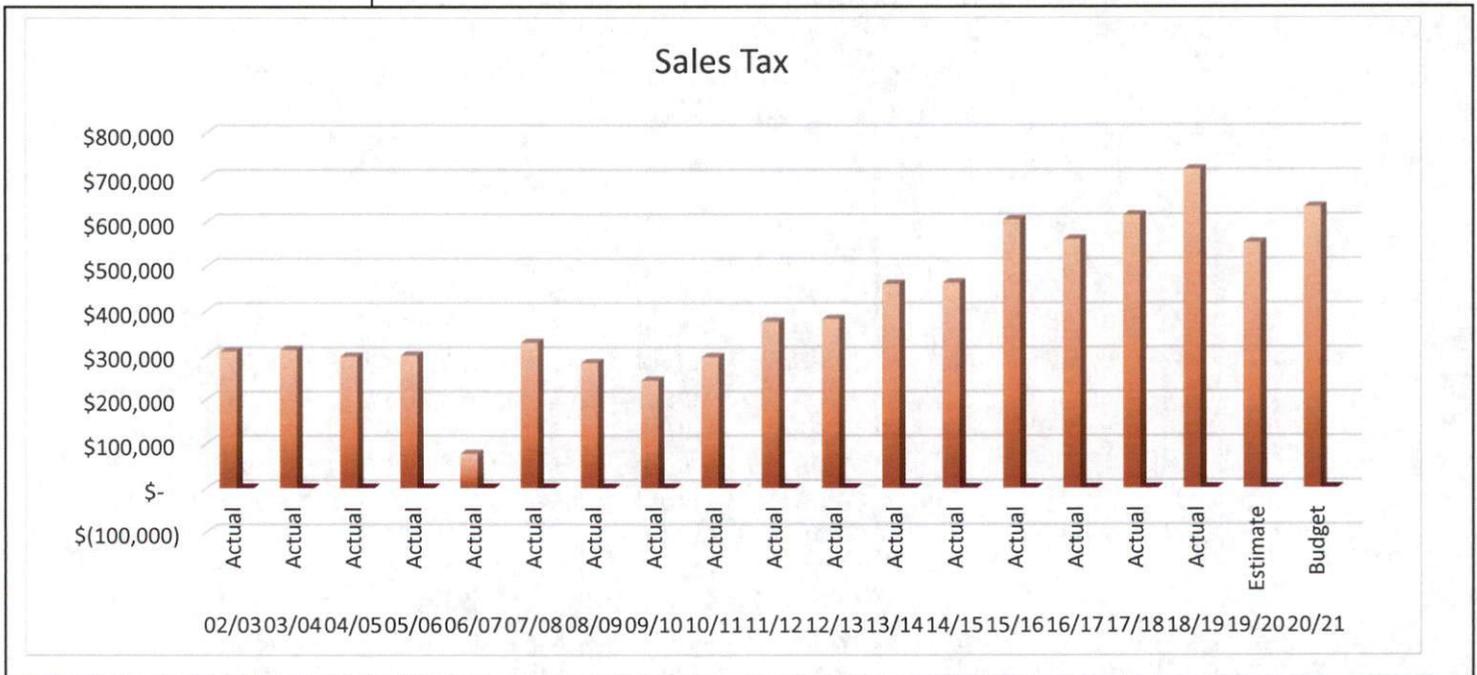
Sales Tax			
Fiscal Year		Sales Tax	Increase/ Decrease
02/03	Actual	\$ 308,341	1.00%
03/04	Actual	\$ 311,677	1.08%
04/05	Actual	\$ 296,724	-4.80%
05/06	Actual	\$ 298,904	0.73%
06/07	Actual	\$ 76,539	-74.39%
07/08	Actual	\$ 327,596	328.01%
08/09	Actual	\$ 282,075	-13.90%
09/10	Actual	\$ 242,257	-14.12%
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	Actual	\$ 604,591	30.64%
16/17	Actual	\$ 560,709	-7.26%
17/18	Actual	\$ 615,141	9.71%
18/19	Actual	\$ 717,924	16.71%
19/20	Estimate	\$ 552,938	-22.98%
20/21	Budget	\$ 633,361	14.54%

# 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, during this time, we received 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.



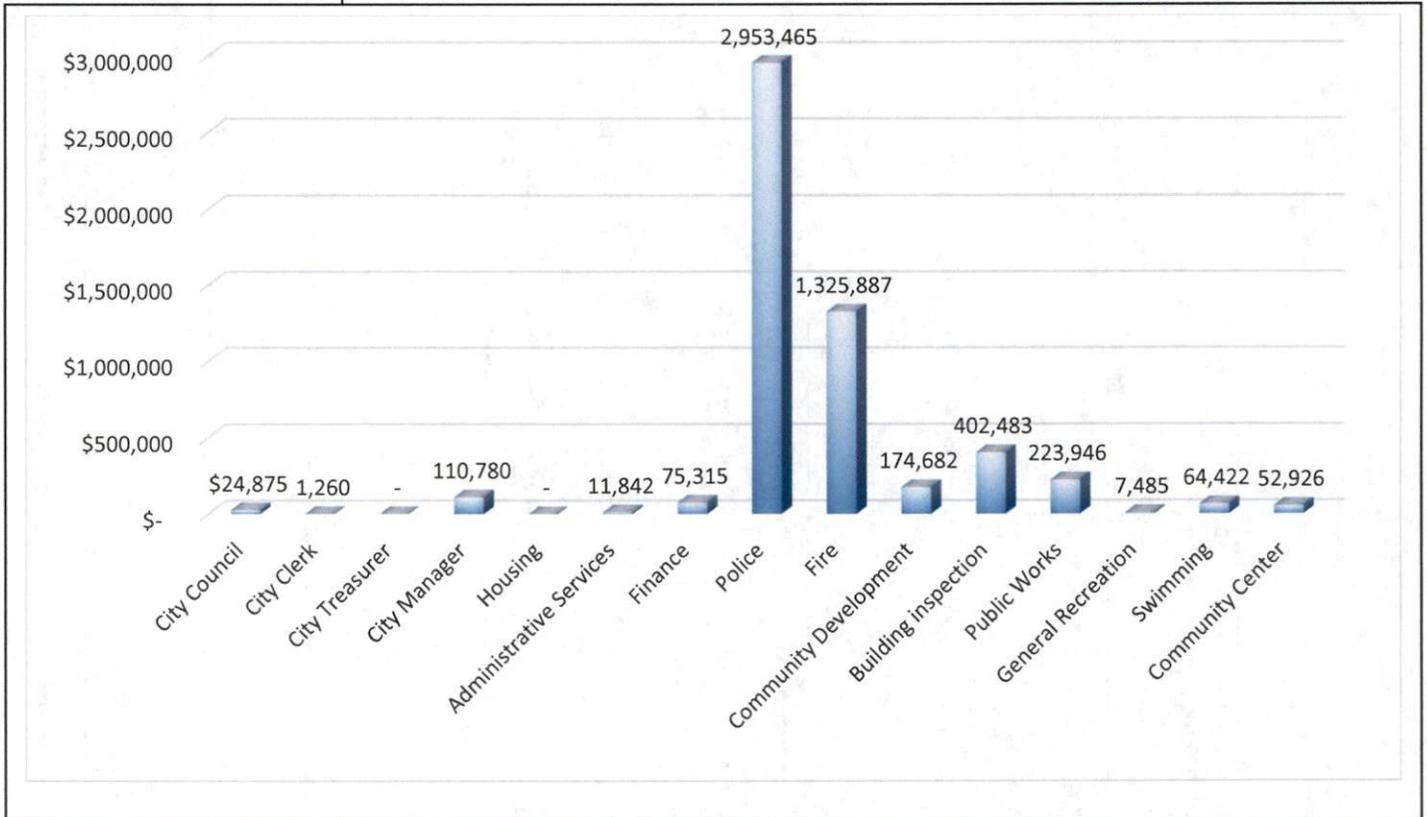
# General Fund

Below is a General Fund Budget Comparison for the years 2016-2021.

City of Winters 2016-2020 Budget Comparison								
	2016	2017	2018	2019	2020	2021	2021 Change from 2020	
	Actual	Actual	Actual	Actual	Estimated	Proposed	In \$	In%
<b>Financial Sources:</b>								
Property Taxes	\$ 708,701	\$ 763,742	\$ 689,887	\$ 719,646	\$ 754,317	\$ 818,228	\$ 63,911	8.47%
Property Tax in Lieu of VLF	514,507	540,840	590,774	629,654	680,598	722,523	41,925	6.16%
Property Taxes in Lieu of Sales Tax	110,767	-	-	-	-	-	-	0.00%
Sales and Use Taxes	530,365	598,426	654,776	759,199	589,554	667,922	78,368	13.29%
Other Taxes	1,287,403	1,351,258	1,617,208	1,667,512	1,772,779	1,907,110	134,330	7.58%
Service Charges	236,332	174,726	303,378	317,159	209,740	89,700	(120,040)	-57.23%
Rents and Concessions	71,003	86,249	93,852	102,728	94,400	94,400	-	0.00%
interest	7,073	8,801	12,638	21,052	34,322	34,322	-	0.00%
Licenses and Permits	417,647	283,390	267,021	503,269	632,053	492,906	(139,147)	-22.02%
Grants	1,051	(358)	7,908	2,525	21,587	3,500	(18,087)	-83.79%
All other Revenues	699,103	829,876	981,017	1,017,798	743,722	660,531	(83,191)	-11.19%
<b>Total Estimated Financial Sources</b>	<b>\$ 4,583,952</b>	<b>\$ 4,636,949</b>	<b>\$ 5,218,459</b>	<b>\$ 5,740,543</b>	<b>\$ 5,533,072</b>	<b>\$ 5,491,141</b>	<b>(41,931)</b>	<b>-0.76%</b>
<b>Expenditures:</b>								
City Council	\$ 5,204	\$ 30,246	\$ 16,085	\$ 17,102	\$ 28,491	\$ 24,875	\$ (3,615)	-12.69%
City Clerk	10,879	6,348	4,069	7,250	4,110	1,260	(2,850)	-69.33%
City Treasurer	346	86	103	-	-	-	-	-
City Manager	154,351	107,040	130,500	150,912	154,151	110,780	(43,371)	-28.14%
Housing	230,352	65,564	236,568	239,780	249,160	-	(249,160)	-100.00%
Administrative Services	265,448	13,914	15,927	10,549	2,601	11,842	9,241	355.24%
Finance	84,540	54,557	70,476	99,000	72,610	75,315	2,706	3.73%
Police	2,464,093	2,522,704	2,588,850	2,791,092	3,123,367	2,953,465	(169,903)	-5.44%
Fire	1,084,613	1,159,163	1,193,138	1,485,432	1,234,200	1,325,887	91,687	7.43%
Community Development	142,199	146,342	147,377	84,915	114,905	174,682	59,778	52.02%
Building inspection	328,822	306,699	421,778	403,449	406,427	402,483	(3,945)	-0.97%
Public Works	266,807	260,918	166,787	180,851	192,220	223,946	31,726	16.50%
General Recreation	8,907	12,332	58,325	69,754	136,010	7,485	(128,525)	-94.50%
Swimming	109,261	148,632	148,227	150,578	129,367	64,422	(64,945)	-50.20%
Community Center	84,380	96,014	112,563	100,207	115,266	52,926	(62,341)	-54.08%
Litigation Set-aside	-	-	-	-	-	-	-	-
Capital Expenditures	79,222	141,116	-	80,334	-	-	-	0.00%
<b>Total Budgeted Expenditures</b>	<b>\$ 5,319,425</b>	<b>\$ 5,071,675</b>	<b>\$ 5,310,773</b>	<b>\$ 5,871,202</b>	<b>\$ 5,962,887</b>	<b>\$ 5,429,369</b>	<b>\$(533,518)</b>	<b>-8.95%</b>
Net Increase(Decrease) in Fund Balance	\$ (735,473)	\$ (434,726)	\$ (92,313)	\$ (130,659)	\$ (429,815)	\$ 61,772		
Fund Balance July 1	\$ 2,363,014	\$ 2,067,879	\$ 1,570,512	\$ 1,369,866	\$ 1,141,295	\$ 711,481		
Transfers	\$ 440,338	\$ (62,641)	\$ (108,333)	\$ (97,911)	\$ -	\$ -		
Adjustments								
Fund Balance June 30	<b>\$ 2,067,879</b>	<b>\$ 1,570,512</b>	<b>\$ 1,369,866</b>	<b>\$ 1,141,295</b>	<b>\$ 711,481</b>	<b>\$ 773,253</b>		

# General Fund

Below is a chart of the expenditures of the General Fund by Department for the City of Winters for 2020-2021



For Fiscal Year 2020-2021 the General Fund Expenditures points of interest include:

- Reduction of 1 Sergeant Position
- Elimination of Economic Development and Housing Manager
- Elimination of 1 Management Analyst Position
- Retirement of Records Manager mid-year, position to be left vacant upon retirement.
- Elimination of Contract Planning position
- Elimination of Summer Intern Positions
- Pool Operating under Covid-19 protocols
- Community Center closed and will only open when allowed under Covid-19 protocols.

## General Fund

### General Fund Reserves

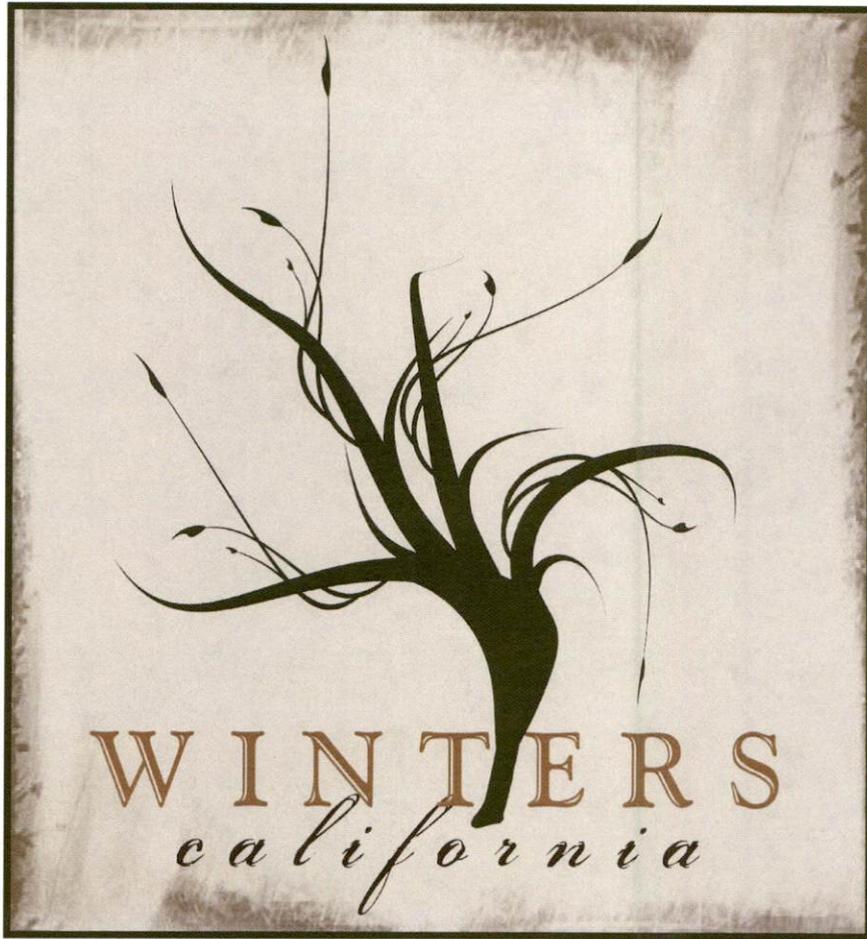
The Fiscal Policies of the City of Winters include cash and emergency reserves for specific funds. For the General Fund, the policy is a reserved fund balance of 50% of annual expenditures and 25% of the fund balance is to be un-appropriated at year-end.

City of Winters	
Fund Balance and ability to meet Reserve Policy Requirements	
Estimated General Fund fund Balance 6/30/2020	\$ 711,481
Cash Reserve \$5.429,369 X 50%	2,714,685
Fund balance used to fund 2020-2021	-
Un-appropriated, unreserved Fund Balance	<u>\$ (2,003,204)</u>
Required Emergency Reserve (Per Policy) \$2,714,685 x 25% of Fund Balance	<u>678,671</u>
Fund Balance Available	\$ (2,003,204)
Required Unappropriated Unreserved Fund Balance	<u>678,671</u>
Unappropriated Unreserved Fund Balance above Policy	<u>\$ (2,681,875)</u>

The estimated un-appropriated unreserved fund balance for 2020-2021 is (\$2,003,204) or \$2,681,875 less than required, based on the estimated fund balance as of June 30, 2020. The impact on the economy and therefore the cash flows and revenues for the 2019-2020 fiscal year are predicted to use a substantial amount of the accumulated reserves for the City of Winters. We have proposed a balanced budget for 2020-2021 and will be ready to make adjustments as necessary to prevent additional use of fund balance for operations in 2020-2021.

**General  
Fund**

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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 35 special revenue funds with budgeted activity for 2020-2021. Six (6) 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
- SB1 Road Maintenance and Rehabilitation Account
- Transportation Development Act Funds
- Winters Swim Team
- Community Festival

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 engineer's 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 2020/2021.

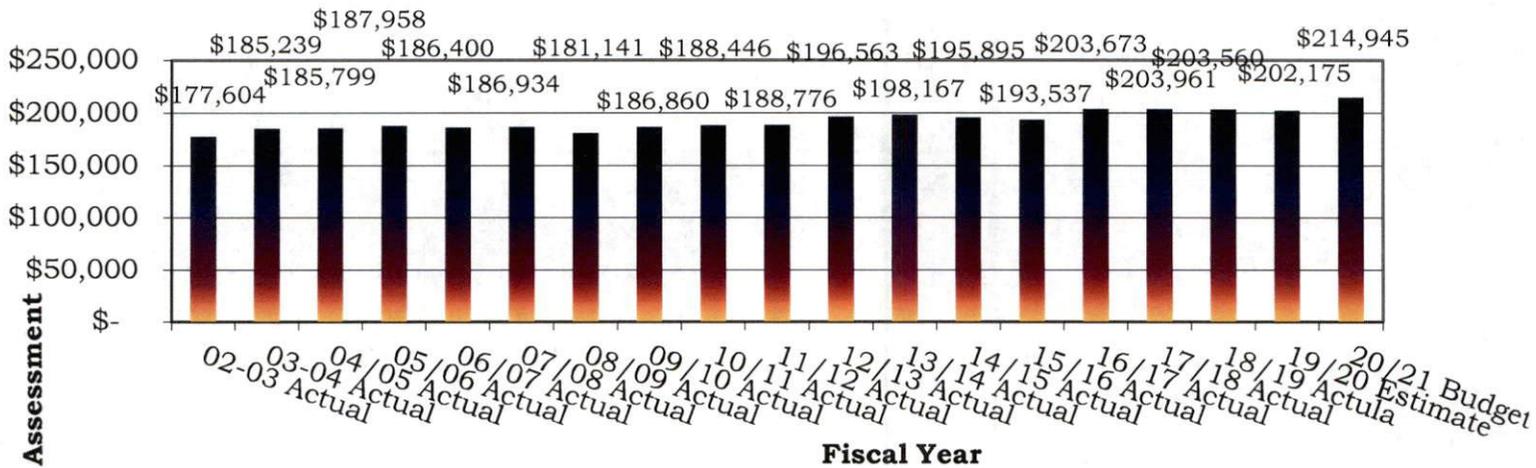
# Other Funds

## Special Revenue Funds City Wide Assessment District

City Wide Assessment Revenues		
Fiscal Year	Amount	Increase/ (Decrease)
02-03 Actual	\$ 177,604	11%
03-04 Actual	\$ 185,239	4%
04/05 Actual	\$ 185,799	0%
05/06 Actual	\$ 187,958	1%
06/07 Actual	\$ 186,400	-1%
07/08 Actual	\$ 186,934	0%
08/09 Actual	\$ 181,141	-3%
09/10 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 Actual	\$ 193,537	-1%
16/17 Actual	\$ 203,673	5%
17/18 Actual	\$ 203,961	0%
18/19 Actula	\$ 203,560	0%
19/20 Estimate	\$ 202,175	-1%
20/21 Budget	\$ 214,945	6%

The following graph shows the City Wide Assessment Revenues for 2002-2003 through 2020-2021.

### City Wide Assessment Revenues



# Other Funds

## Special Revenue Funds City Wide Assessment District

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

The subsidy is estimated to be as follows:

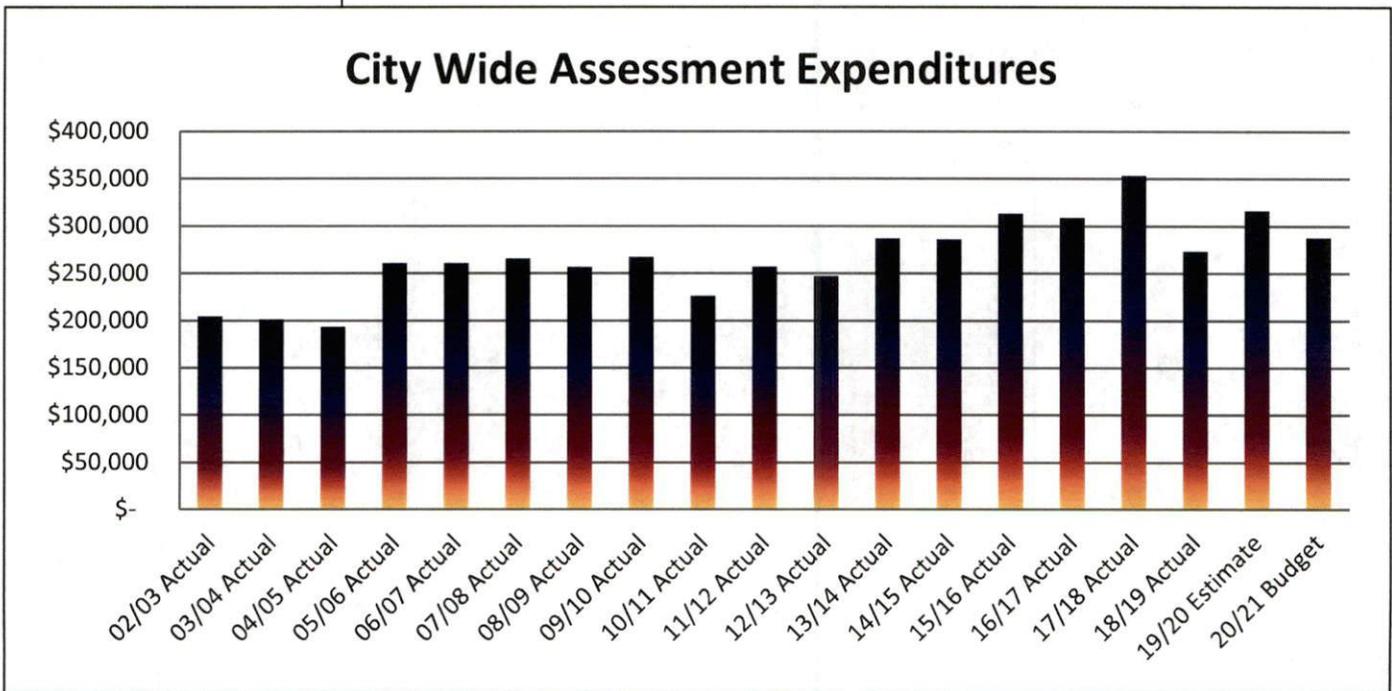
City Wide Assessment Subsidy from General Fund		
Fiscal Year	Amount	Increase/ (Decrease)
02-03 Actual	\$ -	11%
03-04 Actual	\$ -	0%
04/05 Actual	\$ -	0%
05/06 Actual	\$ 108,782	0%
06/07 Actual	\$ 83,991	-23%
07/08 Actual	\$ 82,904	-1%
08/09 Actual	\$ 101,463	22%
09/10 Actual	\$ 96,822	-5%
10/11 Actual	\$ 77,535	-20%
11/12 Actual	\$ 87,128	12%
12/13 Actual	\$ 72,934	-16%
13/14 Actual	\$ 88,774	22%
14/15 Actual	\$ 57,058	-36%
15/16 Actual	\$ 120,265	111%
16/17 Actual	\$ 105,314	-12%
17/18 Actual	\$ -	-100%
18/19 Actual	\$ 319,556	0%
19/20 Estimate	\$ 114,334	-64%
20/21 Budget	\$ 73,764	-35%

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 2020/2021.

# Other Funds

## Special Revenue Funds City Wide Assessment District

City Wide Assessment Expenditures		
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 Actual	\$ 313,302	9%
16/17 Actual	\$ 308,987	-1%
17/18 Actual	\$ 353,431	14%
18/19 Actual	\$ 273,314	-23%
19/20 Estimate	\$ 316,509	16%
20/21 Budget	\$ 287,791	-9%



## Other Funds

### Special Revenue Funds City Wide Assessment District

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 6/30/18	\$ 58,253
Dry Creek Stabilization	61,081
Rancho Arroyo Banks Stabilization	9,172
Unappropriated/Unreserved Fund Balance	\$ (12,000)

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 housing and commercial 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 2020-2021 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 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 were 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. Beginning in 2017-2018 the State of California began paying cities and counties for Gas Tax revenues that had been "borrowed" by the State in past years. This is the reason for the large increase from 2017-2018 to 2018-2019.

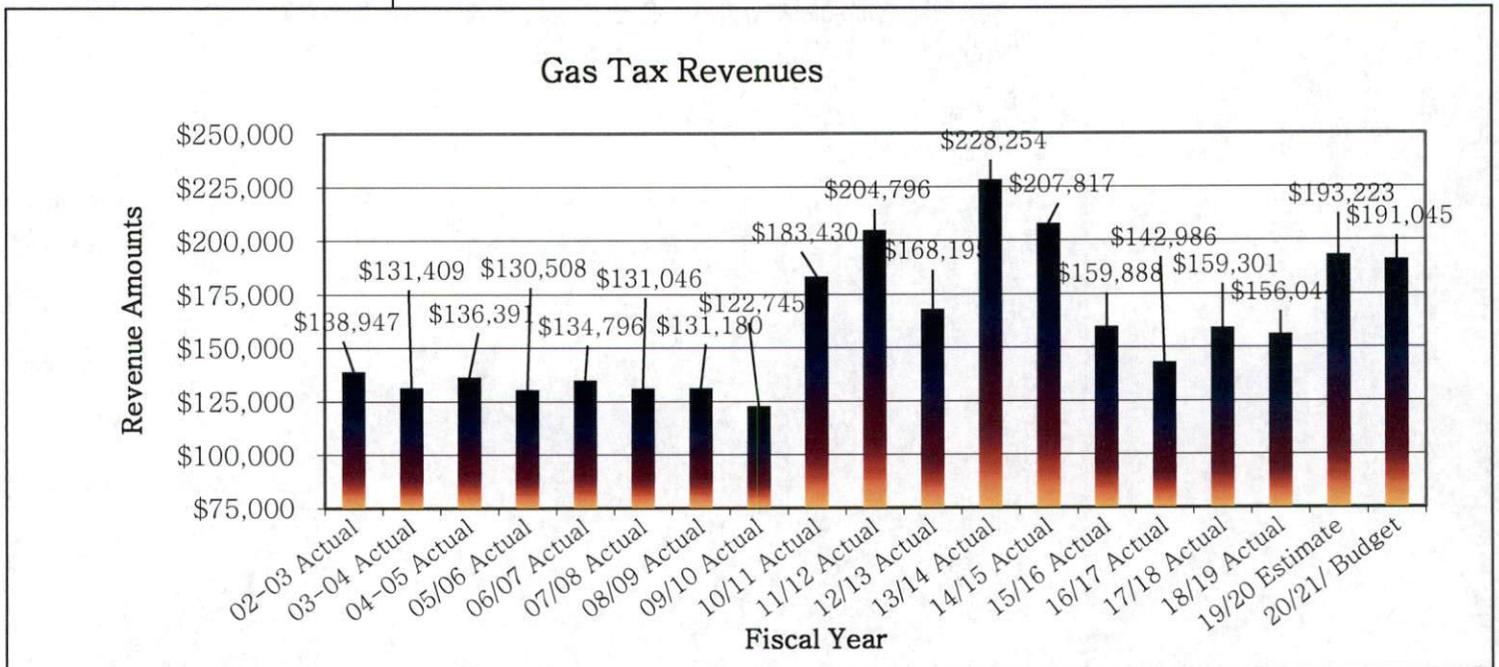
The chart below shows Gas Tax Revenues for 2002/2003 through 20120/2021.

# Other Funds

## Special Revenue Funds Gas Tax Fund

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 Actual	\$ 159,888	-23%
16/17 Actual	\$ 142,986	-11%
17/18 Actual	\$ 159,301	11%
18/19 Actual	\$ 156,044	-2%
19/20 Estimate	\$ 193,223	24%
20/21/ Budget	\$ 191,045	-1%

The graph below shows the revenues from the Gas Tax Fund for 2002-2003 through 2020/2021.



## Other Funds

### Special Revenue Funds

#### Gas Tax Fund

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 2018-2019 and 2019-2020 include funding to combine with SB1 Road Maintenance and Rehabilitation funds provided from the State of California that was made available by additional gas tax funding passed by the legislature, to complete street improvement projects, including sidewalk repairs, and street maintenance to extend the life of current streets within the City of Winters. The SB1 Road Maintenance and Rehabilitation fund will be discussed in more detail later in this section.

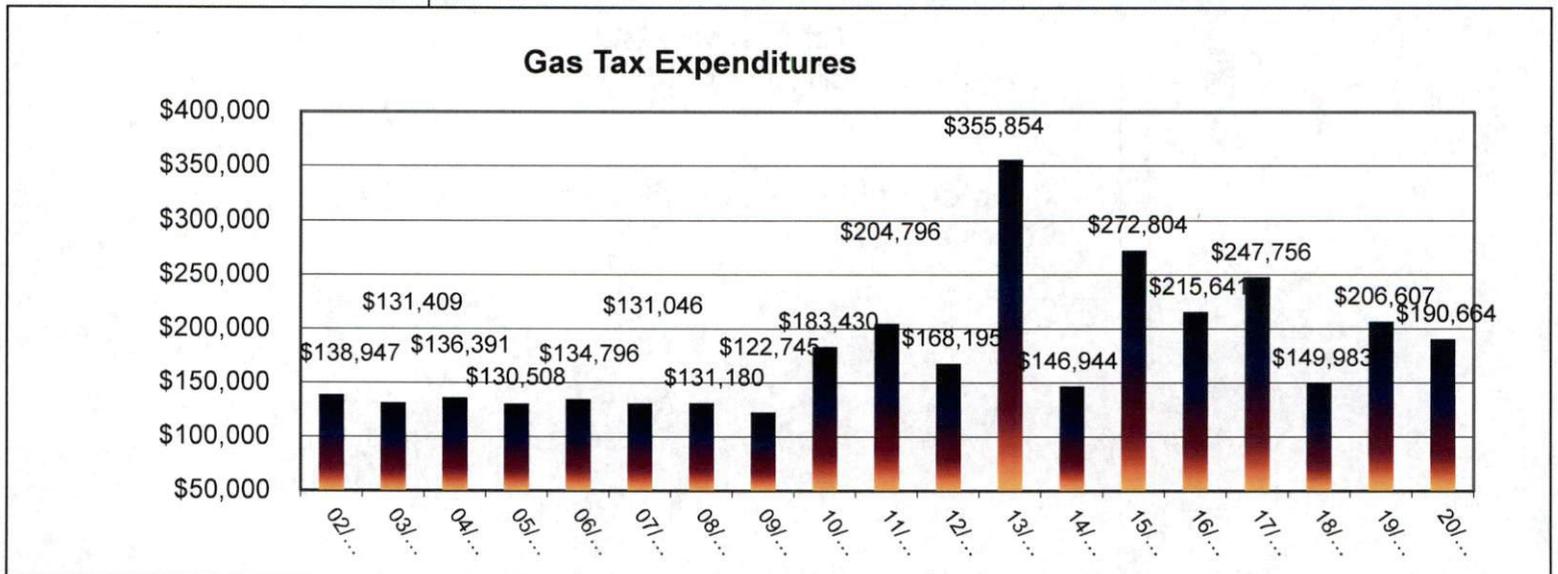
The chart below shows the expenditures for 2002/2003 through 2019/2020.

# Other Funds

## Special Revenue Funds Gas Tax Fund

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 Actual	\$ 272,804	86%
16/17 Actual	\$ 215,641	-21%
17/18 Actual	\$ 247,756	15%
18/19 Actual	\$ 149,983	-39%
19/20 Estimate	\$ 206,607	38%
19/20 Budget	\$ 190,664	-8%

The graph below shows expenditures of gas tax funds for 2002/2003 through 2020/2021



## Other 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 2020-2021 and the budgeted revenues are based on that finding.

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

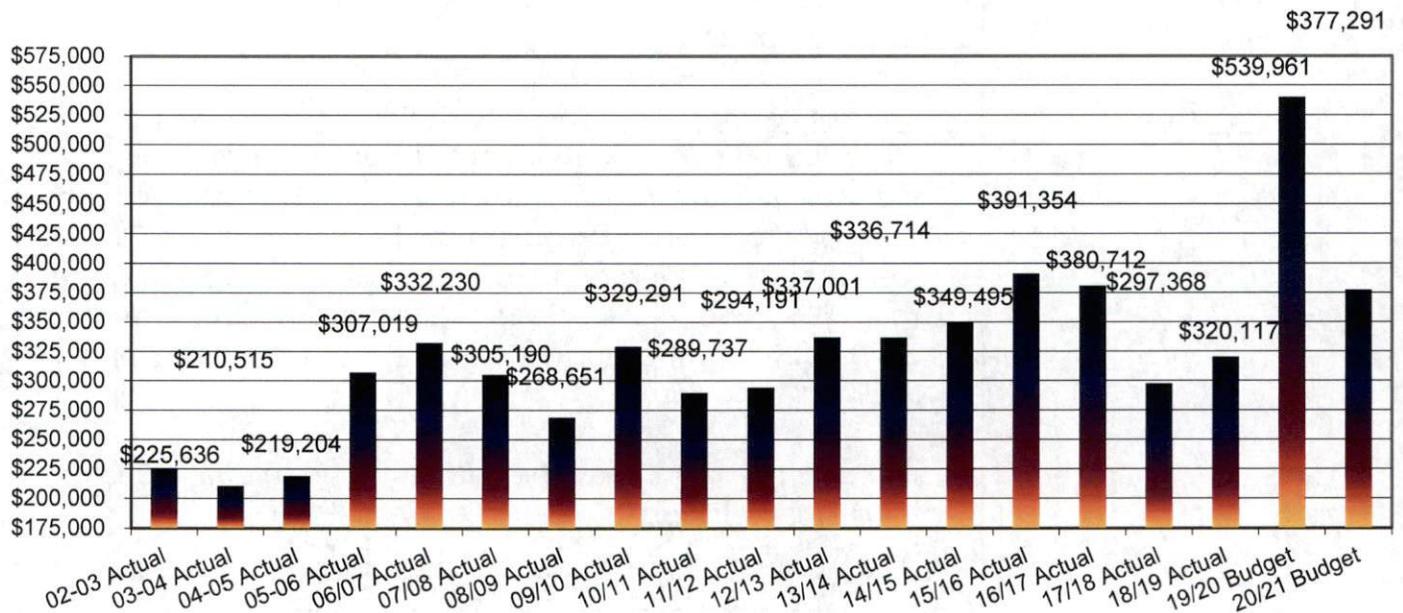
Transportation Development Act Fund Revenues				
Fiscal Year	LTF	STA	Total	Increase/ (Decrease)
02-03 Actual	221,228	4,408	\$ 225,636	-41%
03-04 Actual	210,515	-	\$ 210,515	-7%
04-05 Actual	219,204	-	\$ 219,204	4%
05-06 Actual	268,019	39,000	\$ 307,019	40%
06/07 Actual	332,230	-	\$ 332,230	8%
07/08 Actual	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 Actual	391,354	-	\$ 391,354	12%
16/17 Actual	380,712	-	\$ 380,712	-3%
17/18 Actual	297,368	-	\$ 297,368	-22%
18/19 Actual	320,117	-	\$ 320,117	8%
19/20 Budget	388,957	151,004	\$ 539,961	69%
20/21 Budget	360,748	16,543	\$ 377,291	-30%

# Other Funds

## Special Revenue Funds Transportation Development Act Funds

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

**Transportation Development Act Revenues**



The primary purpose of the 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.

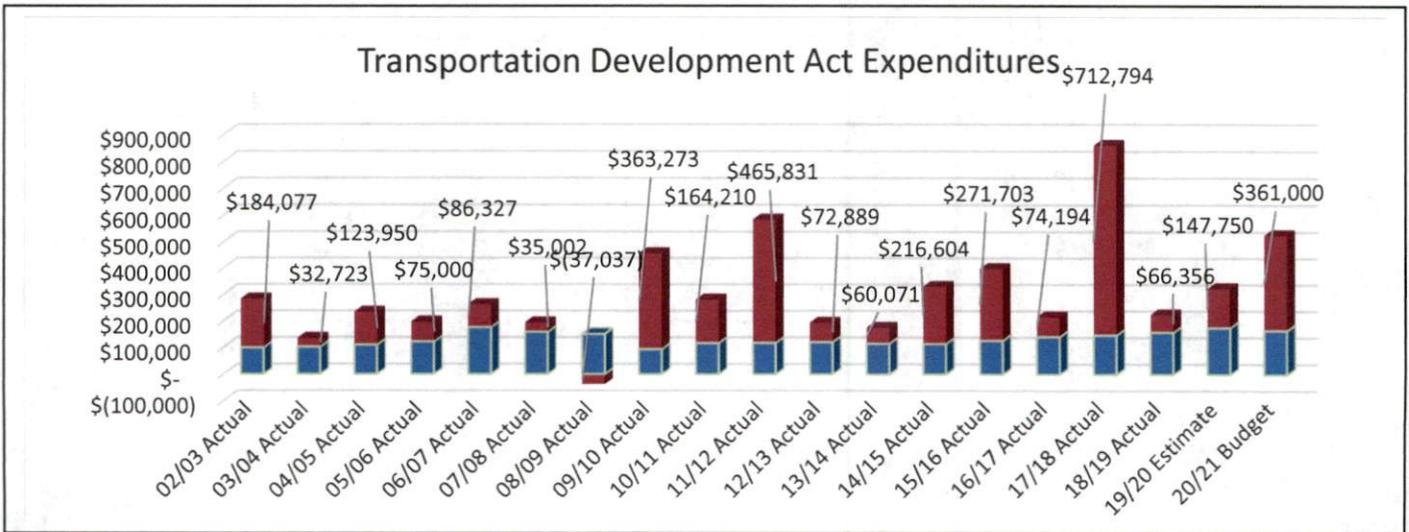
# Other Funds

## Special Revenue Funds Transportation Development Act Funds

The Chart below details the expenditures from the Transportation Development Act Fund since

Transportation Development Act Expenditures			
Fiscal Year	Bus Service	Streets and Roads	Total Expenditures
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	\$ 457,136
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 Actual	\$ 127,049	\$ 271,703	\$ 398,752
16/17 Actual	\$ 141,447	\$ 74,194	\$ 215,641
17/18 Actual	\$ 147,652	\$ 712,794	\$ 860,446
18/19 Actual	\$ 158,426	\$ 66,356	\$ 224,782
19/20 Estimate	\$ 176,000	\$ 147,750	\$ 323,750
20/21 Budget	\$ 165,633	\$ 361,000	\$ 526,633

2002-2003. The graph on the next page shows expenditures for 2002/2003 through 2020/2021.



## Other Funds

### Special Revenue Funds SB1 Road Maintenance and Rehabilitation Act

In March 2017, a transportation funding agreement was announced in California. Funding for this was arrived at by increasing the current gasoline excise tax by 12 cents per gallon of gas, increasing vehicle registration fees based on a sliding scale based on the value of the vehicle, increasing the diesel excise tax by 20 cents per gallon, increasing diesel sales tax by 4% and increasing Vehicle registration fees by \$100 for zero emission vehicles.

Funding from SB1 may be used for the following:

- Road Maintenance and Rehabilitation
- Road Safety projects
- Railroad grade separations
- Traffic control devices
- Complete Street Components, including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and storm water capture projects in conjunction with any other allowable project.

Cities must submit lists of projects to the California Transportation Commission (CTC) to be approved prior to the City receiving any SB1 Funding.

The first fiscal year that the City of Winters received funding was 2017-2018. Below is a chart that shows the funding since the inception of the SB1 RMRA.Be

SB1 RMRA			
Fiscal Year		Amount	Increase/ (Decrease)
17/18 Actual	\$	42,511	100%
18/19 Actual	\$	133,722	215%
19/20 Estimate	\$	136,644	2%
20/21/ Budget	\$	140,084	3%

## Other Funds

### Special Revenue Funds SB1 Road Maintenance and Rehabilitation Act

Below is a chart that shows the expenditures since the inception of the funding.

SB1 RMRA Fund		
Fiscal year	Amount	Increase/ (Decrease)
17/18 Actual	\$ -	-
18/19 Actula	\$ 40,760	100%
19/20 Estimated	\$ 120,000	194%
20-21 Budget	136,644	14%

### 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.

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.

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

## Other Funds

### Special Revenue Funds Winters Swim Team Fund

Winters Swim Team Revenues		
Fiscal Year	Amount	Increase/ (Decrease)
04-05 Actual	\$ 67,678	0%
05/06 Actual	\$ 66,488	-2%
06/07 Actual	\$ 71,945	8%
07/08 Actual	\$ 7,887	-89%
08/09 Actual	\$ 67,625	757%
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 Actual	\$ 30,119	-13%
16/17 Actual	\$ 30,418	1%
17/18 Actual	\$ 20,680	-32%
18/19 Actual	\$ 33,149	60%
19/20 Estimate	\$ 16,870	-49%
20/21/ Budget	\$ 15,000	-11%

# Other Funds

# Special Revenue Funds Estimated Fund Balances

City of Winters Estimated Fund Balances for Special Revenue Funds					
Fund	Estimated Fund Balance 7/1/2020	Budgeted Revenues 2020/2021	Budgeted Expenditures 2020/2021	Budgeted Transfers 2020/2021	Estimated Fund Balance 6/30/2021
104 Fireworks	\$ 5,161	\$ -	\$ -		5,161
105 Senior Fund	\$ 317	10	-		327
106 Winters Swim Project	\$ 1,302	20	-		1,322
107 Park Maintenance	\$ 2,995	56	-		3,051
108 Munchkins	\$ 0	-	-		0
111 Afterschool Tuition	\$ 223,130	41,000	-		264,130
113 113 tabs	\$ 333,904	-	-		333,904
115 Canine Program	\$ 2,161	5	-		2,166
116 Police Cadet Program	\$ 3,297	20	-		3,317
117 Community Garden	\$ 766	364	-		1,130
201 Fire Protection Grant	\$ 712	5	-		717
208 First Time Homebuyer in Lieu	\$ 89,928	756	-	-	90,684
209 In Lieu Affordable Housing	\$ 816,364	196,710	-		1,013,074
211 City Wide Assessment	\$ 58,253	214,945	287,791	73,764	59,171
212 Flood Assessment District	\$ 4,077	25	-		4,102
221 Gas Tax Fund	\$ 758	191,045	190,664		1,138
226 SB1 RMRA	\$ 152,117	140,084	136,644		155,557
231 State COPS 1913	\$ 205,988	140,025	174,559		171,454
233 Realignment Funds	\$ 69,416	400	6,163		63,654
236 BSCC Grant	\$ 9,403	-	-		9,403
251 traffic safety	\$ 125,683	4,100	15,406		114,377
252 asset fof	\$ 1,300	422	-		1,722
254 Vehicle Theft Deterrent	\$ 39,513	-	-		39,513
291 Recycling Grant	\$ 6,583	5,005	5,000		6,588
294 Transportation/Bus Service	\$ 368,808	377,291	526,633	-	219,466
299 After School Program	\$ 26,350	73,951	74,350		25,951
313 STBG 96-1043 Grant	\$ (29,070)	-	-		(29,070)
314 EDBG 99-688	\$ 82,061	-	-		82,061
316 HOME-Choc	\$ 2,843,180	-	-	-	2,843,180
321 EDBG 99-688	\$ 51,925	2,319	-		54,244
322 EDBG 99-405	\$ 204,959	3,000	-	-	207,959
328 16-HOME-10803	\$ 2,685	-	-		2,685
341 Green House Gas Grabt	\$ 15,471	-	-		15,471
342 ASES-Rominter	\$ 0	63,600	63,600		0
343 21st Waggoner	\$ 0	66,941	66,941		(0)
344 21st Rominger	\$ 0	35,150	35,150		0
345 21st Muchkin	\$ -	81,550	81,550		-
351 Housing Rehab RLF	\$ 105,993	4,773	-		110,766
352 First Time Homebuyer RLF	\$ 271,588	-	-	(55,377)	271,588
356 Home Fund RLF	\$ 374,106	8	-		374,114
358 Program Income Fund	\$ 784,817	2,000	-	55,377	786,817
803 Elderberry Fund	\$ 299,855	40,000	-	-	339,855
831 Winters Swim Team	\$ 50,583	15,000	9,500		56,083
833 Festibal	\$ 52,004	24,856	7,950		68,910
836 PCH HOA	\$ 16,134	135	-	-	16,269
838 WPD Youth Services	\$ 369	3	-		372
839 Youth Day	\$ 754	6	-		760
841 PD Cancer Patch Funds	\$ 657	-	-		657
<b>Totals</b>	<b>\$ 7,676,357</b>	<b>\$ 1,725,581</b>	<b>\$ 1,681,901</b>	<b>\$ 73,764</b>	<b>\$ 7,793,801</b>

## Other Funds

### Capital Project Funds

The Capital Project Funds are used to account for financial resources used to acquire or construct major capital facilities for the City of Winters. The City of Winters has three (3) types of Capital Project Funds, Impact Fee Funds, 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 provides the nexus for collecting the fee, and was last updated in November 2018. 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 2020-2021 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 116 single family residential units for 2020-2021.

Projected Impact Fee Revenues	
2018-2019	
Water Impact Fee	\$ 217,614
Sewer Impact Fee	285,748
General Storm Drain Fee	-
Street Impact Fee	294,394
Police Impact Fee	94,230
Fire Impact Fee	190,476
Park Impact Fee	442,513
Monitoring Impact Fee	15,093
Storm Drain	-
General Impact Fee	159,368
Fire Suppression	-
	<u>\$ 1,699,435</u>

Projects are proposed for the various impact fee funds totaling 301,681 for 2020-2021 and are detailed below:

- Purchase of new Records Management System (RMS) in partnership with Yolo Communication Agency.
- Renovation of the vacated Police Department Building to provide more a more secure area for staff to work.

### 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.

## Other Funds

### Capital Project Funds

#### Other Sources of Capital

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
- Sewer Capital

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 Sports Park containing soccer and Little League facilities.

# Other Funds

## Capital Project Funds Estimated Fund Balances

City of Winters Estimated Fund Balances for Capital Funds					
Fund	Estimated Fund Balance 7/1/2020	Budgeted Revenues 2020-2021	Budgeted Expenditures 2020-2021	Budgeted Transfers 2020-2021	Estimated Fund Balance 6/30/2021
411 Street Impact Fee	\$ 414,861	\$ 294,394	\$ 145		\$ 709,110
412 Storm Impact Fee	\$ 219,139	\$ 1,400	281		220,258
413 Parks Impact Fee	\$ 519,160	\$ 442,513	163		961,510
414 Police Impact Fee	\$ 310,053	\$ 96,230	101,828		304,456
415 Fire Impact Fee	\$ 730,836	\$ 193,517	155		924,197
416 General Facility Impact Fee	\$ 855,411	\$ 162,605	203,888		814,128
417 Water Impact Fee	\$ 883,896	\$ 221,531	213	-	1,105,214
418 Sewer Impact Fee	\$ 848,406	\$ 286,632	142		1,134,896
419 Flood Fees	\$ 403,622	\$ 1,300	-		404,922
422 Landfill Capital	\$ 14,525	\$ -	103,000		(88,475)
423 Street Capita;	\$ (0)	\$ 20	-		20
424 Park Capital	\$ 756,712	\$ 331	-		757,043
481 General Plan Capital	\$ (314,587)	\$ -		\$ 15,093	(299,494)
482 Flood Control Capital	\$ (123,620)	\$ 8			(123,612)
492 RAJA Storm Drain	\$ 108,010	\$ 260	-		108,270
494 Capital Asset Recovery Fund	\$ 159,191	\$ 12,237	-		171,428
495 Monitoring Fee	\$ 332	\$ 15,093	-	(15,093)	332
496 Non Flood Storm Drain Capital	\$ 249	\$ 2			251
622 Sewer Capital	\$ 15,959	\$ -	-		15,959
<b>Totals</b>	<b>\$ 5,802,155</b>	<b>\$ 1,728,072</b>	<b>\$ 409,815</b>	<b>\$ -</b>	<b>\$ 7,120,412</b>

## Other Funds

### Enterprise Funds

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

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

### Water Enterprise Fund

The City of Winters fiscal policies require an un-appropriated un-reserved fund balance of 50% annual operating expenditures. The projected fund balance reserve for 2020-20201 is as follows:

Estimated Water fund Balance 6/30/2020	\$	1,835,395
Required Un-appropriated unreserved fund balance \$1,704,520 X 50%		852,260
Un-appropriated, unreserved Fund Balance 6/30/2021	\$	983,135
Fund Balance above reserve requirement		

In early September 2018 the City Council adopted new rates along with approving the refunding of the 2007 Water Revenues bonds. The rates were established in such a manner as to be sure all debt service covenants were met, and the bond refunding required the City to undertake a consultant prepared rate study in the 19/20 fiscal year. The rate study is currently underway and should be completed and ready to go through the Proposition 218 process beginning in mid to late July 2020,

# Other Funds

## Enterprise Funds Water Enterprise Fund

The following chart shows the 2015/2016, and 2016/2017 . 2017/2018 and 2018\*2019 actual income and expenses, the 2019/2020 estimated income and expenses and the 2020/2021 budgeted income and expenditures for the Water Operating and Maintenance Fund (O & M).

City of Winters Water Enterprise Fund								
	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Estimate	2021 Budget	Change from Prior Year	
							In \$	In %
Operating Revenues								
Charges for Services	\$ 1,353,065	\$ 1,405,104	\$ 1,493,316	\$ 1,538,921	\$ 1,674,659	\$ 1,694,929	\$ 20,270	1%
Other Revenues	904	1,707	5,397	5,130	18,297	10,660	(7,637)	-42%
<b>Total Operating Revenues</b>	<b>\$ 1,353,969</b>	<b>\$ 1,406,811</b>	<b>\$ 1,498,713</b>	<b>\$ 1,544,051</b>	<b>\$ 1,692,956</b>	<b>\$ 1,705,589</b>	<b>\$ 12,633</b>	<b>10%</b>
Operating Expenses								
Allocated Cost	\$ 622,429	\$ 542,944	\$ 592,388	\$ 682,062	\$ 568,993	\$ 558,436	\$ (10,557)	-2%
Salaries and Benefits	361,802	280,624	366,886	324,620	350,214	361,708	11,494	3%
Professional Services	74,556	29,111	59,607	54,052	47,700	54,900	7,200	15%
Supplies and Material	19,653	17,129	63,734	73,616	21,050	22,750	1,700	8%
Utilities	137,386	132,766	175,164	147,327	187,000	212,848	25,848	14%
Other Operating Expenses	77,921	81,837	-	-	123,059	173,423	50,364	41%
Depreciation	95,524	90,732	102,374	105,645	-	-	-	0%
Debt Service	150,432	147,123	143,548	84,942	246,969	163,944	(83,025)	-34%
Capital Projects	-	4,350	-	-	125,000	155,000	30,000	24%
<b>Total Operating Expenses</b>	<b>\$ 1,539,702</b>	<b>\$ 1,326,616</b>	<b>\$ 1,503,701</b>	<b>\$ 1,472,264</b>	<b>\$ 1,669,985</b>	<b>\$ 1,703,009</b>	<b>\$ 230,745</b>	<b>2%</b>
Operating Income (Loss)	\$ (185,733)	\$ 80,195	\$ (4,988)	\$ 71,787	\$ 22,971	\$ 2,580	\$ (20,391)	-89%
Non Operating Revenues(Expens	-	-	-	-	-	-	-	-
Income(Loss) before Operating T	(185,733)	80,195	(4,988)	71,787	22,971	2,580	(20,391)	-89%
Operating Transfers In	-	38,514	564,820	210,000	-	-	-	0
Operating Transfers Out	-	-	(62,317)	-	-	(1,511)	-	0%
<b>Net Income(Loss)</b>	<b>\$ (185,733)</b>	<b>\$ 118,709</b>	<b>\$ 497,515</b>	<b>\$ 281,787</b>	<b>\$ 22,971</b>	<b>\$ 1,069</b>	<b>(21,902)</b>	<b>-95%</b>
Retained Earnings July 1 Adjustments	1,082,527	896,794	1,015,503	\$ 1,513,018	\$ 1,794,805	\$ 1,817,776	\$ 22,971	1%
<b>Retained Earnings June 30</b>	<b>\$ 896,794</b>	<b>\$ 1,015,503</b>	<b>\$ 1,513,018</b>	<b>\$ 1,794,805</b>	<b>\$ 1,817,776</b>	<b>\$ 1,818,845</b>	<b>\$ 1,069</b>	<b>0%</b>

**Other  
Funds**

**Enterprise Funds  
Sewer Enterprise Fund**

The Sewer Enterprise Fund reserve policy requires an un-appropriated, unreserved fund balance of 50% of annual expenditures. The projected fund balance reserve for 2020/2021 is as follows:

Estimated Sewer fund Balance 6/30/2020	\$	3,884,534
Required Un-appropriated unreserved Fund Balance \$1,897,205 X 50%		948,603
Fund Balance above Reserve Requirement	\$	<u>2,935,932</u>

In early September 2018 the City Council adopted new rates along with approving the refunding of the 2007 Sewer Revenues bonds. The rates were established in such a manner as to be sure all debt service covenants were met, and the bond refunding required the City to undertake a consultant prepared rate study in the 19/20 fiscal year. The rate study is currently underway and should be completed and ready to go through the Proposition 218 process beginning in mid to late July 2020

# Other Funds

## Enterprise Funds Sewer Enterprise Fund

The following chart shows the 2015/2016, and 2016/2017 . 2017/2018 and 2018\*2019 actual income and expenses, the 2019/2020 estimated income and expenses and the 2020/2021 budgeted income and expenditures for the Sewer Operating and Maintenance.

City of Winters Sewer Enterprise Fund								
	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Estimate	2021 Budget	Change from Prior Year	
							In \$	In %
Operating Revenues								
Charges for Services	\$ 1,641,715	\$ 1,655,159	\$ 1,709,863	\$ 1,870,526	\$ 1,898,495	\$ 1,911,358	\$ 12,863	1%
Other Revenues	5,411	5,844	12,058	17,352	16,813	4,000	(12,813)	-76%
<b>Total Operating Revenues</b>	<b>\$ 1,647,125</b>	<b>\$ 1,661,003</b>	<b>\$ 1,721,921</b>	<b>\$ 1,887,878</b>	<b>\$ 1,915,308</b>	<b>\$ 1,915,358</b>	<b>\$ 50</b>	<b>0%</b>
Operating Expenses								
Allocated Cost	\$ 355,425	\$ 447,964	\$ 462,521	\$ 626,779	\$ 607,126	\$ 631,603	\$ 24,476	4%
Salaries and Benefits	500,886	528,476	489,788	507,056	539,876	515,106	(24,770)	-5%
Contractual Services	76,926	65,659	46,466	75,825	82,875	72,375	(10,500)	-13%
Supplies and Material	294,471	257,308	244,810	298,340	171,004	196,277	25,273	15%
Utilities	174,151	147,968	204,914	189,028	163,300	212,300	49,000	30%
Other Operating Expenses	34,171	22,899	24,623	46,703	28,123	32,099	3,976	14%
Depreciation	161,363	161,870	182,619	184,781			-	0%
Debt Service	178,877	174,900	170,604	100,357	288,064	197,444	(90,620)	-31%
Capital Projects	-	-	-	-	10,000	40,000	30,000	300%
<b>Total Operating Expenses</b>	<b>\$ 1,776,270</b>	<b>\$ 1,807,044</b>	<b>\$ 1,826,345</b>	<b>\$ 2,028,869</b>	<b>\$ 1,890,368</b>	<b>\$ 1,897,204</b>	<b>6,835</b>	<b>-6%</b>
Operating Income (Loss)	\$ (129,145)	\$ (146,041)	\$ (104,424)	\$ (140,991)	\$ 24,939	\$ 18,154	\$ (6,786)	0%
Non Operating Revenues(Expenses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Income(Loss) before Operating T	\$ (129,145)	\$ (146,041)	\$ (104,424)	(140,991)	24,939	18,154	(6,786)	0%
Operating Transfers In	161,181	-	1,097,707	350,000	162,462	-	-	
Operating Transfers Out	-	-	(102,745)	-	-	-	-	
<b>Net Income(Loss)</b>	<b>\$ 32,036</b>	<b>\$ (146,041)</b>	<b>\$ 890,538</b>	<b>\$ 209,009</b>	<b>\$ 187,402</b>	<b>\$ 18,154</b>	<b>(169,248)</b>	<b>-90%</b>
Retained Earnings July 1 Adjustments	2,711,590	2,743,626	2,597,585	\$ 3,488,123	\$ 3,697,132	\$ 3,884,534	\$ 187,402	0%
<b>Retained Earnings June 30</b>	<b>\$ 2,743,626</b>	<b>\$ 2,597,585</b>	<b>\$ 3,488,123</b>	<b>\$ 3,697,132</b>	<b>\$ 3,884,534</b>	<b>\$ 3,902,688</b>	<b>\$ 18,154</b>	<b>6%</b>

## Other Funds

### Internal Service Fund

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

### Central Service Overhead

The Central Service Overhead fund is used for expenditures that cannot be specifically charged to a particular fund or department, and therefore, are allocated to departments based on the City of Winters cost allocation plan. The following table has 2015/2016, 2016/2017, 2017/2018 and 2018/2019 actual expenditures and allocations, 2019/2020 estimated expenditures and allocations, and 2020/2021 budgeted expenditures and allocations.

Central Service Overhead	Central Service Overhead Expenditures						Change from Prior Year	
	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimated 2019-2020	Proposed 2020-2021	in \$	In %
Beginning Fund Balance	\$ -	\$ 192	\$ 144	\$ 10,383	\$ 10,614	\$ 10,615	0	0%
Food and Water	3,118	709	860	1,843	3,100	2,300	(800)	-26%
Computer (It) Services	102,372	109,238	131,584	128,749	121,603	163,101	41,499	34%
Computer Software	-	-	8,960	50,201	37,492	38,447	955	3%
Printing	1,719	4,037	1,477	2,964	4,000	2,500	(1,500)	-38%
Equipment Repairs	1,668	1,898	1,276	3,046	4,500	4,000	(500)	-11%
Repairs	3,032	9,862	1,671	3,225	3,000	45,600	42,600	1420%
Supplies	3,344	3,027	2,770	3,105	3,000	2,500	(500)	-17%
Professional Services	51,359	63,734	56,396	48,234	36,086	53,969	17,884	50%
Natural Gas	4,453	3,246	4,918	3,648	7,200	5,040	(2,160)	-30%
Maintenance Supplies	5,093	4,934	4,225	1,830	4,000	1,000	(3,000)	-75%
Postage and Mail	19,060	18,250	25,047	17,539	25,000	25,000	-	0%
Auditing	29,300	29,300	27,000	27,750	29,750	31,695	1,945	7%
Legal Services	99,635	92,040	88,140	101,517	100,000	105,000	5,000	5%
Fuel	47,992	48,367	62,032	72,011	52,000	55,000	3,000	6%
Telephone	49,021	44,800	40,379	34,801	44,400	45,241	841	2%
Office Supply	28,980	28,751	17,238	20,155	30,000	25,000	(5,000)	-17%
Electricity	16,393	15,648	2,495	18,065	27,600	20,400	(7,200)	-26%
Equipment Rental	22,899	25,911	30,065	34,676	30,914	33,547	2,632	9%
Insurance and Bonding	182,081	170,503	173,089	174,244	199,374	242,945	43,571	22%
Water	4,334	3,848	5,248	4,684	5,400	5,100	(300)	-6%
City Memberships	1,910	3,579	3,269	130	5,000	3,500	(1,500)	-30%
Permits	-	20	-	-	500	500	-	0%
Miscellaneous Fees	-	-	-	1,076	1,100	1,100	-	0%
Staff Development	349	451	229	129	500	10,000	9,500	1900%
<b>Total Expenditures</b>	<b>\$ 678,111</b>	<b>\$ 682,155</b>	<b>\$ 688,367</b>	<b>\$ 753,621</b>	<b>\$ 775,518</b>	<b>\$ 922,485</b>	<b>146,967</b>	<b>19%</b>
Costs Allocated Out	(677,919)	(682,203)	(678,129)	(753,389)	(775,518)	(922,485)	(146,967)	19%
Ending Fund Balance	\$ 192	\$ 144	\$ 10,383	\$ 10,614	\$ 10,615	\$ 10,615	(0)	0%

## Other Funds

### Internal Service Fund

The following areas have increases for 2020-2021

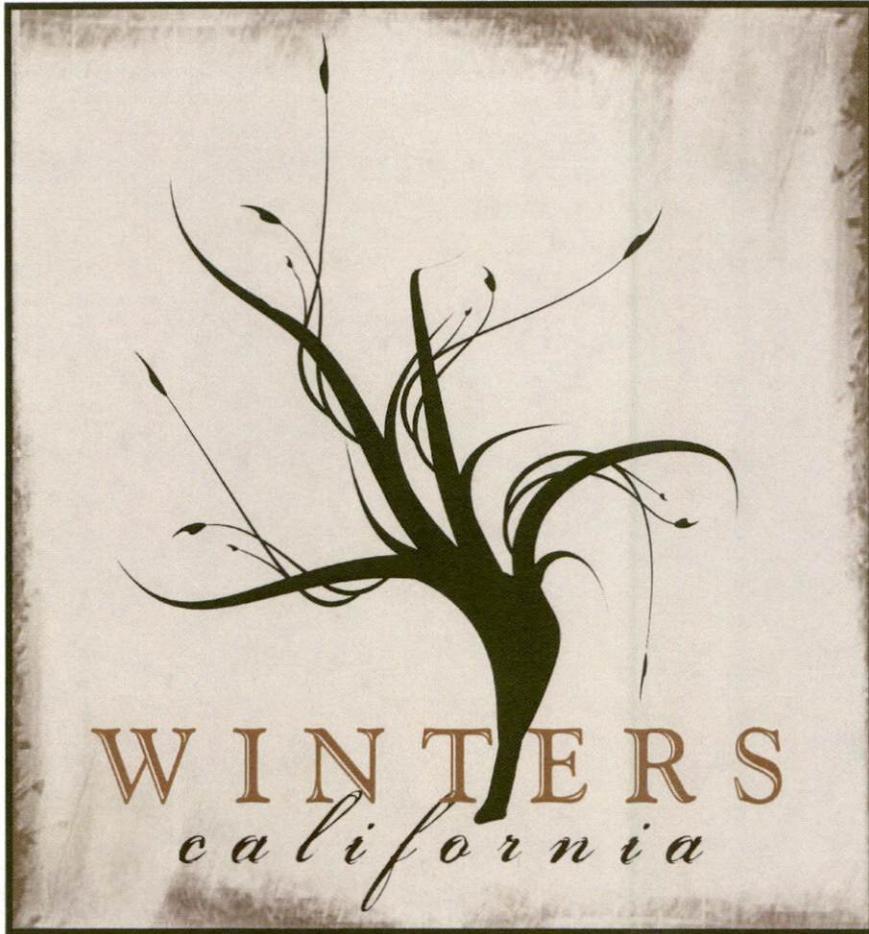
- Computer Software and Services
- Building Repairs
- Professional Services
- Insurance
- Staff Development
- Auditing
- Legal Services
- Telephone
- Office Supply
- Fuel

### 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.

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**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.

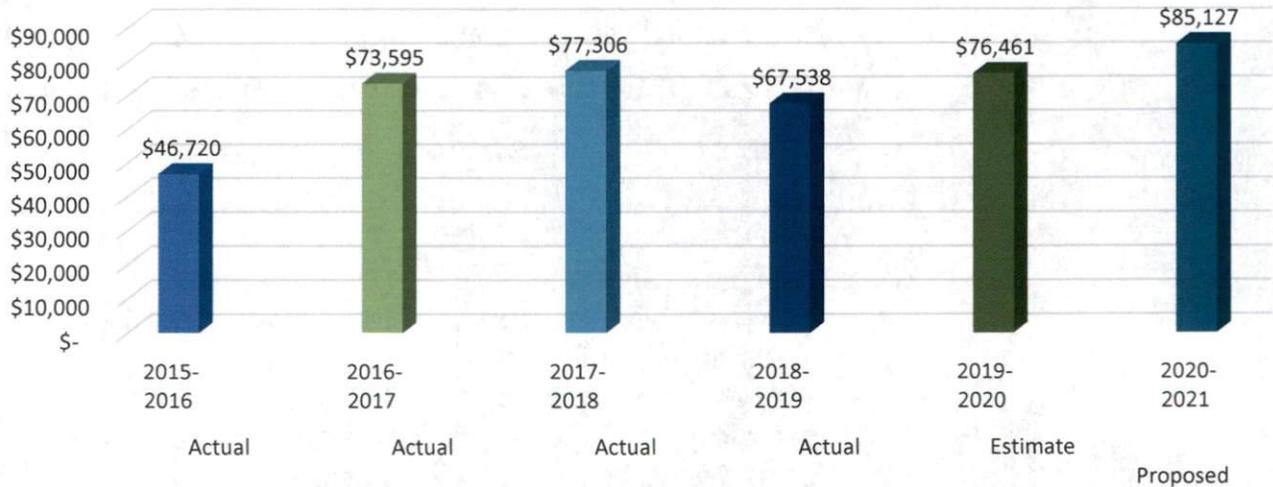
# City Council

The Chart below shows historical expenditures for the City Council as well as budgeted expenditures for 2020/2021, the graph below the chart illustrates expenditures for same time period.

City of Winters City Council Expenditures

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Sitpends	\$ 1,211	\$ 13,645	\$ 12,020	\$ 11,960	\$ 11,901	\$ 11,906
Operating Expenditures	44,823	55,548	57,991	47,958	55,159	63,221
Contingencies	686	4,402	7,294	7,620	9,401	10,000
	<b>\$ 46,720</b>	<b>\$ 73,595</b>	<b>\$ 77,306</b>	<b>\$ 67,538</b>	<b>\$ 76,461</b>	<b>\$ 85,127</b>

City Council Expenditures



# City Council

Expenditures for 2020-2021 have increased for the City Council due to increases in memberships to other organizations, and because we always budget for \$10,000.

The sources of funding for 2020-2021 for the City Council are shown in the chart below.

General Fund	\$ 65,672	77%
Gas Tax	\$ 398	0%
City Wide Assessment District	\$ 1,724	2%
General Impact	\$ 701	1%
Water Fund	\$ 6,809	8%
Water Conservation	\$ 11	0%
Water Meter	\$ 228	0%
Sewer Fund	\$ 9,585	11%
Total	\$ 85,127	

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## City Treasurer

The City Treasurer has been an elected position for a four (4) year term in the past. Beginning in July 2018, the citizens of the City of Winters voted to make the Treasurer position an appointed position. Beginning in 2018-2019 the Director of Financial Management was appointed as the City Treasurer. Therefore, the budget for the City Treasurer Department has been included in the Finance Department Budget. Typically the only cost for the City Treasurer department was been the stipend for the elected Treasurer as all the responsibilities of the city Treasurer has typically been delegated to the Director of Financial Management. The Treasurer typically was an authorized signatory for warrants and wires, and, due to the separation of duties policy, an additional Councilmember has become the 4<sup>th</sup> person authorized to sign warrants and wires so that the following will be authorized to provide signatures:

- City Manager
- Department Head (excluding the Director of Financial Management).
- Councilmember
- Councilmember

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## City Clerk

The City Clerk has been an elected position for a four (4) year term in the past. In June 2011, the citizens of the City of Winters voted to make the City Clerk position an appointed position. The City Clerk position is now an appointed position that is combined with the Records Manager position. 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 City Manager Department includes a Records Manager that fulfills all the official acts of the City Clerk. Expenditures related strictly to the Office of the City Clerk have been budgeted for the current budget.

### *City Clerk Mission*

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

#### **2018/2020 Accomplishments**

- Continued enhancement of Records Management as well as Contracts and Agreements.
- Successfully transitioned from the Retiring Elected City Clerk to the newly appointed City Clerk per the June 2018 election.
- Implemented electronic agenda process for City Council and Staff.
- Implemented YouTube broadcasting of City Council Meetings.
- Successfully implement Zoom City Council Meetings during the Covid-19 Pandemic.

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

- Add Additional years of Records to the Archives

# City Clerk

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

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Stipends	\$ 1,072	\$ 1,031	\$ 1,035	\$ -	\$ -	\$ -
Operating Expenditures	995	7,818	378	11,584	11,616	2,545
Allocated Costs	8,813	8,868	8,139	2,374	2,600	140
<b>Total Expenditures</b>	<b>\$ 10,880</b>	<b>\$ 17,717</b>	<b>\$ 9,552</b>	<b>\$ 13,958</b>	<b>\$ 14,216</b>	<b>\$ 2,685</b>

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



The sources of funding for the City Clerk for 2020/2021 are shown on the chart below

Funding Source	Amount (\$)	Percentage
General Fund	\$ 2,289	85%
Water Fund	\$ 190	7%
Sewer Fund	\$ 206	8%
<b>Total</b>	<b>\$ 2,685</b>	

## 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 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.*

### **2018/2020 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 2018/2019 and 2019/2020.

## City Manager Expenditure History

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 386,196	\$ 346,335	\$ 320,072	\$ 334,835	\$ 358,943	\$ 310,877
Operating Expenditures	9,015	5,840	9,069	5,526	8,445	3,510
Capital		-				
Allocated Costs	5,875	7,165	5,517	15,117	14,284	12,329
<b>Total Expenditures</b>	<b>\$ 401,086</b>	<b>\$ 359,340</b>	<b>\$ 334,659</b>	<b>\$ 355,478</b>	<b>\$ 381,672</b>	<b>\$ 326,717</b>

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

### City of Winters City Manager Expenditures City Manager Department Expenditures

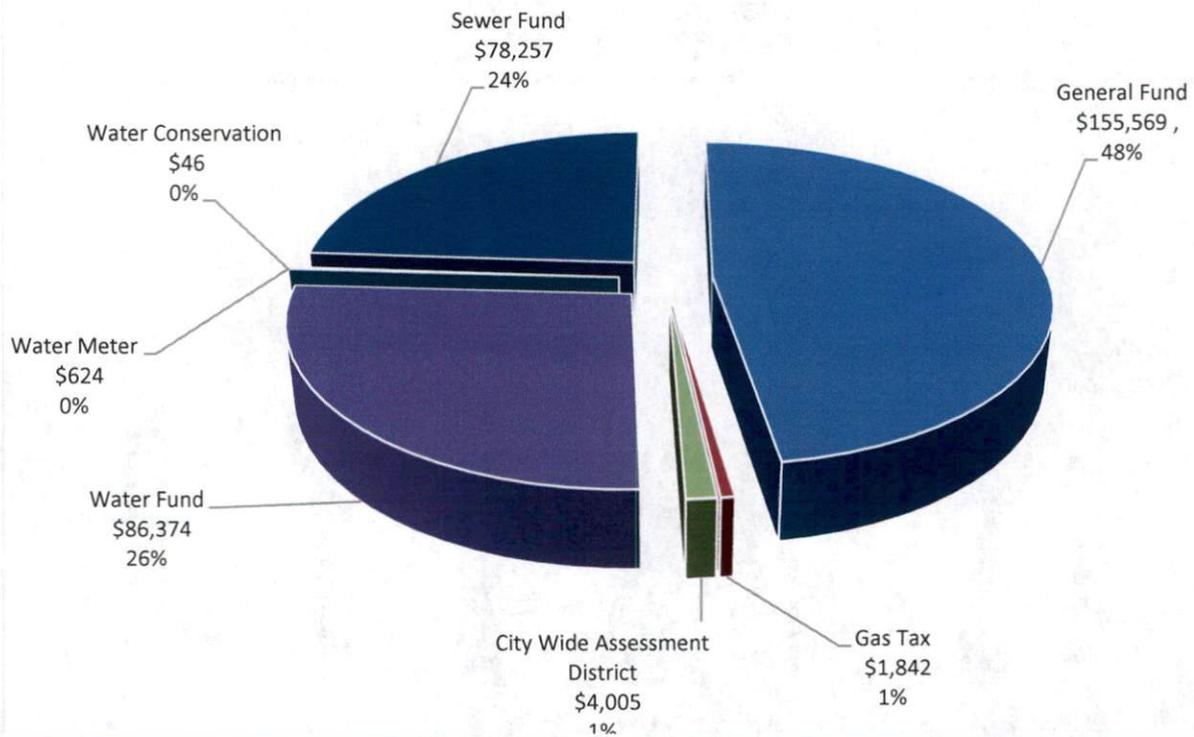


# City Manager

The City Manager Department budget has decreased expenditures for 2020-2021 due to the anticipated retirement of the appointed City Clerk/Records Manager in December 2020. It is anticipated that this position will be absorbed by other staff remaining with the city through the end of the 2020/2021 due to the negative impact on the economy of the Covid-19 pandemic. This position will be re-evaluated in the 2021/2022 budget.

The City Manager Department oversees and contributes to the operation of many funds and departments. The source of funding for the department for 2020/2021 is shown in the graph below.

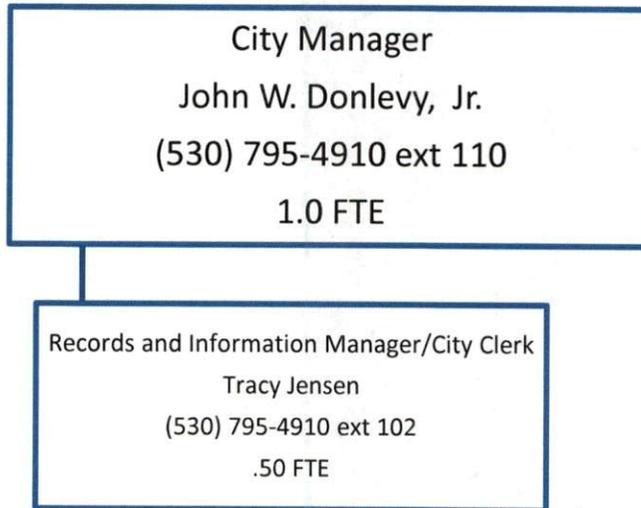
### City Manager Sources of Funding for 2020-2021



# City Manager

## Organizational Chart

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



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## 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, however, upon the retirement of the Housing and Economic Development Manager in June 2020, the City is electing to leave this position vacant for the 2020/2021 budget year due to the impact of the Covid-19 pandemic on the economy of the City of Winters. Depending on the length of time it takes for the economy to recover from the pandemic, the City will look at filling this position, or, something similar in the 2021-2022 budget.

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 in 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*

### **2018/2020 Accomplishments**

- Completion and opening of the 72 room Hotel Winters, including the completion of the Carboni's restaurant located inside the hotel.
- Completion of the Winters Healthcare Foundation Facility Completed Construction of Walnut Park, a 5 acre neighborhood park with a dog park and community garden.
- Addition of Starbucks to the Highway business area .
- Chevron expansion project started.

## Housing and Economic Development

- Start of construction of Blue Mountain Terrace senior apartments and Senior Center.
- Continue implementation of the current Housing Element.
- Increased the Housing Trust fund to increase the local dollars available to provide local leverage dollars to the next affordable housing project.
- Reinstated the Economic Development Advisory Committee (EDAC) and utilize EDAC to develop priorities, strategies and tactics for economic development.
- Pursued park grant funding in conjunction with affordable housing projects and other funding opportunities.
- Work with property owners to execute "Alley activation projects" in conjunction with streetscape improvements targeted for Newt's Expressway.

For the 2020-2021 budget year, all activities that were previously undertaken by the Housing and Economic Development Department will be moved to the Planning Department, therefore there is no budget data for the current year for this department.

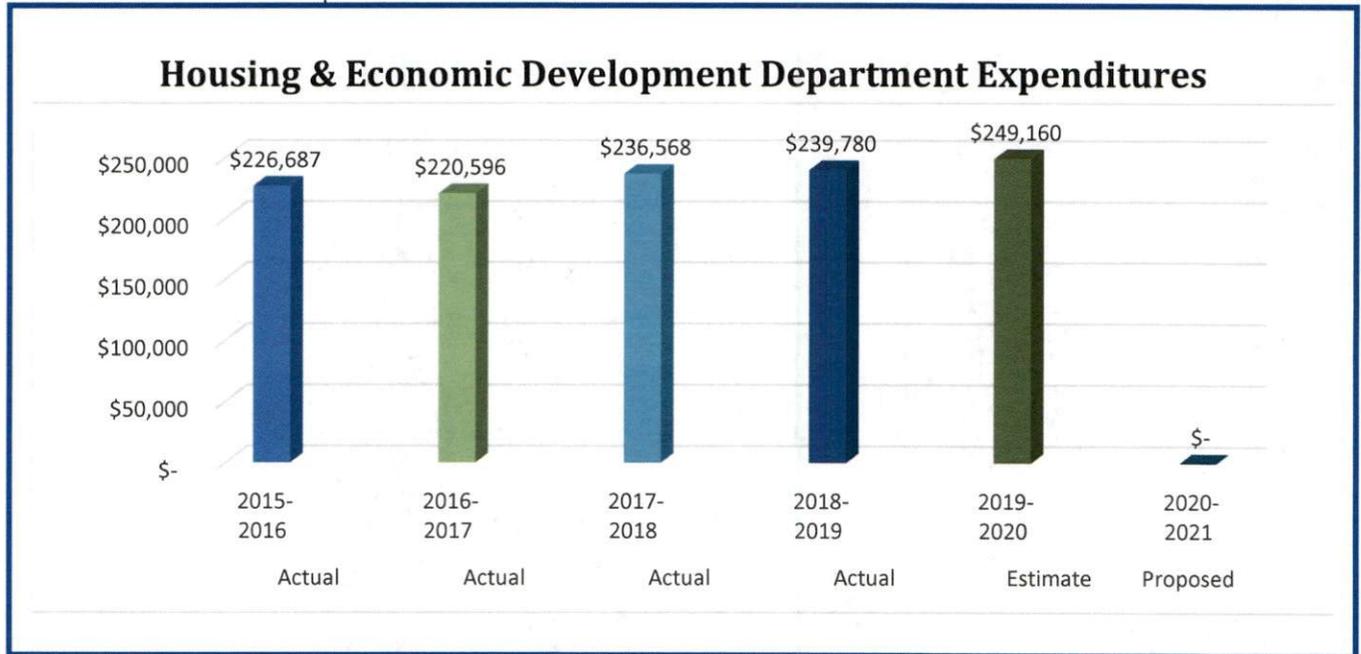
Below is a chart of historical expenditures for the Housing and Economic Development Department through the estimated expenditures 2019/2020.

### Housing & Economic Development Department Expenditures

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 185,409	\$ 188,243	\$ 196,218	\$ 189,116	\$ 203,507	\$ -
Operating Expenditures	25,415	10,750	16,617	12,374	3,464	-
Capital		-				
Allocated Costs	15,863	21,603	23,734	38,290	42,190	-
<b>Total Expenditures</b>	<b>\$ 226,687</b>	<b>\$ 220,596</b>	<b>\$ 236,568</b>	<b>\$ 239,780</b>	<b>\$ 249,160</b>	<b>\$ -</b>

## Housing and Economic Development

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



The Housing and Economic Development Department is funded completely by the general fund.

### Housing and Economic Development Department Organizational Chart

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

Economic Development and Housing Manager  
Vacant

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## Administrative Services

Beginning in 2018-2019 the Administrative Services Department's main focus will be on Human Resources. This is due to the retirement on June 30, 2018 of the Director of Administrative Service/City Clerk. A reorganization of staffing took place based on the recommendation of the outgoing Director of Administrative Services. The City Clerk and Recreation function will be assigned to the City Manager Department, and a Human Resources Manager was recruited and hired.

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

- Human Resources
- Risk Management

### *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.*

### **2018/2020 Accomplishments**

- Created an injury illness prevention program, developed a Safety Committee and rolled out required IIPP training.
- Negotiated memorandums of understandings for 7 employee associations.
- Worked with benefits broker to evaluate dental vision and life insurance rates and successfully negotiated increased benefits for City provided life insurance policies for most employee associations.
- Hosted two(2) in house CalPERS retirement trainings.
- Serve as Vice President of YCPARM

## Administrative Services

- Worked with managers and department heads to review training budgets and begin roll out of employee development program.

### Long term Objectives

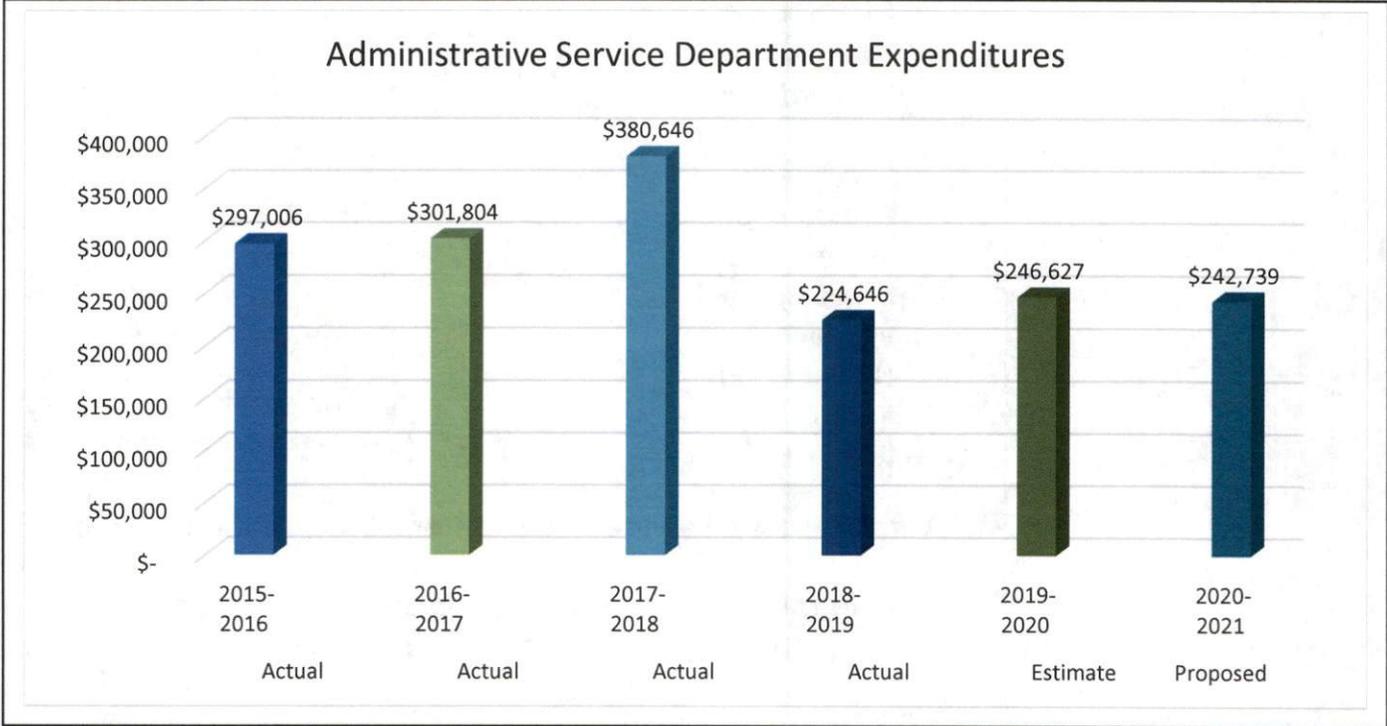
- Implement NeoGov HRIS modules
- Develop a robust lunch time training program
- Work with managers and department heads to manage employee development program.
- Coordinate annual benefit orientation for all employees.
- Undertake a comprehensive review of City's benefit program including costs, utilization and need.
- Update Administrative Services section of city website
- Review and understand the City's program through the public employee benefit system and work with City Manager and Director of Financial Management.

The chart and graph below show the historical expenditures for the Administrative Services Department as well as the proposed expenditures for 2020/2021.

### City of Winters Administrative Services Department Expenditures

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 243,652	\$ 249,294	\$ 322,551	\$ 189,716	\$ 205,344	\$ 224,621
Operating Expenditures	21,966	27,316	25,709	33,983	40,246	16,800
Capital		-				
Allocated Costs	31,388	25,194	32,386	948	1,038	1,318
<b>Total Expenditures</b>	<b>\$ 297,006</b>	<b>\$ 301,804</b>	<b>\$ 380,646</b>	<b>\$ 224,646</b>	<b>\$ 246,627</b>	<b>\$ 242,739</b>

# Administrative Services



The Administrative Services Department has a decrease in budget for 2020/2021 compared to 2019/2020. This is due to the reduction in expenditures particularly in the City Attorney and Registration and Tuition accounts for the budget year.

The Administrative Services Department contributes to the operations of many departments and funds, the chart below shows the funding sources for the department for 2020/2021.

**Administrative Services**

Administrative Services Sources of Funding		
General Fund	\$ 184,917	76%
Gas Tax	\$ 5,796	2%
City Wide Assessment District	\$ 1	0%
Street Impact Fee	\$ 8	0%
Storm Impact	\$ 48	0%
Park Impact	\$ 24	0%
Police Impact	\$ 25	0%
Fire Impact	\$ 27	0%
Gneral Impact	\$ 24	0%
Water Impact	\$ 24	0%
Sewer Impact	\$ 24	0%
Water Fund	\$ 20,704	9%
Sewer Fund	\$ 31,117	13%
<b>Total</b>	<b>\$ 242,739</b>	<b>100%</b>

**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.*

### **2018/2020 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.
- Monitored changes in CalPERS policy and implementation of changes in assumptions and the impact on the City of Winters Budget.
- Monitored 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

- Completed the review and update of the Impact fee study and nexus report, and adopted new impact fees effective January 1, 2019.
- Coordinated the refunding of the 2007 Tax Water and Sewer Revenue bonds to provide lower interest rates and lower debt service payments.
- Initiated a new water and sewer rate study to appropriately set the rates to be paid for operating and maintaining the Water and Sewer systems.
- Developed and Pension and OPEB (Other Post Employment Benefits) funding policy that was adopted by the City Council.
- Entered into a Section 115 Trust for pre-funding OPEB liabilities.

### 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.
- Provide assistance as requested for succession planning as the City of Winters prepares for the retirement of key employees during the next 3-4 fiscal years.
- Install and implement the NeoGov HR and payroll software program.
- Install and implement the OpenGov budgeting and transparency software program.
- Prepare the Finance Department for the retirement of the Director of Financial Management for the successful transition to a new Director of Financial Management.

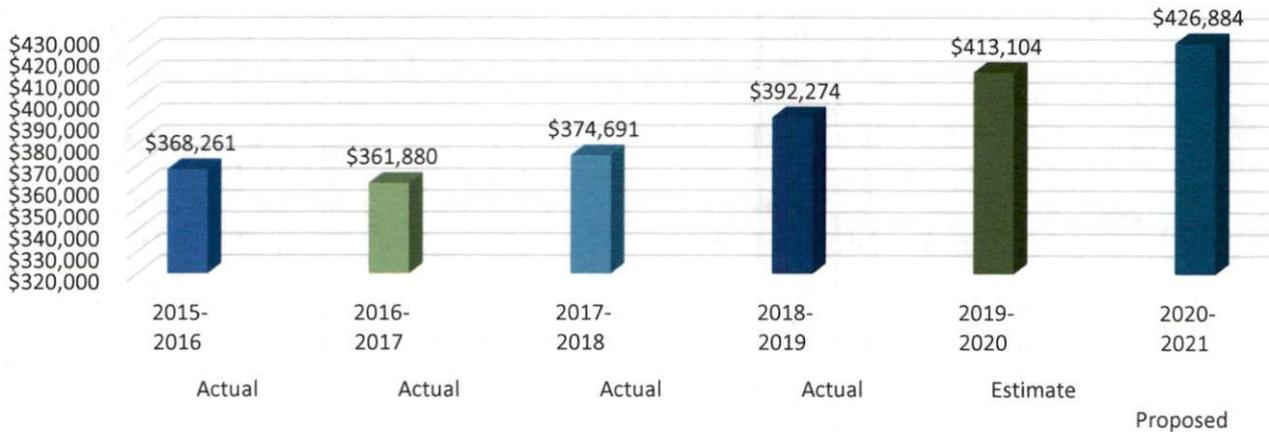
# Finance

The chart and graph below show the historical as well as the proposed budget for 2018/2019 and 2019/2020.

## City of Winters Finance Department Expenditures

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 359,251	\$ 358,070	\$ 372,238	\$ 377,409	\$ 397,825	\$ 414,870
Operating Expenditures	9,010	3,810	2,374	5,610	5,162	3,632
Capital		-				
Allocated Costs	-	-	78	9,255	10,117	8,383
<b>Total Expenditures</b>	<b>\$ 368,261</b>	<b>\$ 361,880</b>	<b>\$ 374,691</b>	<b>\$ 392,274</b>	<b>\$ 413,104</b>	<b>\$ 426,884</b>

## Finance Department Expenditures



# Finance

Expenditures in the Finance Department increased in 2020/2021 due to reclassification of two (2) employees to positions with higher wages in 2018/2019 that has additional pay increases. There are increases budgeted for the employer contribution for CalPERS.

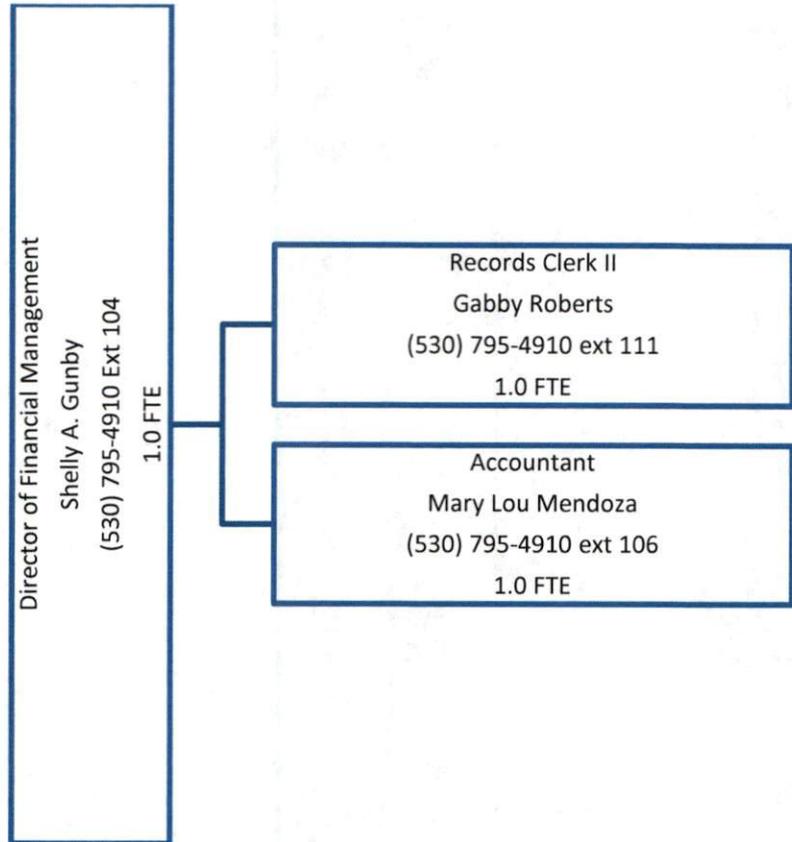
The Finance Department provides support services to many other departments and funds in its day to day activities. The chart below shows the funding sources for the Finance Department for 2020/2021.

General Fund	\$	218,923
City Wide Assessment District	\$	8,191
Gax Tax	\$	4,383
Street Impact	\$	1,817
Storm Impact	\$	248
Park Impact	\$	920
Police Impact	\$	274
Fire Impact	\$	280
General Impact	\$	270
Water Impact	\$	330
Sewer Impact	\$	270
Landfille	\$	204
Water O & M	\$	87,503
Water Conservation	\$	55
Water Meter	\$	160
Sewer Fund	\$	97,690
Total	\$	421,518

# Finance

## Finance Department Organization Chart

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



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## 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.

### **Winters Police Department Motto**

***"Service with Integrity"***

## Police

### **Winters Police Department Mission Statement**

**The fundamental Mission of the Winters Police Department is to provide service to our community, uphold the Constitution, and deter crime and disorder through impartial service to the law.**

#### **2018/2020 Accomplishments**

- Responded to 7,765 calls for Service in 2018
- Responded to 6,640 calls for service in 2019
- Increased Cadet program from 6 to 9 cadets.
- Promoted Officer Jose Hermosillo to Sgt. In January 2019.
- Hired Officer Thomas Letterman in March 2019 to replace vacant officer position due to Officer Creig Urquhart retiring June 30,2020
- Continued investing in regional participation and partnership with:
  - Almond Festival in the Capay Valley
  - Provide assistance during the Camp Fire in Paradise, CA
  - Picnic Day in Davis, CA
  - Yolo County Fair
  - Part time assignment of Officer to CNT.
  - Responded to Davis after murder of Davis Officer Natalie Corona
  - Provide Assistance during the Kinkade Fire
  - Detective assigned part-time to County SIU
  - Provided Mutual aid for protests in Davis and Sacramento.
- Purchased and deployed the Axon Body Camera system for all officers.
- Implemented Uniform specifications for all uniformed officers.
- Implemented updated writing specifications.
- Naloxone (Narcan) issued for all patrol vehicles.

## Police

- Deployed less lethal launchers in all police vehicles
- Deployed Automatic External Defibrillators (AED) in all patrol vehicles.
- Supervisor vehicles equipped with breaching kits, ballistic shields and dog catch poles.
- Upgraded all officers of more secure sidearm holsters.
- Continued to acquire and issue updated TASER's
- Continue to acquire and issue updated ballistic helmets with visors for dual purpose in crowd control situations.
- Deployed electronic optics and flashlights on patrol rifles.
- Implemented InTime online scheduling software,
- Implemented parking enforcement and abandoned vehicle abatement program.
- Achieved 100% deployment of P25 compliant portable radios and began migration to P25 compliant mobile radios.
- Introduced Bike patrol
- Initiated monthly "roll-call" training program.
- Achieved 100% compliance in state-mandated training and expanded ongoing in-house training.
- Only agency in Yolo County to achieve 100% personnel trained in Crisis Intervention training (CIT)
- Expanded internal expertise with certified firearms instructor, TASER instructors, baton instructor, and defense tactics instructor.
- Detective Gonzales attended and completed POST institute of Criminal Investigation (ICI) training and was awarded the ICI Certificate of Achievement, the first Winters Police Officer to do so.
- Sergeant Albert Ramos attended POST Management course.
- Chief John P. Miller completed POST Command Collage.
- Community Outreach included
  - Movie Night at the Police/Fire Station
  - High School Q &A with a Cop
  - Pink Patch Dine and Donate
  - Public Safety Festival
  - Many other community engagement activities

# Police

## Long term Objectives

- Succession Planning promotion of staff to replace retiring Administrative Coordinator
- Recruitment of CSO II .
- Implementation of a shared RMS (records management system). Winters will be sharing with the Yolo County Sheriffs Department.
- Purchase in deploy a new RADAR/ALPR trailer.
- Complete migration to P25 compliant radios.
- Continue training all officers and staff.
- Implement a cross-training program with the Winters Fire Department to allow officers to assist in immediate response to fires.
- Sergeant Kelly McCoy to attend POST Sherman Block Supervisory Leadership Institute, the first Winters Police Officer to be accepted into the program.
- Continue active community outreach efforts and partnership to promote a safe and prosperous community.

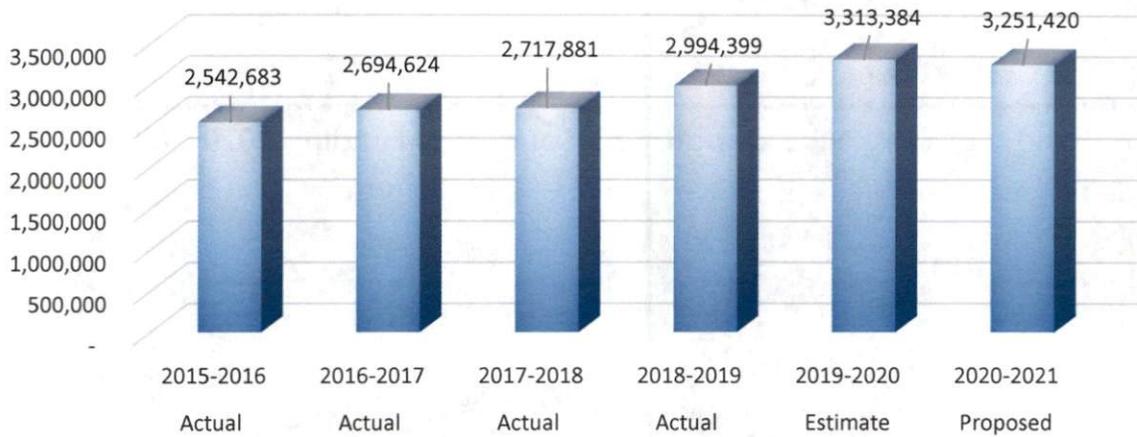
The chart and graph below show the historical expenditures for the police department as well as the proposed expenditures for 2020/2021.

### City of Winters Police Department Expenditures

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 1,765,072	\$ 1,934,757	\$ 1,927,815	\$ 2,015,343	\$ 2,304,299	\$ 2,150,005
Operating Expenditures	600,347	486,092	538,023	550,587	562,230	571,647
Capital	175,608	218,621	6,088	74,674	57,300	101,828
Allocated Costs	1,656	55,154	245,955	353,795	389,555	427,940
<b>Total Expenditures</b>	<b>\$ 2,542,683</b>	<b>\$ 2,694,624</b>	<b>\$ 2,717,881</b>	<b>\$ 2,994,399</b>	<b>\$ 3,313,384</b>	<b>\$ 3,251,420</b>

# Police

### Police Department Expenditure History

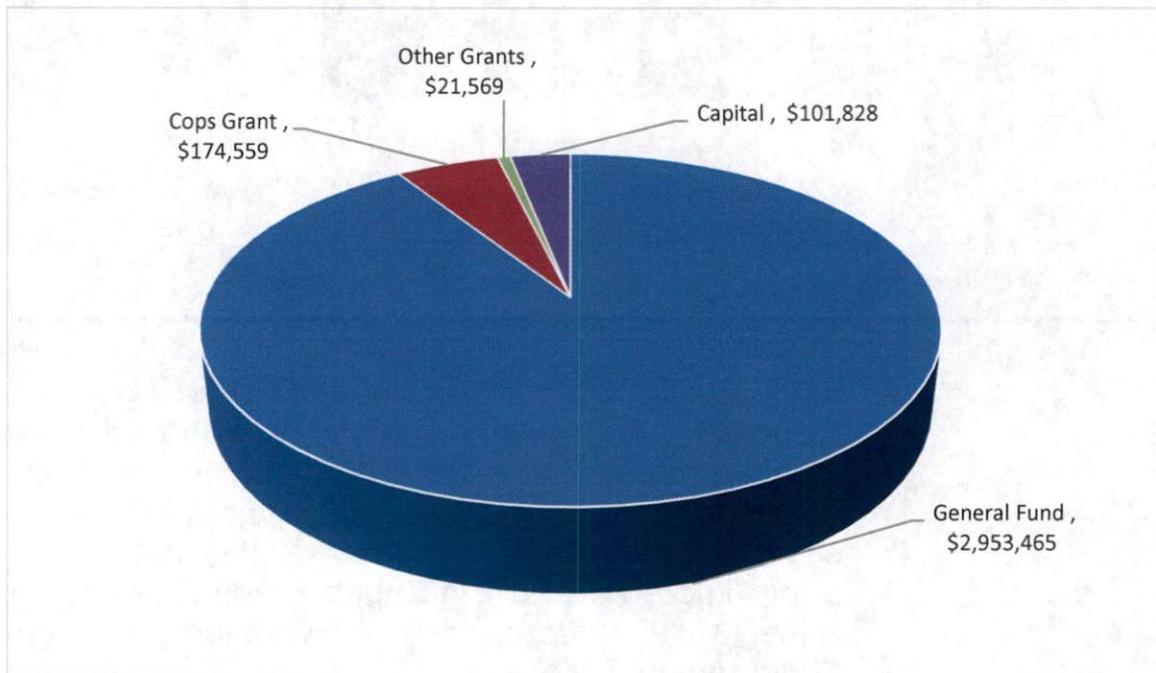


The Police Department has decreased expenditures for 2020-2021 due to the retirement of a Sergeant that will not be replaced during the fiscal year, and the retirement of the Records Supervisor which will be replaced at a lower pay rate than the retiring employee. There is approximately \$101,828 in Capital Expenditures budgeted in the 2020-2021 fiscal year for a new Record Management System.

# Police

The Police Department is primarily funded through the General Fund. The other funding sources are the Cops Grant, Impact Fees and Traffic Safety Funds. The graph below shows the funding sources for police spending for 2020/2021.

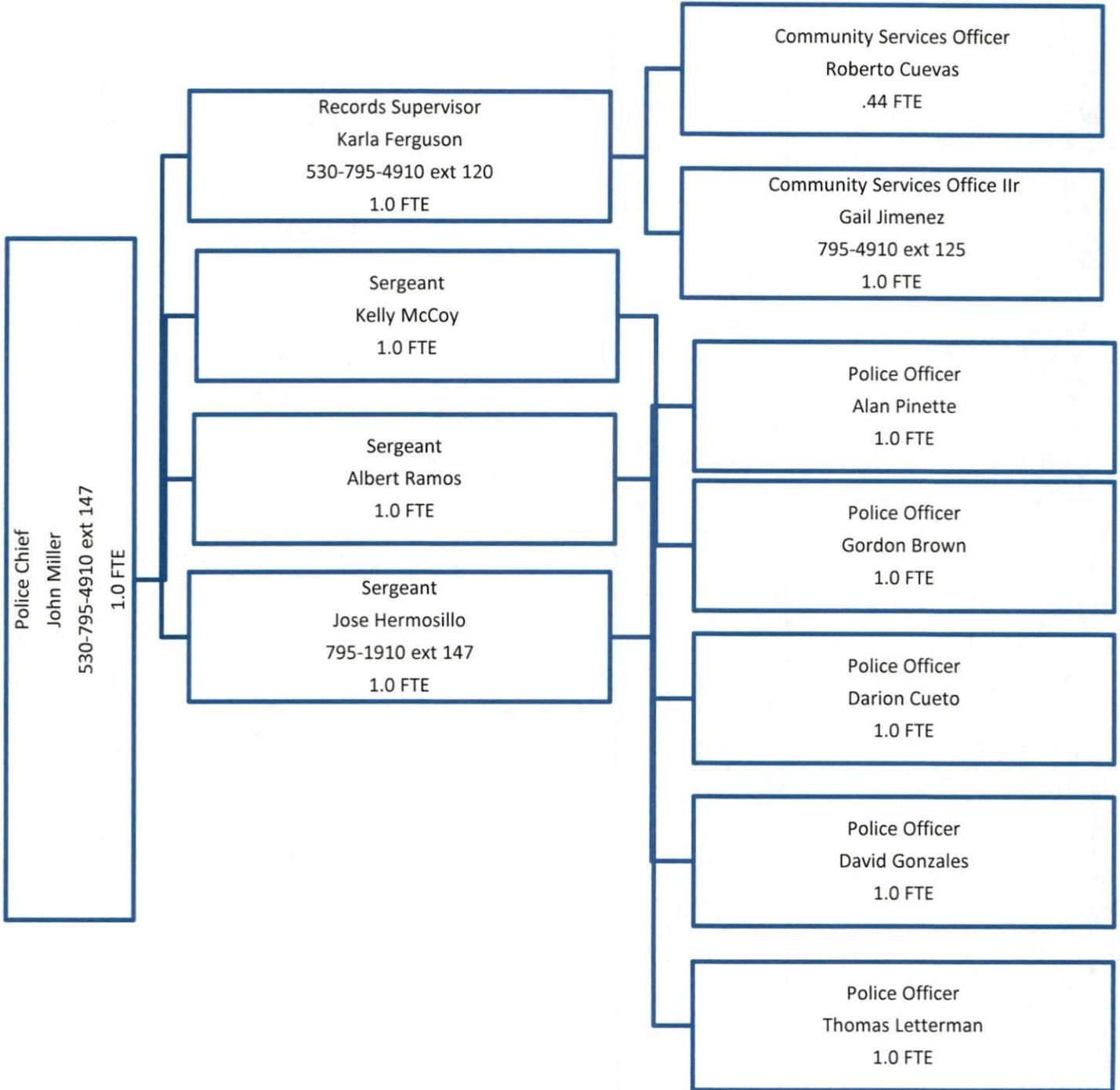
**Police Department Sources of Funding 2020-2021**



# Police

## Police Department Organizational Chart

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



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# 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

### 2018/2020 Accomplishments

- 20 Seniors from Winters High School graduated from the Fire Explorer program in the two years covered by the budget (2018/2019 and 2019/2020)
- Acquired 6 AED's through Maddy Fund/YEMSA for Winters School District
- Participated with California Highway Patrol Every 15 minutes program in partnership with Winters High School, Winters Police Dept., Yolo Sheriff's Office and Reach Helicopter.
- Hosted Annual Monticello Technical Rescue Drill with 120 personnel from Fire, Law enforcement and EMS.

## Fire

- Hosted Public Safety Day with over 100 Community members attending, providing educational activities by Police, Fire and EMS personnel.
- Participated in the Winters Christmas Tree Lighting and Tractor Parade.
- Provided community children of nearly 70 families with Christmas Gifts through the Gifts for Kids Program.
- Held the Swearing in Ceremony of Fire Chief Brad Lopez
- Replace Type I engine through a grant from San Ramon Valley Fire Protection District.
- Provided water delivery to livestock in the Winters Fire Protection District during PG&E Power shut off.
- Restructured organization and staff assignments to improve efficiencies in administration and operations.
- Implementation of a new report management system in partnership with Yocha Dehe Fire Department.
- Completed and published 2019 Annual Report.
- Recruitment of 5 new Resident Volunteer Firefighters.
- Recruitment and hire of one full time Engineer.
- Developed and implemented the Winters Fire Department Recommended Actions and Guidance for preparedness and response to the Covid-19 pandemic.

### **2020/2021 Goals**

- Complete apparatus and Equipment Replacement Program.
- Execute Facility Use Agreement with Solano Community College to host Fire Academy at Winters Fire Department.
- Identify funding sources for Command Vehicle for Fire Chief.
- Provide for continued Professional Development among career and volunteer staff and provide for cross training between disciplines.
- Develop and implement administrative and operational policies that ensure safe working practices and provide for regulatory compliance.

# Fire

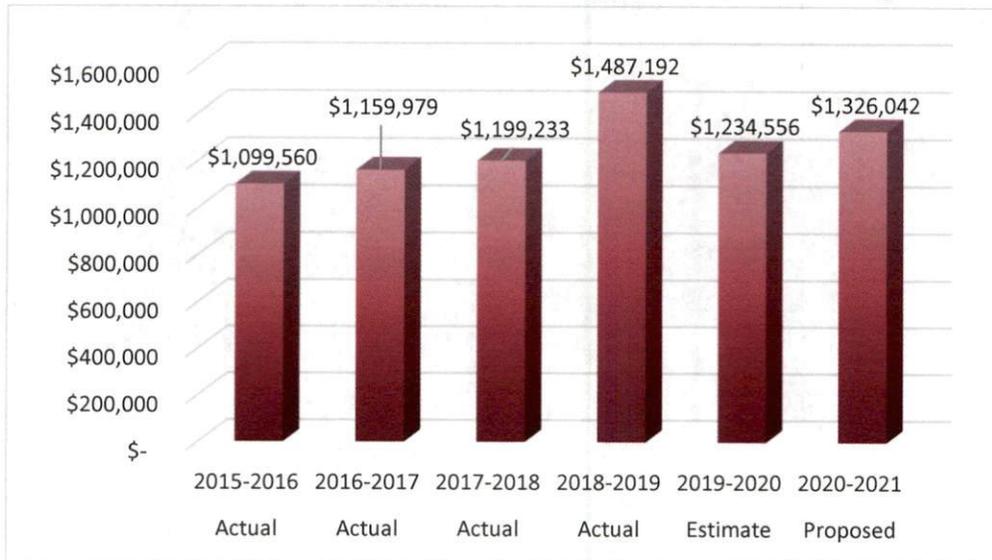
- Implement Annual Fire Prevention Inspections program for mandated commercial occupancies under SB1205.
- Initiate an Ad Hoc or Advisory Fire committee to aid in the development of a Fire Department Strategic Plan.

The chart and graph on the next page shows the historical expenditures for the Winters Fire Protection District as well as proposed expenditures for 2020/2021.

## City of Winters Fire Department Expenditures

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 646,669	\$ 715,924	\$ 822,926	\$ 1,021,400	\$ 802,573	\$ 893,229
Operating Expenditures	404,821	323,651	244,737	315,159	266,876	237,552
Capital	46,414	816	6,096	1,760	356	155
Allocated Costs	1,656	119,588	125,474	148,872	164,751	195,105
<b>Total Expenditures</b>	<b>\$ 1,099,560</b>	<b>\$ 1,159,979</b>	<b>\$ 1,199,233</b>	<b>\$ 1,487,192</b>	<b>\$ 1,234,556</b>	<b>\$ 1,326,042</b>

## Winters Fire Department Expenditure History



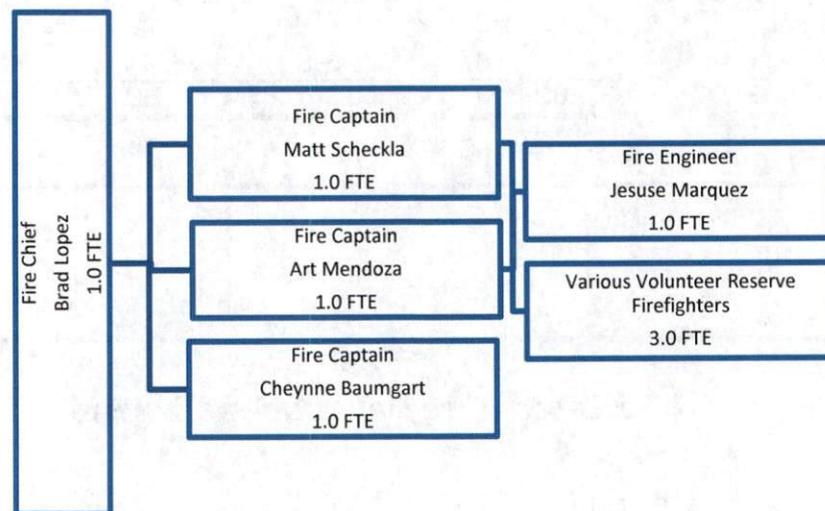
# Fire

The expenditures for the Fire Department are all General Fund for 2020/2021 are all General Fund expenditures.

Expenditures for 2020/2021 are higher than 2019/2020 due to hiring of a Full -time Fire Chief, and the addition of a full-time Engineer. Prior to 2018/2019 the Fire Chief position was filled by contract with another nearby Fire Department. That contract expired and was not renewed. The hiring of a full-time Fire Chief and the addition of one additional full-time paid staff in mid 2019/2020 means that the wages for the department have increased.

## Fire Department Organizational Chart

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



## 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 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**

### **2018-2020 Accomplishments**

- Issued Certificate of Occupancy to 97 residential units.
- Issued 1,161 Building Permits
- Completed Weed Abatement process in both years.
- Issued 5 Certificate of Occupancy to business buildings
- Implemented 90 day plan check extension program due to Covid-19 pandemic.
- Staff served on the CALBO Outreach and Communications Committee.
- Staff served on the Board of Directors Napa Solano ICC
- Implementation of TI Tuesday for streamline processing of building permits.
- Staff completed GIS Professional Certification Program at CSU San Francisco.
- Staff joined Economic Development Advisory Committee (EDAC).

### **2020/2021 Objectives**

- Improve customer service/Building and Code Enforcement Division Image to the public.
- Utilization of online payment system.
- Implement updated EnerGov permitting and project management software.
- Increase online building permit issuance.
- Continue required ICC CEU's training.
- Staff to become certified ICC permit tech.
- Complete Seismic Ordinance.
- Close out old incomplete building permits.
- Issue Certificate of Occupancy for 6 business buildings currently under construction.

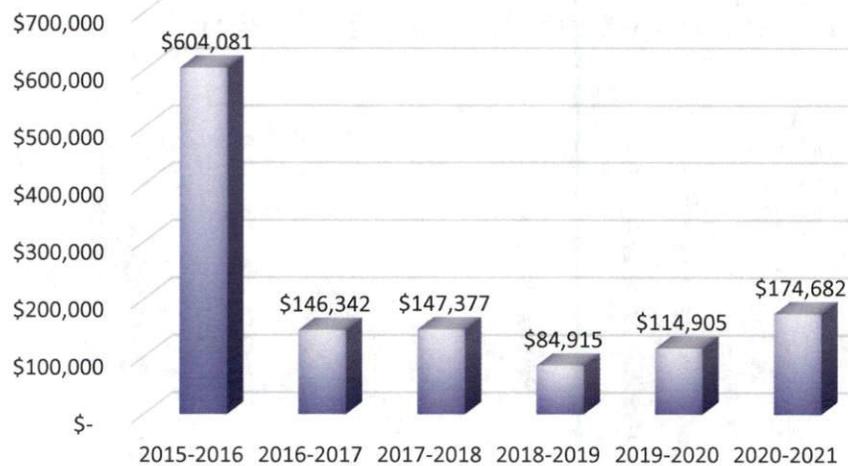
## Community Development Department

Below are the historical expenditures for the Planning Division of the Community Development Department as well as the proposed 2020/2021 expenditures.

### Community Development Planning Division

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 22,591	\$ -	\$ 16,889	\$ -	\$ -	\$ 2,993
Operating Expenditures	95,293	88,031	72,251	49,751	77,400	130,400
Capital	-	-	-	-	-	-
Grants	454,809					
Allocated Costs	31,388	58,311	58,237	35,163	37,505	41,290
<b>Total Expenditures</b>	<b>\$ 604,081</b>	<b>\$ 146,342</b>	<b>\$ 147,377</b>	<b>\$ 84,915</b>	<b>\$ 114,905</b>	<b>\$ 174,682</b>

### Community Development Planning Division Expenditure Summary



The Planning Division has an increase in 2020/2021 expenditures due to the fact that we have projects on the horizon that will require additional consultant costs in the planning department.

**Community Development Department**

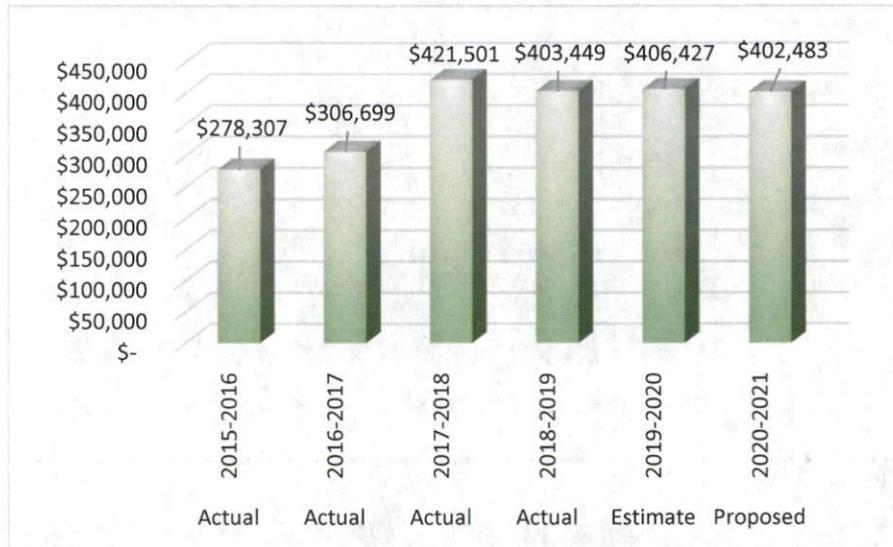
The Planning Division is funded completely by the General Fund.

The chart and graph below show historical expenditures as well as the proposed expenditures for 2018/2018 and 2019/2020 for the Building Inspection Division.

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

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 198,777	\$ 218,556	\$ 238,793	\$ 253,238	\$ 231,351	\$ 275,560
Operating Expenditures	66,175	36,231	123,809	87,371	105,613	43,516
Allocated Costs	13,355	51,911	58,898	62,839	69,464	83,407
<b>Total Expenditures</b>	<b>\$ 278,307</b>	<b>\$ 306,699</b>	<b>\$ 421,501</b>	<b>\$ 403,449</b>	<b>\$ 406,427</b>	<b>\$ 402,483</b>

**Building Inspection Division Expenditure History**



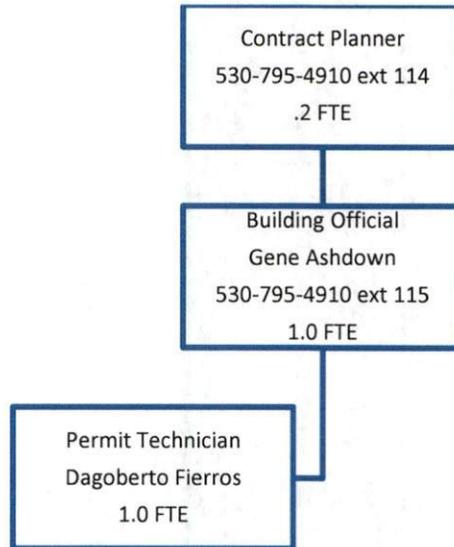
The expenditures of the Building Inspection Division are budgeted to be slightly lower in 2020/2021 due to employees reduced operating expenditures as the City anticipates less contract building inspection services as well as fewer outside plan check review.

## Community Development Department

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 22.7 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 21.5 miles of water distribution lines, 5 wells and 2 non-operational water storage tanks.
- Wastewater system  
The operation and maintenance responsibilities for the wastewater system include sewage collection system maintenance, and wastewater treatment facility operation and maintenance.
- 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.*

### **2018/2020 Accomplishments**

- Newt's Expressway rehabilitation completed.
- Parking lot at First and Abbey designed and built.
- Third Street storm drain replacement project completed.
- SB1 Funded 2018-2019 street rehabilitation project completed.
- SB1 Funding 2019-2020 street rehabilitation project completed.
- Sidewalk repair project completed.
- Bar Screen at Wastewater Treatment plant, Phase I completed.
- Moody Slough, / Road 88 Rehabilitation project completed.
- Completed camera review of 20% of sewer lines.
- Cleaned 50% of sewer lines of sewer lines and storm drains.
- Completed design of the Three Oaks Park
- Completed the West Main Street Pump Station.
- Installed emergency generator at El Rio Villa.
- Began the Rule 20A power line undergrounding project.

### **2020/2021 Objectives**

- Complete Rule 20A power line undergrounding project.
- Complete Bar Screen Phase 2 Project.
- Complete construction of Three Oaks completion.
- Camera 20% of sewer lines
- Clean 50% of Sewer and storm drain lines.
- Complete SB1 funded 2020-2021 street rehabilitation project.
- Repair additional sidewalks
- Install emergency generator at City Hall.

# Public Works

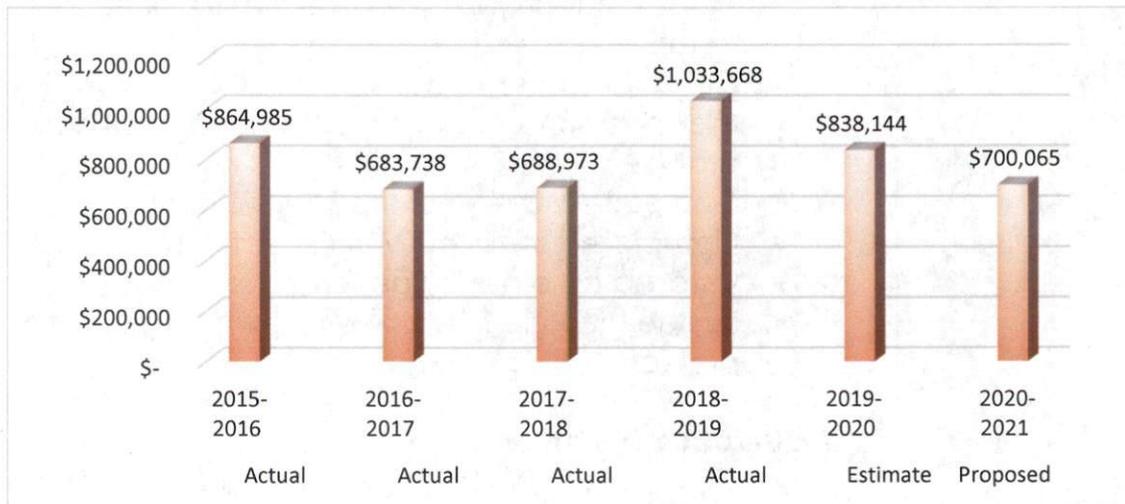
- Remodel abandoned Police Building for new Finance and HR offices.

The chart and graph below show historical expenditures for the public works department as well as projected expenditures for 2020-2021.

## City of Winters Public Works Expenditures

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 422,124	\$ 508,521	\$ 525,688	\$ 577,006	\$ 605,985	\$ 487,097
Operating Expenditures	366,866	93,742	83,640	116,399	108,803	89,886
Transfers		-	-	319,556	101,152	73,793
Allocated Costs	75,995	399,571	442,541	192,998	421,866	353,036
<b>Total Expenditures</b>	<b>\$ 864,985</b>	<b>\$ 1,001,834</b>	<b>\$ 1,051,869</b>	<b>\$ 1,205,959</b>	<b>\$ 1,237,807</b>	<b>\$ 1,003,812</b>

## City of Winters Public Works Expenditure History



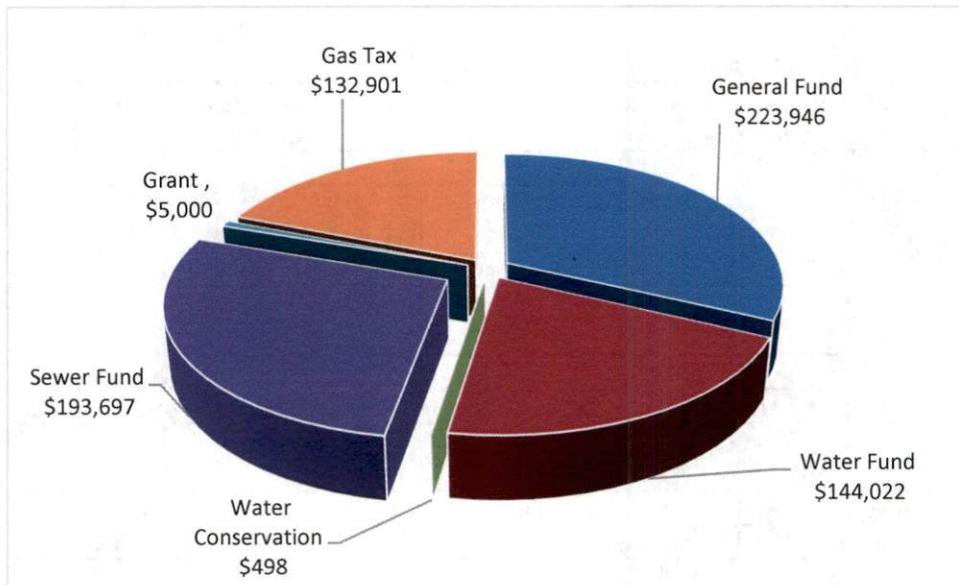
The Public Works Department has a decrease in 2020-2021 over 2019-2020 estimates due to changes in staffing, this budget does not include the Management Analyst position as staff is being reorganized upon the retirement and replacement of the Environmental Services Manager, it is anticipated that current staff will move into the Environmental Services Manager position.

# Public Works

and the Management Analyst position will remain unfilled upon that reorganization.

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 2020-2021.

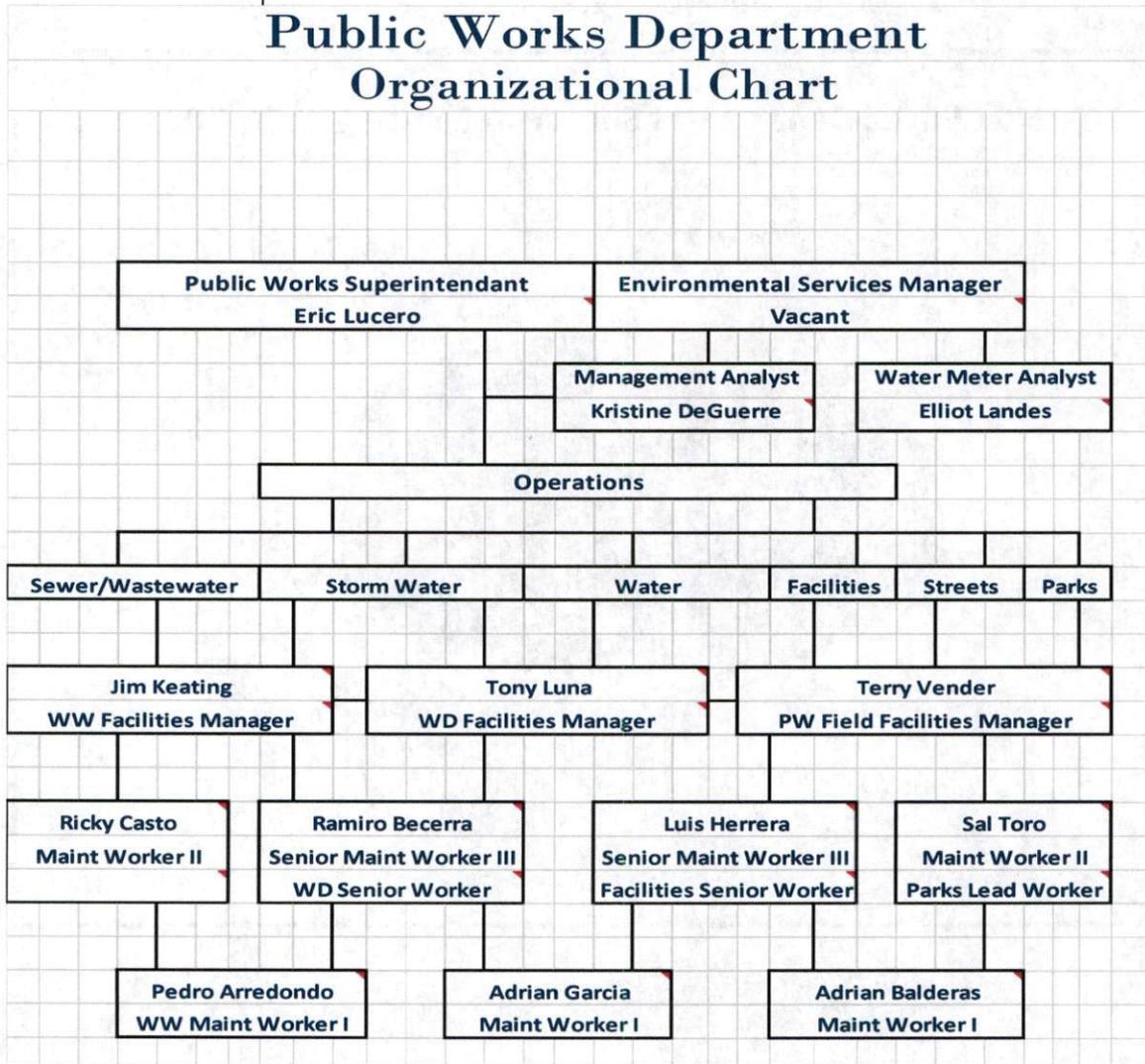
**Public Works Department Source of Funding 2020-2021**



# Public Works

## Public Works Department Organizational chart

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



## Recreation

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

- Swimming
- Youth Basketball
- 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*

### **2020/2021 Accomplishments**

- Successful Implementation of Munchkin Summer Camp Program
- Continued Successful Afterschool Program
- Continued support of the Basketball, Softball and swim programs.

## Recreation

### Long Term Objectives

- Implement protocols for re-opening recreation program that have been closed down due to the Covid-19 pandemic
- Constantly provide programs and services that are innovative, exciting and affordable.
- Anticipate the needs of the changing community and structure programs and facilities accordingly.
- Serve an aging population with social, recreation, active and healthy opportunities.
- Establish a Futsal recreation program.
- Increase participation in programs and recreation opportunities.

### General Recreation

The chart and graph below show the historical expenditures for general recreation as well as proposed expenditures for 2020-2021

**City of Winters General Recreation Expenditures**

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 90,305	\$ 96,170	\$ 109,854	\$ 122,162	\$ 283,980	\$ 307,991
Operating Expenditures	39,804	8,502	6,873	9,808	28,143	21,085
Allocated Costs	75,995	454	449	108	1,476	-
<b>Total Expenditures</b>	<b>\$ 206,104</b>	<b>\$ 105,126</b>	<b>\$ 117,176</b>	<b>\$ 132,078</b>	<b>\$ 313,599</b>	<b>\$ 329,076</b>

**General Recreation Expenditure History**

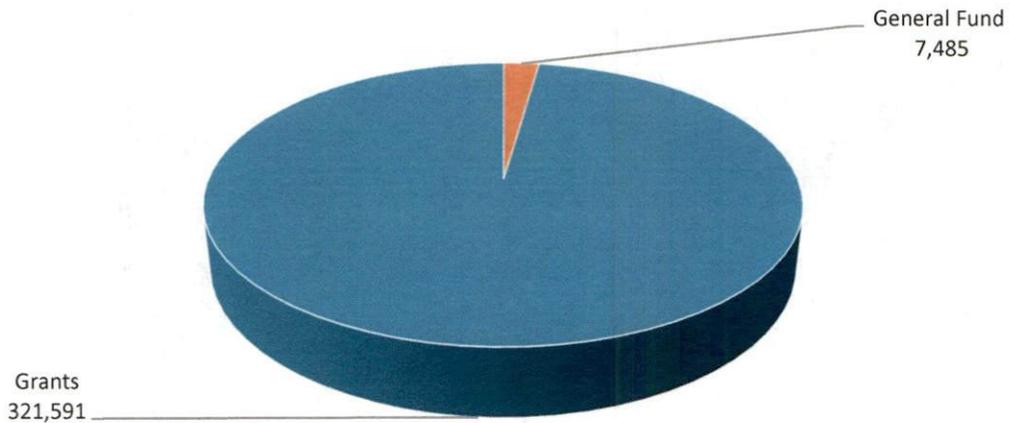


## Recreation

### General Recreation

The graph below shows funding sources for General Recreation for 2020-2021

General Recreation Sources of Funding 2020-2021



### Winters Community Center

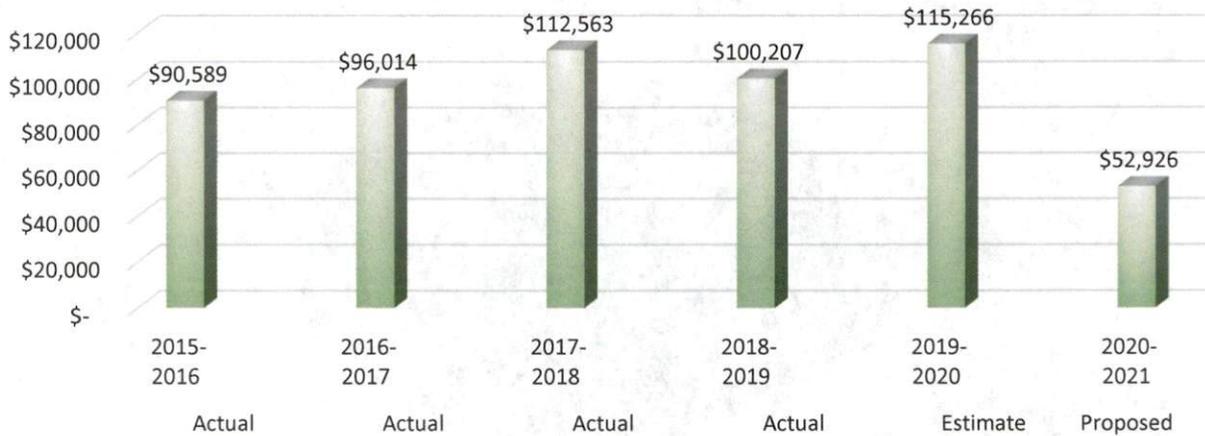
The Community Center is funded entirely by the General Fund. The reduction in expenditures for 2020/2021 is due to the impact of the Covid-19 pandemic, most revenues are related to renting out the facility for gatherings, which are strictly prohibited at this time, and due to the uncertain nature of the pandemic, staff has created the budget for no revenue from rental events for the 2020/2021 fiscal year.

The chart and graph below show the historical expenditures for the Community Center as well as the Budgeted expenditures for 2020/2021.

**City of Winters Community Center Expenditures**

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 8,924	\$ 16,301	\$ 16,567	\$ 14,204	\$ 15,722	\$ -
Operating Expenditures	44,016	38,249	52,041	51,359	62,427	30,500
Allocated Costs	37,649	41,464	43,955	34,643	37,118	22,426
<b>Total Expenditures</b>	<b>\$ 90,589</b>	<b>\$ 96,014</b>	<b>\$ 112,563</b>	<b>\$ 100,207</b>	<b>\$ 115,266</b>	<b>\$ 52,926</b>

**City of Winters Community Center Expenditure History**



**Winters Swimming Program**

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

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 Swimming programs for the summer of 2020 are not operative in the budget as prepared. This is due to the closure related to Covid-19 restrictions. Costs are included to keep the pool clean and operational and to prevent a decline in the condition of the pool due to no use. Should the restrictions be lifted, programs can be added back to the pool, once approved by the Yolo County Department of Public Health.

The chart and graph below show the historical expenditures as well as budgeted expenditures for 2020/2021 for the Swimming Programs

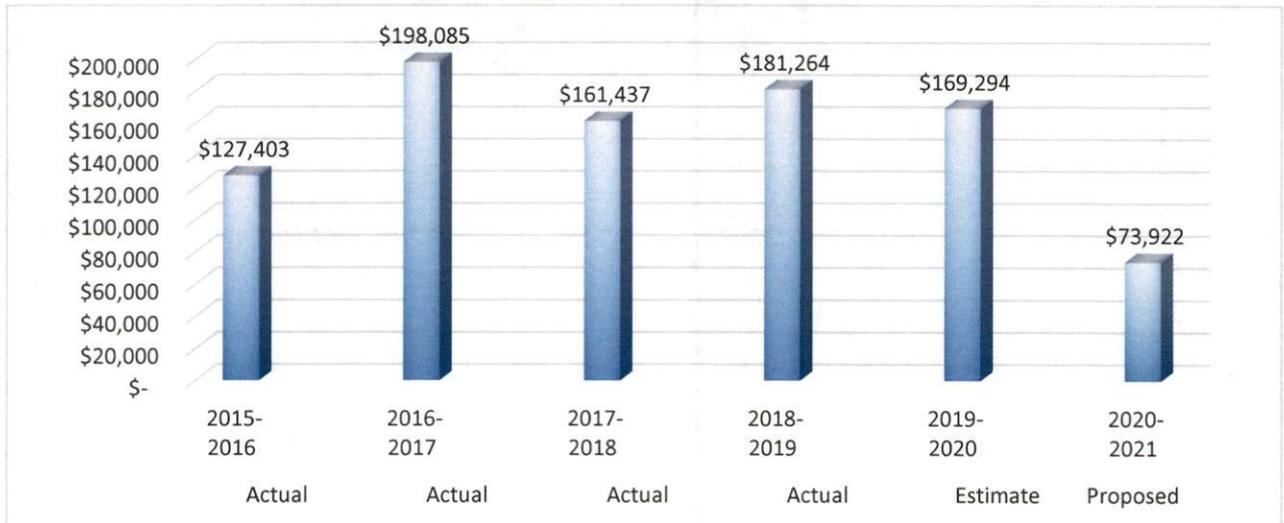
**Recreation**

**Winters Swimming Program**

**City of Winters Swimming Expenditures**

	Actual 2015-2016	Actual 2016-2017	Actual 2017-2018	Actual 2018-2019	Estimate 2019-2020	Proposed 2020-2021
Salaries and Benefits	\$ 55,483	\$ 59,410	\$ 46,992	\$ 55,075	\$ 37,378	\$ -
Operating Expenditures	71,920	87,623	59,476	72,400	75,586	27,100
Allocated Costs	-	51,053	54,969	53,789	56,331	46,822
<b>Total Expenditures</b>	<b>\$ 127,403</b>	<b>\$ 198,085</b>	<b>\$ 161,437</b>	<b>\$ 181,264</b>	<b>\$ 169,294</b>	<b>\$ 73,922</b>

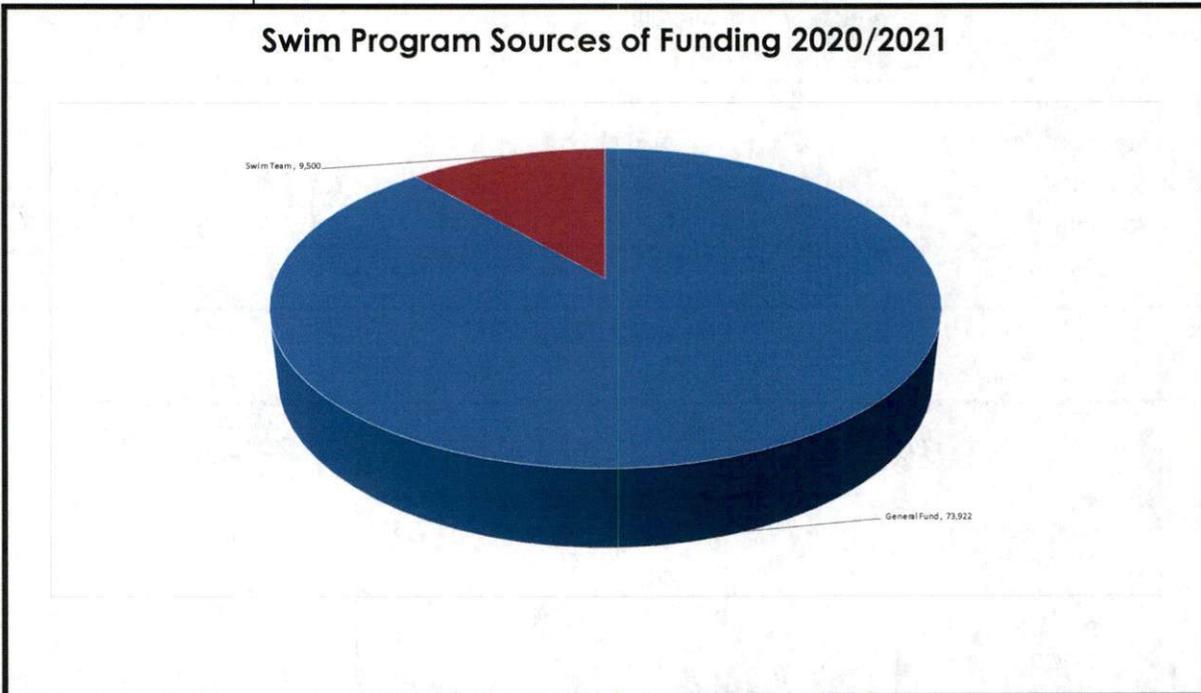
**Swimming Program Expenditure History**



## Recreation

### Swimming Program

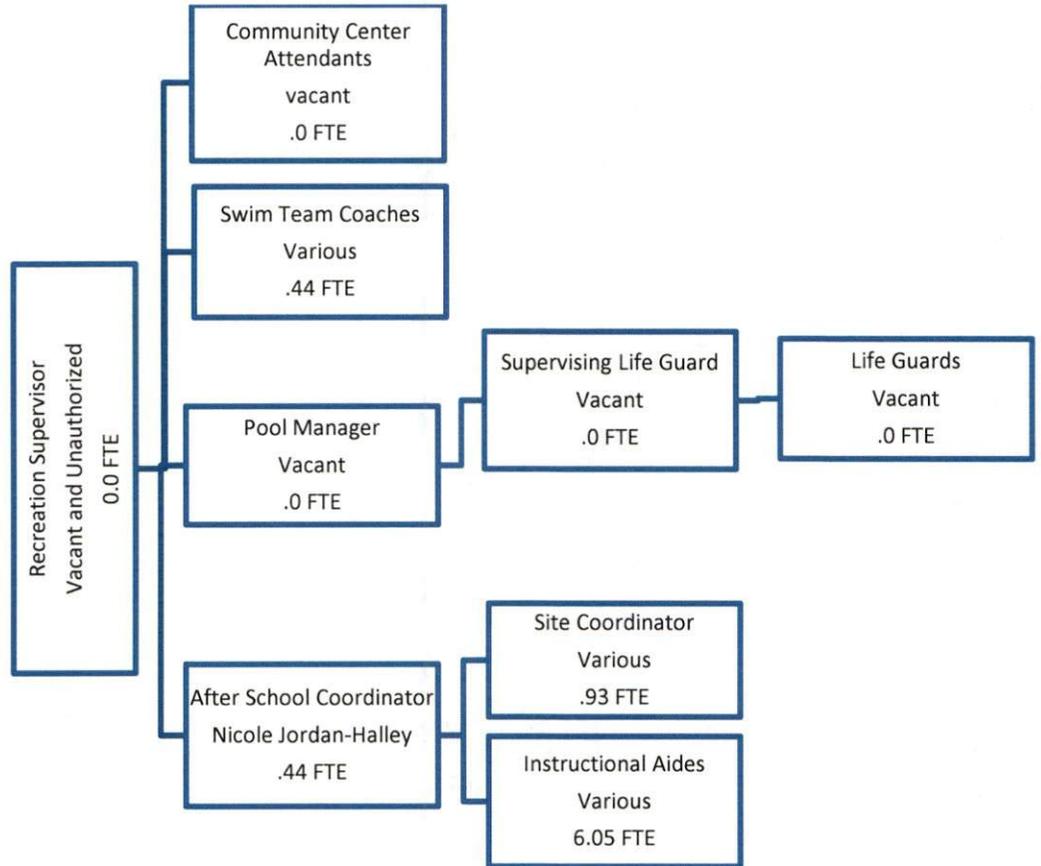
The graph below shows the funding sources for the Swim Program for 2020/2021



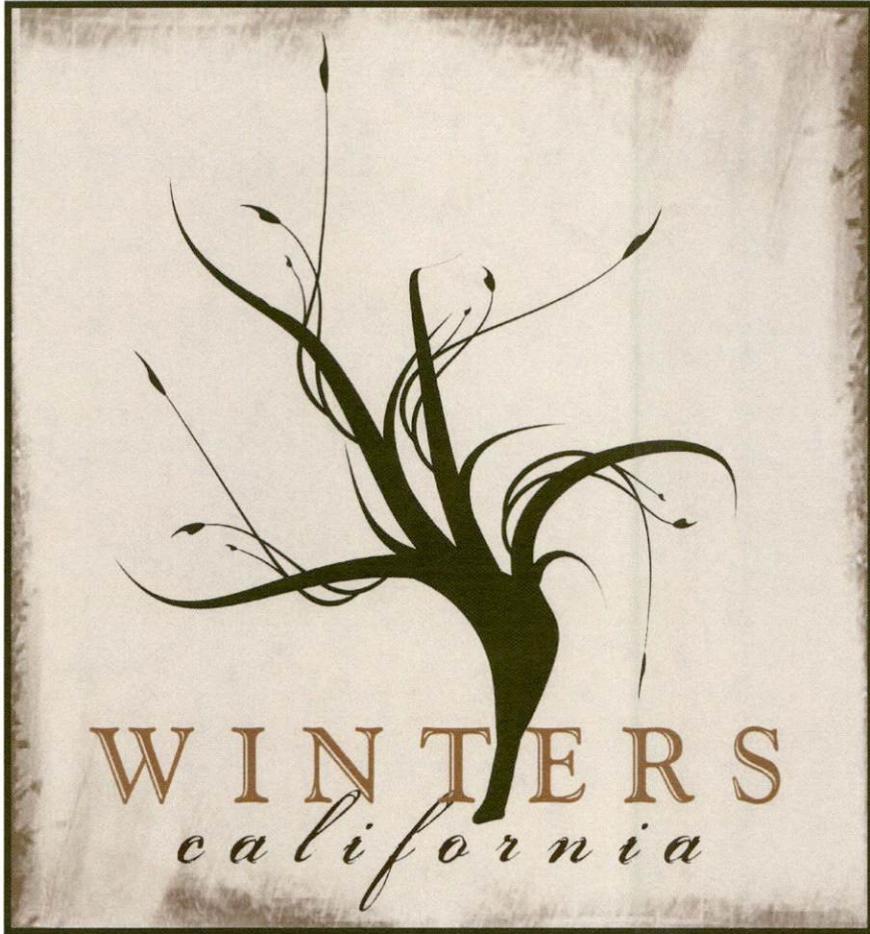
# Recreation

## 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

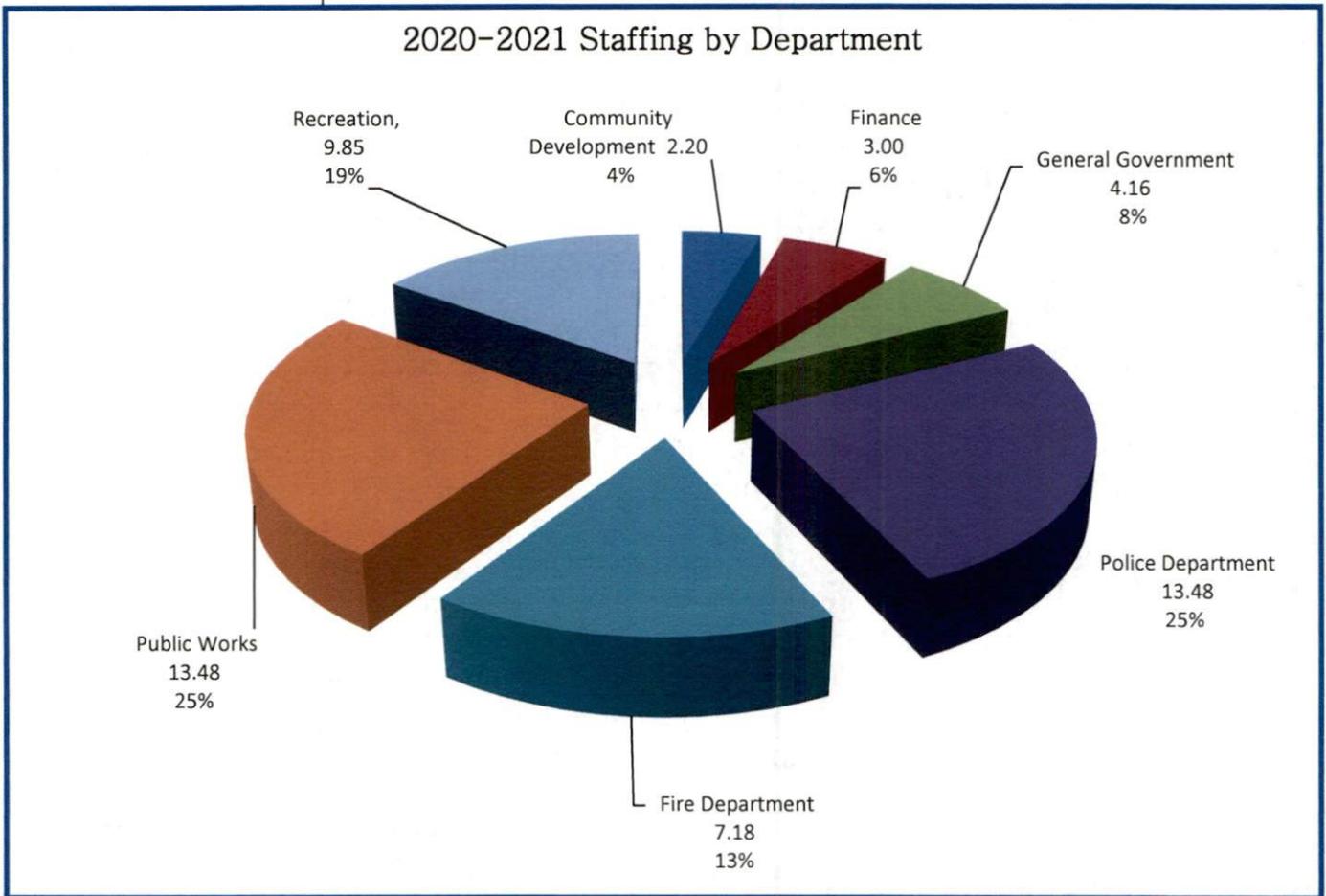
Staffing Comparison by Department In Full Time Equivalent						
Department	16/17 Adopted	17/18 Adopted	18/19 Adopted	19/20 Adopted	19/20 Adopted	20/21 Approved
Community Development Department	2.70	2.70	2.20	2.20	2.20	2.20
Community Development Director (0)						
Planner(.2)						
Building Official (1)						
Permite Tech (1.0)						
Finance	3.33	3.39	3.00	3.00	3.00	3.00
Director of Financial Management(1)						
Accounting Accountant (1)						
Records Clerk II (1)						
General Government	5.69	6.01	4.16	4.16	3.50	3.50
City Manager (1)						
Human Resources Manager (1)						
Records and IT Manager (.5)						
Records Clerk (1)						
Police Department	13.44	14.44	13.48	13.98	12.48	11.48
Police Chief (1)						
Sergeant (2)						
Records Supervisor (1)						
Police Officers (6.0)						
Community Services Officer II (1)						
Community Services Officer (.48)						
Fire Department	7.00	8.00	7.18	7.20	8.00	8.00
Chief (1)						
Captain (3)						
Engineer (1)						
Reserves (3.0)						
Public Works	13.48	13.48	13.48	13.48	12.48	12.48
Public Works Superintendant (1.0)						
Enviornmental Services Manager (1)						
Facility Manager (3)						
Maintenance Worker III (2)						
Maintenance Worker II (3)						
Maintenance Worker I (2)						
Associate (.48)						
Recreation	9.85	9.85	9.85	9.85	7.92	7.42
Recreation Supervisor (0)						
Community Center Attendants (.0)						
Swim Coaches (0)						
Pool Manager (0)						
Supervising Lifeguard (00)						
Lifeguard (.0)						
Summer Recreation Leader (.0)						
Summer Recreation Directors (.0)						
After School Coordinator (.44)						
Site Coordinator (.93)						
Instructional Aides (6.05)						
<b>Total FTE's</b>	<b>55.49</b>	<b>57.87</b>	<b>53.35</b>	<b>53.87</b>	<b>49.58</b>	<b>48.08</b>

## Staffing

The above charts reflect the following:

- Decrease in City Manager Department due to retirement of Records and IT Manager.
- The Police Department has decreased staffing in 2020/2021 by 1.5 due to the elimination of the anticipated additional position in 2019/2020 that was not filled due to revenues not meeting projections and the retirement of a Sergeant position that remains unfilled in the budget for the fiscal year 2020/2021. The two positions will be reviewed for inclusion in the 2021/2022 budget depending on revenues after the Covid-19 pandemic has subsided.
- The Fire Department has increasing staffing due to the addition of a full time Engineer during 2019/2020.
- Public Works has decreased staffing due to staff reorganization that removed a management analyst position from the department that will remain unfilled in the current fiscal year.
- Recreation has reductions in staffing due to the shut down of both the Community Center and the Swimming Pool due to Covid-19 restrictions. Currently the only staff included in the recreation budget is for the staffing of the summer camp for children of essential workers, and scheduled staffing for the afterschool program, in whatever form the state allows, for the 2020/2021 fiscal year.

# Staffing



## Employee Compensation

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

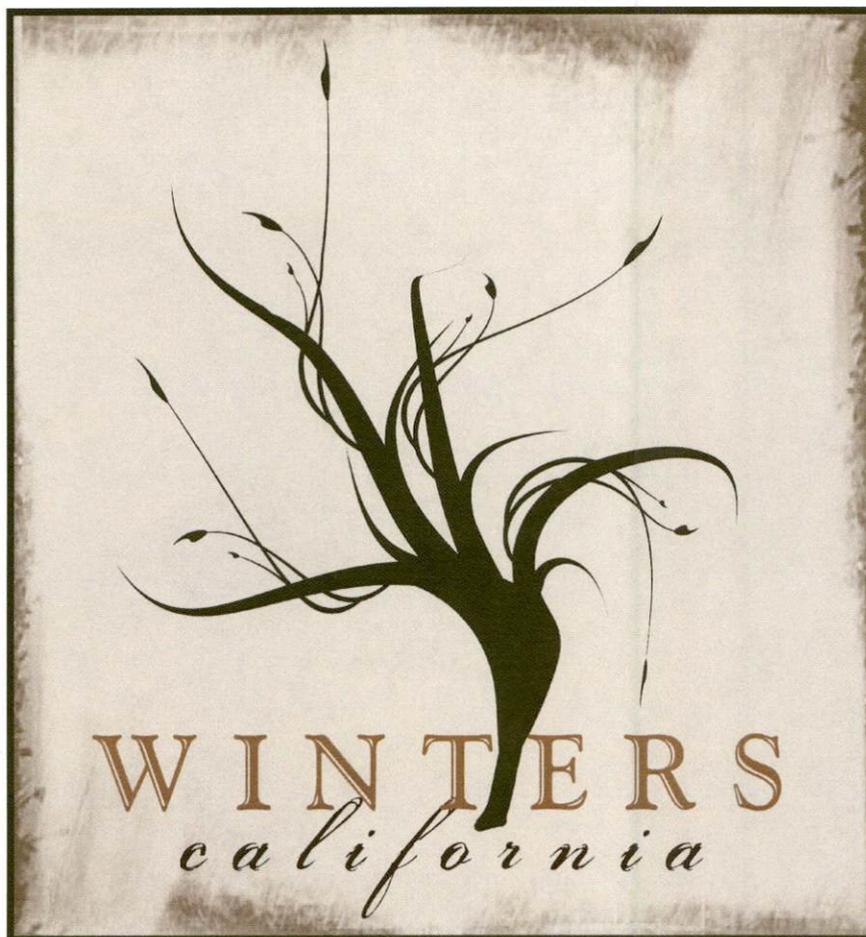
- Winters Employee Association (WEA) is comprised of all non-public safety, non-management employees.
- The Winters Police Officer Association (WPOA) is comprised of the sworn police officers, including the Sergeants, of the City.
- The Winters Mid Management Association is comprised of those individuals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

## Staffing

- The Winters Department Directors Association is comprised of the Department Directors within the City.

At the time of the preparation of this budget, all associations have agreed with the City on the following salary and benefit items.

- No cost of living increases are budgeted for 2020/2021 based on the anticipated reduction in revenues due to the Covid-19 pandemic.
- 2.5% cost of living increases are budgeted for 2021/2022.
- City matching employee contributions to 457K (Deferred Compensation Plans) to a maximum of \$500 per year are being suspended for all employees for 2020/2021.
- City Management employees have agreed to a suspension of the City contribution to the 457 Deferred Compensation plan for 2020/2021, 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 2020/2021 for a limit of 27 hours only.
- The City will pay the first 5% increase in health, vision and dental premiums. Should premiums increase by more 5%, the City will split the cost of the increase with the employee 50/50 up to a maximum increase paid by the city of 7.5% (50% of 15.0% premium increase).
- The Memorandum of Understanding (MOU) with all employee organizations are effective through 6/30/2022.



**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**



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## FISCAL POLICIES

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### BUDGET

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

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

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

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

## **FINANCIAL REPORTING AND BUDGET ADMINISTRATION**

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

1. **Annual Reporting.** The City will prepare annual financial statements as follows:
  - a. The City will contract for an annual audit by a qualified independent certified public accountant 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.

**1. 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"

**2. 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.

### **APPROPRIATION LIMITATION**

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

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

### **FUND BALANCES RESERVES**

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

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

1. The City of Winters has two Contingency Reserves: General Contingency and CalPERS Contingency.
  - a. General contingencies are budgeted in each fiscal year to account for unanticipated expenditures during the year. These are usually smaller amounts and are not for catastrophic emergencies, but rather for unforeseen expenditures at budget time that the City Council deems necessary to allocate funding throughout the fiscal year.
  - b. CalPERS contingencies are budgeted in fiscal years that the City is in a surplus or super funded status with CalPERS for contributions for employee retirement plans. These amounts are included as an expenditure in each fund to which they apply, and the amount not remitted to CalPERS is then transferred to a separate fund in anticipation of contract changes resulting in significant increases in CalPERS rates.
2. Capital Reserves have been established for a variety of reserve purposes. Capital Reserves are used to pay for replacement of infrastructure (such as replacing water mains), renovation of existing infrastructure (such as modernizing a City building), and building new City facilities (such as ball fields). The City has three types of Capital Reserve funds:
  - a. Impact Fee Reserve Funds are fees collected from development established in accordance with AB1600. The specific projects to be funded from the Impact Fees are established in accordance with AB1600 procedures. These funds may only be used for those identified projects, and if not used for those projects must be returned to the developer. Impact fees are used to accommodate facilities required to accommodate new development within the City of Winters.
  - b. Capital Reserves are funds set aside from sources other than development fees to build, renovate, or improve capital assets. Capital Reserves are used for existing or new infrastructure that benefit the community in general. In some cases an improvement is partially funded from Capital reserves, and partially funded by Impact fees. The City Council may designate specific fund balance levels for future development of Capital projects that it has determined to be in the best long-term interest of the City.
  - c. An Equipment Replacement fund has been established in the fiscal year 2002-2003 to provide for the timely replacement of vehicles and capital equipment (General Fund assets) with an individual replacement cost of \$15,000 or more. The City of Winters will use revenues received from the reimbursement of mandated costs, sale of any surplus equipment and any City Council approved transfer of year end revenues in excess of expenditures to provide a funding source for replacement of vehicles and capital equipment. The City has also established Equipment Replacement funds for both the Water and

Sewer Enterprise Funds in the fiscal year 2002-2003. These equipment replacement funds will account for all assets of the enterprise fund, and the annual amount of depreciation for each asset will be transferred as a cash transfer from the individual enterprise fund to its corresponding equipment replacement fund. The City will strive to maintain a fund balance of approximately 20% of the original purchase price of the items accounted for in this fund.

3. Cash and Emergency Reserves-Each year when the City Council approves the annual budget, the budgeted amounts will be appropriated to the various revenue and expenditure accounts in the City's financial system. In the operating funds, the fund balances will be made up of: annual appropriations, money reserves, and unappropriated, unreserved fund balances.
  - a. Annual appropriations are the amounts in the annual budget approved by the City Council for expenditure during the budget year.
  - b. Money Reserves are funds that are specifically reserved by the City Council as a baseline amount for cash and extreme emergency purposes. To avoid short term borrowing, adequate cash must be maintained to cover ongoing expenses. For example, property tax revenues are received by the City twice per year, but the expenses paid with these revenues are fairly constant each month, thus, the fund must maintain a cash balance sufficient to pay for expenses until the revenues are received.
  - c. Unappropriated, unreserved fund balances are also a type of reserve and serve as a cash and/or emergency reserve in each fund. The unappropriated, unreserved fund balances are available to handle the effects of such occurrences as a sudden economic downturn that would result in receiving less revenues than budgeted. (this would give the City time to make appropriate adjustments in subsequent budgets).
  - d. Cash and emergency reserves are established for the following operating funds;
    1. General Fund: The money reserve goal is 50% of annual expenditures and the unappropriated, unreserved end of year estimated fund balance goal is 25% of annual expenditures.
    2. City Wide Assessment District: The unappropriated, unreserved end of year estimated fund balance goal is 75% of annual expenditures.
    3. Water Enterprise Fund: The unappropriated, unreserved end of year estimated fund balance goal is 50% of annual expenditures. This goal is in addition to transferring adequate funds to meet any City Council directed Water Capital Reserve requirements
    4. Wastewater Enterprise Fund: The unappropriated, unreserved end of year estimated fund balance goal is 50% of annual expenditures. This is in addition to any City Council directed Wastewater Capital Reserve Requirements.

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

## **CAPITAL IMPROVEMENT MANAGEMENT**

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

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

## **CAPITAL FINANCING AND DEBT MANAGEMENT**

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

1. The City will consider the use of debt financing only for one time capital improvement projects and only under the following circumstances;
  - a. When the projects useful life will exceed the term of the financing.

- b. When the project revenues or specific resources will be sufficient to service the long-term debt.
- 2. Debt financing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures. The issuance of short-term instruments such as tax revenue bonds or bond anticipation notes is excluded from this limitation.
- 3. Capital improvements will be financed primarily through user fees, service charges, assessments, special taxes or developer agreements when benefits can be specifically attributed to users of the facility. Accordingly, development impact fees have been created and implemented at levels sufficient to ensure that new development pays its fair share of the cost of constructing necessary community facilities.
- 4. The City will use the following criteria to evaluate pay as you go vs. long term financing in funding capital projects;
  - A. Factors favoring pay as you go financing:
    - 1. Current revenues and adequate fund balances are available or project phasing can be accomplished.
    - 2. Existing debt levels adversely affect the City's credit rating.
    - 3. Market conditions are unstable or present difficulties in marketing.
  - B. Factors Favoring Long Term Financing
    - 1. Revenues available for debt service are deemed sufficient and reliable so that long-term financings can be marketed with investment grade credit ratings.
    - 2. The project securing the financing is of the type, which will support an investment grade credit rating.
    - 3. Market conditions present favorable interest rates and demand for City financing.
    - 4. A project is mandated by state or federal requirements, and resources are insufficient or unavailable.
    - 5. The project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.
    - 6. The life of the project or asset to be financed is 10 years or more.
- 5. Debt Management:
  - a. The City will not obligate the General Fund to secure long-term financings except when marketability can be significantly enhanced.
  - b. An internal feasibility analysis will be prepared for each long term financing which analyzes the impact on current and future budgets for debt service and operations. This analysis will also address the reliability of revenues to support debt service.
  - c. The City will generally conduct financings on a competitive basis. However, negotiated financings may be used due to market volatility or the use of an unusual or complex financing or security structure.
  - d. The City will seek an investment grade rating (BAA/BBB or greater) on any direct debt and will seek credit enhancements such as letters of

credit or insurance when necessary for marketing purposes, availability and cost effectiveness.

- e. The City will monitor all forms of debt annually coinciding with the preparation of the annual budget.
- f. The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
- g. The City will maintain good, ongoing communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement).

6. Debt Capacity:

- a. General Purpose Debt Capacity. The City will carefully monitor its level of general purpose debt. General purpose debt capacity is limited, and should only be used for high priority projects where other financing methods cannot be reasonably used.
  - 1. General purpose funds committed to a project are not available for funding operations
  - 2. In evaluating debt capacity, general purpose debt service payments will not exceed 10% of General Fund Revenues
- b. Enterprise Fund Debt Capacity. The City will set enterprise fund rates at levels needed to fully cover debt service requirements as well as operations, maintenance, administration and capital improvement costs. The ability to afford new debt for enterprise operations will be evaluated as an integral part of the City's rate review and setting process.

**7. The City will retain a Financial Advisor in connection with any debt issuance.**



## **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. Banker's 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 banker's 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 a 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.



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

### **Purpose:**

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

### **Policy:**

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

### **Scope**

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

### **Objectives**

1. **Accounting and Reporting.** To accurately account for and report fixed assets in financial reports issued to the City Council, external-reporting agencies, granting agencies and the public.
2. **Safeguarding.** To protect the City's fixed assets from loss or theft.

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

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

### **Capitalization Policy**

Fixed assets will be identified as:

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

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

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

Specific capitalization requirements are described below:

- The capitalization threshold is applied to individual units of fixed assets. For example, ten desks purchased through a single purchase order each costing \$1,000 will not qualify for capitalization even though the total cost of \$10,000 exceeds the threshold of \$5,000.
- The capitalization threshold will generally not be applied to components of fixed assets. For example, a keyboard, monitor, and central processing unit purchased as components of a computer system will not be evaluated

individually against the capitalization threshold. The entire computer system will be treated as a single fixed asset.

- Repairs to fixed assets will generally not be subject to capitalization unless the repair extends the useful life of the asset. In this case, it represents an improvement and is subject to the capitalization policy and should be evaluated separately.
- Improvements to existing fixed assets will be presumed (by definition) to extend the useful life of the related fixed asset and, therefore will be subject to capitalization only if the cost of the improvement meets the threshold. In theory, an improvement to a fixed asset that had an original cost of less than the threshold (\$5,000 or \$50,000), but now exceeds the threshold as a result of the improvement, should be combined as a single asset at the total cost (original cost plus the cost of the improvement) and capitalized.
- Capital projects will be capitalized as "construction in progress" until completed. Costs to be capitalized include direct costs, such as labor, materials, and transportation, indirect costs such as engineering and construction management, and ancillary costs such as construction period interest.

### **Inventory Control Policy**

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

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

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

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

a grant program that has funded the acquisition of a fixed asset may impose a requirement that the fixed asset be tracked and identified as a grant-funded asset.

### **Tagging**

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

### **Why Tag an Asset**

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

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

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

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

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

## **Purchasing Fixed Assets**

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

## **Disposal of Surplus Property**

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

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

## **Depreciable Lives**

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

## **Depreciation Convention**

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

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



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

### **Purpose**

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

### **Policy**

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

### **Scope**

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

## Objectives

The City of Winters infrastructure asset policy has 2 objectives:

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

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

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

## Capitalization Policy

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

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

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

### ***Inventory Control***

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

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

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

### **How to Retire/Dispose of 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:

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

**Depreciation convention.**

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



## **POLICY ON PENSION AND OPEB (Other Post Employment Benefit) LIABILITIES Amended 12-17-19**

### **Purpose:**

The purpose of this policy is to ensure an adequate and appropriate approach to the monitoring and payment of the Pension (CalPERS) unfunded liabilities and OPEB (Other Post Employment Benefits) unfunded liabilities of the City of Winters. These procedures and guidelines are designed to provide an approach to the payment of pension liabilities and OPEB unfunded liabilities to maintain the City of Winters CalPERS retirement and health care plans for current and former employees.

### **Policy:**

It is the policy of the City of Winters that the payment of pension and OPEB unfunded liabilities is a priority for the City of Winters and that a proactive approach to funding these liabilities is a prudent financial practice.

Policy related the payment of CalPERS Pension liabilities are as follows:

1. The City of Winters shall remit to CalPERS the required amounts per the Annual Valuation Report issued by CalPERS each year and each pay period as required by CalPERS.
2. Beginning Fiscal Year 2019-2020, the City of Winters will pay the "Employer payment of unfunded liability" each year in one lump sum payment in July of each year in order to maximize the savings in interest charged by CalPERS, thereby, minimizing the required payment each year.
3. Beginning in Fiscal Year 2019-2020 the City of Winters will include in the annual budget and remit to CalPERS, yearly, an additional amount for the Tier 2 Police Safety Plan, the Fire Safety Plan, the Miscellaneous PEPRAs Plan, the Police Safety PEPRAs Plan and the Fire Safety PEPRAs plan, to pay the entire amount of the unfunded Accrued Liability (UAL) as shown on the most recently dated Annual Valuation Report (the amount on the report dated typically 2 years prior to the beginning of the fiscal year (example July 30, 2017 for Fiscal Year 2019-2020))

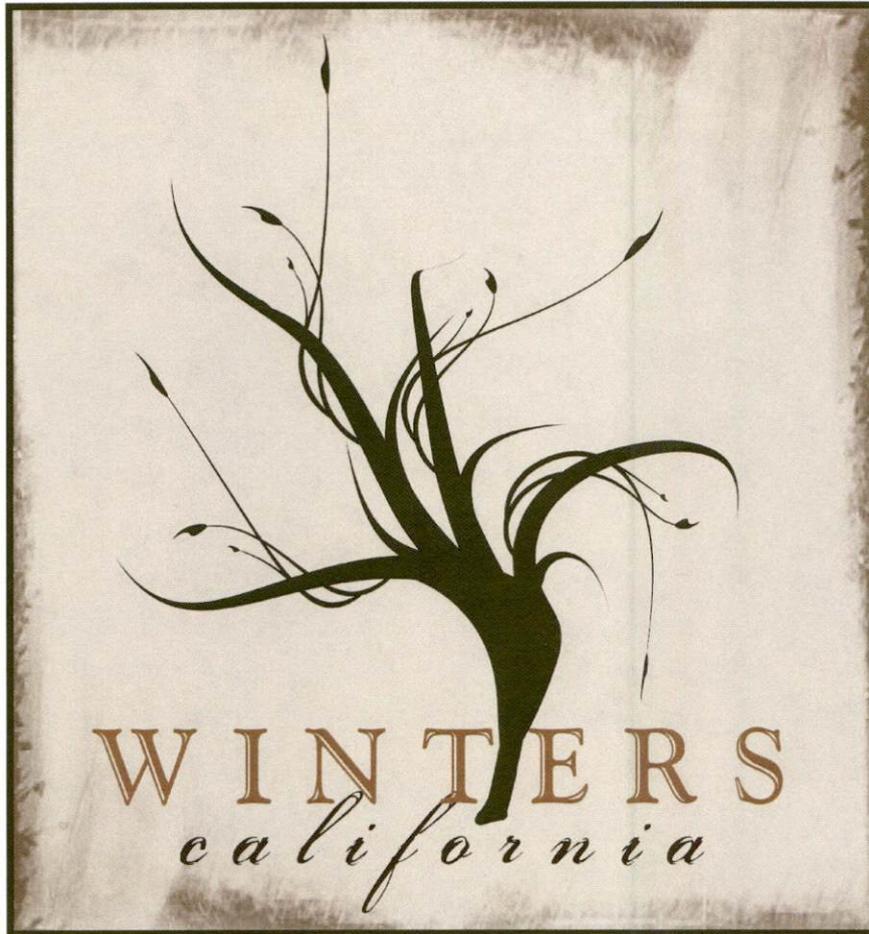
4. In Fiscal Year 2020-2021 The City of Winters will include in the annual budget, and remit to CalPERS, \$100,000 for an additional discretionary payment for the Miscellaneous Classic (\$50,000) and Police Safety Classic (\$50,000) Plans .
5. In Fiscal Year 2021-2022 The City of Winters will include in the annual budget, and remit to CalPERS, \$150,000 for an additional discretionary for the Miscellaneous Classic (\$75,000) and the Police Safety Classic (\$75,000) Plans.
6. In Fiscal Year 2022-2023 and succeeding years thereafter, until the unfunded actuarial valuation each year is less than \$100,000 per Classic plan, The City of Winters will include in the annual budget, and remit to CalPERS, \$200,000 for an additional discretionary payment the Miscellaneous Classic (\$100,000) and Police Safety Classic (\$100,000) Plans.
7. Once the unfunded actuarial valuation has fallen below \$100,000 per Classic plan, the City of Winters will include in the annual budget and remit to CalPERS, yearly, an additional amount for the Miscellaneous Classic and the Police Safety Classic Plan, to pay the entire amount of the unfunded accrued liability (UAL) as shown on the most recently dated Annual Valuation Report. (see item #4 above)
8. In addition to the above stated policies, it shall be the policy of the City of Winters to review the extent of revenues in excess of expenditures for the General Fund each year and remit 25% of the revenues in excess of expenditures to additional discretionary payments to CalPERS for application to the unfunded liabilities for Miscellaneous Classic Plan and the Police Safety Plan until such time as the unfunded liability has reached -0-.
9. In addition to the above stated policies, it shall be the policy of the City of Winters to review the extent of net revenues in excess of required bond covenants for the Water fund each year and remit 25% of the net revenues in excess of bond covenants to additional discretionary payments to CalPERS for application to the unfunded liabilities for Miscellaneous Classic Plan until such time as the unfunded liability has reached -0-.

Policy related to the payment of OPEB unfunded liabilities are as follows:

1. Other post-employment benefits (OPEB) for the City of Winters refers "only" to the employer share of retired employee health insurance premiums.
2. The rates for the employer share of retired employee health insurance premiums are set by CalPERS only.
3. The City of Winters shall remit to CalPERS on a monthly basis as billed, the full amount due for all health insurance premiums, including the premiums for the employer share of retired employee health insurance benefits.
4. The City of Winters shall enter into an agreement with an appropriately selected provider of Section 115 Trust (A trust set up by local governments to fund essential governmental functions such as retiree healthcare, or pensions) for pre funding OPEB liabilities.

5. Beginning 2020-2021 the City will include in the annual City Budget, and remit to the CERBT, the amount equal of \$66,000. This contribution amount will remain in effect until such time that the total Funds in the CERBT equal the amount of the OPEB liability.
6. Once the CERBT amount is less than the OPEB liability by less than \$66,000, then the annual contribution to be remitted to the CERBT will be equal to the difference between the OPEB Liability and the CERBT.
7. In addition to the above stated policies, it shall be the policy of the City of Winters to review the extent of revenues in excess of expenditures for the General Fund each year and remit 25% of the revenues in excess of expenditures to additional discretionary payments to CERBT for application to the OPEB liabilities for until such time as the unfunded liability has reached -0-.
8. In addition to the above stated policies, it shall be the policy of the City of Winters to review the extent of net revenues in excess of required bond covenants for the Water and Sewer fund each year and remit 25% of the net revenues in excess of bond covenants to additional discretionary payments to CERBT for application to the unfunded OPEB liabilities until such time as the unfunded liability has reached -0-.

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**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 2020/2021.

The City will be working on a 5-year capital improvement plan in the upcoming budget years. The 5-Year Capital Improvement Plan will be available once completed and approved by the City Council. The AB1600 Projects Plan and the AB1600 Financing Plan are available on the City of Winters website.

There are a few capital projects included in this budget, however, most projects that will be addressed in the upcoming 5 year Capital Improvement Plan are not currently included in this budget. These projects include but are not limited to:

- 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.

There are very few capital projects included in the budget, but the following items are included:

- Remodel former Police Station
- Replace Roof on City Hall
- SB1 Road Projects
- City Limits Specific Plan-planning project
- Housing Element Update
- Climate Action Plan
- Complete implementation of NeoGov, the HR and payroll software approved for implementation by the City Council in the 2019/2020 fiscal year.
- Implementation of OpenGov, a budgeting and transparency software approved for implementation by the City Council in June 2020.

**Capital  
Improvement  
Plan**

**SB1 RMRA for 2020/2021**

**Project Budget Sheet**

<b>CIP#:</b>		<b>MPFP#(s):</b>	
<b>Last Updated:</b>		<b>Original Approval:</b>	
<b>Project Owner:</b>		<b>Project Resource:</b>	
<b>Project Manager:</b>			

(NAME)

**Description:**

Spot Repair /Crack Seal/Slurry Seal streets utilizing funds from SB1 from the State of California

**Authority:**

City Council

**Budget:**

Item	%	Amount	Item	%	Amount
Project Management			Investigations	5%	\$ 6,832
Construction Management	10%	\$ 13,664	Land		\$ -
Consultant Design	5%	\$ 6,832	Construction	0%	\$ 181,644
RW Consultant		\$ -	Materials Testing		
CEQA			<b>Project Total:</b>		<b>\$ 208,973</b>

**Financing Schedule:**

Project Start:

Project Completion:

Phases:							
<b>Fund Code:</b>	<b>226</b>	<b>221</b>					
<b>Name:</b>	RMRA	Gas Tax					<b>FY Totals</b>
<b>Prior FY:</b>							\$ -
<b>FY 20/21</b>	\$ 136,644	\$ 45,000					\$ 181,644
<b>Fund Totals:</b>	\$ 136,644	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ 181,644
<b>Ratios:</b>	75.2%	24.8%	0.0%	0.0%	0.0%	0.0%	100.0%

Recommended for Submittal

Recommended for Approval (Dept. Head)

Finance Department Approval

City Manager Approval

Shelly Gunby, Director of Finance

John Donlevy, City Manager

(date)

(date)

(date)

**Capital  
Improvement  
Plan**

**Old PD Building Rehab  
Project Budget Sheet**

CIP#: \_\_\_\_\_ MPFP#(s): \_\_\_\_\_  
 Last Updated: \_\_\_\_\_ Original Approval: \_\_\_\_\_  
 Project Owner: \_\_\_\_\_ Project Resource: \_\_\_\_\_  
 Project Manager: \_\_\_\_\_

(NAME)

**Description:**

Renovate and remodel the abandoned Police Department building for additional accessible offices to house the Finance and the Human Resources Departments.

**Authority:**

City Council

**Budget:**

Item	%	Amount	Item	%	Amount
Project Management			Investigations	5%	\$ 10,000
Construction Management	10%	\$ 20,000	Land		\$ -
Consultant Design	5%	\$ 10,000	Construction	0%	\$ 200,000
RW Consultant		\$ -	Materials Testing		
CEQA			<b>Project Total:</b>		<b>\$ 240,000</b>

**Financing Schedule:**

Project Start:

Project Completion:

Phases:

Fund Code: 416

Name: General Impact Fees

Prior FY:

FY 20/21

Fund Totals:

Ratios:

FY Totals

\$ -

\$ 200,000

\$ 200,000

\$ 200,000

100.0%

0.0%

0.0%

0.0%

0.0%

0.0%

0.0%

100.0%

Recommended for Submittal

Recommended for Approval (Dept. Head)

(date)

Finance Department Approval

Shelly Gunby, Director of Finance

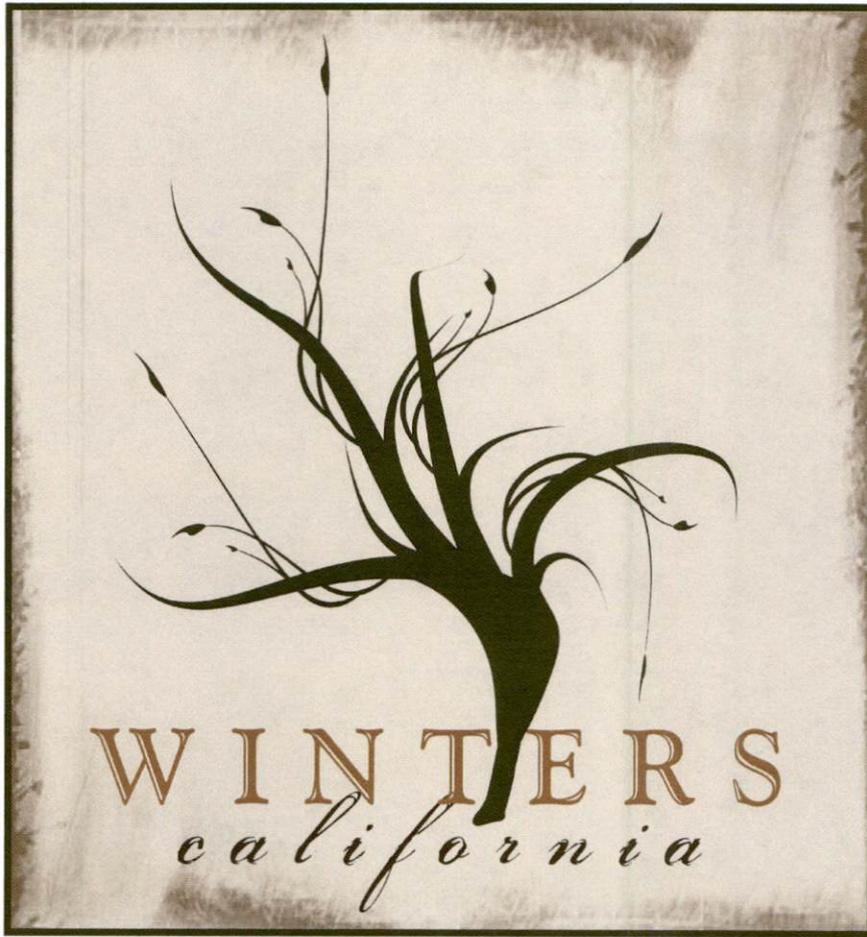
(date)

City Manager Approval

John Donlevy, City Manager

(date)

Vertical line



**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.

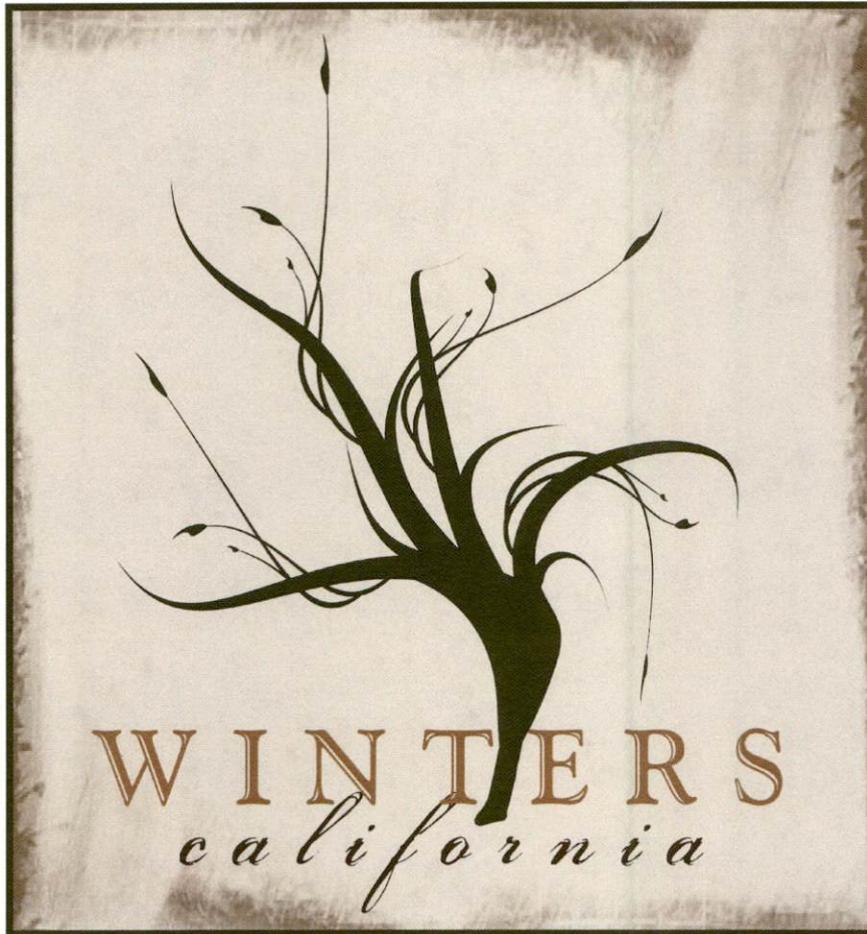
**10 Year Financing Plan**

## **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 usually completes a ten-year forecast for the City's General Fund and City Wide Assessment District as well as the Water and Wastewater Funds.

However, due to the extreme uncertainty regarding the impact of Covid-19 on the economy of the nation, state and local jurisdictions, it is impossible to predict the direction that the financial situation the City may have to take in the upcoming months and years, therefore, the City of Winters has decided not to include the 10-year forecast in the budget for 2020/2021.

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**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

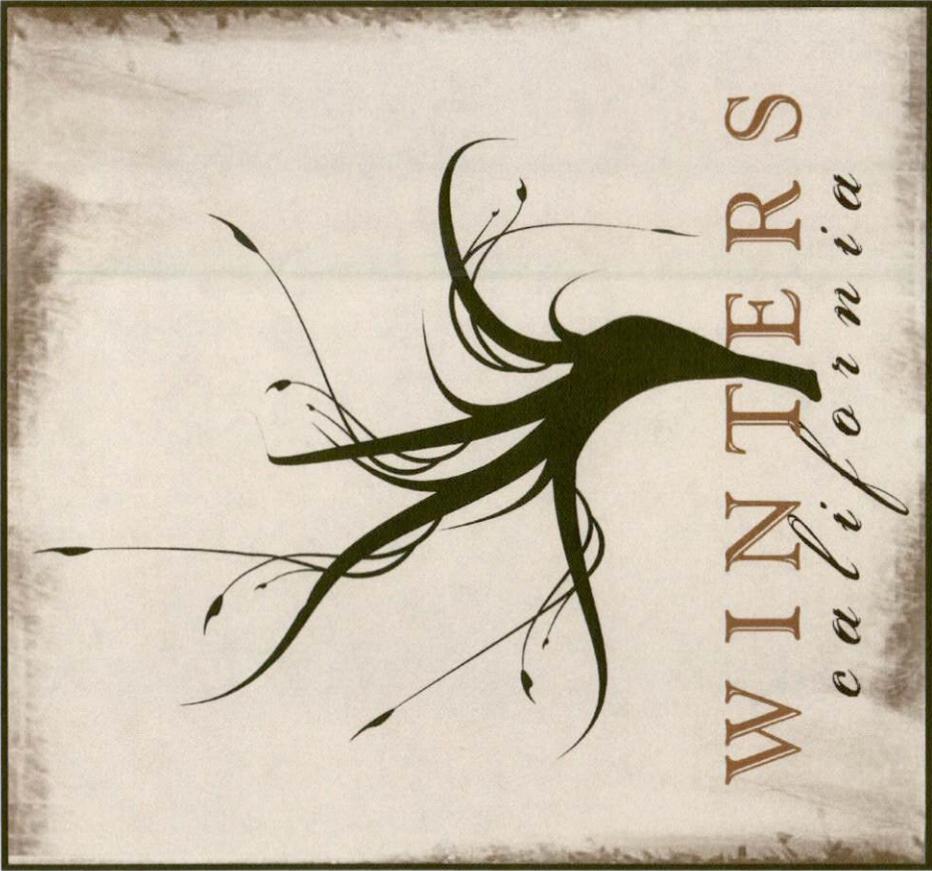
The City of Winters uses a cost allocation plan to allocate costs to the various funds and departments through the organization.

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 was updated in 2016-2017. The consultant prepared a spreadsheet format so that the costs for each department are entered into the spreadsheet, and then based on the allocation formula embedded in the spreadsheet, costs are allocated out to all departments. This is not a percentage passed system, but rather a cost based system, utilizing factors to determine the level and cost of each service each department provides to another department or fund. The Cost Allocation report is available on the City of Winters website for review.

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.

Department/Fund	Percentage
City Council	0.30%
City Clerk	0.02%
City Manager	1.34%
Administrative Services	0.14%
Finance	0.91%
Police Department	25.82%
Fire Department	11.60%
Community Development	2.14%
Building Inspector	4.86%
Public Works	1.81%
Sewer Fund	22.83%
Water Fund	22.19%
City Wide Assessment District	3.46%
Street Fund	2.59%

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Comparison to Other Yolo  
County Cities

# Comparison to Other Yolo County Cities

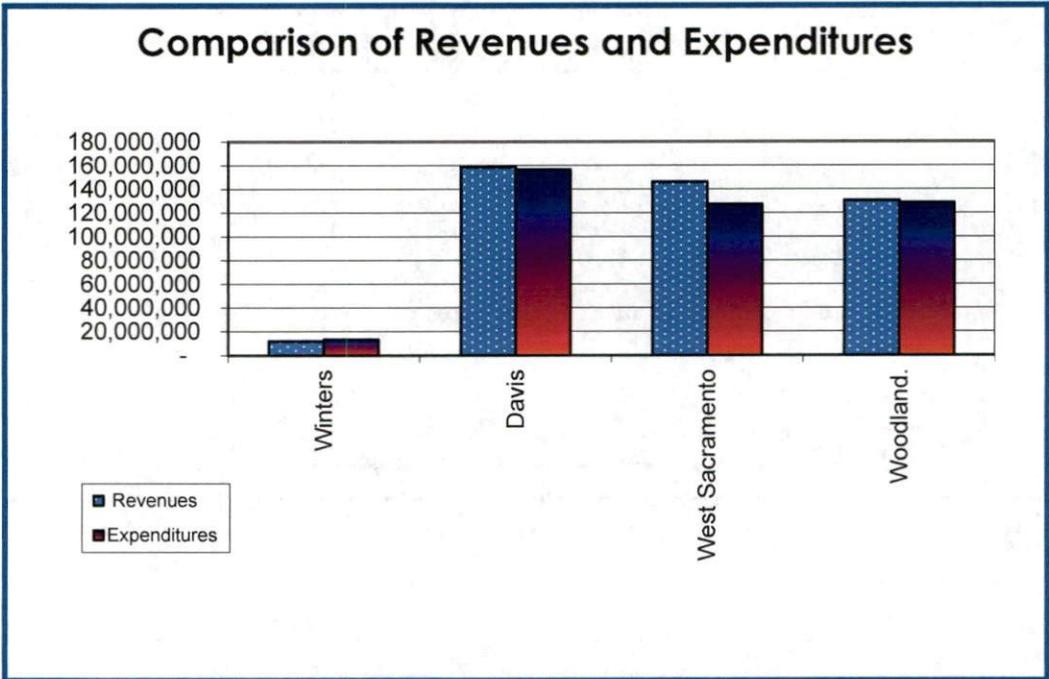
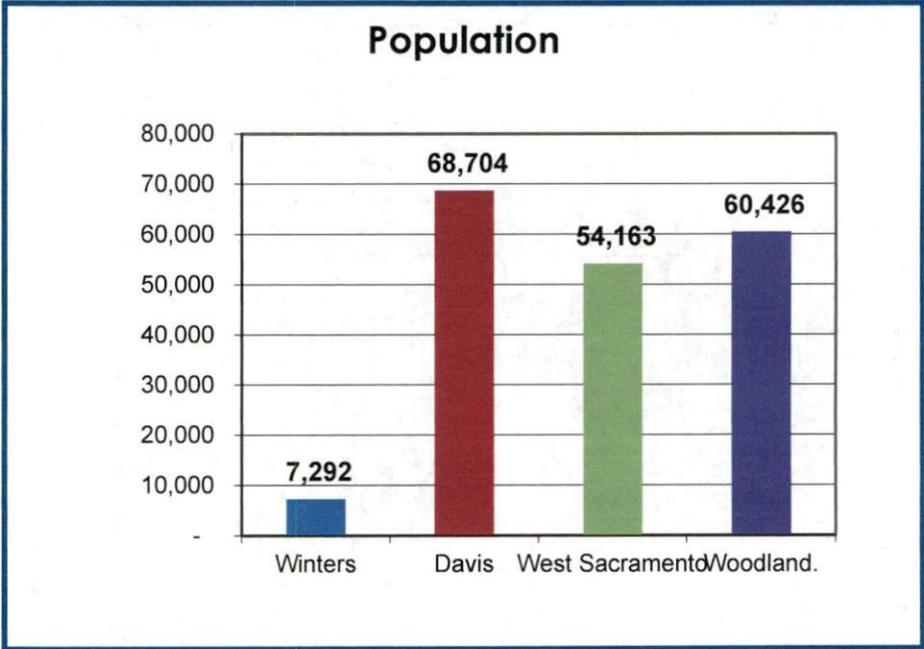
The City of Winters is the smallest City in Yolo County and is the southern most and western most located city. Below is some information that compares the four (4) Yolo County Cities.

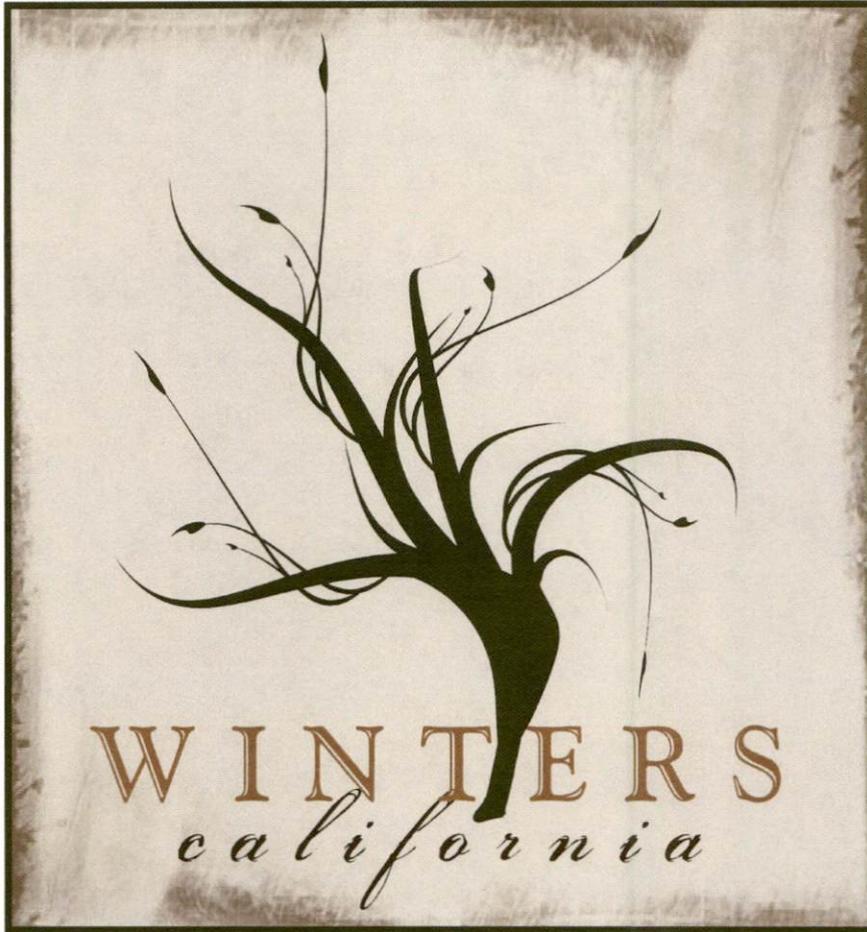
## Revenue/Expenditure Comparison Yolo County Cities Source: 2017-2018 Cities Annual Report

	Winters		Davis		West Sacramento		Woodland	
	City Total	\$ per Capital	City Total	\$ per Capital	City Total	\$ per Capital	City Total	\$ per Capital
Population	7,292		68,704		54,163		60,426	
Appropriation Limit	6,775,194		73,881,156		1,389,305,613		68,230,097	
Appropriations Subject to Limit	3,230,835		49,090,161		62,845,061		49,148,886	
City Revenues:								
Taxes	3,795,894	520.56	52,617,031	765.85	66,921,094	1,235.55	41,989,030	694.88
Special Benefit Assessment	398,462	54.64		-	17,337,467	320.10	2,917,899	48.29
Licenses and Permits	259,732	35.62	1,557,669	22.67	1,467,538	27.09	6,049,257	100.11
Fines and Forfeitures	17,879	2.45	401,012	5.84	335,866	6.20	297,441	4.92
Use of Money & Property	193,267	26.50	2,180,759	31.74	2,089,054	38.57	825,813	13.67
Intergovernmental	1,696,397	232.64	5,523,760	80.40	6,342,041	117.09	7,266,407	120.25
Service Charges	3,847,634	527.65	48,913,181	711.94	37,174,234	686.34	47,502,674	786.13
Internal Service Fund	623,798	85.55	28,378,507	413.05			15,468,673	255.99
Transit			5,097,597	74.20				-
Solid Waste			11,494,501	167.30			594,388	9.84
Other Revenues	966,930	132.60	2,450,630	35.67	14,328,146	264.54	7,546,680	124.89
Other Financing Sources	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>11,799,993</b>	<b>1,618.21</b>	<b>158,614,647</b>	<b>2,308.67</b>	<b>145,995,440</b>	<b>2,695.48</b>	<b>130,458,262</b>	<b>2,158.98</b>
City Expenditures								
General Government	580,976	79.67	8,896,780	129.49	11,044,356	203.91	6,181,717	102.30
Public Safety	4,009,079	549.79	32,278,428	469.82	31,957,657	590.03	31,583,440	522.68
Transportation	1,190,683	163.29	11,125,762	161.94	11,028,360	203.61	6,338,415	104.90
Community Development	889,401	121.97	6,893,040	100.33	6,379,135	117.78	4,905,575	81.18
Capital	1,884,159	258.39	11,081,815	161.30	20,914,649	386.14	19,947,924	330.12
Internal Service Fund	618,940	84.88	26,420,135	12.12			14,884,033	246.32
Health							19,337	0.32
Harbor and Port					3,600,123	66.47		
Culture and Leisure	761,034	104.37	12,673,998	184.47	8,183,556	151.09	6,347,102	105.04
Public Utilities	3,330,046	456.67	47,349,278	689.18	34,362,065	634.42	38,620,015	639.13
<b>Total Expenditures</b>	<b>13,264,318</b>	<b>1,819.02</b>	<b>156,719,236</b>	<b>2,281.08</b>	<b>127,469,901</b>	<b>2,353.45</b>	<b>128,827,558</b>	<b>2,131.99</b>

# Comparison to Other Yolo County Cities

Below are graphs that compare Population, Net Assessed Value, Outstanding Debt and Revenues and Expenditures for the 4 Yolo County Cities according to the 2015-2016 Cities Annual Report.





**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

## **Glossary of Budget Terms**

expended each year and the method of financing those expenditures.

### **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.

## **Glossary of Budget Terms**

### **General Fund**

The governmental accounting fund supported by property taxes, licenses and permits, service charges, and other general revenues to provide for operating services.

### **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.

## **Glossary of Budget Terms**

### **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.

### **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.

## **Glossary of Budget Terms**

### **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 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.

## **Glossary of Budget Terms**

Funds that a city receives as income. Revenues include such items as taxes, licenses, user fees, service charges, fines and penalties and grants

### **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

## **Glossary of Budget Terms**

revenues (increment) is used to finance development related costs in the project area.

### **Transfers In and Transfers Out**

Movement of revenue out of one fund to another. The recipient fund uses the money to cover the cost of services provided, or to cover the cost of a contract between two funds.

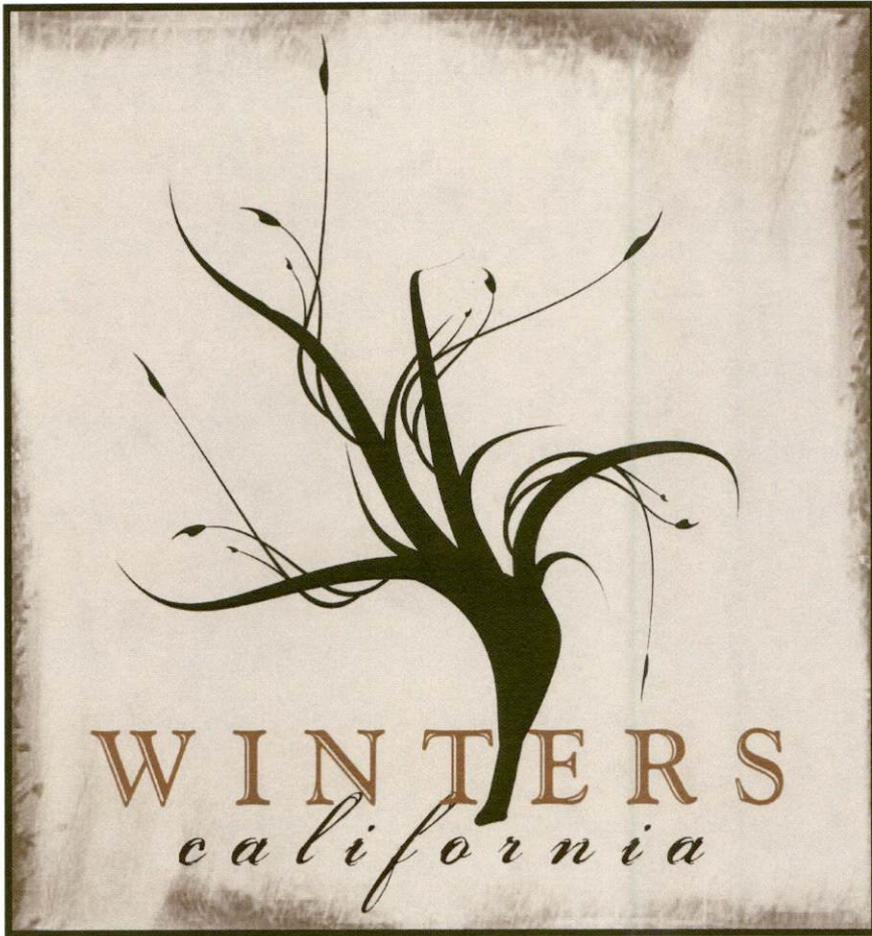
### **Warrant**

An order drawn by a locality's officers directing the treasurer of the locality to pay a specified amount to the bearer, either after the current or some future date.

### **Year-End**

As of June 30th (end of fiscal year)

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## Gann Limit

Article XIII B of the California Constitution was a ballot initiative adopted in 1980 and modified by Proposition 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

$\% \text{ change in per capita income} + 100/100$

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 1/1/20 was 7,279 compared to 7,169 on 1/1/19, a 1.53% increase in population.

The change in per capita income for California for 2020/2021 is 3.73

# Gann Limit

The factor for determining the year-to-year increase is computed as follows:

$$\frac{3.73+100}{100} \times \frac{1.53+100}{100} = 1.053171$$

The calculation of the 6/30/21 appropriation limits is as follows:

2019-2020 appropriation limit	7,854,834
Calculated growth factor	<u>X 1.053171</u>
Appropriation Limit 2009-2010	\$8,272,481

Appropriations Subject to Limitation for Fiscal Year Ending June 30, 2020		
Proceeds from Taxes		\$ 3,746,364
Less Exclusions		
Capital Outlay	\$ -	
Debt Service	-	
Total Exclusions	<u>                    </u>	0
Appropriations subject to Limitation		<u>\$ 3,746,364</u>
Current Year Limit		<u>8,272,481</u>
Over (Under) Limit		<u>\$ (4,526,117)</u>

As shown in the box below, the city is at 45.29% of its limitation and is not impacted by the appropriation limit at this time.

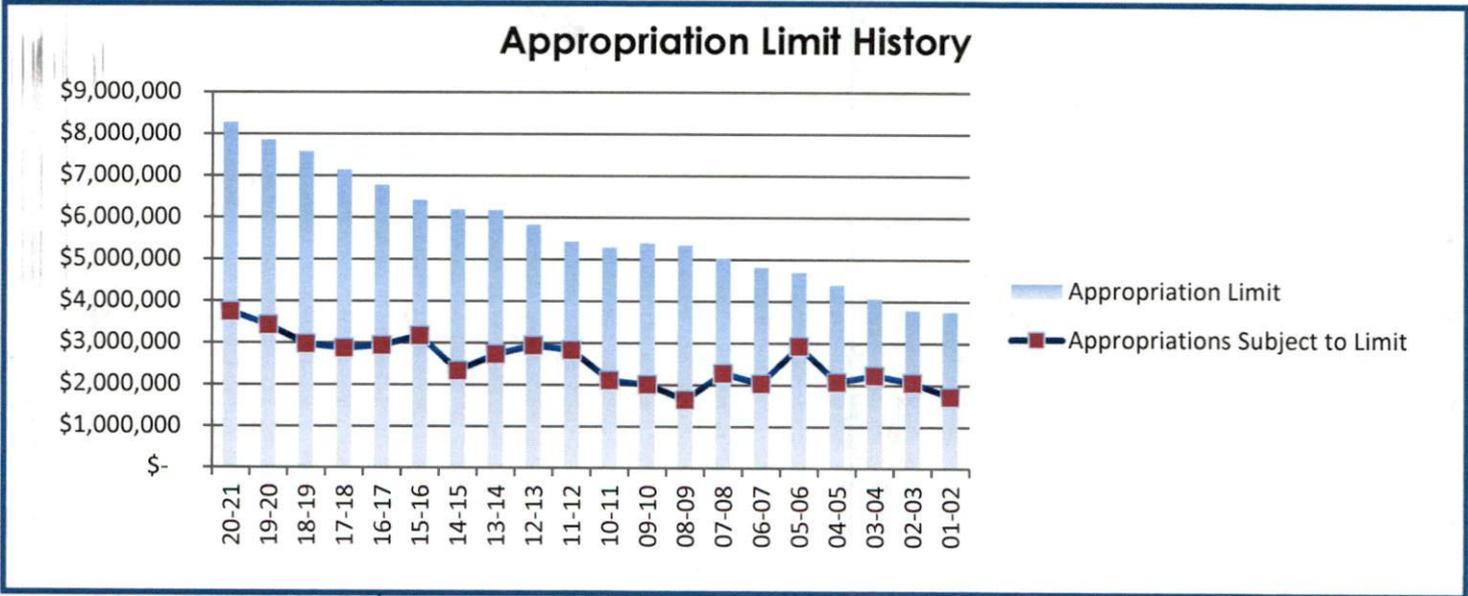
Section 9710 of the California Government Code, added in 1980 by the State Legislature, requires the City Council to adopt the City's Gann Appropriation Limit for the following year by resolution. Resolution 2020-27 was adopted by the City Council on June 2, 2020.

# Gann Limit

Below is information for ten (10) years on the appropriations limit.

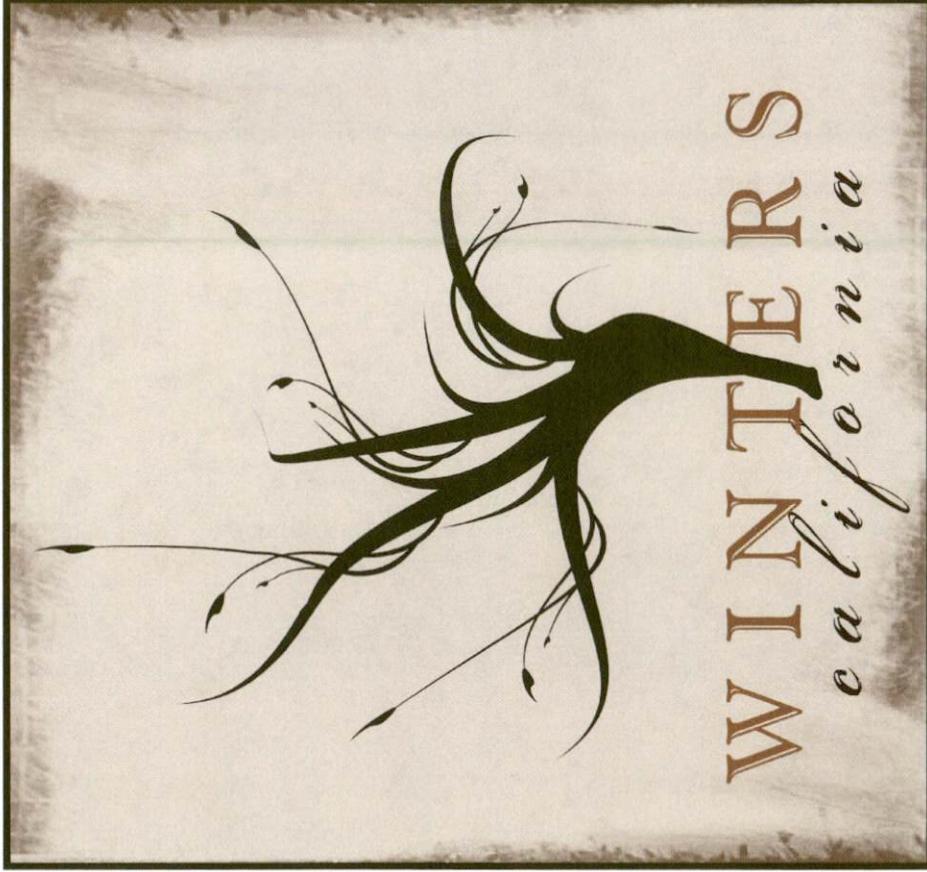
Fiscal Year	Appropriation Limit	Appropriation Subject to Limit	% of Limit Used
20-21	\$ 8,272,481	\$ 3,746,364	45.29%
19-20	7,854,834	3,423,453	43.58%
18-19	7,573,480	2,966,016	39.16%
17-18	7,143,222	2,865,843	40.12%
16-17	6,775,194	2,937,162	43.35%
15-16	6,417,714	3,166,050	49.33%
14-15	6,195,828	2,327,334	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%

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 2020-30

A RESOLUTION OF THE CITY OF WINTERS APPROVING AND ADOPTING  
A BUDGET OF ESTIMATED EXPENDITURES AND REVENUES FOR  
FISCAL YEARS 2020-2021

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 due to the economic impact of Covid-19 a 1 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 2020-2021, 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 2020-2021, General Fund estimated revenues of \$5,491,141 use of available fund balance of \$0, for a total source of funds of \$5,491,141 and total appropriations of \$5,429,369.

Section 2. For the Fiscal Year 2020-2021, Special Revenues Funds estimated revenues of \$1,854,722 use of available fund balance of \$201,343 for a total source of funds of \$2,056,065, and total appropriations of \$1,737,278.

Section 3. For Fiscal Year 2020-2021 Capital Revenue Funds estimated revenues of \$1,743,165, use of available fund balance of \$135,355 for total source of funds of \$1,878,520 total appropriations of \$424,908.

Section 4. For Fiscal Year 2020-2021 Water O & M Fund estimated revenues of \$1,705,589 use of available fund balance of \$-0- for total source of funds of \$1,705,589 and total expenses of \$1,703,009.

Section 5. For Fiscal Year 2020-2021 Sewer O & M estimated revenues of \$1,915,358 use of available fund balance of \$0 for a total source of funds of \$1,915,358 and total expenses of \$1,897,206

Section 6. For Fiscal Year 2020-2021 Successor Agency to the Dissolved Winters Community Development Agency estimated revenues of \$1,286,109 use of available fund balance of \$-0- for a total source of funds of \$1,286,109 and total expenditures of \$1,286,109.

Section 7. For Fiscal Year 2020-2021 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

**PASSED AND ADOPTED** by the City of Winters this 16th day of June 2020 by the following roll call vote:

**AYES;** Council Members Anderson, Loren, Neu, Mayor Pro Tem Biasi, Mayor Cowan  
**NOES;** None  
**ABSTAIN;** None  
**ABSENT;** None

  
\_\_\_\_\_  
Wade Cowan, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Tracy S. Jensen, City Clerk