CITY OF LINDSAY

BUDGET

2012/2013

Adopted
June 27, 2012

City of Lindsay
City Manager's Budget Message

June 27, 2012

Honorable Mayor and City Council:

The Annual Budget of the City of Lindsay provides for the fiscal year 2012/2013, which starts July 1, 2012. This year's total operating budget is $13,364,401 with projected revenues sufficient to cover expenditures - the presented budget is balanced - covering operational services of $11,546,381 - debt service payments of $1,043,252 - and capital improvements of $714,768.

The process has been examined through a council study session and open public comment in which concerns, deficiencies, and deficits have been identified. Through the collaboration of Council, the City Finance Director, the City Manager, and all department heads, reduction strategies have been reviewed for all operating departments and it has been determined that continued strict spending restraint is necessary to meet the service obligations of the city with the limited available resources. While there will be some reduction in hours, we will not have to lay off employees like we did last year; however, we do anticipate a reduction in open hours for McDermont Field House during times that have proven to be less attended, thus reducing both hard and employee costs for that department. Departments will also continue to research areas for reducing and/or sharing resources in an effort to reduce both cost and waste of natural resources - "lean and green" is the employee motto.

At my direction, the Finance Director has prepared this budget, with input from all Department Heads, consistent with the objectives and goals identified in the council study session and set forth herein for the fiscal 2012/2013-year.

GOALS & OBJECTIVES:

- Focus on completing the citywide streets renovation program and park improvements.
- Complete the accounting system upgrade that will reduce labor and improve efficiency.
- Continue to strive towards improved customer service to our citizens.
- Restore relations with our funding partners by implementing recommendations as set forth by the various auditors over this past year so that all records and projects are in compliance with established standards.
- Present and adhere to a balanced FY2012-13 Budget, ensuring expenditures do not exceed revenues and capital outlay reserve is accounted for as well as debt service obligations.
- Review current city policies, procedures, and ordinances to ensure we are operating at the highest possible standards and in the best interests of our constituency.

UPCOMING CHALLENGES:

Although the City's economy shows signs of slight improvement in respect to revenue growth, particularly in the retail sales tax category, the city must take a conservative and fiscally responsible stance in preparing this budget, as there is still uncertainty in the State of California's budget cuts; we pledge to diligently rise to the challenge of managing our resources and providing services in which costs continue to outpace the modest revenue growth predictions.

The City will continue to face financial challenges for the upcoming fiscal year, including debt service responsibilities, the dissolution of the redevelopment agency and loss of that operating revenue, restructuring of short-term debt obligations, and the ever-present threat that the state will continue to take local resources in an effort to balance its own budget.

CONCLUSION:

We will continue to carefully monitor our enterprise funds to ensure they remain balanced and within acceptable fund balance ranges; we will continue conservative, fiscally responsible expenditure policies. Staff has collaboratively identified internal control deficiencies and implemented strong internal control measures and policies that have eliminated those deficiencies. Written policies have been developed and passed by Council which meets the standards of the auditing agencies that have been down to review city projects this past year. I have included Council in this process and will continue to keep you apprised of all City financial matters.

I want to thank the Mayor and City Council for their total involvement in the budget decision-making process; we are mindful and aligned with your stated goals and objectives for this fiscal year and look forward to achieving your goals and objectives in an efficient manner.

Respectfully Submitted,

Rich Wilkinson
City Manager

HOW TO USE THIS BUDGET

This Budget document has been designed to provide the public concise and readable information about the City of Lindsay. The Budget explains the services and objectives, annual spending plan for the 2012-2013 fiscal year, debt obligations, and other vital information about the operations of the City.

This Budget document is separated into eleven sections, designated by tabbed pages, that provide quick identification of its contents. The Table of Contents lists every subject covered in this document and the associated page number.

The following are the eleven major sections and a brief explanation of each:

Table of Contents
A listing of all major sections, subsections, and the associated page numbers.

Executive Summary
The Executive Summary Section includes the City Manager's letter to the Mayor, City Council, and residents of the City of Lindsay that provides an overview of the recommended Budget and its objectives, policies and goals, a discussion of funding for City services, a discussion of major capital projects, and a general economic outlook for the City.

Introduction
The Introduction Section provides general information about the City, long-range goals, economic outlook, basis of budgeting, budget process and calendar, budgetary controls, appropriations limitation, fund descriptions, a detailed listing of revenue sources for all funds, and organizational charts.

Personnel
This section includes the salary matrix for all budgeted positions as well as the salary allocation percentage schedule.

Summary of Revenues and Expenditures
The Summary of Revenues and Expenditures Section provides the summary of financial transactions contained in the recommended Budget. Revenue sources are defined per fund schedule and type.

Operations
The Operations Section provides detailed expenditure projections and approved appropriations for all city departments and programs; denotes major changes from the previous year along with primary purpose and focus of the new year.

Debt Obligations
The Debt Obligation Section provides information about the City's current long-term debt obligations, and the legal debt limit.

Capital Improvement Projects Fund
The Capital Improvement Projects Section provides a general explanation of all capital projects *budgeted* for the 2012-2013 fiscal year and is organized by activity. Projects are identified on the basis of priority need and availability of funding.

Five-Year Capital Improvement Plan
The Five-Year Capital Improvement Plan Section provides a general explanation of all capital projects *planned* for fiscal years 2012-2013 through 2016-2017 and beyond and is also organized by activity. Projects are identified on the basis of priority need and availability of funding.

Policies
This section includes the Internal Control Policies that dictate how staff and council will conduct business on behalf of the City.

Appendix
The Appendix Section provides demographic information, phone numbers of City offices, miscellaneous statistics, and a glossary of terms used in this document. Every attempt has been made to make this Budget document as easily understood as possible, including the Glossary of Terms intended to help the reader understand the terms and acronyms contained herein. If you have any questions, or need clarification of items in this Budget, contact the Finance Department by calling (559) 562-5927. The Budget document is available for public inspection at Lindsay City Hall, 251 E Honolulu, the Lindsay Branch Library, on the City's website at www.lindsay.com, the Lindsay Wellness Center, 860 N. Sequoia, or for purchase or check-out from the Finance Department.

TABLE OF CONTENTS

City Of Lindsay
Budget 2012 – 2013

INTRODUCTION
- City of Lindsay Map
- Executive Summary 1-6
- Budget Policies 7-11
- Fund Descriptions 12-19
- Revenue Summary Chart 20
- Expenditure Summary Chart 21

PERSONNEL
- Organization Chart 22
- Classification & Salary Schedule 23
- Annual Salary Allocation 24-25

REVENUE
- Revenue Summary- Fund Breakdown 26-33

OPERATIONS
- Expenditure Summary- Fund Breakdown 34-50

DEBT SERVICE FUND
- Summary of Budgets 51-53

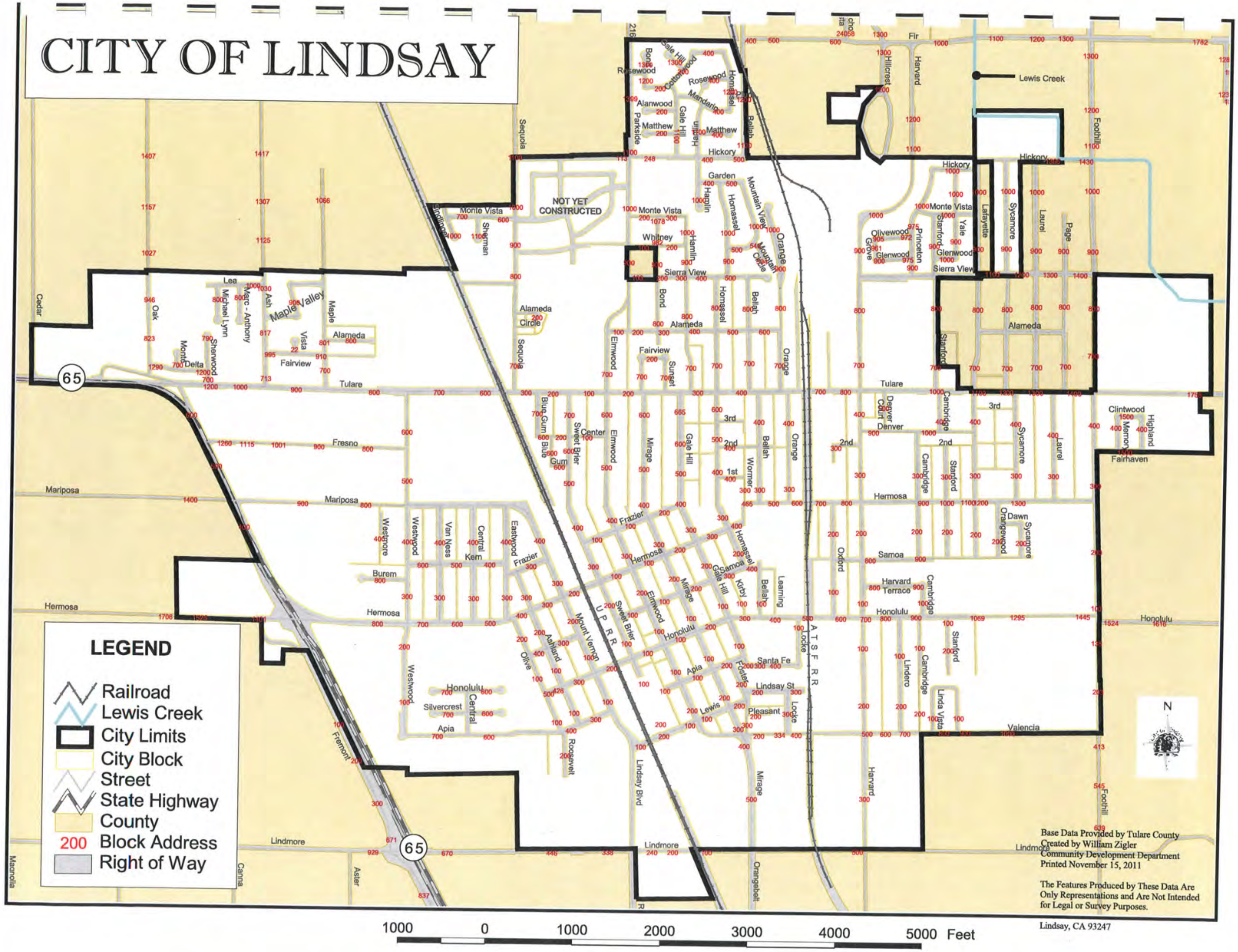
CAPITAL IMPROVEMENT FUND
- Capital Improvements 54-58

POLICIES
- Accounting Policies 59-92
- Internal Control Policies & Procedures 93-112

APPENDIX
- Council Members Contact Information 113
- Employee Contact Information by Department 114
- City of Lindsay Census Information 115-120

GLOSSARY
- Glossary of Terms 121-139

INTRODUCTION


CITY OF LINDSAY
LEGEND
Railroad
Lewis Creek
City Limits
City Block
Street
State Highway
County
200 Block Address
Right of Way
NOT YET CONSTRUCTED
ATSF RR
UPRR
N
1000 0 1000 2000 3000 4000 5000 Feet
Base Data Provided by Tulare County
Created by William Zigler
Community Development Department
Printed November 15, 2011
The Features Produced by These Data Are Only Representations and Are Not Intended for Legal or Survey Purposes.
Lindsay, CA 93247

EXECUTIVE SUMMARY

June 26, 2012

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

Contained herein is the City of Lindsay Comprehensive Budget Document for Fiscal year 2012-13. This year's document is more comprehensive in format as we seek to provide a document that is "user-friendly" to all interested parties and have therefore included a number of supplemental items and schedules to facilitate readers in understanding the budget document. The following Executive Summary is intended to provide a brief overview of the City of Lindsay:

Profile of the Government

The City of Lindsay, incorporated in 1910, as a general law city of the State of California, and reclassified to a Charter City January 8, 1996 and filed with the State of California in April 1996. Lindsay is located in the middle of the state in the Central San Joaquin Valley. The Central Valley is considered to be a national and world leader in the agricultural industry, with dairy, citrus and deciduous crops the primary commodity around the Lindsay area. The City of Lindsay currently occupies an incorporated area of 2.5 miles with an urban development boundary of 3.9 miles and serves a population of 12,020.

The City of Lindsay operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four other members. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with two council members elected in one election and three elected in another election, separated by two years. The mayor is selected from among the council members by the council members and serves a two-year term. All five council members of the governing board are elected at large. The Council is responsible, among other things, for passing ordinances, adopting the budget, representing the city on other governmental committees, and hiring the City's manager and attorney. The city manager is responsible for carrying out the polices and ordinance of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments.

The City of Lindsay provides a full range of services, including police and fire protection; the construction, maintenance, and cleaning of streets and other infrastructure; planning and development services; water services; contracting for refuse collection, disposal, and recycling services; sewer service; storm drainage; contracting for transit services; recreation activities and general administration.

Budget Focus - Projects

The annual budget serves as the foundation for the City's financial planning and control. Last year the City Manager was forced to make many painful cuts in order to balance the FY2011-12 budget. These cuts consisted of a number of lay-offs, terminations, demotions, and furlough days for all staff, to make the cuts necessary to fiscally survive the year and meet all our service and debt obligations. Unlike years past, we did not engage in multiple projects, but rather concentrated on one at a time. I am pleased to report that the following projects were completed as promised in FY2011-12: Construction of seven (7) additional bus stop shelters to aid with public transportation needs (PTMSIEA project); the Library Landscape Project; the Lindsay Wellness Center, including the ADA access upgrade to the pool,

landscaping, and the access road; the Gale Hill Street Overlay project and the majority of the main city park renovation project. Capital Improvement Projects funded for FY2012-13 will focus on finishing the main city park, upgrading the Olive Bowl ball fields, and aggressively working to complete the streets renovation plan. There will be some reduction in hours for some employees and the McDermont Field House operating hours will be reduced, however, there are no planned lay-off of employees in FY13.

Economic Forecast: The local economy continues to be affected by the economic slowdown and will take some time to recover. Property values continue to trend lower when compared to the previous year and the number of delinquents has increased. Sales tax revenue is promising due in large part to the growth of McDermont Field House and the Friday Night Market. As of June 24th, revenues received totaled $505,236 which is $28, 319 higher than the previous fiscal year and there is a receivable for that revenue stream of approximately $22,500 dollars which should bring us to a total over the PY of around $50,000. Building activity continues to be slower than the 10 year average; however, we are optimistic that we will see more development in FY2012-13 than we did for the previous fiscal year. According to www.cubitplanning.com, a census database, the City of Lindsay has a 94.4% Occupied Housing rate (5.6% vacant) compared to the County rate of 92.0% Occupied (8.0% vacant) and the State rate of 91.9% Occupied (8.1% vacant). I believe this data is indicative of the desirable quality of life here in Lindsay, particularly as one additional affordable housing development, The Groves Senior Apartments (73 units) was completed in FY2011-12 and we are told they are at 99% occupancy.

Although, the governing body did effect diversification of the employment opportunities in the City of Lindsay by attracting and/ or assisting in the growth of manufacturing companies such as HIT products and NDS, agriculture continues to be one of the main sources of employment for this community whose demographics are about 85% Hispanic. Citrus Packing Houses have consistently remained at the top of the list of major employers employing three times the labor force as any other employer within city limits. Included in the FY13 budget is the completion of the CCPI expansion project which will assist that company in preserving jobs. The Housing & Community Development Department was closed in December 2011 and most of the housing assistance program activities outsourced to Self Help Enterprises, Inc. In July 2012, we will establish the Planning & Economic Development Department with the primary focus on economic development; our intent is to aggressively market Lindsay to outside businesses as well as continue the micro loan program – administered by CSET – to assist small businesses to expand and create additional job opportunities. The Director of that Department, Bill Zigler, will be the primary liaison between the City of Lindsay and local and state industry, tourism, and community marketing agencies dedicated to bringing economic development and jobs to our area. There is still $225,000 available in this program; we funded seven (7) small business owners in the PY and expect to assist ten (10) more before the program expires in December 2012.

McDermont Field House is now under a new management team dedicated to providing the greatest service possible while maintaining strict control on costs. This team, led by Clint Ashcraft and Janie Castro, has worked very hard over the past year and a half to improve the McDermont experience and define what that department is – a premier sports and recreation facility for all ages. Their plans for FY2012-13 include greater outreach and marketing of the fitness opportunities and rental space available for hosting large events. The budget for this department is $714,072 less than the previous fiscal year, with reductions mainly in the salary and benefit line.

The Friday Night Market (FNM), now in its 6th year of operation, has been expanded into the entire downtown area now that the reconstruction of the downtown area is complete. This expansion has significantly increased the participation of the vendors which has resulted in greater sales tax revenue

and is responsible for attracting an average of 5,000 people to the City of Lindsay downtown area every week from mid-March to mid-November. The market is coordinated by the Chamber of Commerce who pays the City a substantial fee for use of Sweet Briar Plaza and the downtown area. These funds are used to offset maintenance and replacement costs of many items jointly used by McDermont Field House, the market and the Lindsay Aquatic Cater. The City of Lindsay and the Chamber of Commerce continue a productive symbiotic relationship with the common goal of attracting new business into the community and assisting existing businesses toward growth, increased sales, enhancement and expansion. Economic Development will be a primary focus of city principals in the coming fiscal years. Making the Downtown not only attractive, but pedestrian-friendly to a population, many of whom do not have conventional transportation, has greatly increased foot traffic to downtown and the businesses that anchor the downtown area. Part of the FNM funds will be used toward payment of the TCAG settlement that has been moved from the transportation fund into the general fund.

Transit: We are seeing increased use of the County transit system particularly now that we have completed the construction of seven additional bus stop shelters with use of $50, 000 PTMISEA funds. The City contracts with the County to exchange a portion of our Local Transportation Funds ($87,000) for the Tulare County Area Transit System (TCAT) to provide transportation services to our citizens. This is an excellent arrangement for the city. One challenge we face in FY2012-13 will be the resolution and disencumbering of funds and vehicles associated with a Public Transportation Enhancement grant obtained by the previous administration that had intended to implement our own transit system. Research by current staff has determined that this idea is not feasible and we are working with the City of Porterville and with the Tulare County Association of Governments (TCAG) to rectify that situation by December 2012.

Risk Management: The City of Lindsay participates in a 54-member city Joint Powers Authority – the Central San Joaquin Valley Risk Management Authority – for all property, liability, workmen's compensation and employee assistance program coverage. Work Comp premiums will be going up by approximately 1.17% for Misc and 2% for Public Safety for FY2012-13.

Pension & Medical Benefits: The City of Lindsay contributes to the California Public Employees Retirement System (PERS), a multiple-employer public employee defined benefit pension plan for both safety members and miscellaneous members. The City currently pays 4% of the Employee Paid Member Contribution (EPMC) for Misc (total 8%) and 5% of the EPMC for Public Safety (total 9%) per MOU agreements as well as the city contribution as established by PERS. Each year the employer rate is actuarially determined and includes a portion for any unfunded liability. The Misc Rate for FY2012-13 is 22.10% (an increase of 1.31%) and 27.33% for Public Safety (down 2.7%). The City currently contributes 100% of the annual required contribution as determined by PERS. The City also provides a voluntary 457 deferred compensation plan through Lincoln Life which requires an employee contribution. We will see an 8.6% increase in dental premiums in FY2012-13 and expect medical premiums to rise another 5% in January 2013. Health care cost containment is a major priority for FY2012-13.

Succession Planning: Staff will focus attention on developing and implementing a viable succession plan for each department to ensure an orderly transition of job duties for each and every position within the department from the top down. The unexpected and abrupt change in top administrative staff that occurred in the fall of 2010 resulted in a waste of staff time as the incoming administration had to ascertain and account for projects, debt obligations, asset reports, etc. due to the lack of a proper succession plan. A viable plan, along with additional training within each department shall be completed before December 31, 2012.

As stated in the opening paragraph, this budget document is much more comprehensive than any we have ever presented before. I wish to acknowledge and thank a number of people who have assisted me with the preparation:

Jesika Bowker Photography for donating the use of her images to enhance this document

Mike Camarena, Director of City Services for his input, particularly with the Five-Year Plan

Mari Carrillo, Human Resource Manager for her contribution in the Personnel Section

Carmen Wilson, City Clerk for her contribution in the Appendix Section and with the resolution process

Rich Wilkinson, City Manager for his review and input during this process

City Council for your participation and insight through what is often an extremely boring process

Our *Citizens* who responded to the Public Participation Survey – thank you for your time and input

Finance Staff: Michele Wilkinson
Adriana Andrade
Raquel Lule
Sandy Perez
Yolanda Jenson

Respectfully submitted,

Tamara Laken

Tamara Laken, Finance Director

Lindsay
All-America City

City of Lindsay

Enterprise Zone

P.O. Box 369 — Lindsay, California 93247 — 251 Honolulu Street
559 • 562 • 5927
559 • 562 • 7021 fax

Date: June 25, 2012

To: Honorable Mayor Ed Murray and Esteemed Council

From: Tamara Laken, Finance Director

Re: Establish Appropriations Limit 2012-13 Fiscal Year

Included in the resolution to adopt the budget is the setting of the limitation on Appropriation of Proceeds from Taxes for fiscal year 2012-13 as mandated by Senate Bill 1352/Chapter 1205 (1980), Article XIIIB, otherwise known as the Gann Act.

The City of Lindsay's 2012-13 fiscal year limits for appropriation of Proceeds of Taxes is $2,221,055. The data supporting this calculation is provided in the attachment. The limit is calculated by using the 1978-79 fiscal year as the base year, then multiplying the base figure by the growth factor for our city. The growth factor is based on population and cost of living figures as provided by the State of California.

Analysis of the City's budget situation in regards to the Appropriation Limit is as follows:

1	Fiscal Year 1978-1979 Base Year	$1,974,989
2	Multiply by Growth Factor	3.1633
3	Fiscal Year 2012-2013 Appropriation Limit	$6,247,483
4	Fiscal Year 2012-2013 Estimated Proceeds from Tax Revenue	$4,026,428
5	Excess Appropriations Limit (3minus 4)	
	Growth Amount Available Before City will exceed its limit	$2,221,055

FY 2013 TAX APPROPRIATIONS SUBJECT TO THE GANN LIMIT

Property Taxes		
301-010	Current Secured	333,500
311-010	Sales Tax	464,768
312-030	Street Franchise Fees	1,084,600
316-060	Business Licenses	65,000
301-011	ERAF S&U Tax	185,000
313-030	Property Transfer	6,500
315-050	Transient Occupancy Tx	45,000
309-090	Utility Users Tax	800,500
335-061	Property Tax VLF	875,000
351-020	Pub Safety1/2 Cent Fund	41,560
351-030	COPS SLESF	125,000
		4,026,428

Determing the Price Factor per State of California letter of May 12, 2012

Per Capital Personal Income FY 2012-2013 % change over PY	3.77	
Population change by percent per DOF	2.38	
Per Capita Cost of Living converted to a ratio:	3.77 + 100 = / 100	1.0377
Population converted to a ration:	2.38 + 100 = / 100	1.0238
Calculation of factor for FY 2012-2013	1.0377 X 1.0238 =	1.0624

	1999-00	2000-01	2012-13	
CPI				
PCI	1.0415	1.0453	1.0377	
Population	1.0084	1.0051	1.0238	3.1633
	1.0502	1.0506	1.0624	2012-13

1	Fiscal Year 1978-1979 Base Year	$1,974,989
2	Multiply by Growth Factor	3.1633
3	Fiscal Year 2012-2013 Appropriation Limit	$6,247,483
4	Fiscal Year 2012-2013 Estimated Proceeds from Tax Revenue	$4,026,428
5	Excess Appropriations Limit (3minus 4)	
	Growth Amount Available Before City will exceed its limit	$2,221,055

Budget Policies

The annual budget conforms to Lindsay's Strategic Plan and City Council goals and objectives and is the primary mechanism for their implementation. The budget is a policy document, operations guide, financial plan and a communications device. It is the single most important means of setting spending policies and priorities in the City. It constitutes approval by the City Council of service levels and operating programs and provides resources to finance them. Expenditures must be kept within total appropriations for all Accounting Funds.

Funding Public Services.

Adequate revenue streams are important to fund municipal services determined appropriate by the City Council. It is the policy of the City Council to take appropriate steps to ensure full and continued funding for services, programs and facilities that the City is required to provide by law or regulation or elects to provide. Pursuant to this policy the City will:

1. New or Expanded Programs. The City will consider requests for new or expanded programs during the course of the regular budget process. Only in extreme circumstances will such requests be considered during the middle of the year.

2. Monitor Revenue Sources: All revenue sources will be monitored to maximize revenue collections and provide early warning if revenues fail to meet projections.

3. Federal, State and Private Grants. The City will pursue federal, state and private grants, but will strictly limit financial support of these programs to avoid commitments which continue beyond available funding.

4. New Revenues and Revenue Diversification. The City will continuously seek new revenues and diversify its revenue sources to provide resource stability and limit the dependence on single or a small number of revenue sources.

Balanced Budget.

The City of Lindsay will live within its means. All City departments, activities and programs must function within the limits of the financial resources identified and available specifically to them by the City Council or the City Manager. Lindsay will adopt a balanced budget that maintains a balance between all fund revenues and personnel, maintenance and operations, capital and debt service expenditures during the current budget period and over the long term. Lindsay will not spend beyond its revenue streams means no matter how meritorious the program or proposed expenditure.

As stated above in the accounting policies section, the City uses the modified accrual accounting basis in recognizing revenues and expenditures for the purpose of determining a balanced budget. The City Council with the recommendation and input of the City Manager and the City's independent certified public accountants ultimately determines whether there is a balanced budget. The point at which the budget must be balanced is at the end of the fiscal year.

The City Manager has the authority to reduce, augment or realign the budgets of each accounting fund or to transfer funds between each accounting fund during the fiscal year to maintain a balanced budget. Staff will disclose to the City Council when there is a temporary annual budget shortfall or annual operating deficit. Specific plans to bring revenues into line with expenditures will be developed and implemented by the department heads, City Manager and City Council to correct any temporary shortages or operating deficits. In addition, the following policies are followed to insure a balanced budget.

1. Revenue Estimates. Revenue estimates will strive for accuracy by coming as close as possible to the actual outcome. However, the forecasting of sharp turns in the national, state and local economies is always problematic. In addition, attempting to predict what the governor and State Legislature will do with designated City revenues in their attempt to deal with the on-going state budget crisis is almost impossible. Revenue forecasting is not an exact science and at times relies upon the best professional judgment of the forecaster. To reduce the risks of miscalculating revenues or expenditures, the City attempts to identify as many factors as possible that may contribute to changes in revenues and expenditures.

2. Current Appropriations. Current appropriations in all funds are limited to the sum of available, unencumbered cash balances and revenues estimated to be received in the current budget period. Use of unrestricted fund balances is appropriate, but will be carefully scrutinized.

3. Special Revenue Funds and Capital Project Funds Supported by Grants or Intergovernmental Revenues. Expenditures in these funds are strictly limited to the mandates of the funding source. Special Revenue Funds and Capital Projects Funds supported by grants or intergovernmental revenues are strictly limited to the mandates of the funding source. These funds are not to be used to subsidize other funds, except as required or permitted by program regulations.

4. Enterprise Funds. Enterprise Funds will be self-supporting entities through annual reviews of their fee structures, charges for services, and other operating revenues and expenditures.

5. Internal Service Funds. Sufficient charges and rate schedules shall be levied to support operations of internal service funds. No trend of operating deficits shall be allowed. Services shall be scaled to the level of support available from these charge backs.

6. User Charges and Fees. Sufficient user charges and fees shall be pursued and levied to support the full cost (operating, direct, indirect and capital) of operations. Market rates and charges levied by other public and private organizations shall be considered when establishing tax rates, fees and charges.

7. New Revenues. New and expanded unrestricted revenue streams shall be first applied to support existing programs prior to funding new or expanded programs.

8. Restricted and Unrestricted Financial Resources. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then use unrestricted resources.

9. Multi-Year Capital Cost Projections. Multi-year capital cost projections shall be prepared and updated each year to identify the impact on resources.

10. Five-Year Capital Improvements Plan. A Five-Year Capital Improvements Plan shall be prepared and updated each year. The operating impact of each project shall be identified and

incorporated into annual operating budgets. Capital assets shall be purchased and maintained on a regular schedule.

11. Use of Fund Balance. Unrestricted (unreserved) fund balance will only be used for capital expenditures or one-time projects if the total fund balance exceeds 95% of the previous year's fund revenues. Fund Balance will only be used for operating expenses in the event of an economic down turn that reduces projected revenues or to cover unanticipated revenue shortfalls.

Budget Appropriations.

All City Accounting Funds are included in the annual budget and all revenues and other financing sources are appropriated by the City Council each fiscal year in the annual budget. All Accounting Funds are included in the City's annual audited financial statements, reviewed by the City's independent certified public accountants. The accounting basis in the City's annual budget is the same as the accounting basis used in the City's annual audited statements. Annual operating budgets in the General Fund and Enterprise Funds are carefully reviewed to insure that budget appropriations reflect appropriate funding for service levels established by the City Council. Budget appropriations are conservative because the City feels government units' function more efficiently under conservative operating budgets than where excess funds are made available.

Appropriations Limit.

Under Article XIIIB of the California Constitution (the GANN Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must be either refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund arrangements.

Proposition 218.

Proposition 218, which was approved by the voters in November 1996, regulates the City's ability to impose, increase and extend taxes, assessments, and fees subject to the provisions of Proposition 218, require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments and fees are subject to the voter initiative process and may be rescinded in the future by the voters.

Budgetary Control and Accountability.

The budgetary control and accountability is maintained at the department level. The City Council has the authority to adopt the annual budget and transfer budget appropriations between individual Funds. The City Manager acting as the City's Budget Officer, has the authority to transfer budget appropriations between funds, departments and individual line items to maintain a balanced budget. The Finance Director shall provide quarterly updates on the budget to the Council and include notations regarding any budget adjustments. Budget Amendments must be presented and approved by Council.

Unexpended Appropriations.

Encumbrances outstanding at year-end are reported as reservations of fund balances because the commitments will be honored during the subsequent year. Unexpended appropriations cannot be used in subsequent years.

Budget Adoption Procedures.

Budgetary procedures for the City have been established by the City Council, which require the legal adoption of a budget for all Accounting Funds. The following are the administrative procedures followed by the City in its budgetary process. (Please also see Figure 17.)

1. **Budget Preparation**. Department heads meet with employees and prepare proposed operating and capital budgets, as well as department goals and performance standards for the coming fiscal year based on guidance provided by the City Manager and City Council. The department heads submit these proposed budgets along with proposed goals and performance standards to City Manager no later than March 1. The Finance Director and City Manager takes information prepared by department heads and prepares the proposed budget for the coming fiscal year for the City Council.

2. **Budget Presentation.** During the month of May, the City Manager, authorized by the City Council to act as the Budget Officer, submits a proposed operating and capital budgets for all Governmental, Proprietary and Fiduciary Funds to the City Council for the subsequent fiscal year. The budget documents illustrate proposed financing sources along with the proposed operating and capital budget expenditures.

3. **Budget Work Meetings**. The City Council holds one or more public budget work meetings to review the proposed annual budget and receive public input.

4. **Budget Public Hearing**. A public hearing is held to receive comments on all aspects of the proposed budget. A notice in the local newspaper precedes the hearing. The notice is given at least ten days before the hearing and includes the time, date and place of the hearing. All budget documents are required to be available at least seven days prior to the public hearing.

5. **Budget Adoption**. A final budget is adopted by the City Council for the subsequent fiscal year beginning July 1. Since city revenues are highly dependent upon the actions of the State Legislature, final budget adoption may be delayed in any given year until the Governor and State Legislature adopt a state budget.

Figure 17
Annual Budget Calendar

Annual Budget Event	Time	Comments
Department heads submit proposed operating and capital budgets, goals and performance standards to City Manager. Public Survey available.	March / April	City Manager and Finance Director take information prepared by department heads and prepare the proposed budget for coming fiscal year. Public is asked to fill out priority survey.
City Manager presents survey results and proposed budget to City Council	May	City Council conducts reviews during work meetings and invites public participation and input
City Council reviews budget in work meetings	May and June	City Council conducts reviews during work meetings and invites public participation and input, directs staff regarding any changes
Public Hearing	June	Public is invited to comment on proposed annual budget. City Council makes final budget changes. City Manager incorporates changes made by City Council into final budget document.
Budget Adoption by City Council	No later than June 30	Final budget is adopted by the City Council. Since City revenues are highly dependent upon the actions of the State Legislature, final budget adoption may be delayed in any given year until state budget is adopted. Made available to public.

Fund Descriptions

GOVERNMENTAL FUNDS

GENERAL FUND

*** 101 General Fund	Accounts for the operation of general government departments. i.e. City Manager, City Clerk, Finance, City Services, Planning, Police, Fire, Parks, Streets, Animal Control, and City Attorney.
612 08-EDBG	Program Income funds used for City Business Loan Program that enhances business opportunities and job creation.

SPECIAL REVENUE FUNDS

*** 261 Gas Tax - 2107	State allocated funds for Street Improvements.
*** 263 Transportation Tax - S.B. 325	County allocated funds for Pedestrian & Transportation Projects.
*** 264 Transportation Tax - S.B. 620	State allocated funds for Transit Services – passed thru County
*** 265 STP Hwy Funds	State allocated funds for Surface Transportation Program
*** 400 Wellness Center	Facility dedicated to the health and wellness of Lindsay area

DEBT SERVICE FUND

Accounts for all the debt obligations of the City and the City as the Successor Agent for the former RDA

CAPITAL PROJECT FUNDS

All Capital improvement shall be accounted for within this fund

SPECIAL ASSESSMENT FUNDS

*** 841 Curb & Gutter Fund	A fund established by City Council as a revolving loan. Loans made to citizens are used for subsidizing improvements to citizens curbs, gutters and sidewalks. Repayable interest free for 24 months. Loan issued to citizens under standard curb and gutter contract that is recorded with the County as a lien on subject property.

*** 856 Storm Drain System	Fee placed on all new buildings for the building of storm drains.
***883-892 LLAD	Lighting & Landscape Assessment Districts

PROPRIETARY FUNDS

ENTERPRISE FUNDS

*** 300 McDermont Field House-Recreation	Specialized Department designed to meet the recreational and entertainment needs of Lindsay and surrounding communities with an emphasis on fitness and well-being. Also provides facility for LUSD After-School Programs.
*** 552 Enterprise Fund - Water	Accounts for the operation of the Water Department
*** 553 Enterprise Fund – Sewer	Accounts for the operation of the Sewer Department.
*** 554 Enterprise Fund - Refuse	Accounts for the operation of the Refuse Department.
*** 555 Plainview Water Dist-Fiduciary Fund	Contracts with Plainview Water District to provide water billing services in exchange for Administrative Fees and Contribution to software upgrade.
*** 556 Land Application	Accounts for the operation of the Land Application Department.
*** 576 Waste Water Capital-Reserve	A Capital replacement fund for the wastewater treatment Plant.

CITY OF LINDSAY
DESCRIPTION OF REVENUE SOURCES

GENERAL FUND REVENUES

Property Tax **Administering Agency - County Assessor**

The combined city-county-school district-special property tax is one percent of assessed value. The county allocates revenues from the one percent tax to cities, school districts, special districts, and itself according to the formula set forth in Sections 95-100 of the Revenue and Taxation Code. City's share is approximately 17% of 1%.

Sales and Use Tax **Administering Agency - State Board of Equalization**

The State Sales and Use Tax is imposed on retailers for the privilege of selling at retail. The City levies a tax of one percent. Tax is collected on a point of sale basis.

Franchise Fees **Administering Agency - City**

Cities are authorized to impose "franchise" fee on privately owned utility companies and certain other businesses for the privilege of using City streets and rights-of-way. Businesses which are required to pay such fees include Southern California Edison Company, Southern California Gas Company, Charter Communications (Cable Co.) and USA Waste.(disposal).

Real Property Transfer Tax **Administering Agency - County**

This tax is imposed in the transfer of real property. Counties are authorized to levy the tax at a rate of $0.55 per $500 of the sale value, exclusive of any lien or encumbrance remaining at the time of sale. Cities are authorized to levy the same tax at one-half the County rate. The city tax is then credited against the county tax. In such a case, the city and county each receive $0.275 per $500 sale value.

Transient Occupancy Tax **Administering Agency - City**

The transient lodging tax is imposed on an individual for the privilege of occupying a room or rooms in a lodging facility unless such occupancy is for a period of more than 30 days. Rooms rented by employees of Federal and State government units while on business, are exempt. The rate for the City of Lindsay is 8 percent.

Utility User's Tax **Administering Agency - City**

The Utility User's Tax was adopted by the City Council effective November 30, 1994. The rate is 6% and applies to Water, Sewer, Refuse, Gas, Electricity, Telephone and Cable Television. The Ordinance allows a user to pay an annual maximum (tbd each year) to become exempt from any one service. Senior Citizens also qualify for a rebate of one-third of their taxes paid if they request the rebate at the end of each fiscal year.

Building Permits **Administering Agency - City**

The building development fee is imposed on the addition or construction of new residential, commercial, or industrial units to provide for operation of Building Inspection Services pursuant to Section 304 of the Uniform Building Code. These permits include building, electrical, plumbing, mechanical and strong motion instrument. (earthquake).

Business Licenses **Administering Agency - City**

The business license tax is imposed on businesses for the privilege of conducting business within the City. Generally the tax is either based on gross receipts or levied on a flat basis.

Court Fines **Administering Agency - County**

When a misdemeanor or infraction is committed within city boundaries, the City shares with the County all forfeitures of bail and al fines collected upon conviction in any municipal or justice court. Certain revenues from Vehicle Code fines and forfeitures must be issued for traffic safety purposes.

Other Fines **Administering Agency - City**

Miscellaneous fines levied by the Municipal Court of which the City receives a share for violations occurring within City boundaries.

Parking Fines **Administering Agency - City**

Fines for violations of the City's parking ordinance. The fine is currently $25.00 per violation.

Interest Income **Administering Agency - City**

The account reflects earnings from the investment of idle funds.

Rent, Small Business Incubator **Administering Agency - City**

Rents collected from the businesses that occupy the Small Business Incubator project. Rents are based on a graduated scale over three years. This is intended to help new businesses become a going concern before they relocate to the community.

Rent, Real Property **Administering Agency - City**

Fees are collected for rent of the Multi-purpose building, Park Arbors, Sweet Briar Plaza, Olive Bowl, and park areas owned and maintained by City.

Motor Vehicle In-Lieu Fees **Administering Agency - State Dept. of Motor Vehicles**

This fee is imposed on motor vehicles in-lieu of a local property tax for the privilege of operating a vehicle on public highways. The fee is assessed annually at two percent (2%) of the depreciated market value of the vehicle. Normally fifty percent (50%) of these revenues, less certain state expenditures, are distributed to cities monthly according to population

Off-Highway Vehicle Fees **Administering Agency - City**

This fee is imposed for the issuance or renewal of identification for every off-highway motor vehicle subject to identification. They are allocated to cities and counties in the same manner as motor vehicle fees. Payments are made by the State to cities in July and January of each fiscal year.

Sale Personal Property **Administering Agency - City**

This account receives funds from the sale of City owned property. Examples of the types of property sold would include items declared as surplus, i.e. vehicles, bicycles, tools, etc.

Zoning Fees **Administering Agency-City**

These fees are established pursuant to Government Code Section 65250 "to provide funds necessary for work of the planning agencies". The fees established represent the reasonable cost of providing service. Fees are collected for entitlement applications, Environmental Assessments and Subdivision processing.

Rebates **Administering Agency-City**

This account receives various refunds, such as the annual retrospective adjustment from our Liability and Work Comp deposits with the C.S.J.V.R.M.A.

Miscellaneous **Administering Agency-City**

This account receives various revenues, including pay phone revenue from the two pay phones on city property. This account also includes the S.B. 90 state mandated cost reimbursements.

Other Police Services **Administering Agency-City**

Fees charged by the police department for fingerprinting, report copies, blood alcohol fees, etc.

Operational Charges **Administering Agency- City**

Charges collected and then distributed to the various enterprise funds to reimburse direct costs.

POST Administering Agency State Commission on Peace Officer Standards and Training

Partial training reimbursement for officers and dispatchers tuition, salary, subsistence and travel for POST authorized courses.

Animal Licenses/Fines/Misc. **Administering Agency-City**

Section 38972 of the Government Code authorizes cities to impose a dog license fee not to exceed the cost of providing services related to dogs. The current fee is $5.00 per year for spayed or neutered animals and $10.00 per year for all others.

Motor Vehicle Fines **Administering Agency-City/ County**

Cities share with the County all fines collected upon conviction of a misdemeanor or an infraction in any municipal or judicial court and bail moneys forfeited following a misdemeanor or infraction charge when such a fine or forfeiture results from a misdemeanor or infraction committed within city boundaries. Distribution of these revenues varies depending upon whether the fine or forfeiture is derived from a Vehicle Code violation or some other violation and upon the employing agency of the arresting officer.

Public Safety Augmentation Fund **Administering Agency-City**

Proceeds from the half cent sales tax that is used to provide additional funding for new programs, services or supplies in the Public Safety Department.

Public Safety Gas Tank Cleanup **Admin Agency-Water Quality Control Board**

A grant from the State of California to cleanup the site of the old underground storage tank.

Bicycle License **Administering Agency-City**

Bicycles are licensed under Section 39000 et seq. of the Vehicle Code. Bicycle license revenue is restricted to support the licensing process, improve bicycle safety programs, etc.

Tulare County COPS Grant **Administering Agency-State of California**

A grant from the State of California to fund equipment in the Public Safety Department.

SLESF Grant **Administering Agency-State of California**

A grant from the State of California to fund a portion of overtime and various supplies in the Public Safety Department.

Curb & Gutter payments **Administering Agency-City**

Payments received from individuals who have loans outstanding from the Curb and Gutter Revolving Loan Fund.

USDA Loan **Administering Agency-City**

Loans from the USDA to provide expansion of the City of Lindsay Library and Wellness Center including accessibility issues.

GAS TAX FUNDS

Gasoline Taxes **Administering Agency-State Controller**

Cities receive a share of the revenues derived from the State taxes on gasoline. Under section 2105, 2106 2107, and 2107.5, each city receives a monthly share of the revenues on a per-capita basis, divided into various funds for restricted street maintenance and construction uses.

Transportation Development Act **Administering Agency-County**

This fund was established to receive and expand the City's allocation of Sales Tax under SB-325. This bill reduced the State's percentage of Sale Tax by 1/4% and allowed the counties within the State of California to increase their sales tax percentage by 1/4%. The funds generated by this 1/4% are allocated to the counties and a portion of this is then allocated to the cities within each county.

Measure R **Administering Agency-TCAG**

½ cent gas tax passed by Tulare County residents to address transportation issues; city receives a monthly portion of all funds collected within its boundaries and may submit major qualified projects for funding consideration to the TCAG Board.

ENTERPRISE FUNDS

Water Connection Fees **Administering Agency-City**

This find was established to record the operations of the water enterprise of the City. The City collects connection fees for the replacement of the water delivery system.

Water User Charges **Administering Agency-City**

The City collects user fees from businesses and residences for water usage.

Water Misc. Receipts **Administering Agency-City**

Accounts for other miscellaneous water revenues.

Sewer Connection Fees **Administering Agency-City**

This fund was established to record the operations of the sewer enterprise of the City. The City collects connection fees for the replacement of the sewer system.

Sewer User Charges **Administering Agency-City**
Accounts for other miscellaneous sewer revenues.

Disposal Charges **Administering Agency-City**
This fund was established to record the operations of the refuse removal enterprise of the City. The enterprise collects user fees for the collection of refuse from businesses and residences.

Special Pickups **Administering Agency-City**
Citizens can call and ask that we send a brush pickup truck out to their home to pickup various items that the normal refuse truck cannot handle.

Waste Water Capital Reserve-interest **Administering Agency-City**
The interest earned on the balance in the reserve account.

SPECIAL USE FUNDS

Capital Improvement **Administering Agency-City**
New construction building permits are assessed at a 1% fee. These funds are used to purchase new parks and improve existing ones.

Landscape Assessment Districts **Administering Agency-City**
Landowners in new developments are assessed through the County Tax Collectors office for the amount necessary to fund the operations and maintenance of the landscape districts surrounding their developments.

UDAG-Interest **Administering Agency-City**
The interest earned on the balance in the reserve account.

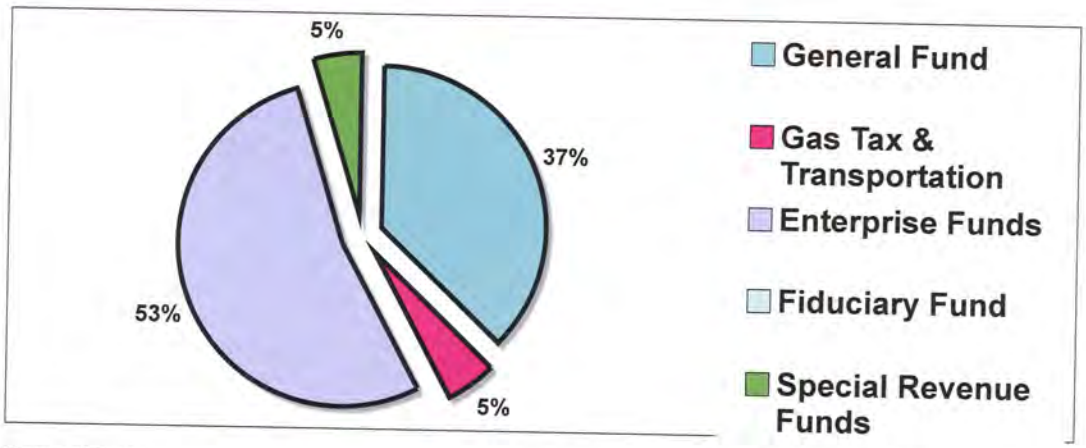
Housing and Economic Development **Administering Agency-City**
Grants received from various State and Federal Agencies (C.D.B.G., S.R.R.P.,F.M.H.A.) for various housing and economic development purposes.

Storm Drain System-Assessments **Administering Agency-City**
A fee placed on all new buildings for the construction of storm drains.

CCPI Pond & Pipeline (Land Application) **Administering Agency-City**
The City pays an annual lease payment for the use of land. CCPI reimburses the City for the cost of this lease.

REVENUE SUMMARY
City of Lindsay 2012-2013 Budget Year

General Fund	$4,965,900.00
Gas Tax & Transportation	$635,174.00
Enterprise Funds	$7,065,165.00
Fiduciary Fund	$16,913.00
Special Revenue Funds	$621,249.00



General Fund

• Property Taxes	$333,500
• Other Taxes	$1,682,418
• Licenses & Permits	$161,000
• Money & Property Use	$46,700
• Intergovernmental	$951,787
• Other Revenues	$324,900
• Restricted General Fund	$1,465,595
	$4,965,900

Gas Tax & Transportation

• Gas Tax Revenue	321,695
• Transportation Revenue	142,695
• Transit Fund	110,784
• USDA Loan-Sierra View Ext.	-
• SJV Air Pollution Control Grant	60,000
	635,174

Enterprise Funds

• McDermont Field House	2,668,478
• Water	1,648,920
• Sewer	1,583,935
• Refuse	1,163,832
	7,065,165

Fiduciary Fund

• Plainview Water District	16,913
	16,913

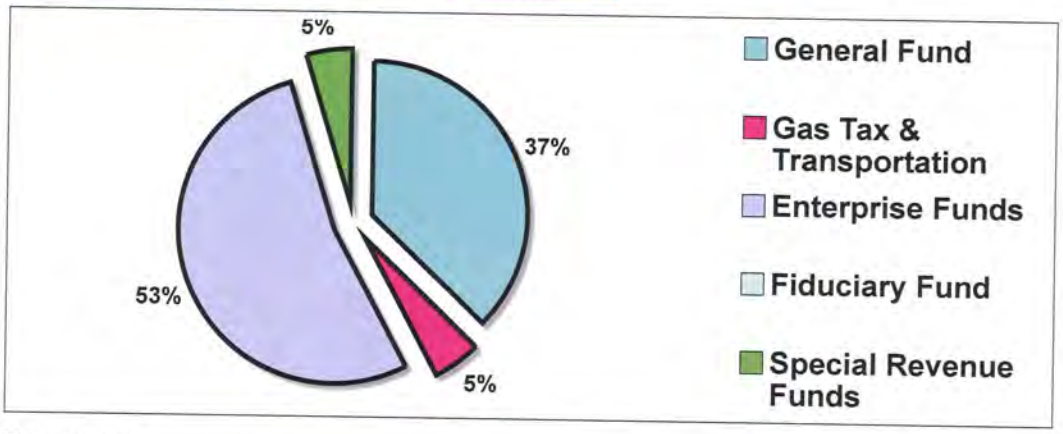
Special Revenue Funds

• Assessment Districts	57,686
• Community & Economic Dev.	-
• Wellness Center	473,948
• Land Application	69,604
• Curb & Gutter	20,011
	621,249

Total Revenue Summary **$13,304,401**

EXPENDITURE SUMMARY
City of Lindsay 2012-2013 Budget Year

General Fund	$4,965,900.00
Gas Tax & Transportation	$635,174.00
Enterprise Funds	$7,065,165.00
Fiduciary Fund	$16,913.00
Special Revenue Funds	$621,249.00



General Fund

• City Council	$17,600
• City Manager	$124,120
• Finance/City Clerk	$180,106
• City Attorney	$85,650
• Non-Departmental	$339,768
• Planning & Community Services	$130,586
• Public Safety	$2,482,280
• City Services	$327,853
• Streets	$238,513
• Parks	$235,965
• Transfer To Wellness Center	$28,903
• Transfer To Debt Service Fund	$219,788
• Transfer to CIP - Streets/Vehicles	$554,768
	$4,965,900

Gas Tax & Transportation

• Operations	$427,497.00
• Capital Improvement Projects	$79,989.00
• Debt Service	$127,688.00
	$635,174.00

Enterprise Funds

• McDermont Field House	$2,668,478.00
• Water	$1,648,920.00
• Sewer	$1,583,935.00
• Refuse	$1,163,832.00
	$7,065,165.00

Fiduciary Fund

• Plainview Water District	16,913.00
	16,913.00

Special Revenue Funds

• Wellness & Aquatic Center	473,948.00
• Assessment Districts	57,686.00
• Land Application	69,604.00
• Curb & Gutter	20,011.00
	621,249.00

Total Revenue Summary **$13,304,401.00**

PERSONNEL

CITY OF LINDSAY DEPARTMENT ORGANIZATION

CITIZENS

CITY COUNCIL

Mayor
Ed Murray
Mayor Pro-tem
Esteban Velasquez

Councilmembers
Pam Kimball
Ramona Padilla
Danny Salinas

CITY ATTORNEY
Julia Lew

CITY MANAGER
Rich Wilkinson
Phone: 559-562-7102

ASSISTANT CITY MGR
Vacant

The following departments are responsible directly to the City Manager:

PUBLIC SAFETY DEPT
Chief Rich Wilkinson
Lt. Bryan Clower
Lt. Chris Hughes
Police & Fire Protection
Animal Control Srvs
Code Enforcement
Weed Abatement
Vehicle Abatement
Phone: 559-562-2511

FINANCE DEPT
Tamara Laken
Utility Billing
Business License
Financial Mng & Records
Home Loan Program
Risk Management
Phone: 559-562-5927

PLANNING & ECONOMIC DEV
Bill Zigler
Economic Development
Planning
GIS
Zoning

City Clerk
Carmen Wilson
Phone: 559-562-7117

CITY SERVICES DEPT
Mike Camarena
Building Permits
Water, Sewer, Refuse
Street Sweeping & Maint
Storm Drain & Fleet Maint
CIP Projects, Parks Maint.
Phone: 559-562-5945

WELLNESS CENTER
Marie Arroyo
Programming
Aquatics
Phone: 559-562-5196

MCDERMONT FIELD HOUSE
Clint Ashcraft
McDermont Field House
Recreation

Red Zone Academy
Tim Culver
Phone: 559-562-3326

HUMAN RESOURCES
Mari Carrillo
Personnel
Phone: 559-562-7120

Classification & Salary Schedule
07/01/2012 - 06/30/2013

Classification	Range 1	2	3	4	5	6	7
Team Member I	1,422	1,493	1,568	1,646	1,728	1,815	1,906
Finance Clerk	1,782	1,871	1,965	2,063	2,166	2,274	2,388
Team Member II	2,001	2,101	2,206	2,316	2,432	2,554	2,682
Secretary 1	2,014	2,115	2,220	2,331	2,448	2,570	2,699
Maintenance	2,106	2,211	2,322	2,438	2,560	2,688	2,822
Account Clerk I	2,106	2,211	2,322	2,438	2,560	2,688	2,822
Account Clerk II	2,210	2,321	2,437	2,558	2,686	2,821	2,962
Community Service Officer	2,210	2,321	2,437	2,558	2,686	2,821	2,962
Recreation Coordinator	2,274	2,388	2,507	2,632	2,764	2,902	3,047
Administrative Secretary	2,286	2,400	2,520	2,646	2,779	2,918	3,063
Dispatcher	2,321	2,437	2,559	2,687	2,821	2,962	3,110
Com. Dev. Specialist I	2,333	2,450	2,572	2,701	2,836	2,978	3,126
Construction Specialist /Eng Tech	2,333	2,450	2,572	2,701	2,836	2,978	3,126
Maintenance, Senior I	2,333	2,450	2,572	2,701	2,836	2,978	3,126
Wastewater Treat. Plant Oper. II	2,396	2,516	2,642	2,774	2,912	3,058	3,211
Com. Dev. Specialist II	2,520	2,646	2,778	2,917	3,063	3,216	3,377
Team Member III	2,815	2,956	3,104	3,259	3,422	3,593	3,772
Senior Mechanic	2,846	2,988	3,138	3,295	3,459	3,632	3,814
Maintenance Senior II	2,918	3,064	3,217	3,378	3,547	3,724	3,910
Foreman/Crew Foreman	2,449	2,571	2,700	2,835	2,977	3,126	3,282
Account Clerk III	2,933	3,080	3,233	3,395	3,564	3,743	3,930
Public Safety Officer	3,565	3,743	3,930	4,127	4,333	4,550	4,777
Maintenance Senior III	3,726	3,912	4,108	4,313	4,529	4,755	4,993
City Planner Assistant	3,838	4,030	4,231	4,443	4,665	4,898	5,143
Public Safety Sergeant	4,347	4,564	4,793	5,032	5,284	5,548	5,825
Associate Engineer	4,333	4,550	4,777	5,016	5,267	5,530	5,807

Department Heads

Wellness Center Director	4,000
Planning & Economic Development Director	5,687
McDermont Field House Director	6,500
Assistant City Manager (VACANT)	7,620
Finance Director	7,620
City Services Director	7,998
City Manager / Director of Public Safety	12,419

Exempt & Supervisorial Staff

Department Manager	3782
Administrative Supervisor	3820
Human Resource Manager	4021
Administrative Assistant	4271
Public Safety Lieutenant	7671

* All employees in the Department Head and Exempt Categories are considered "At-Will" employees that not covered by either Bargaining Unit MOU and are not eligible for any benefits listed therein - each employee is separately contracted.

06.13.12

ANNUAL SALARY ALLOCATION
FY 2012-13

By Percentage to Funds

	GENFUND	WATER	SEWER	REFUSE	TRANSPORTATION GAS TAX	MCDERMONT	AQUATIC WELLNESS	HOUSING	ASSESSMNT DISTRICT	TOTAL
WILKINSON, R - CM/PD	42%	10%	4%	2%	24%	5%	5%		8%	100%
KNUTSON, M - CM	65%	10%	10%			**10%**	**5%**			100%
WILSON - CC/CM	80%	5%	5%	5%	5%					100%
ANDRADE - FIN	30%	40%	15%	5%				**10%**		100%
JENSEN, Y - FIN	15%	45%	25%	10%		**5%**				100%
LAKEN - FIN/HR	45%	15%	6%	2%	8%	19%	5%			100%
LULE - FIN	45%	10%	10%		5%	20%	10%			100%
PEREZ, S - FIN/HR	30%	24%	23%	5%	8%	10%				100%
WILKINSON, M - FIN	40%	10%	10%	5%	5%	20%	10%			100%
AMEZCUA - CS	30%	5%	5%		50%				10%	100%
BOYD, D - CS	75%	5%	5%	5%	10%					100%
CAMARENA - CS		27%	25%	3%	25%				20%	100%
DE LE FUENTE - FIN	45%	30%	15%	10%						100%
MURPHY - CS/CD	60%	15%	10%	5%				10%		100%
CARRILLO, M - HR/PD	65%	5%	5%			15%	10%			100%
BUCAROFF - Contract-Grants										0%
ZIGLER - CS	50%	15%	15%		20%					100%
PLANNING INTERN	40%	10%	10%		40%					100%
SCHLAUDT, C - Contract Grants										0%
MCDERMONT STAFF						100%				100%
AQUATIC/WELLNESS							100%			100%
LUSD AFS Sports						100%				100%
AVINA	70%	5%	5%	5%	10%		5%			100%
CEBELLOS - CS	41%	24%	10%		5%				20%	100%
LIRA-CS	55%	10%	5%		10%				20%	100%
GOMEZ - CS		25%	75%							100%
MAINTENANCE 1	75%	5%			10%				10%	100%
OLMOS -CS		70%	30%							100%
SAENZ CS	40%	10%	50%							100%
SILVA -CS	5%	45%	50%							100%
MAINTENANCE 1	75%	5%			10%				10%	100%

NOTE: Plainview Fiduciary Fund & Land Application are included in the Assessment District Column

LEGEND:

CC= City Clerk
CM = City Manager
CS = City Services
PL = Planning & Economic Development
CE = Code Enforcement
FIN = Finance Department
HR = Human Resources
IT= Information Technology
PD = Public Safety Department
FTE = Full Time Equivalent

(FullTime is 2080 hours per fiscal year - FTE = allocation of all employess in a single fund added together to total FT)

ANNUAL SALARY ALLOCATION By Percentage to Funds (Cont)
FY 2012-13

	GENFUND	WATER	SEWER	REFUSE	TRANSPORTATION GAS TAX	CDERMON	AQUATIC WELLNES	HOUSING	ASSESSMNT DISTRICT	TOTAL
Public Safety Dept										
HUGHES	100%									100%
CLOWER	100%									100%
ANDRADE, V - Dispatch	100%									100%
ALCANTAR	100%									100%
BELLOSO - Dispatch	100%									100%
GARCIA, G	75%					25%				100%
HEINKS	100%									100%
HIGGINBOTHOM	100%									100%
HINOJOS	100%									100%
LOFTIN, A	100%									100%
NAVE	100%									100%
MENDEZ	100%									100%
MCMILLAN, M - EVID	100%									100%
MORENO	100%									100%
MUNOZ	100%									100%
ROBINSON	100%									100%
PEREZ	100%									100%
ROMERO	100%									100%
RILEY. K	100%									100%
TRISTAO	100%									100%
HILL - CODE ENFORCE	100%									100%
VACANT	100%									100%
VACANT	100%									100%
VACANT	100%									100%

(6/26/2012)

Sworn Officers:	17.75
Non-Sworn	3.75
Vacant Positions	3.00
Public Safety Dept	24.50

Administrative Employees	10
Miscellaneous FT	29
Miscellaneous PT	37
Seasonal PT	21
Total Employees (exc Public Safety)	97

Total Over the FY
121.50
Employees

	GENFUND	WATER	SEWER	REFUSE	TRANSPORTATION GAS TAX	CDERMON	AQUATIC WELLNES	HOUSING	ASSESSMNT DISTRICT	TOTAL
FTE - MISC	11.18%	4.80%	4.23%	0.62%	2.45%	3.04%	1.50%	0.20%	0.98%	29.00%
PT						48.03%				
SEASONAL						6.50%	13.69%			
Total FTE by Fund	**35.68**	**4.8**	**4.23**	**0.62**	**2.45**	**57.35**	**15.19**	**0.2**	**0.98**	**121.50**

REVENUE

REVENUE SUMMARY

Description	Actual Revenue FY 2010-11	Approved Budget FY 2011-12	Revenue Thru APR 2012	City Mgr Recommends FY 2012-13	City Council Approves FY 2012-13
General Fund					
Property Taxes	336,004	333,500	230,025	333,500	333,500
Other Taxes	1,530,719	1,359,353	1,355,606	1,682,418	1,682,418
Licenses & Permits	674,290	142,300	137,755	161,000	161,000
Money & Property Use	29,538	35,400	112,945	46,700	46,700
Intergovernmental	909,793	1,026,710	878,174	951,787	951,787
Other Revenues	138,142	219,525	122,091	324,900	324,900
Restricted General Fund	1,453,947	1,377,218	1,089,498	1,465,595	1,465,595
Sub-total Gen Fund	**5,072,433**	**4,494,006**	**3,926,094**	**4,965,900**	**4,965,900**
Gas Tax & Transportation					
Gas Tax Revenue	316,169	223,000	261,232	321,695	321,695
Transportation Revenue	880,136	284,566	158,899	142,695	142,695
Transit Fund	102,181	87,779	111,023	110,784	110,784
USDA Loan-Sierra View Extension		1,225,532	92,352	60,000	-
SJV Air Pollution Control Grant				60,000	60,000
Sub-total Restricted Funds	**1,298,486**	**1,820,877**	**623,506**	**695,174**	**635,174**
Enterprise Funds					
McDermont Field House	2,625,779	3,382,550	1,701,524	2,668,478	2,668,478
Water	1,954,731	1,560,108	1,351,259	1,648,920	1,648,920
Sewer	1,701,575	1,649,449	1,081,222	1,583,935	1,583,935
Refuse	1,237,585	1,188,902	888,995	1,163,832	1,163,832
Sub-total Enterprise Funds	**7,519,670**	**7,781,009**	**5,023,000**	**7,065,165**	**7,065,165**
Fiduciary Fund					
Plainview Water District	0	31,255	3,336	16,913	16,913
Sub-total Fiduciary Funds	**-**	**31,255**	**3,336**	**16,913**	**16,913**
Special Revenue Funds					
Assessment Districts	58,770	66,446	37,297	57,686	57,686
*Community & Economic Dev	3,916,228	3,818,551	705,719	0	0
Wellness Center	890,211	822,349	691,907	473,948	473,948
Land Application	108,411	62,781	77,688	69,604	69,604
Curb & Gutter	1,837	-	1,776	20,011	20,011
Sub-total Special Revenue	**4,975,457**	**4,770,127**	**1,514,387**	**621,249**	**621,249**
Combined Totals	**18,866,046**	**18,897,274**	**11,090,323**	**13,364,401**	**13,304,401**

***The Community & Economic Development Department was eliminated (DEC-II) with loan processing and grants management outsourced to Self-Help Enterprises, Inc. - there is a separate schedule of available open grants located in a separate section of the budget for better reference as grant activity is self-sustaining, it is not included as part of the operations budget. In-house Program Income management is accouted for in the Planning & Economic Development Department.**

NOTE: CIP & GRANT AWARDS WILL BE ACCOUNTED FOR IN SEPARATE SCHEDULES FY2013

REVENUES

FUND: 101 - GENERAL FUND

AC#	Description	Actual Revenue FY 2011	Approved Budget FY 2012	Revised via Budget Amendment	Revenue Thru APR 2012	City Mgr Recommends FY 2013
Property Taxes						
301-010	Current Secured	312,791	308,000		230,025	333,500
302-020	Current Unsecured	21,385	15,000			-
308-080	Misc. Other Prop Tax	1,828	10,500			-
	Total Property Tax	**336,004**	**333,500**	-	**230,025**	**333,500**
Other Taxes						
311-010	Sales Tax	456,060	412,000		408,036	464,768
312-020	Franchise Fees	59,265	65,000		94,650	180,000
301-011	ERAF S&U Tax	137,127	130,000		180,092	185,000
313-030	Property Transfer	15,088	10,000		4,808	6,500
315-050	Transient Occupancy Tx	20,188	35,000		42,206	45,000
309-090	Utility Users Tax	842,600	706,928		625,239	800,500
323-030	Dog License	390	425		575	650
	Total Other Taxes	**1,530,719**	**1,359,353**	-	**1,355,606**	**1,682,418**
Licenses & Permits						
324-040	Building Permits	565,450	75,000		68,888	85,000
316-060	Business Licenses	62,787	63,000		58,760	65,000
354-040	Other Fines&Forfeitures	27,770	800		1350	1,500
316-062	Other Misc Services	18,283	3,500		8,757	9,500
	Total Licenses & Permits	**674,290**	**142,300**	-	**137,755**	**161,000**
Money & Property Use						
360-010	Interest	6,301	5,500		731	1,200
363-030	Rent-City Facilities Gen	11,237	20,000		91,314	20,000
347-050	Friday Night Market Use	12,000	9,900		20,900	25,500
	Total Money&Property Use	**29,538**	**35,400**	-	**112,945**	**46,700**
	Page Totals	**2,570,550**	**1,870,553**	-	**1,836,331**	**2,223,618**

FUND: 101 - GENERAL FUND

REVENUE (CONT)

AC#	Description	Actual Revenue FY 2011	Approved Budget FY 2012	Revised via Budget Amendment	Revenue Thru APR 2012	City Mgr Recommends FY 2013
Intergovernmental						
335-060	Motor Vehicle Lic Fee	47,929	25,000		5,947	7,500
335-100	OHV		210			-
354-060	Vehicle Abatement	3,186	1,500		1,259	1,500
335-061	Property Tax VLF	858,679	850,000		870,968	875,000
130-139	AR LUSD FY10					67,787
	Total Intergovernmental	**909,793**	**876,710**	**-**	**878,174**	**951,787**
Other Revenues						
345-060	Sale of Real Property	0	71,025		6,000	150,000
365-050	Sale of Surplus Prop	40,360	75,000		4,240	84,900
341-010	Zoning Fees	6,458	2,500		1,515	7,500
369-400	Refunds & Rebates	57,266	45,000		83,451	50,000
369-091	Vehicle Sign Off	14,157	12,000		13,315	15,000
342-010	Other Police Services	19,900	14,000		13,570	17,500
	Total Other Revenues	**138,142**	**219,525**	**-**	**122,091**	**324,900**
Restricted General Fund						
351-010	Motor Vehicle Fines	6,806	39,880		24,867	29,880
351-020	Pub Safety1/2 Cent Fund	37,253	31,926		28,433	41,560
308-009	ARRA	43,660	43,660		-	-
351-030	COPS SLESF	116,258	125,000		80,005	125,000
335-088	INET Reimbursment	65,631	65,000		-	83,055
363-035	Commercial Rents	8,635	33,000		11,900	25,000
369-093	Homeland Security (FY11)				11,002	-
300-999	PI Home/CDBG					50,000
337-120	Youth Services - LUSD		25,000			25,000
335-090	POST Reimbursment	3,599	5,000		509	1,500
312-030	Street Franchise Fees	1,146,200	943,752		896,045	1,084,600
330-104	DOJ Cops-in-School	25,903	65,000		36,736	-
	Total Restricted Gen Fund	**1,453,947**	**1,377,218**	**-**	**1,089,498**	**1,465,595**
	Page Totals	2,501,882	2,473,453	0	2,089,762	2,742,282
	Previous Page Totals	2,570,550	1,870,553	0	1,836,331	2,223,618
	General Fund Total Revenue	**5,798,857**	**4,344,006**	**-**	**3,926,094**	**4,965,900**

6/26/2012

FUND: 261- STATE GAS TAX

REVENUES

AC#	Description	Actual Revenue FY 2011	Approved Budget FY 2012	Revised via Budget Amendment	Revenue Thru APR 2012	City Mgr Recommends FY 2013
261-335-155	2105 Construction	66,249	60,000	60,000	42,047	60,000
261-335-156	2106 Construction	43,323	40,000	40,000	29,698	40,000
261-335-157	2107 Maintenance	88,552	-	75,000	61,525	75,000
261-335-158	2107.5 Engineering Admin	6,000	3,000	3,000	3,000	3,000
263-335-162	Traffic Congestion Relief	112,044	120,000	142,360	124,962	143,695
	SUBTOTAL GAS TAX	**316,169**	**223,000**	**320,360**	**261,232**	**321,695**
FUND:	**263**					
DEPT:	**TRANSPORTATION**					
263-335-159	SB-325 Transportation Ta›	246,804	169,566	-	-	-
263-305-020	Measure "R" Local	95,098	115,000	115,000	157,390	142,695
263-369-400	Other Revenue/Rebates	66,730	-	1,509	1,509	-
263-305-023	MSR R Special Projects	471,504	-			-
	SUBTOTAL TRANSPORTATION	**880,136**	**284,566**	**116,509**	**158,899**	**142,695**
FUND:	**264**					
DEPT:	**TRANSIT**					
264-200-208	STP Exchange	87,779	87,779	104,688	104,688	108,360
264-335-161	County Transwest Reimb	13,435		5,500	5,377	1,856
264-341-080	Other Fees & Misc Service	633		650	622	
264-360-010	Interest Earnings	334		731	336	568
	SUBTOTAL TRANSIT	**102,181**	**87,779**	**111,569**	**111,023**	**110,784**
Grants & Loan Projects						
672-399-100	TEA-Government Plaza		167,000	-		-
672-399-102	TEA-Tulare Rd Bollard		199,000	-		-
673-399-101	CMAQ-Shoulder Stablization		343,000	-		-
675-348-075	USDA Sierra Rd Loan		1,225,532	465,000	92,352	-
674-369-114	S-R-S Page-Moore 020		894,000	-		-
674-369-115	S-R-S Page-Moore 02		599,000	-		-
450-348-075	Library Landscape Loan	253,819	21,181	178,853	116,265	-
673-399-006	CMAQ- 5189 (022-025)	316,079	-	-	-	-
675-348-075	USDA Loan Proceeds					-
101-369-300	SJV AIR POLLUTION CONTRL DISTRICT					60,000
	SUBTOTAL GRANTS & LOANS	**569,898**	**3,448,713**	**643,853**	**208,617**	**60,000**
	Total all Grants/Loans	**1,868,384**	**4,044,058**	**1,192,291**	**739,771**	**635,174**

REVENUES

FUND: 300 - SPECIAL REVENUE FUND

DEPT: MCDERMONT FIELD HOUSE (Includes LUSD, After-school, & Recreation)

AC#	Description	Actual Revenue FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Revenue Thru APR 2012	City Mgr Recommends FY 2012-13
McDermont Field House/Recreation						
305-012	Birthday Parties	134,741	140,000		108,120	150,000
305-027	Fitness Center/Member	743,845	850,000		519,672	655,000
300-398	Sponsorships	9,705	10,000		2,965	6,300
347-040	Camp McDermont **(delete)**	25,406	40,000		941	-
393-040	Tienken Academy-LUSD	152,739	36,000		36,000	29,500
300-001	LUSD Summer Camp **(delete)**		20,000		-	-
300-011	21st Century **(delete)**		250,000		-	-
300-103	HS ASSETS	62,500	130,050		87,500	250,000
300-105	LUSD Contribution	22,500	22,500		22,500	22,500
333-360	LUSD Sports/AFS Admin		30,000		31,000	30,000
300-007	Patriots Sports **(delete)**		17,000		-	-
305-006	Adult Sports	40,188	41,000		28,814	45,000
305-015	Youth Sports	35,603	40,000		22,721	35,000
305-005	Sports Camps	92,662	81,000		117,987	140,000
305-008	Admissions	614,377	765,000		383,686	665,000
347-010	Recyclying	1,249	5,000		1,810	4,500
300-104	Special Events	86,998	90,000		36,309	92,178
347-042	Tanning Beds	20	10,000		27	500
300-003	Other	17,997	15,000		8,534	12,500
300-006	Special Use	288,265	425,000		133,872	275,000
300-010	Concessions/Vending	296,985	365,000		159,068	255,500
	PY AFS & Rec Programs	726,425				
	Totals	**3,352,204**	**3,382,550**	-	**1,701,524**	**2,668,478**

AFTER SCHOOL GRANTS	689,630
RECREATION	36,796
subtotal PY Discontinued	**726,425**

FUND: 552 - ENTERPRISE FUND DEPT: 4552 - WATER				
AC# Description	Actual Revenue FY 2011	Approved Budget FY 2012	Revenue Thru APR 2012	City Mgr Recommends FY 2013
348-020 Connection Fees	16,117	5,000	15,813	16,125
348-010 User Charges	1,805,743	1,549,608	1,306,454	1,602,795
348-030 Sale Surplus Water	20,000	-	-	-
348-080 Misc. Receipts	112,870	5,500	28,993	30,000
Total WATER FUND	**1,954,731**	**1,560,108**	**1,351,259**	**1,648,920**

FUND: 553 - ENTERPRISE FUND DEPT: SEWER	Actual Revenue FY 2011	Approved Budget FY 2012	Revenue Thru APR 2012	City Mgr Recommends FY 2013
348-050 User Charges	1,635,021	1,450,661	1,059,662	1,559,385
369-090 Misc. Receipts	25,235	150	12,165	10,000
490-030 Surplus Fund Balance	0	198,638	-	-
SubTotal Domestic Sewer	**1,660,256**	**1,649,449**	**1,071,827**	**1,569,385**
FUND: 856 STORM DRAIN SYSTEM				
324-040 Building Permit Fees	11,000	-	6,050	8,775
369-400 FEMA Reimbursement	28,482	-	-	-
SubTotal Storm Drain Sys	**39,482**	**0**	**6,050**	**8,775**
FUND: 857 DOMESTIC WASTEWATER				
324-040 Building Permit Fees	0	-	1,570	5,775
SubTotal Domestic Wastewater	**-**	**-**	**1,570**	**5,775**
Total SEWER FUND	**1,699,738**	**1,649,449**	**1,079,447**	**1,583,935**

FUND: 554 - ENTERPRISE FUND DEPT: 4554 - REFUSE	Actual Revenue FY 2011	Approved Budget FY 2012	Revenue Thru APR 2012	City Mgr Recommends FY 2013
348-100 User Charges	1,236,876	1,187,902	888,145	1,162,332
348-110 Special Pickups	709	1,000	850	1,500
Total REFUSE FUND	**1,237,585**	**1,188,902**	**888,995**	**1,163,832**

FUND: 893-892 - SPECIAL REVENUE FUND
DEPT: ASSESSMENT DISTRICTS and AQUATIC CENTER

REVENUES

AC#	Description	Actual Revenue FY 2011	Approved Budget FY 2012	Revised via Budget Amendment	Revenue Thru APR 2012	City Mgr Recommends FY 2013
Lighting & Landscape						
883	Sierra View	17,185	17,011	17,011	11,300	17,011
884	Heritage Park	6,676	6,600	6,600	5,106	6,600
885	Ingoldsby	3,215	3,500	3,500	1,291	3,500
886	Samoa	5,304	4,400	4,400	1,138	4,400
887	Sweet Brier	7,727	6,005	6,005	3,350	6,005
888	Parkside	7,308	7,300	7,300	6,519	7,300
889	Sierra Vista	1,692	350	350	76	350
890	Maple Valley	132	320	132	102	320
891	Pelous Ranch	9,530	12,200	9,530	8,415	12,200
892	Sequoia Villas	0	600	-	-	-
	Total	**58,770**	**58,286**	**54,828**	**37,297**	**57,686**
Land Application 556						
339-150	CCPI User Charges	108,411	41,181	86,688	77,688	48,004
348-070	CCPI Lease		21,600	21,600		21,600
	Total	**108,411**	**62,781**	**108,288**	**77,688**	**69,604**
Curb & Gutter 841						
324-040	Development Fees	-	-	-		18,000
343-010	Curb & Gutter Loan PI	1,837			1,776	2,011
	Total	**1,837**	**-**	**-**	**1,776**	**20,011**

FUND: **400 - SPECIAL REVENUE FUND**

DEPT: **4400 - WELLNESS & AQUATIC CENTER**

REVENUES

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Revenue Thru APR 2012	City Mgr Recommends FY 2012-13
300-105	Lindsay District Hospital	233,721	233,000	233,721	233,721	233,721
340-401	LDHB Ad'l Reimbursemnt			91,876	91,876	15,000
360-010	Interest Earnings	43	200	1,275	1,058	380
310-004	Progam Fees/Class Fees	810	750	750		9,250
345-050	Space Lease Fees		20,000	20,000	16,024	42,500
300-006	Special Use Fee **(delete)**		1,961	1,961	415	-
305-027	Membership Fees		-	5,475	5,259	19,194
310-001	Entry Fees - Pool or WC	15,321			11,448	20,000
310-003	Swim Lessons	4,264	4,100		2,121	4,500
305-009	Concessions	6,743	7,000		3,344	10,000
310-002	Facility Use / Event Rental	5,500	10,500		1,920	10,500
305-011	LUSD Contribution (Pool)		41,000			65,000
305-011	McDermont Contribution		20,500			12,000
305-011	Other	2,344				3,000
390-100	Transfer from Gen Fund					28,903
	Revenue Total	**268,746**	**339,011**	**355,058**	**367,187**	**473,948**
348-075	Loan Proceeds-USDA	0	104,438			-
369-105	RCAC Grant	656,447	462,000	343,553	343,553	-
	Loans & Grants	**656,447**	**566,438**	**343,553**	**343,553**	**-**
	Combined REV	**925,193**	**905,449**	**698,611**	**710,740**	**473,948**

*With the completion of the construction of the Lindsay Wellness Center, which merges with the Aquatic Center, henceforth all revenue and expense detail shall be consolidated in one budget

OPERATIONS

Expenditure Summary

Description	Actual Expense FY 2010-11	Approved Budget 2011-2012	Expense Thru APR 2012	City Mgr Recommends FY 2012-13	City Council Approves FY 2012-13
General Fund					
City Council	9,387	11,600	15,382	17,600	17,600
City Manager	63,875	93,988	96,918	124,120	124,120
Finance/City Clerk	270,197	118,303	153,071	180,106	180,106
City Attorney	108,727	70,000	134,223	85,650	85,650
Non-Departmental	267,438	142,400	185,460	339,768	339,768
Planning & Community Services	89,052	2,680,131	250,541	130,586	130,586
Public Safety	2,841,269	2,376,841	2,052,400	2,482,280	2,482,280
City Services	329,765	258,573	362,716	327,853	327,853
Streets	253,695	1,143,019	209,054	238,513	238,513
Parks	214,292	158,835	154,625	235,965	235,965
Transfer to Wellness Center				28,903	28,903
Transfer to Debt Service Fund				219,788	219,788
Transfer to CIP - Streets/Vehicles				554,768	554,768
Sub-total Gen Fund	**4,447,697**	**7,053,690**	**3,614,390**	**4,965,900**	**4,965,900**
Gas Tax & Transportation					
Operations	859,852	507,947	253,012	427,497	427,497
Capital Improvement Projects	1,149	3,473,612	125,999	139,989	79,989
Debt Service	122,942	179,598	122,566	127,688	127,688
Sub-total Restricted Funds	**983,943**	**4,161,157**	**501,577**	**695,174**	**635,174**
Enterprise Funds					
McDermont Field House	3,409,030	3,382,550	2,118,277	2,668,478	2,668,478
Water	1,771,420	1,555,108	1,219,747	1,648,920	1,648,920
Sewer	1,737,980	1,649,449	1,163,981	1,583,935	1,583,935
Refuse	1,213,697	1,188,902	1,089,350	1,163,832	1,163,832
Sub-total Enterprise Funds	**8,132,127**	**7,776,009**	**5,591,355**	**7,065,165**	**7,065,165**
Fiduciary Fund					
Plainview Water District	-	31,255	3,336	16,913	16,913
Sub-total Fiduciary Funds	**-**	**31,255**	**3,336**	**16,913**	**16,913**
Special Revenue Funds					
Wellness & Aquatic Center	1,490,457	1,017,074	1,157,232	473,948	473,948
Assessment Districts	14,939	66,446	45,210	57,686	57,686
Land Application	126,440	62,781	57,925	69,604	69,604
Curb & Gutter	0	15,000	-	20,011	20,011
Sub-total Special Revenue	**1,631,836**	**1,161,301**	**1,260,367**	**621,249**	**621,249**

Combined Totals	**15,195,603**	**20,183,412**	**10,971,025**	**13,364,401**	**13,304,401**

FUND: 101 - GEN FUND
DEPT: 4010 - CITY COUNCIL

EXPENSE

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
024-000	Spec. Dept'l Supplies	4869	5,000	5,000	4,814	5000
037-012	Stipend	3200	3,300	3,300	2,425	3300
038-002	Education & Travel	1318.44	3,300	3,300	2,636	3300
037-005	JPA Dues League CA Cities			5,507	5,507	6000
	Operational Expenses	**9,387**	**11,600**	**17,107**	**15,382**	**17,600**

** Increase in Council Budget due to adding JPA dues to this Dept

FUND: 101 - GEN FUND
DEPT: 4040-CITY MGR

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries	36,293	58,973		63,548	71,690
015-000	Benefits	19,314	28,340		29,246	47,530
021-000	Office Supplies	1,089	675		972	950
022-012	Vehicle Fuel & Oil	559	-			
033-001	Communications	1,690	1,500		1,900	2,100
036-008	Office Equip.- Maint	963	700		594	700
037-004	Dues, Subscriptions	2,627	2,000		610	650
038-002	Education & Travel	1,341	1,800		47	500
	Operational Expenses	**63,875**	**93,988**	**-**	**96,918**	**124,120**

**The increase reflects the true allocation to the GenFund w/less allocated to Enterprise Funds than in previous fiscal years

FUND: 101 - GEN FUND
DEPT: 4050-FINANCE

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries	77,193	35,492		28,206	47,043
015-000	Benefits	36,135	18,811		14,367	31,190
021-000	Office Supplies	8,531	7000		7,403	7,000
024-000	Special Dept. Supplies	419	500		779	850
031-009	Annual Audit	130,329	42,500		87,553	75,000
033-001	Communications	4,543	2,200		2,887	3,200
037-000	Other Services & Charges	11,034	5,000		5,956	6,200
035-000	Adv, Print'g & Bind'g	936	1,500		2,145	2,250
036-008	Office Equip.- Maint	961	1,000		2,963	2,873
037-004	Dues, Subscriptions	340	300		580	650
037-008	Training & Seminars	503	500		233	500
037-007	Municipal Election		3,000			3,000
038-002	Meetings & Travel	-727	500			350
	Operational Expenses	**270,197**	**118,303**	**-**	**153,071**	**180,106**

FUND: 101 - GEN FUND
DEPT: 4060-CITY ATTORNEY

EXPENSE

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
031-000	Professional Services	108,727	70,000	169,780	134,223	85,650
	Operational Expenses	**108,727**	**70,000**	**169,780**	**134,223**	**85,650**

*TCAG Litigation+PRA Requests+RDA Dissolution increased legal costs

FUND: 101 - GEN FUND
DEPT: 4090-NON-DEPARTMENTAL

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
034-000	Insurance	63,480	66,000	82,000	80,341	102,000
037-000	Services & Charges	161,295	7,000	65,000	61,024	10,000
037-004	Dues & Subscriptions	11,654	6,150	8,800	8,797	9,350
050-000	County Admn Fee-Prp Tax	30,010	34,700		34,794	35,230
036-014	Copier Lease					13,188
015-010	OPEB Expense	1,000	28,550		504	25,000
015-007	Unemployment Expense			0		145,000
	Operational Expenses	**267,438**	**142,400**	**155,800**	**185,460**	**339,768**

*Unemployment costs, due in part to Federal Extension, were much higher than anticipated and were charged per Dept in previous year (PY).
*PY each department had own copier and lease payment was charged per dept - with the new lease agreement that updated the equipment city-wide and increased staff efficiency w/ added features & payment will be allocated to this single line and charged to each applicable fund vi the Transfer Schedule

FUND: **101 - GEN FUND**
DEPT: **4120-CITY SERVICES**

EXPENSE

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries	83,579	57,419		102,850	92,248
010-003	Overtime	6	-		6,224	6,255
015-000	Benefits	39,511	29,585		95,949	63,650
021-000	Office Supplies	8,999	2,100		2,857	2,500
022-000	Dept'l Operating Supplies	44,285	15,000		18,621	15,500
022-009	Weed Abatement	1,020	3,000			3,000
022-012	Vehicle Fuel & Oil	10,175	12,950		4,484	8,000
022-015	Vehicle Repair & Maint.	8,573	8,000		5,683	7,000
023-000	Repair & Maint Supplies	2,493	5,250		1,418	5,000
024-000	Special Dept. Supplies	25	500		58	0
024-001	Shop Supplies/Small Tools	142	500		109	500
031-000	Professional Services	13,987	15,000		36,241	25,000
032-001	Utilities - SCE	77,345	70,000		58,875	75,000
032-002	Utilities - SoCal Gas	9,792	6,500		6,718	6,800
033-001	Communications - GTE	16,396	8,400		9,721	8,400
036-008	Office Equip.- Maint	5,454	2,200		793	1,000
037-000	Other Services & Charges	5,916	5,000		10,494	5,000
037-004	Dues & Subscriptions	1,724	1,800		297	500
038-002	Meetings & Travel	342	500		1,324	2,500
	Operational Expenses	**329,765**	**243,704**		**362,716**	**327,853**
070-000	Library Landscape Loan		14,869	(14,869)		0
	Debt Service	**-**	**14,869**	**(14,869)**		
	Combined EXP	**329,765**	**258,573**		**362,716**	**327,853**

*All Debt Service will now be accounted for within the debt service fund with appropriate charges and transfers vis the Transfer Schedule

FUND PLANNING & ECONOMIC DEVELOPMENT (Formerly Housing & Community Development)
101 4070

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries	37,437	146,752		144,091	63,822
015-000	Benefits	13,608	76,189		64,633	42,314
021-000	Office Supplies	1,430	1,500		166	500
022-012	Vehicle Fuel & Oil **(delete)**	15	500			
024-000	Special Dept. Supplies **(D)**	672	100		3,094	
031-000	Professional Services		1,250		14,262	3,000
033-001	Communications, GTE	6,461	4,100		1,116	1,000
035-000	Adv, Print'g & Bind'g	29	400			1,500
036-008	Office Equip.- Maint	352	500		80	500
037-000	Other Services&Chrg	835	100			100
037-004	Dues & Subscriptions		200		15	500
037-005	LAFCO Dues	2,889	2,000		2,672	2,750
037-006	TCAG Dues (Fund 263)	3,267	3,300		3,601	-
037-013	TCEDC Dues	11,650	7,050		9,100	9,100
038-002	Meetings & Travel	2,872	2,000		184	500
060-001	T/A Grant Housing - Match		2,350		3,300	-
060-002	T/A Grant Econ Dev - Match		2,450			-
071-000	CDBG Portfolio Mng	3,398	342,340		2,942	3,000
072-000	HOME Portfolio Mng	4,139	2,087,050		1,285	2,000
	Operational Expense	**89,052**	**2,680,131**	**-**	**250,541**	**130,586**

Grant Income & Expense will be reported separately as available restricted resources and not as part of Operating Budget as activity within those funds is offsetting and all Homebuyer and Home Improvement Grants are now administered by Self-Help Enterprises, Inc. - Quarterly updates will be presented with the Budget Updates.

The following grants are still open and citizens are encouraged to inquire as to the access criteria:

FUND	DESCRIPTION	TYPE	AVAILABLE BALANCE 7/1/2012	UPDATED BALANCE
874-4874	09-PTAE-6560	Downtown Façade Renovation Study	21,270	
873-4873	09-EDEF-6362	Microenterprise Business Assistance	281,741	
865-4865	05-EDBG-2181	CCPI OTC Force Main	111,144	
552-4552	11-PTEC-7631	Water Feasibility Study	70,000	
875-4875	10-CDBG-6723	First Time Homebuyers Assistance	309,777	
	10-CalHOME-6663	First Time Homebuyers Assistance	1,000,000	
870-4870	08-CalHOME-4912	First Time Homebuyers Assistance	650,000	

As these grants are not held in city accounts and only available on a reimbursement basis (as used) they will not be recorded as either expense or revenue until the activity occurs that dicates the change in balance to the operating budget - which is a significant change from the PY when all possible activty was denoted which may have caused confusion to our readers, thus the separate schedule.

FUND: 101 - GEN FUND
DEPT: 4110-PUBLIC SAFETY

EXPENSE

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries - Regular F/T	1,273,556	1,157,522		907,365	1,200,425
010-002	Salaries - Part Time	133,882	77,000		133,144	35,000
010-003	Overtime	85,962	100,000		28,140	62,259
015-000	Benefits	851,521	608,449		659,488	782,603
021-000	Office Supplies	3,180	5,700		2,329	5,700
022-000	Depart'l Operating Supp.	12,653	15,200		6,521	15,200
022-012	Vehicle Fuel & Oil	64,590	54,500		53,351	54,500
022-015	Vehicle Repair & Maint	52,934	35,000		35,502	35,000
023-000	Repair & Maint Supplies	3,381	2,850		1,490	2,850
024-000	Special Dept'l Supplies	10,122	7,125		3,524	7,125
024-004	Personal Equipment	561	3,000		5,506	3,000
024-005	Uniform Allowance	21,437	13,600		7,919	13,600
025-000	Small Tools & Equipment	1,322	950		439	950
031-000	Professional Services	17,441	20,000		17,556	20,000
031-001	Central Dispatch	33,248	35,877		18,836	60,000
031-002	Booking Fees	2,571	19,900		3,950	19,900
031-003	Thunderbolt Officer	4,472	5,000		6,071	5,000
031-005	Radio Maintenance	6,960	950		805	950
031-025	DMV Auto Theft	8,110				
032-001	Utilities - SCE	1,775	2,375		1,341	2,375
032-002	Utilities - SoCal Gas	3,249	2,565		1,351	2,565
033-001	Communications - GTE	20,186	23,750		12,511	23,750
034-000	Insurance	2,667	3,000		1,870	3,000
035-000	Advertising, Printing & Bir	3,957	2,850		1,325	2,850
036-008	Office Equip. Maint.	3,296	3,800		10,415	3,800
037-000	Other Service & Charges	9,610	4,750		3,917	4,750
037-004	Dues & Subscriptions	2,245	4,750		2,467	4,750
037-008	Training & Seminars	11,352	14,250		11,063	14,250
038-002	Meeting & Travel	1,298	4,750		215	4,750
039-001	LIVE SCAN	9,062	9,500		4,940	9,500
030-010	Animal Control Services	18,421	6,000		8,534	10,000
064-009	Hepatitus Vaccination	0	1,000			1,000
066-007	DUI Trust Fund & Lab Fe	11,107	12,000		3,848	12,000
066-008	DOJ CLETS Line	2,466	1,500		2,687	1,500
066-001	New Vehicle Equip	21,154	42,000		24,947	27,000
051-007	COPS SLESF	71,182	45,000		37,967	-
039-002	CDF Dispatch	18,960			688	
066-011	Homeland Security (Reimb FY2012)	11,002			-	
	Operational Expenses	**2,810,891**	**2,346,463**	-	**2,022,022**	**2,451,902**
	Capital Outlay					
066-000	**Lease-Purchase: FIRE TRUCK**	30,378	30,378		30,378	30,378
	Capital Outlay	**30,378**	**30,378**		**30,378**	**30,378**
	Total Operations&Capital Outlay	**2,841,269**	**2,376,841**		**2,052,400**	**2,482,280**

FUND: 101 - GEN FUND
DEPT: 4130-STREETS

EXPENSE

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries	65,995	73,291		60,713	99,166
010-003	Overtime	2,954	500		832	1,000
015-000	Benefits	38,963	37,378		66,131	65,747
022-000	Dept'l Operating Supplies	9,343	15,000		3,992	5,000
022-012	Vehicle Fuel & Oil	8,273	7,500		5,463	7,500
022-015	Vehicle Repair & Maint.	5,986	5,000		2,669	5,000
023-000	Repair & Maint Supplies	4,571	5,000		4,849	5,000
023-001	Street Sweeping Contract					45,750
031-001	Communications - GTE	2,275	1,000		912	1,000
037-004	Dues & Subscriptions	350	350			350
037-014	Equip & Prop Rentals	50	2,500			2,500
038-002	Training & Meeting	65	500		224	500
	Operational Expense	**138,825**	**148,019**		**145,786**	**238,513**
064-000	Capital O/L - Streets		995,000		63,268	
	Capital Outlay	**-**	**995,000**		**63,268**	
090-500	**TCAG Repayment (Record Ad'l Costs)**	**114,870**				
	Combined Total	**253,695**	**1,143,019**		**209,054**	**238,513**

*All CIP and Debt Acitivty is moved to their respective funds and will no longer be accounted for in the operations budget.

*Street Sweeping shall be contracted out for FY13 as the CNG Sweeper owned by the City is not cost efficient due to multiple maintenance issues and the fact that the City does not have a CNG refueling station.

FUND: 101 - GEN FUND
DEPT: 4210-PARKS

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries	39,416	48,864		56,326	103,906
010-003	Overtime **(delete)**	1,478	500		2,088	1,635
015-000	Benefits	23,861	24,921		23,758	69,974
022-000	Dept'l Operating Supplies	20,871	15,000		17,869	15,000
022-012	Vehicle Fuel & Oil	4,573	6,000		15,877	8,000
022-015	Vehicle Repair & Maint.	9,834	5,000		6,095	5,000
023-005	Contract Services	552	5,000		2,050	5,000
024-001	Shop Supplies **(delete)**	208	350			0
025-000	Small Tools & Supplies	483	500		1,792	1,500
030-001	Contract-Golf Course **MCD**	39,000	12,000		10,000	0
033-001	Communications - GTE	1,509	1,500		661	750
032-001	Utilities - SCE & GAS	29,639	28,000		17,845	23,500
036-007	Other Equip Maint	1,957	1,000		241	1,000
037-014	Equip & Prop Rentals		2,500			500
038-002	Training & Meetings	81	200		22	200
067-000	Prop 12 Tree Grant	7,500	7,500			
064-046	Landscape Maint **(delete)**	33,330				
	Operations	**214,292**	**158,835**		**154,625**	**235,965**

*Golf Course Contract expense accounted for in the McDermont Field House Fund

*Expense in this department has increased for FY13 due to the maintenance needs of the park which has been under renovation for the past two years, but will be completed by the end of August 2012.

*The annual Prop 12 Tree Grant was completed as a joint project with the school district - the city only acting as the pass thru agent, therefore, this line will be eliminated

FUND: 300 - ENTERPRISE FUND

DEPT: 4300-MCDERMONT FIELD HOUSE (Includes HS After-School, & Recreation)

EXPENSE

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries & Benefits	1,054,621	1,496,338		1,172,546	1,277,417
069-090	Redemption Supplies	75,937	70,000		28,917	36,000
069-091	Cleaning/Maintenance	57,196	48,000		34,040	45,000
069-092	Equipment Repair & Maint	96,215	60,000		44,165	56,393
069-093	Repair Building	41,839	20,000		12,862	20,000
069-095	Tanning Bed Supplies	4,892	2,000		1,601	300
069-101	Office supplies	27,732	25,000	(4,500)	16,508	18,000
069-102	Staff uniforms	3,852	4,000		698	2,000
069-103	Birthday Party supplies	11,572	6,500	4,500	9,219	14,000
069-104	Fitness Center Supplies	2,209	5,000		285	20,000
069-105	Awards **(delete)**	4,041	4,500		1,694	-
055-002	Youth Sports	131,157	63,000		29,233	26,500
055-019	Adult Sports	62,446	60,000	20,000	74,614	72,000
010-100	Camp McDermont Staff **(delete**	9,991	7,200	(7,200)		-
055-007	Camp McDermont Supplies **(delete)**		4,000			-
055-010	LUSD JrHigh Athletics	1,440	31,000		16,746	30,000
055-025	21st Century PY-GF **(delete)**	66,219	107,000	(107,000)		-
055-026	LHS ASSETS	585,488	125,000		88,161	250,000
069-116	Concessions Supplies	252,304	190,000		109,558	120,000
069-108	Electricity	265,696	260,000		177,572	160,000
069-109	Gas	14,997	17,100		10,715	12,000
095-002	Flow Rider Supplies	18,779	21,000		5,211	15,000
069-111	Telephone **(delete)**	4,316	4,000		17,655	
069-069	Computer System/Operations ((	9,012	8,000			20,000
035-002	Aquatic Center Contribution		20,500		10,900	12,000
025-001	Golf Course Contribution		20,000	(15,000)		12,000
018-000	Bank & Interchange Fees	32,297	35,500		8,418	15,000
069-082	Insurance	1,545	75,000			75,000
055-006	Fitness Center Classes	35,284	40,000		31,717	35,000
069-084	Advertising/Marketing	18,058	17,000		7,069	25,000
069-085	Sales Promotion **(delete)**		2,000	(2,000)		-
069-086	Travel/Seminars	2,675	500		542	500
069-172	Child Care Expense		1,500		87	500
069-088	Staff Training	1,146	500		595	2,000
069-089	Consulting Services **(delete)**	38,899	-		755	-
069-112	Sinking Fund **(delete)**	1,872	5,592			-
069-115	Special Event Expense	48,173	28,800		16,675	15,000
069-113	Service contract	32,294	22,515		22,614	25,000
055-011	Boxing Program **(delete)**	1,987	2,500		991	-
	Operational Expenses	**3,016,179**	**2,910,545**		**1,952,365**	**2,411,610**
200-203	Due to Other Funds		150,000	(150,000)		
047-001	Debt Service - Interest	62,490	182,637		156,228	
220-000	Debt Service - Principal		100,000	(100,000)		
069-170	Debt Service - Lease	22,193	19,368		9,684	
090-100	Transfer Out for Debt Service					206,868
	Debt Service	**84,682**	**452,005**		**165,912**	**206,868**
064-000	CIP:Construction&Fixed Equip	308,168	20,000		-	50,000
	Capital Outlay Expense	**308,168**	**20,000**			**50,000**
	Total Fund Expense	**3,409,030**	**3,382,550**	**3,021,350**	**2,118,277**	**2,668,478**

FUND: 300 - ENTERPRISE FUND
DEPT: 4300-MCDERMONT FIELD HOUSE (Includes HS After-School, & Recreation)

NOTES REGARDING CHANGES TO THIS FUND BUDGET:

*Debt Service will be accounted for in the Debt Service Fund and charged to the McDermont Fund via the Transfer Schedule: Included are MidValley Loan, Cypress Financial, & 20% of annual copier lease payment - there is one line for transfer out, the others to be eliminated

The following line items are being deleted from the budget due to termination of the program or consolidation with another line item:
*Camp McDermont Staff & Supplies -program is eliminated as too costly without benefit to a large enough group
*21st Century - the City no longer administers this grant
* 21st Century and LHS ASSETS previously accounted for in the GenFund - LUSD has resumed AFS for <HS
*Sales Promotion - expenses to be charged to the Advertising & Marketing line
*Consulting Services - the City no longer requires consulting in this department
*Sinking Fund intended as set-asdie for equip replacement deleted with appropriation transferred to Equip line

This budget has decreased by $714,072 over the original budget from FY12

This budget, which includes all activity for Mcdermont Field House, including city recreation programs, and the the High School After-school program (RED ZONE) both formerly accounted for in the GenFund, and associated debt formerly accounted for in the GenFund. The overall comparison includes the construction division of FY11 that built the child care center and finished Building C - charges were formerly accounted for in the GenFund but were reallocated to McDermont and recorded as an increase to the fixed asset schedule for this Fund

FUND: 261-264- RESTRICTED FUND
DEPT: 4160-4190 GAS TAX & TRANSPORTATION

EXPENSE

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
	Gas Tax Fund 261-4160					
010-001	Salaries	124,760	63,774		34,722	76,642
015-000	Benefits	71,147	34,199		18,129	50,814
022-012	Vehicle Fuel & Oil	8,804	10,000		3,205	5,000
022-015	Vehicle Repair & Maint.	144	1,500		857	1,000
023-001	Street Sweeping Contract	4,918	4,000			5,000
032-004	Street Lighting	86,125	70,000		67,898	75,000
034-000	Insurance	12,733	17,000			20,000
065-001	Street Signs	926	500		3,827	5,000
065-008	Street Striping	1,203			2,315	3,000
031-012	Engineering	35,299	3,000		1,733	1,672
065-013	General Street Maint.	23,920			7,451	10,000
065-042	CMAQ II	71,810				
	SUBTOTAL GAS TAX FUND	**441,789**	**203,973**	**0**	**140,137**	**253,128**
	Transportation Fund 263-4180					
010-001	Salaries	221,831	63,774		33,967	74,726
015-000	Benefits	105,965	34,200		18,159	49,543
037-006	TCAG Dues					3,600
065-008	Street Striping		5,000			7,500
065-013	General Street Maint.		24,000			2,000
031-012	Engineering		37,000			37,000
065-048	Downtown Projects	86,727				
065-044	Lighted Crosswalk	1,844			7,790	
065-000	CIP Projects Match					
	SUBTOTAL TRANSPORTATION FUND	**416,366**	**163,974**	**0**	**59,915**	**174,369**
	Transit Services 264-4190					
038-001	TCAT (Fuel/Oil/Contract)	1,697	86,000	(86,000)		-
264-4190-064-002	PTMSIE Bus Shelters		54,000		52,960	-
	SUBTOTAL TRANSIT FUND	**1,697**	**140,000**	**-86,000**	**52,960**	**0**
	Total Operations Expense	**859,852**	**507,947**	**(86,000)**	**253,012**	**427,497**
	Capital Improvement					
841--4140-065-028	Misc Sidewalk Projects		15,000		-	
673-4373-023-000	CMAQ- Shoulder Stalzn		384,160			
674-4274-063-011	SRTS-Page Moore020	194	894,000			
674-4374-065-036	SRTS-Page Moore021	956	599,000			
672-4372-065-030	TEAGovernment Plaza		155,040			
672-4272-065-030	TEA-Tulare Rd Bollard		200,880			
675-4275-063-011	SV Extension&WC Landscape		1,225,532		125,999	
867-4867-095-011	Sequoia Villas 08-STBG-4843		-			
ALL CIP PROJECTS HAVE BEEN MOVED TO THE CIP FUND						79,989
	Capital Outlay Exp	**1,149**	**3,473,612**		**125,999**	**79,989**
263-4180-080-001	Debt Srv - Tulare Rd	122,942	124,073		90,436	127,688
675-4275-070-000	Debt Srv Sierra Exension		55,525		32,130	
	Debt Service Exp	**122,942**	**179,598**		**122,566**	**127,688**
	Combined Total Expense	**983,944**	**4,161,157**	**(86,000)**	**501,577**	**635,174**

FUND: 552 - ENTERPRISE FUND
DEPT: 4552 - WATER

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries	238,213	196,924		146,762	214,303
010-002	Part Time Salaries	14,261	8,000		11,488	6,343
010-003	Overtime	4,966	4,000		5,241	5,500
015-000	Benefits	158,832	103,385		94,469	142,973
021-000	Office Supplies	5,250	5,000		2,750	2,500
022-000	Dept. Oper. Supplies	58,198	92,000		46,640	65,000
022-001	Water Supply Testing	35,784	35,000		32,442	37,000
022-004	Wells Materials	2,614	7,500		14,192	20,000
022-007	Treatment Plant Materials	124,529	62,000		61,015	80,000
022-010	Raw Canal Water	188,243	142,000		92,494	135,000
022-012	Vehicle Fuel & Oil	7,406	7,500		5,920	6,500
022-015	Vehicle Repairs & Maint.	16,647	5,000		3,237	5,000
023-000	Repair & Maint. Supplies	14,791	15,000		3,435	7,500
025-000	Small Tools & Equip	318	500		1,960	500
031-000	Professional Services	96,739	80,000		81,646	90,000
038-000	Water Rate Study		35,000		515	33,000
031-009	Audit Services	12,500	30,000			35,000
032-005	Wells Utilities	3,384	2,800		2,840	3,500
032-006	Treatment Plant Utilities	182,758	140,000		100,888	125,000
033-001	Communications GTE	24,107	19,500		15,299	16,500
034-000	Insurance	19,898	20,000		15,871	25,000
036-000	Repair & Maint. Services	20,150	15,000		13,561	15,000
037-000	Other services	502	168		368	500
037-004	Dues & Subscriptions	7,714	7,800		1,218	7,800
037-014	Equip & Prop Rentals	981	1,000			0
038-002	Training & Meetings	375	380		623	1,000
040-000	Street Franchise Fees	385,232	381,500		334,558	388,558
	Contingency					33,315
080-000	Raw Water Maintenance	4,196	5,000		705	5,000
	Operational Expenses	**1,628,587**	**1,421,957**		**1,090,136**	**1,507,292**
050-006	Water System CIP				-	50,000
064-007	Cap O/L	16,204	15,000		2,984	15,000
	Capital Outlay	**16,204**	**15,000**		**2,984**	**15,000**
070-002	Debt Service Clairifier	16,754	8,277		16,754	16,754
070-000	Debt Service USDA Bond	109,874	109,874		109,874	109,874
	Debt Service	**126,628**	**118,151**		**126,628**	**126,628**
	Combined Expense	**1,771,420**	**1,555,108**		**1,219,747**	**1,648,920**

Note* Staff will be upgrading the utility billing system in FY13; more clerical staff will be dedicated to duties related to the water fund as we reorganize all billing routes and implement electronic meter reading in those neighborhoods that have newer meters with the electronic read capablity. Once the new routes are established the data gathering in the field and the clerical input and processing time will be significantly reduced while the overall efficiency will be substantailly increased.

FUND: 553 - ENTERPRISE FUND
DEPT: 4553 - SEWER

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries	291,335	193,721		120,766	185,607
010-002	Part Time Salaries	37,786	33,600		16,041	30,000
010-003	Overtime	5,909	3,000		4,995	5,000
015-000	Benefits	185,885	102,672		79,320	123,948
019-000	Operational Supplies	10,848	15,000		487	15,000
021-000	Office Supplies	1,651	1,500		2,550	2,500
022-000	Dept. Oper. Supplies	54,369	50,000		38,893	50,000
022-007	Treatment Plant Chemicals	1,720	2,600		1,517	2,600
022-008	Treatment Plant Repairs	22,193	10,000		953	10,000
022-012	Vehicle Fuel & Oil	12,799	9,963		7,184	8,000
022-015	Vehicle Repairs & Maint.	14,995	10,000		6,635	8,000
025-000	Small Tools & Equip	4,860	300		1,316	1,000
031-000	Professional Services	52,205	98,000		29,789	98,000
031-006	Waste Discharge Permit	31,273	35,000		54,957	65,000
031-007	Monitoring	5,450	5,000		13,068	8,500
031-009	Audit Services	12,500	12,500			13,843
032-001	Utilities - SCE	132,200	105,000		70,647	65,000
033-001	Communications GTE	12,153	8,500		7,715	8,500
034-000	Insurance	20,902	24,000		15,871	25,000
036-001	Emergency Line Repair	20,052	14,000		3,615	14,000
037-000	Other Services & Charges	14,014	50,000		16,939	40,000
037-004	Dues & Subscriptions	10,313	10,500		826	5,000
040-000	Street Franchise Fee	430,136	430,000		306,344	366,344
038-002	Meetings & Travel	130	500		60	1,000
	Operational Expenses	**1,385,679**	**1,225,356**		**800,487**	**1,151,842**
064-001	East/West Pond Monitorin	3,208	75,000		6,722	75,000
064-001	Lease Purchase Computer				7,680	8,000
	Capital Outlay	**3,208**	**75,000**		**14,401**	**83,000**
070-000	Debt Srv Infrastructure	25,623	25,623		25,623	25,623
070-003	Debt Srv USDA Bond	323,470	323,470		323,470	323,470
	Debt Service	**349,093**	**349,093**		**349,093**	**349,093**
	Combined Exp	**1,737,980**	**1,649,449**		**1,163,981**	**1,583,935**

FUND: 554 - ENTERPRISE FUND
DEPT: 4554 - REFUSE

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries	91,566	50,516		35,463	28,801
010-003	Overtime	838	-		251	278
015-000	Benefits	50,612	24,383		18,630	19,279
019-000	Operational Supplies	7,290	4,000		3,120	3,000
022-000	Dept. Oper. Supplies	6,112	3,500		5,713	4,000
022-012	Vehicle Fuel & Oil	7,947	7,500		711	2,000
022-015	Vehicle Repairs & Maint.	3,784	1,575		1,221	1,500
031-009	Audit Services	12,500	-			
033-001	Communications - GTE	3,979	1,500		2,404	2,000
034-000	Insurance	16,100	10,500			0
037-000	Other Services & Charges	350	500		45	500
037-004	Dues & Subscriptions		100		127	200
037-005	JPA Dues	16,687	16,750		11,687	15,024
038-002	Training & Meetings	197	170			250
040-000	Street Franchise Fee	330,833	270,400		255,143	271,000
065-004	Contract Services	664,904	797,508		754,835	816,000
	Operational Expenses	**1,213,697**	**1,188,902**		**1,089,350**	**1,163,832**

FUND: 800 - SPECIAL REVENUE FUND
DEPT: 8800 - AQUATIC CENTER

EXPENSE

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries	50,692	52,000		40,895	58,975
015-000	Benefits	4,115	5,275		3,059	5,868
022-000	Dept. Oper. Supplies		500		131	500
023-000	Repair & Maint	982	1,500		5,893	3,500
033-001	Communications - GTE		1,500		150	350
032-007	Permits & Fees	936	1,000		1,722	1,825
035-000	Advertising/Printing/Copy	730	850			500
037-008	Staff Training	496	300		362	425
063-013	Furniture & Equipment	186	300			300
069-076	Pool Chemicals	22,965	55,000		13,923	18,200
032-006	Electric & Gas		65,000		31,370	35,000
069-102	Staff Uniforms	1,446	2,000			2,000
069-116	Concessions Supplies	3,567	4,500		2,640	4,500
034-000	Insurance		5,000			5,000
	Operational Expenses	**86,114**	**194,725**		**100,145**	**136,943**

FUND: 400 - SPECIAL REVENUE FUND
DEPT: 4400 - WELLNESS CENTER

AC#	Description	Actual Expense FY 2010-11	Approved Budget FY 2011-12	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2012-13
010-001	Salaries		54,800		221,871	90,650
015-000	Benefits		24,150		61,317	54,105
022-000	Dept. Oper. Supplies		7,500		8,941	7,500
022-012	Vehicle Fuel & Oil		1,000		104	250
022-015	Vehicle Repairs & Maint.		1,575			0
031-009	Audit Services		7,500			3,500
032-006	Wellness Center Utilities		20,000		17,837	35,000
033-001	Communications - GTE		3,500		1,684	2,675
034-000	Insurance		5,000			5,000
037-000	Other Services & Charges		500		239	500
037-004	Dues & Subscriptions		500		218	250
038-002	Training & Meetings		1,500			325
031-000	Professional Services		10,000		2,010	500
035-002	Aquatic Center Contribution		30,000			
	Operational Expenses		**167,525**		**314,222**	**200,255**
064-000	**CIP - Building & Furniture	1,348,737	462,000		641,039	
066-000	CIP - Parking & Landscape		104,438			
	Capital Outlay	**1,348,737**	**566,438**		**641,039**	**-**
ALL FUTURE CIP WILL BE ACCOUNTED FOR IN CIP FUND						
090-000	Debt Service	55,606	88,386		101,827	136,750
	Debt Service	**55,606**	**88,386**		**101,827**	**136,750**
	Combined Expense WC	**1,404,343**	**822,349**		**1,057,087**	**337,005**
	Consolidate Aquatic&Wellness	**1,490,457**	**1,017,074**	**0**	**1,157,232**	**473,948**

*Previous Years Expense includes Construction Crew (laid off 8/1/12) & associated unemployment charges

*All Capital Improvements will be accounted for in the CIP Fund

*The Aquatic Center will be accounted for within the Wellness Center budget beginning FY2012-13

FUND: 555 - FIDUCIARY FUND

DEPT: PLAINVIEW WATER DISTRICT SERVICE CONTRACT

AC#	Description	Actual Expense FY 2011	Approved Budget FY 2012	Expense Thru APR 2012	City Mgr Recommends FY 2013
010-001	Salaries		6,837	2,780	8,667
015-000	Benefits		3,418	556	5,746
022-000	Dept. Oper. Supplies		750	-	750
031-000	Professional Services		500	-	500
022-012	Vehicle Fuel & Oil		1,250	-	1,250
064-000	Computer System Upgrade		18,500		-
	Operational Expenses		**31,255**	**3,336**	**16,913**

PLAINVIEW WATER DISTRICT - Fiduciary Fund

This Fund is an inter-agency agreement between the City of Lindsay and the PVWD to provide utility read and billing services on a monthly basis in exchange for a one time contribution of $18,500 toward purchase of computer upgrade software package and a monthly administrative service fee. Activity for this fund has previously been accounted for in the Water Fund. Departmental Operating supplies shall be billed to PVWD as the expense is incurred for billing paper stock and items not covered under the MOU. Staff is still in the implementation stage - the only charges to this account are for a percentage of the UB billing and AP clerk wages&benefits. Full implementation will take effect by October 15, 2012.

FUND: 883-892 - SPECIAL REVENUE FUND
DEPT: ASSESSMENT DISTRICTS

AC#	Description	Actual Expense FY 2011	Approved Budget FY 2012	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2013
887-065-002	Sweet Brier Units	1,962	6,005		8,792	6,005
883-065-002	Sierra View	4,225	17,011		9,339	17,011
884-065-002	Heritage Park	1,893	6,600		5,709	6,600
885-065-002	Ingoldsby	3,294	3,500		3,325	3,500
886-065-002	Samoa	1,069	4,400		4,833	4,400
889-065-002	Sierra Vista	0	350		457	350
888-065-002	Parkside	2,469	7,300		7,861	7,300
890-065-002	Maple Valley		320		0	320
891-065-002	Pelous Ranch	26	12,200		4,895	12,200
892-065-002	Sequoia Villas		600		0	0
	Total Combined Expense	**14,939**	**58,286**		**45,210**	**57,686**
8000						
010-001	Salaries	166	34,401		13,388	24,488
015-000	Benefits		17,545		2,848	16,109
022-000	Dept. Oper. Supplies	48	3,500		2,507	1,589
022-012	Vehicle Fuel, Oil, Repair		6,500		14,594	3,200
032-001	Utililities:Lighting/Water	14,725	3,500		10,674	11,500
037-005	Wall Maint. & Repair		1,000		1,200	800
	Total Expenses Breakdown	**14,939**	**66,446**		**45,210**	**57,686**

*Prior FY costs were maintained on a spreadsheet in City Services but not in the Finance General Ledger which is why the disparity
*Burger King Landscape was budgeted in this segment for $8160 - it has been removed
*Sequoia Villas will be transferrred to the County Housing Authority who will be responsible for maintenance

FUND: 556- SPECIAL REVENUE FUND
DEPT: 4556 - LAND APPLICATION

AC#	Description	Actual Expense FY 2011	Approved Budget FY 2012	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2013
010-001	Salaries	12,913	12,256		10,055	12,570
010-003	Overtime	698	-		493	-
015-000	Benefits	7,499	6,005		5,303	8,334
021-000	Office Supplies	304	200			-
022-000	Dept. Oper. Supplies	35,362	900		2,389	2,250
031-000	Professional Services	10,557	5,000			2,500
034-000	Insurance	1,320	1,320			-
036-000	Repair & Maint Services		500		21,599	2,500
037-007	Permit Renewal	14,586	15,000		18,087	19,850
061-003	CCPI Lease Payment	43,200	21,600			21,600
	Operational Expenses	**126,440**	**62,781**		**57,925**	**69,604**

DEBT SERVICE FUND

CITY OF LINDSAY
SUMMARY OF BUDGETS FOR DEBT SERVICE FY 2012-13

DEBT DESCRIPTION	7/1/2012 CURRENT BALANCE		ACCOUNT#	AMOUNT DUE IN FY	6/30/2013 ENDING BALANCE
GENERAL FUND					
Non-Departmental		Principal	101-4090-066-002	13,188	
Copier Lease Payment		Interest	N/A		
		Total		13,188	
Streets	1,048,443	Principal	101-4130-090-500	54,422	994,021
TCAG Setlement		Interest	101-4130-047-001	1,905	
		Total		56,327	
Library	545,514	Principal	450-4500-047-002	15,136	530,378
Library Landscape Loan		Interest	450-4500-047-001	19,737	
		Total		34,873	
Public Safety Department	30,378	Principal	101-4110-066-005	30,378	0
Lease/Puchase Fire Truck		Interest	N/A		
		Total		30,378	
Wellness Center	2,096,147	Principal	400-4400-047-002	36,640	2,059,507
Wellness Center Loan		Interest	400-4400-047-001	61,570	
NOTE: Total amount granted		Total		98,210	
was $3M-amount reflected is used+estimated					
Transportation Department	1,436,337	Principal	263-4180-047-002	61,774	1,374,563
Tulare Road Loan		Interest	263-4180-047-001	65,914	
		Total		127,688	
ENTERPRISE FUNDS					
WATER FUND					
Water Department	2,008,776	Principal	552-4552-047-002	43,185	1,965,591
Water Plant Expansion Loan		Interest	552-4552-047-001	66,689	
		Total		109,874	
Water Department	85,967	Principal	552-4552-047-002	10,446	75,521
Water Clarifier Loan		Interest	552-4552-047-001	6,308	
		Total		16,754	
WASTEWATER FUND					
Wastewater Department	5,886,772	Principal	553-4553-047-002	127,990	5,758,782
Sewer Plant Expansion Loan		Interest	553-4553-047-001	195,480	
		Total		323,470	
Wastewater Department	430,069	Principal	553-4553-047-002	6,260	423,809
Sewer Infrastructure Loan		Interest	553-4553-047-001	19,363	
		Total		25,623	
MCDERMONT FIELD HOUSE					
McDermont Field House & Rec	1,499,717	Principal	300-4300-047-002	35	1,499,682
MidValley Operations Loan		Interest	300-4300-047-001	187,465	
		Total		187,500	
McDermont Field House & Rec					
Hippo Capital Lease Purchase	41,964	Principal	300-4300-066-002	19,368	22,596
		Interest		0	
		Total		19,368	
Compensated Absences	220,719	*Ending Leave Balance is Estimated*			210,719

CITY OF LINDSAY
SUMMARY OF BUDGETS FOR DEBT SERVICE FY 2012-13 - continued

DEBT DESCRIPTION	7/1/2012 CURRENT BALANCE		ACCOUNT#	AMOUNT DUE IN FY	6/30/2013 ENDING BALANCE
REDEVELOPMENT OBLIGATION RETIREMENT FUND (RORF)					
California Housing Finance Agency					
CalHFA Loan No. HELP-080803-06	1,250,000	Principal	660-0000-047-002	0	1,250,000
		Interest	660-0000-047-001	0	
		Total		0	
California Housing Finance Agency					
CalHFA Loan No. RDLP-090806-03	3,690,000	Principal	660-0000-047-002	3,690,000	0
		Interest	660-0000-047-001	553,500	
US BANK Tax Allocation Bond					
2005 Bond Issue	4,120,000	Principal	660-0000-047-002	95,000	4,025,000
		Interest	660-0000-047-001	199,156	
		Total		294,156	
2007 Bond Issue	7,205,000	Principal	660-0000-047-002	150,000	7,055,000
		Interest	660-0000-047-001	347,058	
		Total		497,058	
2008 Bond Issue	3,380,000	Principal	660-0000-047-002	55,000	3,325,000
		Interest	660-0000-047-001	180,389	
		Total		235,389	
2009 Bond Issue	1,000,000	Principal	660-0000-047-002	0	1,000,000
		Interest	660-0000-047-001	54,000	
		Total		54,000	
Subtotals RORF Fund	20,645,000	Principal		3,990,000	16,655,000
		Interest		1,334,103	
		Total		5,324,103	

RORF

Debt for the former Redevlopment Agency is included here as the City is the Successor Agent responsible for the debt retirement associated with the former RDA. Funds for debt service in this fund are requested from the State of California Department of Finance via a semi-annual ROPS request made against the tax revenue received in the former Project Area. RORF Property, not classified as "for the public good" shall be offerred for sale after July 1, 2012 and the proceeds applied to debt retirement if approved by the DOF in accordance with the provisions of ABx126. City funds are not obligated toward this debt.

Subtotals Previous Page City Funds	15,330,804	Principal		418,822	14,915,169
		Interest		624,430	
		Total		1,043,252	

CITY

All scheduled debt payments for the fiscal year are listed on the previous page with the total current outstanding at 7/01/2012 as well as the amount and funding source listed for the various payments most of which are semi-annual with one payment of interest-only and a second payment six months later for principal and interest. State law limits the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation.The current debt limit is $19,201,034 based on the FY2011-12 Tulare County Certified Tax Base values. The City is in compliance with the debt limits and will incur no new voluntary debt in FY2013. The TCAG settlement was the only new involuntary debt incurred in FY2012. The lease payment for the copy machines used city-wide actually reduced that obligation by over $10,000. Compensated Absences are employee payable leave balances - FY2013 amount is $15,091 less than FY2011 and $190,000 less than FY2010 due to separations and the City Manager's mandatory reduction plan.

DEBT SERVICE FUND REVENUES

GENERAL FUND			
		Amount	219,788
TRANSPORTATION FUND			
		Amount	127,688
ENTERPRISE FUNDS			
	Water	Amount	126,628
	Wastewater	Amount	349,093
	McDermont	Amount	206,868
RORF			
	Tax Revenue	Amount	1,080,603
	Subtotal		2,110,668
TOTAL DEBT OBLIGATIONS FY13			6,354,167
Debt Restructuring			4,243,499
RDLP			
CALHFA			

CAPITAL IMPROVEMENT FUND

FUND XXX
DEPT CAPITAL IMPROVEMENTS

AC#	Description	Actual Expense FY 2011	Approved Budget FY 2012	Revised via Budget Amendment	Expense Thru APR 2012	City Mgr Recommends FY 2013
Fund						
450	Library Landscape&Parking	294,344		157,760	157,719	0
650	Park Improvements	8,451		251,000	136,793	
672	Tulare Road Bollard Project	116	200,880		0	0
672	Government Plaza Project	10,472	155,040		0	
673	CMAQ Proejct - Hybrids	365,032				0
673	Shouler Stabalization Project	9,548	384,160		300	0
673	CMAQ East - Design Phase	79				
674	SRTS - PageMoore	1,170	894,000		8,546	0
674	SRTS - LUSD	2,235	599,000		19,403	0
675	Sierra View Extension	16,335	1,281,057		125,999	0
676	SJVAPCD - 3 Prius (Res#11-66)					74,768
865	CCPI Expansion Project	769,902		1,189	1,189	
867	Sequoia Villas Infrastructure	905,605		283,425	283,425	0
841	Curb & Gutter		15,000		0	15,000
841	Misc Storm Drain improvements					35,000
101	Retaining Wall - Sierra Vista			11,778	11,778	0
101	Frazier Street Overlay					155,000
101	Valencia Street Overaly					135,000
101	Mirage Avenue Overlay					155,000
841	Kern Street - Central/Van Ness					75,000
263	Sequoia Ave paved pathway					35,000
263	Foothill Ave Light Tower Planters					15,000
263	Sequoia Ave/Tulare Rd 3-way stop					20,000
	Total CIP Projects	**2,383,288**	**3,529,137**	**705,152**	**745,152**	**714,768**

Capital Improvement Projects not accounted for elsewhere within the budget

NOTE:

***This scheudule is new to the budget FY 2012-13 as previously CIP was budgeted to the Fund that would provide the revenue and to which the improvement would be allocated via the fixed asset schedule - CIP will still be allocated on the fixed asset per funding source, however this schedule provides greater clarity regarding funded or top priority to-be-funded CIP Projects and lists the funds that will be charged with the expense.**

***The budget includes a formal Five-Year Capital Improvement Plan from which projects will be chosen according to need and funds availablitliy. Only appropriations listed above are approved unless a budget amendment updates a Project from the Program Schedule to the CIP Fund.**

Funding for CIP:	
Transfer In From General Fund	554,768
Transfer In From Gas Tax Fund	79,989
Transfer In From Grants& Loans	60,000
Transfer In From Curb & Gutter	20,011
Total Transfers	**714,768**

CITY OF LINDSAY
5 YEAR CAPITAL IMPROVEMENT PROGRAM

YEAR 2012/2013

Water (Water enterprise funds)

1. Well 11 Project (water treatment plant)	$12,750,000	
1a. Well 11 Project (blend project)	$1,500,000	Safe Drinking Water State Revolving Fund
2. Well 15 Pipeline Project	$350,000	Safe Drinking Water State Revolving Fund
3. Water main line replacement		
a. 8" size, 1300 LF,	$300,000	
4. Disinfection renovation at canal	$250,000	

Sewer (Sewer enterprise funds)

1. Main line replacement;	
a. 6" size, 1,100 LF,	$300,000
b. 8" size, 550 LF,	$175,000
2. Wastewater Treatment Plant Projects	
a. Headworks Screw lifts	$350,000
b. Trailer mounted jetter	$75,000

Storm Drain System (Sewer enterprise funds)

1. Orange Avenue Storm Drain and Harvard Park basin improvements	$250,000
2. Storm Drain Main line improvements	
a. Miscellaneous mainline replacemen	$75,000

Streets Projects (Gas Tax, streets funds)

1	Valencia Street Overlay	$175,000	
2	Mirage Avenue Overlay	$155,000	
3	Frazier Street Overlay	$155,000	
4	Alameda Street Overlay	$100,000	
5	Sweet Brier, Ashland, Frazier, Eastwood Ave	$150,000	Sealing project
6	Hermosa, Elmwood, Mirage Ave	$150,000	Sealing project
7	Hickory/Parkside; Honolulu/Harvard; Tulare/Foothil	$80,000	intersection rehab
8	Kern Street - Central/Van Ness Cross Gutter	$75,000	
9	Sequoia Avenue paved pathway	$35,000	
10	Foothill Avenue light tower planters	$15,000	
11	Sequoia Ave./Tulare Road - New 3 way STOP	$20,000	(incl. Strobe x-walk)

Miscellaneous Improvement Projects

1	Safe Routes to School Page Moore City	$810,000	Safe Routes to School
2	Safe Routes to School Page Moore LUSD	$835,000	Safe Routes to School
3	Tulare/Foothill Pedstrian Improvement Project	$268,700	Safe Routes to School
4	Government Plaza Project	$224,000	Transportation Enhancement
5	Tulare Road Bollard Project	$189,000	Transportation Enhancement

2013/2014 CAPITAL IMPROVEMENTS

Water (Water enterprise funds)

1. Well 14 Filtration project	$800,000	Safe Drinking Water State Revolving Fund
2. Water treatment plant filter bank renovations	$800,000	
3. Canal Upgrade Chemical Treatment	$500,000	
4. Water main line replacement		
a. 8" size, 1300 LF	$300,000	
5. SCADA System Upgrade	$60,000	

Sewer (Sewer enterprise funds)

1. Main line replacement;	
a. 6" size, 1,100 LF,	$300,000
b. 8" size, 550 LF,	$175,000
2. SCADA System Upgrade	$60,000
3. Wastewater Treatment Plant Projects	
a. Equipment replacement	$500,000
b. Clarifier scrapper repair	$75,000

Storm Drain System (Sewer enterprise funds)

1. Miscellaneous basin improvements	$125,000
2. Storm Drain Main line improvements	
a. Miscellaneous mainline replacemen	$175,000
a. 18" size, 550 LF	$250,000

Streets Projects (Gas Tax, streets funds)

1	Gale Hill Avenue Overlay	$290,000
2	Mirage Avenue Overlay	$170,000
3	Mt Vernon Avenue seal project	$175,000

Miscellaneous Improvement Projects

1	Olive Bowl/Kaku Park Renovation	$275,000	
2	Westwood/Hermosa Roundabout	$375,000	Congestion, Mitigation & Air Quality
3	City Hall Renovations (electrical, mech.)	$400,000	
4	City Sign Renovation	$250,000	
5	McDermont Parking lot paving	$50,000	McDermont Enterprise

2014/2015 CAPITAL IMPROVEMENTS

Water (Water enterprise funds)

1. Canal turnout upgrades	$750,000
2. Water Storage Tank Renovation	$250,000
3. Water main line replacement	
a. 8" size, 1300 LF,	$315,000

Sewer (Sewer enterprise funds)

1. Main line replacement;	
a a. 6" size, 1,100 LF,	$300,000
b. 8" size, 550 LF,	$175,000
c. Oxidation Ditch Repairs	$300,000
2. Wastewater Treatment Plant Projects	
a. Building Addition/Renovation	$300,000

Storm Drain System (Sewer enterprise funds)

1. Storm Drain Main line improvements	
a. Miscellaneous mainline replacemen	$175,000

Update Sewer, Water, Storm Drain Master Plans	$375,000

Streets Projects (Gas Tax, streets funds)

1	Apia Street Overlay	
2	Foster Avenue Overlay	$205,000
3	Lindsay Street Overlay	
4	Locke Avenue Overlay	
5	Blue Gum Avenue Reconstruct	$150,000
6	Center Street Reconstruct	
7	Miscellaneous Street Sealing	$175,000

Miscellaneous Improvement Projects

1	Corporation Yard improvements	$250,000
2	City Hall Renovations (glazing)	$250,000

2015/2017 CAPITAL IMPROVEMENTS

Water (Water enterprise funds)

1. Water main line replacement
   a. 8" size, 1300 LF $300,000

Sewer (Sewer enterprise funds)

1. Main line replacement
   a. 6" size, 1,100 LF, $300,000
   b. 8" size, 550 LF, $175,000

Storm Drain System (Sewer enterprise funds)

1. Storm Drain Main line improvements
   a. Miscellaneous mainline replacement $75,000

Streets Projects (Gas Tax, streets funds)

1	Street Overlay projects	$350,000
2	Street Sealing projects	$125,000
3	Street Renovation	$250,000

Miscellaneous Improvement Projects

1	City property improvements	$300,000
2	City Hall Renovations	$300,000

POLICIES

CITY OF LINDSAY

ACCOUNTING, INVESTMENT, FIXED ASSET, FINANCIAL, CAPITAL IMPROVEMENT AND BUDGET POLICIES

CITY OF LINDSAY

ACCOUNTING, INVESTMENT, FIXED ASSET, FINANCIAL, CAPITAL IMPROVEMENT AND BUDGET POLICIES

Introduction

The City of Lindsay has adopted accounting, investment, fixed asset, financial, capital improvement and budget policies to provide the framework for managing the City's financial resources. These policies are designed to:

1. Contribute to the confidence in the City operations and the commitment of the City Council, City Manager and staff to sound financial practices.

2. Save time and energy of the City Council and appointed officials. Once certain decisions are made at the policy level, those policies may be applied to individual situations and issues.

3. Direct attention of the City Council, City Manager, department heads and the public to the City's total financial condition and link day-to-day operations with long-range financial planning.

4. Contribute to the stability and expeditious handling of the City's financial affairs. The City Council, City Manager and department heads may change over time, but sound financial accounting policies will be in existence to guide whoever holds these positions.

5. Become part of an established Succession Plan that requires a copy of this Policy Manual and all other City adopted Policy Manuals, Documents, and current Legal Requirements and Mandates and applicable updates, be presented to new administrative staff upon hire as well as presented to Council members, whether incumbent or new to the dais, after each election period.

Accounting Policies

Accounting Standards.

The annual budget and audited financial statements of the City of Lindsay are prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applicable to government entities. Generally Accepted Accounting Principles (GAAP) are national accounting standards adopted by the Governmental Accounting Standards Board (GASB). The Governmental

Accounting Standards Board (GASB) is the nation-wide accepted standard body for establishing governmental accounting and financial reporting principles and practices.

The City also complies with Financial Accounting Standard Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure.

Lindsay's budget and audited financial statements present the financial position of the City government and its blended component unit. Blended component units are entities for which the City is considered to be financially accountable. Pursuant to ABx 126, the City of Lindsay serves as the Successor Agent of the former Lindsay Redevelopment Agency and is responsible for the "wind-down" of that agency's affairs in conjunction with a separate Oversight Board. The City does maintain a unique fund within its treasury designated as the Redevelopment Obligation Retirement Fund (RORF) and shall report all activity within this fund on its annual financial statements for each year ended June 30th until all assets have been legally liquidated and all debt fully retired.

Measurement Focus.

The accounting and reporting treatment applied to a Fund is determined by its **measurement focus**. All Governmental Funds (General Fund, Special Revenue Funds and Debt Service Funds) are accounted for on a **flow of current financial resources measurement focus.** This means that only current assets and current liabilities are generally included on their balance sheets. Governmental Fund operating statements and budgets present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All Proprietary Funds (Internal Service Funds and Enterprise Funds) and all Fiduciary Funds are accounted for on a **flow of economic resources measurement focus**. This means that all assets and all liabilities (whether current or non-current) associated with this activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary Funds operating statements present increases (revenues) and decreases (expenses) in net total assets.

Basis of Accounting.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the City's financial statements. The **Basis of Accounting** relates to the timing of revenue recognition in the City's financial statements regardless of the **Measurement Focus** applied. **The accounting basis in the City's annual budget is the same as the accounting basis used in the City's annual audited statements.**

1. Governmental Fund Types (Tax-Supported Activities). The modified accrual basis of accounting is used by the City of Lindsay to apply revenues and expenditures to its Governmental Funds. Under the modified accrual basis of accounting, revenues are recorded when they become measurable and available to pay for expenditures of the current period. "Measurable" means that the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met.

Taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and are therefore recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current period is considered to be susceptible to the accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City of Lindsay considers all revenues available if they are collected within sixty (60) days after the end of the fiscal year. Revenues that are accrued include property taxes, franchise fees, interest revenue and charges for service. Sales taxes and motor vehicle license fees collected and held by the state at year end on behalf of the City are also recognized as revenue. Licenses, permits and fines are accrued when received as they are not measurable until received in cash. Investment earnings are recorded as earned. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The City reports deferred revenue on its balance sheet. Deferred revenues arise when potential revenue meets the asset recognition criteria but does not meet both the "measurable" and "available" revenue criteria for recognition in the current period. Deferred revenues also arise when the City receives resources before it has a legal claim to them, such as when grant monies are received prior to the incurring of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

2. Proprietary Fund Types (Business-Type Activities) and Fiduciary Fund Types (Resources Held in Trust). Expenditures are generally recognized in Enterprise Funds, Internal Service Funds, Private Purpose Trust Funds and Agency Trust Funds under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due. Certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Assets, Liabilities and Fund Equity

1. Cash and Investments. Cash and cash equivalents represent the City's cash bank accounts including, but not limited to, certificates of deposit, money market funds and cash management pools for reporting purposes. Additionally, investments with maturities of three months or less when purchased are included as cash equivalents.

The City maintains a cash and investment pool that is available for use by all Funds. Interest earnings as a result of this pooling are distributed to the appropriate funds based on month-end cash balances in each fund. Cash is divided into three risk levels in accordance with standards that have been developed by the Governmental Accounting Standards Board (GASB) in Statement No. 3:

A. Category 1 Investments. Insured or collateralized with securities held by the City of Lindsay or by its agent in the City's name.

B. Category 2 Investments. Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.

C. Category 3 Investments. Uncollateralized. This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the City of Lindsay's name.

In accordance with Governmental Accounting Standards Board (GASB) 31, all City investments are stated at fair value. Fair value is based on the quoted market prices as of the valuation date. Aside from investments clearly identified as belonging to a specific fund, any unrealized gain/loss resulting from the valuation will be recognized within the General Fund to the extent cash and investments' balance exceeds the cumulative value of those investments subject to Governmental Accounting Standards Board (GASB) 31.

The fair value of the City's investment in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 is reported in the City's financial records and financial statements at amounts based on the pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

2. Internal Controls. The internal control structure of the City of Lindsay is designed to ensure that the assets of the City are protected from loss, theft, or misuse. It is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls within the City of Lindsay address the following issues:

> **A. Control of Collusion.** Collusion occurs where two or more employees work in conjunction to defraud the City. The City has an organizational structure and operational policies and procedures that are designed to prevent collusion which is clearly defined within the Financial Procedures & Internal Controls Manual.
>
> **B. Separation of Transaction Authority from Accounting and Record Keeping.** The City has segregated job duties so that the person who authorizes or performs the transactions is different from the person who records or otherwise accounts for the transaction. The City'sFinance Department has divided duties and record keeping among employees with a Finance Director overseeing day-to-day operations.
>
> **C. Custodial Safekeeping.** Funds collected by the City are deposited into the bank each day. Any small amounts of cash or checks held at the end of the day are placed in a locked cabinet within a fire-safe locked vault. Securities purchased from any bank or dealer (including appropriate collateral) for short-term or long-term cash investments are placed with an independent third party for custodial safe keeping.

D. Clear Delegation of Authority to Subordinate Staff Members. Staff members in the Finance Department have a clear understanding of their authority and responsibilities to avoid improper actions. Clear designation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.

E. Written Confirmation of Transactions for Investments and Wire Transfers. Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions are supported by written communications the Finance Director and approved by the City Manager. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures. The Finance Director may make transfers between accounts within the same banking institution but must have an additional signature, either the City Manager or the Mayor, to move money via wire out of any City account. A log shall be kept of all wire transfers which shall include all pertinent information including a copy of the bank authorization.

F. Wire Transfer Agreement with Lead Bank. The City shall develop a wire transfer agreement with its bank that addresses controls, security provisions and responsibilities of each party making and receiving wire transfers.

3. Accounts Receivable. Billed but unpaid services provided to individuals or non-government entities are recorded as "accounts receivable." The Proprietary Funds include a year-end accrual for services through the end of the fiscal year, which have not yet been billed. Accounts receivable are reported net of an allowance for uncollectible accounts in the Enterprise Funds.

4. Compensated Absences. It is the City's policy to permit employees to accumulate earned (but unused vacation), sick pay and compensatory time benefits up to the limits imposed in the Cityof Lindsay's Personnel Rules and Regulations and as further addressed in each bargaining unit's MOU. Vested or accumulated vacation, holiday and compensatory time that is expected to be paid with expendable available financial resources is reported as an expenditure and fund liability in the Governmental Fund that will pay for it.

5. Long-Term Liabilities. The government reports long-term debt of Governmental Funds at face value. Long-term liabilities for all Governmental Funds and Fiduciary Funds do not affect net current assets and are not included on their respective balance sheets in previous years. Long-term liabilities of proprietary and non-expendable trust funds are accounted for in the respective funds.

6. Inventory. Inventory is valued at the cost that approximates market, using first-in, first-out (FIFO) method. The consumption method is used to account for the inventory of Governmental Funds including the General Fund, Special Revenue Funds and Capital Projects Funds. The value of the City's office supply inventory is not considered material and as a result, no inventory value is shown in the City's financial statements or in the annual budget.

7. Bond Discounts. In Governmental Funds, bond premiums, discounts, and issuance costs are recognized in the current period. Bond discounts are presented as a reduction of the face amount of the bonds payable. Issuance costs are reported as an expenditure of the period. For

Proprietary Funds, bond premiums and discount, with issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges.

8. Called Developer Bonds. Revenues from called developer bonds arising from contract defaults are deferred and recognized as revenues when the related costs to complete the project are incurred by the City.

9. Unappropriated Fund Balance and Unreserved Cash and Investments . The Unappropriated Fund Balance in Governmental Funds and Unreserved Cash and Investments balances in Proprietary Funds indicate that portion of Fund Equity which is available for appropriation in future periods. Restricted Fund Balances or Reserved Fund Equity indicates that a portion of Fund Balance or Fund Equity has been segregated for specific purposes or is not available for appropriation. Reservations of retained earnings are limited to outside third-party restrictions.

10. Contributed Capital. Contributed capital are non-cash assets recorded in Enterprise Funds and primarily represents infrastructure such as water lines, sewer lines or assets received from other funds, developers, or customers. Contributed capital designations in the Enterprise Funds cannot be spent for operating or capital needs.

11. Uncollectible Receivables. The Director of Finance, or his/her designee, shall quarterly reconcile all receivable ledgers, i.e. Utility Billing, Loans Receivable, Miscellaneous Billings Receivable, and any other receivables that may be due to the City to ensure that payments are being received and recorded properly. Unpaid utility charges on accounts that have been closed for more than 3 months shall be notified, via a certified letter that they will have 10 days in which to clear the debt or the amount shall be turned over to the City's collection agent. In the event a receivable is deemed uncollectible for a period of six months or longer, the amount is to be written off by relieving the receivable line to the fund balance line in the applicable fund. Every effort shall be made to achieve either collection of the original charges or debt agreement, including the placing a legal lien upon the owner's property and foreclosure or repossession of tangible personal property used to collateralize the loan. In the event of foreclosure of property the receivable amount shall be relieved and the amount transferred to Land Held for Resale with the corresponding Deferred Revenue and Fund Balance lines adjusted accordingly. In the event of repossession of tangible property pledged toward collateral per the recorded debt agreement, the receivable shall be relieved and the fair market value recorded to Fixed Assets Inventory to be sold as surplus property. In the event of a note receivable being deemed uncollectible after a period of one year and there is no collateral attached to the debt agreement and the debtor is not willing or able to enter into a restructured debt agreement, the amount of the receivable shall be relieved and the amount charged to the Bad Debts line applicable to the Fund from whence the financing originated. The City shall be prudent in providing financing to business owners or home owner applicants to ensure that all debt agreements are of the highest standards and contain provisions to protect the City's interest in the event of default.

Taxes and Other Significant Revenues.

1. Property Taxes. Tulare County is responsible for the assessment, collection and apportionment of property taxes for all taxing jurisdictions.

Property tax is imposed on real property (land and permanently attached improvements such as buildings) and tangible personal property (moveable property) located within the state. The

California property tax is ad valorem, based on the value of the property rather than on a fixed amount or benefit to the property or persons. Intangible assets and rights are not subject to taxation except to the extent that they are necessary to put real property interests to beneficial or productive use. Taxable property includes land, improvements, and other properties that are accounted for on the property tax rolls, which are primarily maintained by the Tulare County Assessor. Tax rolls contain an entry for each parcel of land, including parcel number, owner's name and value.

The amount of the tax is based on an annually determined assessed valuation. The property tax is paid to the county tax collector and allocated to local taxing agencies. The property tax is guaranteed by placing a lien on the real property. For this reason, types of properties are distinguished as secured or unsecured.

Certain special exemptions to the standard assessment rules are provided in the State Constitution and state law. These exemptions include federal and state owned property, municipal owned property except property outside the legal boundaries of the agency, homeowners property tax exemption, property owned, irrevocably dedicated to religious, hospital, cemeteries and schools and the California Air Patrol; Williamson Act; disabled veterans; and other exemptions.

Property taxes are levied in equal installments on November 1 and February 1. They become delinquent respectively on December 10 and April 10. The lien date is March 1 of each year. Property taxes are accounted for in the City of Lindsay's General Fund; revenue collected and remitted to the City acting as the Successor Agency is deposited into the RORF Fund . The City is permitted by Article XIIIA of the State of California Constitution (known as Proposition 13) to levy a maximum of $1.00 per $100 of full cash value. Property tax revenues are recognized when they become measurable and available to finance current liabilities. The City considers property taxes as available if they are collected within 60 days after the end of the fiscal year. Property tax on the unsecured roll are due on the March 1 lien date and become delinquent if unpaid on August 31. However, unsecured property taxes are not susceptible to year-end accrual. Taxes on individual pieces of property may be delinquent up to five years before the property is sold for delinquent taxes.

Under state statute, the County Treasurer, acting as a tax collector, must settle and disburse all current tax collections to all taxing units by the end of March following the taxing year. Delinquent taxes are collected throughout the year and dispersed to the taxing units on a routine basis.

2. Sales and Use Taxes. California sales tax is imposed on retailers for the privilege of selling tangible personal property. A portion of the tax is a state tax and a portion is locally imposed. The tax base for the sales tax is the retail price of tangible personal property. Tangible personal property is any material asset, such as household goods and business equipment which is readily moveable and not permanently attached to real property. Sales tax applies to a transaction if (1) the seller's registered place of business in California participates in the sale and (2) title to the goods passes to the customer within the state.

The use tax complements the sales tax. It is imposed on the storage or use, or other consumption in California of property purchased from a retailer in cases where the sales tax is not collected. While sales tax is imposed on the seller, the use tax is imposed on the purchaser and at the same rates as the sales tax. The use tax was first imposed in 1935, in order to discourage buying from

out of state solely for the purpose of avoiding state sales tax, and thereby placing California retailers at a competitive disadvantage.

Sales and use taxes are collected by the State Board of Equalization and remitted to the City quarterly. Sales and use taxes are recorded as revenues when received by the State Board of Equalization.

3. Franchise Fees. Franchise fees collected by Southern California Edison and The Gas Company are remitted to the City each year on April 15. Cable television franchise fees from Charter Cable are sent to the City quarterly.

4. Transient Occupancy Fees. Transient Occupancy Fees are assessed by local motels and remitted to the City on a quarterly basis.

Financial Reports.

The City staff prepares appropriate monthly financial statements reflecting the operations of individual Funds for internal use by the City Council, City Manager, department heads and the general public. The City shall adhere to a policy of full and open public disclosure of all financial documents.

Independent Audits.

An independent audit of the City's financial statements is conducted each year by an independent Certified Public Accounting firm. The City also participates in a number of federal and state assisted grant programs, which are subject to annual financial, and compliance audits. The Tulare County Association of Governments (TCAG) sends its auditor to conduct the annual transportation audit.

Investment Policies

Introduction.

Investment policies and practices of the City of Lindsay are based upon state law, City ordinances, Generally Accepted Accounting Principles (GAAP), prudent money management principals and the "prudent person" standard (Civil Code Section 2261, *et. seq.*). The City has five primary goals in the investment of its public funds. They are:

1. Rate of Return. Achieve a reasonable rate of return while minimizing the potential for capital losses arising from market changes or issuer default.

2. Daily Cash Flow. Meet the daily cash flow needs of the City of Lindsay including the debt obligations under the City's management.

3. Compliance. Comply with City ordinances and the laws of the State of California regarding investment of public funds.

4. Investment Records. Maintain accurate and complete investment accounting records.

5. Financial Reports. Prepare reliable financial reports of the investment portfolio for the City Manager, City Council and the public.

Scope.

The City's investment policies apply to all funds under the direct authority of the City of Lindsay. These funds include, but are not limited to, the City's revenues associated with the General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Funds, Debt Service Funds, Capital Project Funds, Private-Purpose Trust Funds, Agency Funds, proceeds from bond sales and any other funds under the City's control.

Pooling of Funds.

Except for cash in certain restricted and special funds, the City of Lindsay consolidates cash balances from all funds to maximize investment earnings. The City schedules its collection of receipts, deposits of funds and disbursements of monies to ensure maximum availability of cash for temporary investment purposes. Investment income is allocated to the various Funds based on their respective participation and in accordance with Generally Accepted Accounting Principles (GAAP).

Investment Objectives.

The primary objectives (in order of priority) of City investment activities are the safety of principal and preservation of capital, liquidity, and yield.

1. Safety of Principal and Preservation of Capital. Safety and principal and preservation of capital are the foremost objectives of the investment program. Investments are undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective is to mitigate credit risk and interest-rate risk.

A. Credit Risk. The City of Lindsay will minimize credit risk, the risk of loss due to the failure of the security issuer or backer by:

(1) Limiting investments to the safest type of securities.

(2) Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with whom the City of Lindsay will do business.

(3) Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

B. Interest Rate Risk. The City of Lindsay will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by:

(1) Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

(2) Investing operating funds primarily in shorter-term securities or with state and local government investment pools.

2. Liquidity. The investment portfolio remains sufficiently liquid to meet all operating

requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrently with the City's cash needs to meet anticipated demands (static liquidity). A portion of the portfolio also may be placed in money market mutual funds or Local Government Investment Pools (LGIP's) which offer either same-day or next-day liquidity. Furthermore, since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets (dynamic liquidity).

3. Yield. The investment portfolio is designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs of the City. Return on investment is of secondary importance compared to the safety and preservation of capital and liquidity objectives described above. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

A. Loss of Principal. A security with declining credit may be sold early to minimize loss of principal.

B. Security Swap. A security swap would improve the quality, yield, or target duration in the portfolio.

C. Liquidity. Liquidity needs of the portfolio require that the security be sold.

Standards of Care

1. Prudence. The standard of prudence used by investment officials is the "prudent" person standard (Civil Code Section 2261, *et. seq.*) and is applied in the context of managing an overall investment portfolio. Investment officers acting in accordance with written procedures and this overall investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and sale of securities are carried out in accordance with the terms of this policy.

Investments are made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

2. Public Trust, Ethics and Conflicts of Interest. Investment officials recognize that the investment portfolio is subject to public review and evaluation. The overall program is designed and managed with a degree of professionalism that is worthy of the public trust.

Officers and employees involved in the investment process refrain from personal business activity that could be in conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. Employees and investment officials disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City of Lindsay.

3. Delegation of Authority. Authority to manage the City's investment program is granted to the City Manager and his or her designee, hereinafter referred to as the "Investment Officer." Responsibility for the operation of the investment program is hereby delegated to the Investment Officer, who shall act in accordance with this investment policy.

Authorized Financial Dealers and Institutions.

The City transacts business with banks and savings and loans, and with investment securities dealers in compliance with the City's investment policy. The Finance Department will maintain a list of financial institutions authorized to provide investment services. All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

1. Audited financial statements.

2. Proof of National Association of Securities Dealers (NASD) certification.

3. Proof of state registration.

4. Completed broker/dealer questionnaire.

5. Certification of having read and understood and agreeing to comply with the City of Lindsay's investment policy. The City on an annual basis submits a copy of the current investment policy to all financial institutions approved to do business with the City. Confirmation of receipt of this policy is considered evidence that the dealer has read and understands the City's investment policy and will recommend and execute only transactions suitable for and in compliance with the City's investment policy.

In selecting financial institutions for deposit or investment of City funds, the creditworthiness of the institutions will be considered. The City will continue to monitor financial institution's credit characteristics and financial history throughout the period in which City funds are deposited or invested. The City is authorized by the City Council to conduct investment transactions with the following institutions. Investment transactions with firms, other than those appearing on this list, are prohibited.

1. State of California Government. Office of the State Treasurer, Local Agency Investment Fund (LAIF).[1]

---

[1] Due to the state budget and fiscal problems, some questions have been asked regarding the City's investment funds deposited in the Local Agency Investment Fund (LAIF). On May 7, 2003, Philip Angelides, State Treasurer sent a letter to cities and counties throughout the State of California. The Letter states:

"I am aware of concerns expressed on behalf of Local Agency Investment Fund (LAIF) participants as to the relationship of this program to the State's current fiscal difficulties.

"In addressing concerns regarding the safety and liquidity of your deposits in the Local Agency Investment Fund, I would like to remind you that Government Code Section 16429.3 specifically Excludes your LAIF deposits from being transferred, loaned, impounded or seized by any State Agency or Official.

"As your trustee for LAIF funds, I would oppose any statutory change in regard to the program and I will support the intent of the statute that protects your funds."

2. Banks. Bank of the Sierra, U.S. Bank, and Bank of America

Suitable and Authorized Investments.

The City is authorized by California Government Code Section 53600, et. seq. to invest in specific types of securities. Section 43601 of the Government Code sets limits on the type investments that may be in the City portfolio.

30% in Medium Term Notes.
40% in Negotiable Certificates of Deposit.
40% in Bankers Acceptance Notes, not to exceed 180 days in maturity.
30% in Commercial Paper, not to exceed 270 days.
100% in U.S. Government Treasury Obligations.
100% in U.S. Government Agency Debt Issues.
100% in Pass-Book Savings Deposits.

The City Council has established further limits on the types of securities in which the City may invest its idle cash. Any investment security (except investment of bond proceeds as explained in the next section) not listed below is not a valid investment for the City of Lindsay.

1. Local Agency Investment Fund (LAIF) Investments. LAIF is a special fund of the State of California Treasury that local agencies may use to deposit funds for investment. Investments by the State Treasurer for City funds in LAIF are authorized by the City Council. State law prohibits LAIF from impounding any depositor's funds and prohibits the fund from ever declaring bankruptcy. Total investments of any one public agency in LAIF may not exceed $50 million. Public entities are limited to 15 transactions per month per account. A minimum transaction is $10,000.

2. United States Government Debt Obligations. These investments would include U.S. Government direct obligations such as Treasury bills, bonds, notes and other certificates of indebtedness where the full faith and credit of the United States are pledged for payment of principal and interest.

3. United States Government Agency Debt Issues. These investments include obligations, participations or other instruments of, or issued by, a Federal Agency or a United States government-sponsored enterprise, including obligations of the Federal Home Loan Bank (FHLB) or Federal Farm Credit Bank (FFCB) or other obligations or other instruments issued by, or fully guaranteed as to principal and interest by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association (FNMA). While these U.S. Government debt issues are not backed by the full faith and credit of the United States, they do in fact have de facto backing from the federal government, and it would be most unlikely that the government would let any of these agencies default on its obligations.

4. Repurchase Agreements. These agreements would be limited to U.S. Government or its authorized Agencies' securities described in Number (2) and Number (3) above, provided that theyare held less than a year.

5. Certificates of Deposit (CD). A Certificate of Deposit is a time deposit with a specific maturity evidenced by a certificate. Certificates of Deposit must be issued through financial institutions insured by the Federal Deposit Insurance Corporation (FDIC), a federal agency of the United States Government that insures bank deposits up to $250,000 per account.

6. Pass Book Savings Account Demand Deposits. Savings accounts are approved by the Lindsay City Council provided they are maintained only with banks and savings and loan institutions which are insured by the Federal Deposit Insurance Corporation (FDIC), a federal agency of the United States Government that insures bank deposits up to $250,000 per account.

7. Overnight Repurchase Agreements. The City is authorized with City Council approval to set up a "sweep account" and to enter into an overnight repurchase agreement with an authorized bank to sweep cash from its checking accounts and other appropriate accounts to earn overnight interest on the funds in these accounts.

8. Zero Coupon Bonds. Zero Coupon Bonds may be purchased only for purposes of bond defeasance.

Investment of Bond Proceeds.

The City directs the investment of proceeds on bonds or similar debt instruments issued as instructed in the bond indenture or similar investment documents. Securities authorized by the bond indenture or similar investment documents that are not authorized by the City's investment policy will be considered approved when the bond indenture or similar investment document is approved by the City Manager or City Council. Bond reserve funds, escrow funds and any funds approved by the City Council may be invested in securities with maturity limits of five years or an appropriate longer period.

Investment Parameters.

1. Diversification. Other than funds invested in U.S. Government debt obligations and the State of California Local Agency Investment Fund (LAIF), the City's remaining investment portfolio is diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. Diversification is dividing investment funds among a variety of securities offering independent returns. LAIF is a special fund in the State Treasury which local agencies may use to deposit funds for investment. State law prohibits LAIF from impounding any depositor's funds and prohibits the fund from declaring bankruptcy.

2. Maximum Maturities. Section 53601 of the California Government Code allows the investment of City surplus funds in specified types of securities provided that, at the time of investment, the securities have a maturity of five years or less, unless the legislative body has granted expressed authority to make that investment either specifically, or as a part of the Investment Policy approved by the legislative body, no less than three months prior to the investment. It is herein authorized as part of the current investment policy to invest in securities with an estimated average life of five years or less. It is also authorized to invest in securities with a maturity greater than five years, but only when authorized by the City Council no less than three months prior to the investment.

3. Risk Tolerance. The City recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary liquidity. Portfolio diversification is employed as a way to control risk. The City displays prudence in the selection of securities as a way to minimize default risk. No individual investment transaction is undertaken which jeopardizes the total capital position of the overall portfolio. Funds invested in LAIF are considered consistent with this policy. In accordance with Governmental Accounting

Standards Board (GASB) Statement No. 3, the City's investment risk is divided into three categories:

A. Category 1. Securities that are insured and registered or securities held by the entity or its agent in the City's name.

B. Category 2. Securities that are uninsured and registered with securities held by by the pledging financial institution's trust department or agent in the City's name.

C. Category 3. Securities that are uninsured and unregistered with securities held by the counter party, or by its trust department or agent, but not in the entity's name. This includes the portion of the carrying amount of any underlying securities.

4. Equal Opportunity. The City does not knowingly invest funds in an institution that practices or supports, directly or indirectly through its actions, discrimination based on race, religion, color, creed, nationality or ethnic origin, age, sex or physical disability.

5. Prohibited Investment Activities. This policy specifically prohibits trading securities for the sole purpose of speculating on the future direction of interest rates. It further prohibits investing in common stocks, using reverse repurchase agreements, using derivative products, buying mortgage derived interest only strips, purchasing investments using margin accounts and/or leveraging of the City's investment portfolio.

Safekeeping and Custody.

1. Custody. To protect against potential losses by the collapse of individual securities dealers, all securities owned by the City shall be held in safekeeping by a third party bank trust department acting as agent for the City under the terms of custody agreement executed by the bank and the City. No outside broker/dealer or advisor may have access to City funds, accounts or investments, and any transfer of funds to or through an outside broker/dealer must be approved by the City Council.

2. Internal Controls. A system of internal controls has been established to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or unanticipated changes in financial markets. Internal controls deemed most important include control of collusion, separation of transaction authority from accounting and record keeping, custodial safekeeping, avoidance of physical delivery of securities, clear delegation of authority to subordinate staff members, written confirmation of transactions for investments and wire transfers and development of a wire transfer agreement with the lead bank and third-party custodian.

3. Delivery vs. Payment. All trades where applicable are executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities are held by a third-party custodian as evidenced by safekeeping receipts.

Reporting Requirements.

The City Treasurer shall submit quarterly investment reports in accordance with California Government Code Section 53646 The report(s) shall include the following:

1. Statement indicating that all cash and investments are in conformity with this investment policy.

2. Statement indicating that there are sufficient funds to meet the expenditures for the next six months.

3. Copy of the most recent statement or statements from the institutions in which the City has funds invested.

Investment Policy Adoption and Review.

The City's independent certified public accountants annually review and make recommendations regarding the City's investment policies to the City Manager and the City Council. In accordance with Senate Bill 564 and Senate Bill 866, effective January 1, 1996, the City staff bring forward each year the City's Investment Policy for review by the City Council.

Fixed Asset Policies

Introduction.

The City of Linday's fixed asset policies are intended to provide specific guidance for determining which fixed assets are subject to separate accounting and reporting (i.e. capitalization). They also outline the procedures to define fixed assets and establish guidelines for their purchase, use, accountancy, inventory, transferring and disposal.

Purpose.

The City's fixed asset policies and procedures are established in accordance with Generally Accepted Accounting Principles (GAAP) and statements issued by the Government Accounting Standards Board (GASB). The objectives of the City's fixed asset policies are to:

1. Appropriate Use and Control. Ensure that there is adequate control and appropriate use of the City's fixed assets for the delivery of municipal services and for the protection of the health, safety and welfare of the community.

2. Safeguarding and Preservation. Carry out the City's fiduciary responsibility to establish systems and procedures to protect its fixed assets acquired with taxpayer resources from loss, theft, misplacement or inappropriate use.

3. Accounting and Financial Reporting. Accurately account for and report fixed assets in financial reports issued to external reporting agencies, financial institutions, bond trustees, granting agencies and the public.

Scope.

The City's fixed asset policies apply to all personnel, departments, divisions and offices of the City government as well as all associated accounting funds under the direct authority of the City of Lindsay. These accounting funds include, but are not limited to, the General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Funds, Debt Service Funds, Capital Projects Funds, Private-Purpose Trust Funds and Agency Trust Funds.

Responsibility.

The Finance Department is responsible for establishing systems and procedures so that the purposes of these policies are implemented and ensure that fixed assets are identified, processed, tracked, inventoried and appropriately reported by fund and asset category. Department Heads and Division Managers are responsible to ensure that proper budgeting and purchasing guidelines are followed, and to ensure that fixed assets are adequately controlled, safeguarded, preserved, and used only for appropriate City purposes. Procedural mandates are further defined within the Financial Management & Internal Controls Manual.

Definitions.

The City of Lindsay will apply the following definitions to its fixed asset policies and procedures.

1. Buildings. Structures of a fixed or semi-fixed nature, which provide shelter and/or create interior space. Buildings also include picnic shelters, storage sheds and restrooms.

2. Construction in Progress. Assets that are being built that are not usable at the end of the fiscal year, such as an incomplete building, waterline, sewer line, storm drain line, street, road, traffic signal, or other public improvement or infrastructure.

3. Capital Expenditure. A Capital Expenditure is an outlay of funds for fixed assets, including land, buildings, machinery, equipment, construction in progress, design in progress, improvements and infrastructure with an original cost of $5,000 or more.

4. Design in Progress. Capital improvement projects that are in planning or the design stage. The expenditure of these projects is capitalized at year-end if the design has exceeded $5,000.

5. Equipment. Moveable personal property with a useful life of more than one year and a value of $500 or more. Such items as furniture, machines, tools, vehicles, and computers are included in this category.

6. Fixed Asset. Tangible and intangible property owned by the City with a value of $5,000 or more and a useful life of at least one year.

7. Improvements. Physical property of a fixed nature that is added (affixed) to land or buildings. These assets include ground improvements, sidewalks, driveways, landscaping, sprinklers, fences, parking lots, etc. Building improvements include such items as carpeting, air conditioning systems or improvements through remodeling.

8. Infrastructure. Includes bridges, traffic signals, streets, roads, curbs, gutters, sidewalks, water lines, sewer lines and storm drain lines.

9. Intangibles. Items such as software (not replacement or upgrades).

10. Land. Includes the investment in real property or the ownership of ground space such as parcels, easements, and rights-of-way.

11. Streets and Roads. Includes all streets and roads that have pavement as well as curb, gutter and sidewalk.

12. Street Drainages. Includes storm drainage piping and manholes underneath streets and roads.

13. Traffic Signals. All traffic lighting systems that control traffic.

14. Vehicles. All vehicles and rolling stock equipment that are maintained by the City as part of the fleet program.

Capital Expenditure Definition and Capitalization Policy (Accounting and Financial Reporting).

Capital Expenditures for fixed assets, including land, buildings, machinery, equipment, construction in progress, design in progress, improvements and infrastructure with an original cost of $5,000 or more, will be subject to accounting and reporting (capitalization). All costs associated with the purchase or construction of the asset are part of the capitalization threshold including ancillary costs such as freight, transportation charges, site preparation expenditures, professional fees, warranties, taxes and legal claims directly attributable to the asset acquisition. Specific capitalization guidelines are described below:

1. Capitalization Threshold. An exception to the $5,000 threshold is land and some infrastructure. All costs associated with the purchase or acquisition of land parcels, rights-of-way,or easements, are capitalized, regardless of cost.

2. Individual Units of Fixed Assets. The $5,000 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 ($10,000) exceeds the capitalization threshold of $5,000.

3. Fixed Asset Components. For the purpose of capitalization, the threshold will generally not apply 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.

4. Grants. Any asset required be controlling and separately reporting pursuant to grant conditions or any other externally imposed reporting requirement, will be capitalized, regardless of cost. 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. All

equipment purchased with federal funds shall be tracked in the *Federal Expenditure Program* of the Capital Assets software for ease of identification and to ensure proper disposal according to grant guidelines.

5. Dedications and Donations. When an asset is acquired through dedications, donations, developer funding, or in-lieu of fees, the asset will be recorded at its estimated fair market value at the date of acquisition, as determined by the appropriate City department using an appropriate method to determine value.

6. Repairs and Maintenance. Repairs to existing fixed assets will generally not be subject to capitalization unless the repair extends the useful life of the asset. In this case, the repair represents an improvement and is subject to the capitalization requirements described below.

7. Improvements. Improvements to existing fixed assets will be presumed (by definition) to extend the useful life of the related fixed assets, and therefore, will be subject to capitalization only if the cost of the improvement meets the $5,000 threshold. Therefore, an improvement to a fixed asset that had an original cost of less than $5,000, 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.

8. Capital Projects. Capital projects will be capitalized as "design in progress" or "construction in progress" until completed and maintained under the *CIP Program* designation neither placed into service, nor capitalized or depreciated until accepted by Council as complete. The date placed into service shall be the date of acceptance by Council as complete. The costs associated with the capital project include direct costs, such as labor and materials, as well as indirect and ancillary costs.

Capitalization Valuations.

The objective fixed asset accounting is to account for the City's historical acquisition cost, not present market or replacement values of City fixed assets. Therefore, fixed assets are valued at historical cost. In those instances where historical costs are not available, fixed assets are valued at estimated historical cost. Donated fixed assets are valued at their estimated fair market value on the date donated. In valuating fixed assets the following guidelines are used.

1. Buildings. Costs include all expenditures in connection with their acquisition such as purchase price or construction cost, fixtures attached to the structure, architect's fees, engineering fees, and insurance during construction.

2. Construction in Progress. Assets are recorded in the same manner as assets acquired by purchase or construction contract. Costs that are capitalized are service charges, materials, and architects and engineering payments and retentions.

3. Design in Progress. Costs that are capitalized include service charges, materials and architects and engineering payments and retentions.

4. Equipment. Costs include all expenditures including the purchase price (before trade-in allowance) freight charges, taxes and installation costs.

5. Improvements. Costs include all expenditures in connection with their acquisition such as purchase price or construction costs, materials costs, installation costs, fixtures, architect's fees, engineering fees, freight charges, taxes and insurance during construction.

6. Infrastructure. Costs include all expenditures in connection with their construction including labor costs, material costs, installation costs, engineering fees, freight charges, sales taxes and insurance during construction.

7. Land. Costs include all expenditures in connection with land acquisition such as purchase price, appraisal fees, title policy fees, demolition, site clearance, etc.

8. Street Drainage. Costs include all expenditures in connection with their construction including materials costs, installation costs, engineering fees, freight charges, sales taxes and insurance during construction.

9. Streets and Roads. Costs include all expenditures in connection with their construction including material costs, installation costs, engineering fees and insurance during construction.

10. Traffic Signals. Costs include purchase price, freight charges, taxes and installation charges.

11. Vehicles. Costs include purchase price, sales tax, freight charges and installation costs and in the case of public safety vehicles all retrofit improvements relative to police and/or fire vehicles.

Depreciation.

Principles and Guidelines. The purpose of depreciation is to spread the cost of fixed assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of the fixed asset.

General Accounting Standards Board (GASB) Statement 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. Alternatively, the "modified approach" may be used for certain capital assets. Depreciation is not provided under this approach, but all expenditures for these assets are expensed, unless they are additions or improvements.

Except for streets and roads covered by the "modified approach," depreciation is booked on fixed assets. Depreciation of all fixed assets is charged as an expense against operations each year. The total amount of depreciation taken over the years, called accumulated depreciation, is reported on the balance sheet as a reduction in the book value of the fixed assets.

Depreciation is used solely in Proprietary Fund Types. Depreciation is important in these funds because it is included as an operational expense of these funds. Unlike Governmental Fund Types, fixed assets are reported in the balance sheet accounts of each Proprietary Fund. The use of these assets over a period of time is charged as a depreciation expense.

Depreciation Method. Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated.

Estimated Useful Life. The estimated useful life of an asset will vary depending on the type of fixed asset that is being depreciated. The useful life for various fixed assets are indicated below:

Buildings	50 Years
Infrastructure	50 Years
Street Drainage	50 Years
Curb, Gutter and Sidewalk	30 Years
System Infrastucture	30 Years
Furniture, Fixtures & Vehicles	5 Years

Inventory Control Policy.

1. Inventory Control Criteria. Inventory control is applied only to movable fixed assets 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:

A. The fixed asset has a useful life that exceeds one year.

B. The original cost of the fixed asset is equal to or greater than $1,000.

C. Any asset less than $1,000 as requested from a department. This may include certain machinery and equipment that, due to their portability, character or value outside of the office are susceptible to loss, theft, misplacement or borrowing. It may also include any asset that has been requested by a department to be controlled in order to satisfy an internal (operational) or external federal or state regulatory requirement.

D. Any asset required to be controlled and separately reported pursuant to grant conditions or any other externally imposed reporting requirement. 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. All assets purchased with federal funds in excess of $500 shall be tracked separately.

2. Tagging. Fixed assets will be tagged to support inventory control, prevent theft, stop losses, track the fixed asset's replacement cost, determine asset useful life, promote fixed asset accountability, and provide auditors with a mechanism to verify the City's control of fixed assets. Most fixed assets are tagged with a numbered fixed asset tag. However, some fixed assets such as land, buildings, improvements, infrastructure, machinery and equipment are not tagged because they are immoveable or because it is physically impossible or impractical to tag the item because of the way that the fixed assets are used.

3. Annual Review and Certification. Each Department Head holds ultimate responsibility for safeguarding their fixed assets against theft or loss. At the end of each fiscal year, the Finance Division will forward to each department a listing of their fixed assets for review and certification. It is the responsibility of the Department Head to verify and certify the accuracy of the information contained on that report. Any discrepancies must be reported to the Finance Division.

4. Fixed Asset Report. All departments involved in the construction or dedication of improvements or infrastructure assets must complete a fixed asset report when filing a Notice of Completion or Acceptance. The report must be forwarded to the Finance Department for inclusion in the City's fixed asset data base and the City's engineers for inclusion on the City's Geographic Information Systems (GIS) data base.

5. Transfers of Fixed Asset. Requests for transfers of fixed assets will be in writing and submitted to the Finance Division and City Manager for approval. The Finance Department will be responsible for making the appropriate transfers on the City's computerized Fixed Asset data base and keeping a file of all transfers.

Disposal of Fixed Assets.

1. Disposal Authority. No fixed assets may be disposed of without the approval of the City Council or the City Manager and Finance Department. Disposal of all land and buildings and all other fixed assets with a value of over $5,000 must have City Council approval. If it I determined that the fixed assets sold as a unit has a value less than $5,000, the property may be disposed of in a manner approved by the Department Head, Finance Department and the City Manager. Fixed assets will only be disposed of after checking with other City departments to see if they can use the property.

2. Disposal Value. It is the responsibility of each department to appraise fixed assets designated as surplus prior to sale.

3. Disposal Methods. Fixed Assets may be disposed of in the following ways:

A. Sealed bids after at least three public notices have been published in the newspaper.

B. Public auction after at least three notices have been published in the newspaper.

C. Traded in to reduce the purchase price of a new replacement for a fixed asset.

D. Taken to a federal or state surplus property facility and sold through that facility.

E. Sold or donated to another government agency.

F. Recycled and disposed of as junk to a landfill or other appropriate waste removal facility.

G. Other method approved by the City Council or the City Manager where it is believed that the highest price can be obtained for the fixed asset. The City Council or City Manager will determine the most appropriate method of disposing of fixed assets.

4. Proceeds from Sales and Auctions. All proceeds from the sale of fixed assets will be allocated to the City's General Fund unless the property was originally purchased with monies from a specific City Accounting Fund, in which case, the proceeds will be returned to that specific Accounting Fund.

Financial Policies

Federal, State and County Intergovernmental Grant Revenues.

The City seeks to acquire grant revenue from federal, state and county sources. The City uses these one-time and non-recurring federal, state and county grant revenues for capital projects or major capital equipment purchases. Revenues from grants are not used for maintenance and operation expenses, to expand programs or increase staffing levels because the City may not be in the financial position to support the activity or staff if the grant revenue ceases to exist. The City only projects the receipt of intergovernmental revenues during the period of time that the federal, state or county authorization exists.

User Fee Revenues.

The City charges the direct beneficiaries of City service fees that recover the partial or full cost of providing certain services. Many of these services provided by the City directly benefit individuals or the private sector. These include recreation programs, building permits, animal licenses and many others. When the general taxpayer subsidizes services of this nature, scarce resource dollars are not available for other City services. In these user-choice services, the customer has the opportunity to determine whether that service is used, with part of that decision being made through the normal pricing system. In such cases, the City is committed to recovering the cost of providing that service through a user fee or service charge. In determining its fee structure, the City:

1. Develops broad policies concerning funding of services.

2. Periodically reviews all services to determine if a fee should be charged.

3. Considers market rates and charges levied by other public and private organizations for similar services.

4. Sets fees that recover the partial or full costs of providing that service.

5. Sets fees that are comparable to other jurisdictions.

6. Periodically evaluates fee amounts.

In some cases full cost recovery is not permitted because of statutory restrictions, and in other cases full cost recovery may not be desired for health, safety or welfare reasons.

Development Impact Fee Revenues.

The City seeks to recover some of the cost of growth through development impact fees assessments on new developments in the City of Lindsay. As Lindsay's population grows, the demand for the expansion of public infrastructure and the purchase of capital equipment needed to serve new development in the City increases.

State law allows (State Mitigation Fee Act, Government Code 66000 *et. seq.*) and fairness dictates that the new residents creating the need for expanded infrastructure and additional equipment capital costs should make a contribution to their acquisition in the form of development impact fees. Development

impact fees are collected by the City of Lindsay for the expansion of public infrastructure and facilities and the purchase of capital equipment needed to for new development in the City. All development impact fees are deposited in separate capital projects revenue and expenditure accounts in a separate Capital Projects Fund specifically designated for the particular development impact fee. Development impact fees can only be spent for capital purchases due to growth and are not used for salary or maintenance or operation expenditures.

Long-Term Debt and Public Borrowing.

Public borrowing through lease-purchase agreements, general obligation (GO) bonds, revenue bonds, certificates of participation (COP) or other legal debt instruments may be in the public interest. However, the City will pursue policies that will not saddle the public with excessive public debt and will carefully scrutinize any public borrowing proposals. California currently has no constitutional or statutory debt limits for municipalities. Therefore, the City's elected officials, City Manager and other staff members must use debt in a wise and judicious manner. Where public borrowing is considered appropriate by the City Council, it will be done in accordance with the following policies:

1. Debt is limited to equipment purchases and major capital projects. It is not used for general operating expenses. It is the policy of the City to maintain cash balances at a sufficient level for general operating costs (those items normally funded in the City's annual operating budget and having a useful life of less than one year). Short-term securities may be issued in cases where the City's normal cash flow has been disrupted as a result of natural disaster or unexpected delays in the receipt of federal or state revenues.

2. The maturity date for any debt does not exceed the reasonable expected useful life of the equipment or capital improvement being financed. Generally, the City will limit long-term debt to a term not to exceed 10-15 years.

3. When practical, the City will develop, authorize, and issue revenue, special fee or other self-supporting debt instruments instead of General Obligation Bonds.

4. Coverage for revenue bonds or special fee debt instruments shall be at least 120 % of annual total debt service.

5. The City will maintain good communications regarding its financial condition. It will regularly evaluate its adherence to its debt policies. The City promotes effective communications with bond rating agencies and others in the market place based on full disclosure.

City Insurance and Risk Management.

The City's liability, workers' compensation, bonding and special event insurance is provided by the Central San Joaquin Valley Risk Management Authority (CSJVRMA), a public sector risk pool made up of 57 cities located in three regions in the Central Valley.[2] CSJVRMA is a joint powers authority public insurance company where there is insurance and risk sharing among the pool participants. The City pays a bi- annual premium to CSJVRMA for all its coverage including excess coverage.

[2]Other area cities in the CSJVRMA included in the Southern Region are Arvin, Avenal, Corcoran, Delano, Exeter, Farmersville, Lemoore, Maricopa, Porterville, Shafter, Taft, Tehachapi, Tulare, Wasco and , Woodlake.

1. Liability Insurance Coverage. CSJVRMA provides up to $1 million per occurrence for general and automobile liability and public officials errors and omissions. CSJVRMA self funds coverage up to $1 million. Losses that exceed this amount are covered via the California Affiliated Risk Management Authority (CARMA). The City is self-insured for general liability claims up to $25,000 for each occurrence. This risk sharing program requires members to maintain three times the retention amount in a reserve fund.

2. Workers' Compensation Insurance Coverage. CSJVRMA provides the City of Lindsay with workers' compensation insurance coverage up to statutory limits per occurrence, including volunteer operations. The organization self-funds up to $500,000. Losses in excess of this amount up to $300 million are covered via the Local Agency Workers' Compensation Excess Pool (LAWCX) and reinsurance. Lindsay has first dollar coverage under this program. CSJVRMA contracts with Bickmore Risk Services for program administration and a third-party adjuster, AIMS to process and monitor all claims.

3. Property Insurance Coverage. The CSJVRMAProperty Insurance Program is a group purchased commercial insurance policy through the Public Entity Property Insurance Program (PEPIP) that is specifically designed for public entities. Members are afforded all-risk, replacement costs coverage with limits up to $1 Billion including automatic coverage for new acquisitions, auto physical damage, boiler and machinery, and course of construction. There is optional coverage for earthquake and flood damage.

4.Bond Coverage Public Employee Dishonesty. The City purchases a fidelity bond every year. Coverage includes the faithful performance of duty including loss of money, securities and other tangible property with intrinsic value resulting from employee dishonesty. It includes loss resulting from failure of any employee to faithfully perform duties as prescribed by law.

5. Special Events Insurance Coverage. The City of Lindsay has a Transfer-of-Risk Policy that requires all individuals and/or groups that would use City property for a special event to have liability coverage in place and name the City as *Additional Insured* prior to being allowed to proceed with their event.

Fund Balances In Governmental Funds and Cash and Investments Balances in Enterprise and Fiduciary Funds.

1. Definition and Purpose. Accountants employ the term "Fund Balance" to describe the net assets of governmental funds calculated in accordance with generally accepted accounting principles (GAAP). Budget professionals commonly use this same term to describe the net assets of governmental funds calculated on a government's budgetary basis. In both cases, "Fund Balance" is intended to serve as a measure of the financial resources available in a governmental fund. It is essential the City of Lindsay maintain adequate levels of fund balance to provide working capital, mitigate current and future risks (e.g. revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates. Fund balance levels are also a crucial consideration in long-term financial planning.

The "Cash and Investment Fund Balance" is that portion of fund equity that can be used for operating, capital and debt service expenditures, and is intended to serve as a measure of the financial resources available in an Enterprise Fund. It is essential the City of Lindsay maintain adequate levels of cash and

investment fund balances to provide working capital, mitigate current and future risks (e.g. revenue shortfalls and unanticipated expenditures) and to ensure stable utility rates. Cash and investment fund balance levels are also a crucial consideration in long-term financial planning.

Credit rating agencies carefully monitor levels of fund balance in a government's General Fund to evaluate a government's continued creditworthiness. Those interested primarily in a government's creditworthiness or economic conditions are likely to favor higher levels of fund balance. Opposing pressures often come from employee unions, taxpayers and citizens' groups, which may view high levels of fund balance as "excessive."

2. Fund Balance Policy Considerations. In establishing a policy governing the level of unrestricted (unreserved) fund balance in governmental funds and cash and investment fund balance in its Enterprise Funds, the City Council takes into consideration the following factors:

A. The predictability of its revenues and the volatility of its expenditures (i.e. higher levels of unrestricted (unreserved) fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile).

B. The availability of resources in other funds as well as the potential drain upon General Fund resources from other funds (i.e. the availability of resources in other funds may reduce the amount of unrestricted (unreserved) fund balance needed in the General Fund, just as deficits in other funds may require that a higher level of unrestricted (unreserved) fund balance be maintained in the General Fund.

C. Liquidity (i.e. disparity between financial resources actually become available to make payments and the average maturity of related liabilities may require that a higher level of resources be maintained.

D. Designations (i.e. the City of Lindsay may wish to maintain higher levels of Unrestricted (unreserved) fund balance to compensate for any portion of unrestricted (unreserved) fund balance already designated for a specific purpose).

3. Fund Balance Policy. A reasonable minimum fund balance of 95 % of annual revenues in the General Fund, and 30 % in Special Revenue Funds and Capital Project Funds, and reasonable unrestricted cash and investments balance of 95 % will be maintained in the Enterprise and Fiduciary Funds for the following purposes:

1. Provide sufficient working capital to avoid meeting daily cash needs to avoid using tax-anticipation notes.

2. Provide a reserve to absorb emergency expenditures caused by natural disaster such as fire, floodor earthquake.

3. Cover any unanticipated deficit resulting from a shortfall in actual revenues in a given budget year or unanticipated cuts by the State Legislature and Governor of City revenues.

When the unrestricted (unreserved) fund balance of the General Fund exceeds the amount needed for the above purposes, monies are transferred to the General Capital Projects Fund to be used for capital improvements in the City.

Restricted (reserved) fund balances in the General Fund, Special Revenue Funds, and Capital Projects Funds will be separated out and identified in the City's accounting records, financial statements, budgets and audit reports. This same policy is followed with respect to restricted amounts in the cash and investment balances of the Enterprise Funds. The purpose of this policy is to show the City Council, staff and the public what funds in these balances are unrestricted and what funds are to be used for specific purposes.

Capital Improvement Project Policies

New Construction.

New residential, commercial and industrial developments must be approved by the City Engineer and be fully completed before acceptance by the City. The City requires surety bonds or stand-by letters of credit in a form approved by the City Attorney to guarantee the construction of off-site improvements in all new developments. The improvements that must be installed in each development are water lines, flood control facilities, underground electrical lines, underground telephone lines, underground natural gas lines, underground cable television lines, curbs, gutters, sidewalks and a finished street, with enough road base and asphalt depth to last at least 15 years. Construction standards to achieve this useful life have been determined and adopted by the City Council.

Capital Project Funding and Construction Categories.

Lindsay's capital projects may be divided into four categories. They are current-year funded projects, Five-Year Capital Improvements Plan (CIP) projects, planned, but unfunded projects, and unfunded future needs projects.

1. Category 1 Projects: Current -Year Funded Projects. This category includes projects that funding has been appropriated in the current fiscal year's capital budgets and legal contracts have been signed to commit these funds. The City Council has determined through the annual budgeting process that these projects are in the best interest of the public's health, safety and welfare. These projects have been carefully planned to maximize the benefits derived through the use of the City's limited resources. Projects that generate future revenues that will fund future services and projects and benefit the entire community will receive first priority for funding.

2. Category 2 Projects: Five-Year Capital Improvement Plan (CIP) Projects. This category includes projects where funding will come from projected revenues in the second through fifth year of the Five-Year Capital Improvements Plan (CIP). The fiscal year in which anticipated funding has been reserved may change due to the available revenues. All projects in this category must be tied to a projected funding source.

3. Category 3 Projects: Planned but Unfunded Projects. This category includes projects that are planned and required to maintain established levels of services throughout the City for the existing population. Typically these projects are needed as a result of deteriorating infrastructure, updates to various General Plan Elements, or are in areas where minimum levels of service are not currently being met. These projects are not intended to promote residential growth, but to sustain municipal services for the existing residents. If a funding source becomes available, a project in this category may be moved to a Category 2 Project.

4. Category 4 Projects: Unfunded Future Needs Projects. Projects under this category are a condition of future growth and will generally be included in undeveloped areas. It is the intent of the City that development should pay for public improvements to meet established minimum levels of service. In this category, projects are not anticipated to be upgraded to a higher category without revenue generating potential.

Capital Project Financing.

Capital improvements and equipment purchases are financed in accordance with the following policies:

1. General Fund and Enterprise Fund Equipment Purchases. City departments within the General Fund will finance equipment purchases from current year appropriations. Multi-year equipment lease-purchase agreements will be avoided except in the most rare cases.

2. General Infrastructure Construction Projects. Capital projects for general governmental purposes such as land purchases, building construction, road construction, street paving, storm drain installation and other major improvements are financed from revenues allocated to the General Capital Projects Fund. The General Capital Projects Fund contains revenues from unrestricted sources as well as restricted sources such as development impact fees or federal, state and county grants. Major capital improvements that cannot be delayed until the required funds are accumulated may be financed by issuing general obligation bonds, revenue bonds (where permissible), or by a combination of any of these methods.

3. Enterprise Fund Construction Projects. All capital projects in the Enterprise Funds are paidfrom resources provided by development impact fees, contributed capital revenues and net income from operations. If these sources cannot provide sufficient resources for Enterprise Fund improvements, construction of these improvements may be financed by general obligation bonds, revenue bonds or by a combination of any of these methods.

4. Special Assessment Districts. Capital improvements or public services that benefit a given area may be financed in accordance with state law by special assessment districts. These districts are established where the majority of the residents or businesses want specific improvements or public services and consent to pay for them over time. In these cases the City establishes a Landscape, Lighting, and Assessment District (LLAD) that is reevaluated annually to determine the assessment fee and services provided and for which a public hearing shall be held prior to the determination of the assessment for the upcoming tax year. The City of Lindsay contracts with the County of Tulare Assessor's office to provide collection services via property tax payment process.

Utility Coordination.

All capital construction and maintenance projects are coordinated with Southern California Edison, The Gas Company, Charter Communications, and Verizon in an effort to save residents money and avoid tearing out improvements after they have been installed.

Five-Year Capital Improvements Plan.

The Five-Year Capital Improvements Plan (CIP) is a multi-year guide to the construction of community improvements such as roads, storm drains, curbs, gutters, sidewalks, water facilities, sewer facilities, storm drainage facilities and other needed City improvements. It is through this process that the long-range plan for the orderly maintenance and improvement of Lindsay's physical fixed assets can be accomplished. This document is intended to serve as a planning tool and is structured to present a meaningful perspective of the community's long-range needs.

The Five-Year Capital Improvements Plan (CIP) determines the budgeted capital projects for the current fiscal year only. There are no specific appropriations established via the adoption of the Five-Year Capital Improvements Plan (CIP) with the exception of the current fiscal year. Subsequent year appropriations and actual funding sources are identified as part of the preparation of the annual budget.

Five-Year Capital Improvements Plan (CIP) Preparation.

Each department is asked every year to identify potential capital projects and their estimated cost. Financial forecasts of the General Fund, Special Revenue Funds and Enterprise Funds are then prepared to identify what monies will be available for future projects. Projects that cannot be funded from money generated through the general course of business must be financed with development impact fees, grants, bonds or must be postponed or cancelled.

During the City Council budget work sessions, potential capital projects are discussed enabling the City Council to review staff recommended projects and make any necessary changes. When consensus is reached on the capital projects and proposed funding sources, the staff will prepare a formal Five-Year Capital Improvement Plan (CIP) document that will be presented to the City Council. The adoption of this document commits the City Council to spend money on projects listed in the current fiscal year only.

The City can face significant changes in economic conditions, funding sources and political priorities every year. Therefore, the Five-Year Capital Improvements Plan (CIP) must be annually updated.

Capital Project Priority Criteria.

Capital projects are prioritized using revenue generating and cost avoidance considerations; health, safety and welfare considerations; level of service considerations; maintenance considerations; aesthetic considerations; and leverage and timing considerations.

1. Revenue Generating and Cost Avoidance Considerations. Projects that enhance revenues or reduce costs will be given first priority in order to improve the financial position of the City and enhance the ability to do future projects or deliver high levels of municipal services. New commercial, residential and industrial development must pay for its infrastructure either by constructing these items or paying impact fees.

2. Health, Safety and Welfare Considerations. One of the primary purposes of government is to provide for the health, safety and welfare of its citizens. The City must provide safe drinking water, safe streets, as well as adequate police protection, solid waste disposal, and storm water disposal and treatment of municipal sewage.

3. Level-of-Service Considerations. Many older City developments were constructed decades ago and many newer developments do not meet minimum levels of service as established by the

federal government, state government, county government or generally accepted engineering standards.

4. Maintenance Considerations. All public improvements must be maintained after the construction is completed. Maintenance staffing and equipment are critical elements that must be considered in project prioritization and must be funded on an on-going basis with revenue sources other than capital improvement funding. The nature of some projects may cause a reduction in maintenance.

5. Aesthetic Considerations. Community appearance and aesthetics are important elements in the quality of life in the community. City aesthetics and appearance helps attract new residential, commercial and industrial developments to the City. Lindsay has buildings and public infrastructure that need to be replaced and upgraded to create a more attractive community.

6. Leverage and Timing Considerations. Projects that may be funded by entitlement grants or competitive grants from the federal, state and county governments will be considered based on the availability of funds and the requirements of the granting agency. In addition, the City Council may accelerate capital projects where the City has the opportunity to participate in partnership with other public or private entities or where timing is critical or funding may be lost.

Budget Policies

The annual budget conforms to Lindsay's Strategic Plan and City Council goals and objectives and is the primary mechanism for their implementation. The budget is a policy document, operations guide, financial plan and a communications device. It is the single most important means of setting spending policies and priorities in the City. It constitutes approval by the City Council of service levels and operating programs and provides resources to finance them. Expenditures must be kept within total appropriations for all Accounting Funds.

Funding Public Services.

Adequate revenue streams are important to fund municipal services determined appropriate by the City Council. It is the policy of the City Council to take appropriate steps to ensure full and continued funding for services, programs and facilities that the City is required to provide by law or regulation or elects to provide. Pursuant to this policy the City will:

1. New or Expanded Programs. The City will consider requests for new or expanded programs during the course of the regular budget process. Only in extreme circumstances will such requests be considered during the middle of the year.

2. Monitor Revenue Sources: All revenue sources will be monitored to maximize revenue collections and provide early warning if revenues fail to meet projections.

3. Federal, State and Private Grants. The City will pursue federal, state and private grants, but will strictly limit financial support of these programs to avoid commitments which continue beyond available funding.

4. New Revenues and Revenue Diversification. The City will continuously seek new revenues and diversify its revenue sources to provide resource stability and limit the dependence on single or a small number of revenue sources.

Balanced Budget.

The City of Lindsay will live within its means. All City departments, activities and programs must function within the limits of the financial resources identified and available specifically to them by the City Council or the City Manager. Lindsay will adopt a balanced budget that maintains a balance between all fund revenues and personnel, maintenance and operations, capital and debt service expenditures during the current budget period and over the long term. Lindsay will not spend beyond its revenue streams means no matter how meritorious the program or proposed expenditure.

As stated above in the accounting policies section, the City uses the modified accrual accounting basis in recognizing revenues and expenditures for the purpose of determining a balanced budget. The City Council with the recommendation and input of the City Manager and the City's independent certified public accountants ultimately determines whether there is a balanced budget. The point at which the budget must be balanced is at the end of the fiscal year.

The City Manager has the authority to reduce, augment or realign the budgets of each accounting fund or to transfer funds between each accounting fund during the fiscal year to maintain a balanced budget. Staff will disclose to the City Council when there is a temporary annual budget shortfall or annual operating deficit. Specific plans to bring revenues into line with expenditures will be developed and implemented by the department heads, City Manager and City Council to correct any temporary shortages or operating deficits. In addition, the following policies are followed to insure a balanced budget.

1. Revenue Estimates. Revenue estimates will strive for accuracy by coming as close as possible to the actual outcome. However, the forecasting of sharp turns in the national, state and local economies is always problematic. In addition, attempting to predict what the governor and State Legislature will do with designated City revenues in their attempt to deal with the on-going state budget crisis is almost impossible. Revenue forecasting is not an exact science and at times relies upon the best professional judgment of the forecaster. To reduce the risks of miscalculating revenues or expenditures, the City attempts to identify as many factors as possible that may contribute to changes in revenues and expenditures.

2. Current Appropriations. Current appropriations in all funds are limited to the sum of available, unencumbered cash balances and revenues estimated to be received in the current budget period. Use of unrestricted fund balances is appropriate, but will be carefully scrutinized.

3. Special Revenue Funds and Capital Project Funds Supported by Grants or Intergovernmental Revenues. Expenditures in these funds are strictly limited to the mandates of the funding source. Special Revenue Funds and Capital Projects Funds supported by grants or intergovernmental revenues are strictly limited to the mandates of the funding source. These funds are not to be used to subsidize other funds, except as required or permitted by program regulations.

4. Enterprise Funds. Enterprise Funds will be self-supporting entities through annual reviews of their fee structures, charges for services, and other operating revenues and expenditures.

5. Internal Service Funds. Sufficient charges and rate schedules shall be levied to support operations of internal service funds. No trend of operating deficits shall be allowed. Services shall be scaled to the level of support available from these charge backs.

6. User Charges and Fees. Sufficient user charges and fees shall be pursued and levied to support the full cost (operating, direct, indirect and capital) of operations. Market rates and charges levied by other public and private organizations shall be considered when establishing tax rates, fees and charges.

7. New Revenues. New and expanded unrestricted revenue streams shall be first applied to support existing programs prior to funding new or expanded programs.

8. Restricted and Unrestricted Financial Resources. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then use unrestricted resources.

9. Multi-Year Capital Cost Projections. Multi-year capital cost projections shall be prepared and updated each year to identify the impact on resources.

10. Five-Year Capital Improvements Plan. A Five-Year Capital Improvements Plan shall be prepared and updated each year. The operating impact of each project shall be identified and incorporated into annual operating budgets. Capital assets shall be purchased and maintained on a regular schedule.

11. Use of Fund Balance. Unrestricted (unreserved) fund balance will only be used for capital expenditures or one-time projects if the total fund balance exceeds 95% of the previous year's fund revenues. Fund Balance will only be used for operating expenses in the event of an economic down turn that reduces projected revenues or to cover unanticipated revenue shortfalls.

Budget Appropriations.

All City Accounting Funds are included in the annual budget and all revenues and other financing sources are appropriated by the City Council each fiscal year in the annual budget. All Accounting Funds are included in the City's annual audited financial statements, reviewed by the City's independent certified public accountants. The accounting basis in the City's annual budget is the same as the accounting basis used in the City's annual audited statements. Annual operating budgets in the General Fund and Enterprise Funds are carefully reviewed to insure that budget appropriations reflect appropriate funding for service levels established by the City Council. Budget appropriations are conservative because the City feels government units' function more efficiently under conservative operating budgets than where excess funds are made available.

Appropriations Limit.

Under Article XIIIB of the California Constitution (the GANN Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must be either refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund arrangements.

Proposition 218.

Proposition 218, which was approved by the voters in November 1996, regulates the City's ability to impose, increase and extend taxes, assessments, and fees subject to the provisions of Proposition 218, require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments and fees are subject to the voter initiative process and may be rescinded in the future by the voters.

Budgetary Control and Accountability.

The budgetary control and accountability is maintained at the department level. The City Council has the authority to adopt the annual budget and transfer budget appropriations between individual Funds. The City Manager acting as the City's Budget Officer, has the authority to transfer budget appropriations between funds, departments and individual line items to maintain a balanced budget. The Finance Director shall provide quarterly updates on the budget to the Council and include notations regarding any budget adjustments. Budget Amendments must be presented and approved by Council.

Unexpended Appropriations.

Encumbrances outstanding at year-end are reported as reservations of fund balances because the commitments will be honored during the subsequent year. Unexpended appropriations cannot be used in subsequent years.

Budget Adoption Procedures.

Budgetary procedures for the City have been established by the City Council, which require the legal adoption of a budget for all Accounting Funds. The following are the administrative procedures followed by the City in its budgetary process. (Please also see Figure 17.)

1. **Budget Preparation**. Department heads meet with employees and prepare proposed operating and capital budgets, as well as department goals and performance standards for the coming fiscal year based on guidance provided by the City Manager and City Council. The department heads submit these proposed budgets along with proposed goals and performance standards to City Manager no later than March 1. The Finance Director and City Manager takes information prepared by department heads and prepares the proposed budget for the coming fiscal year for the City Council.

2. **Budget Presentation.** During the month of May, the City Manager, authorized by the City Council to act as the Budget Officer, submits a proposed operating and capital budgets for all Governmental, Proprietary and Fiduciary Funds to the City Council for the subsequent fiscal year. The budget documents illustrate proposed financing sources along with the proposed operating and capital budget expenditures.

3. **Budget Work Meetings**. The City Council holds one or more public budget work meetings to review the proposed annual budget and receive public input.

4. **Budget Public Hearing**. A public hearing is held to receive comments on all aspects of the proposed budget. A notice in the local newspaper precedes the hearing. The notice is given at least ten days before the hearing and includes the time, date and place of the hearing. All budget documents are required to be available at least seven days prior to the public hearing.

5. **Budget Adoption**. A final budget is adopted by the City Council for the subsequent fiscal year beginning July 1. Since city revenues are highly dependent upon the actions of the State Legislature, final budget adoption may be delayed in any given year until the Governor and State Legislature adopt a state budget.

Figure 17
Annual Budget Calendar

Annual Budget Event	Time	Comments
Department heads submit proposed operating and capital budgets, goals and performance standards to City Manager	March 1	City Manager and Finance Director take information prepared by department heads and prepare the proposed budget for coming fiscal year.
City Manager presents proposed budget to City Council	May	Proposed operating and capital budgets for all Accounting Funds is distributed to public, press and City Council. Copies are available for public review at City Hall and on City website.
City Council reviews budget in work meetings	May and June	City Council conducts reviews during work meetings and invites public participation and input
Public Hearing	June	Public is invited to comment on proposed annual budget. City Council makes final budget changes. City Manager incorporates changes made by City Council into final budget document.
Budget Adoption by City Council	June 30	Final budget is adopted by the City Council. Since City revenues are highly dependent upon the actions of the State Legislature, final budget adoption may be delayed in any given year until state budget is adopted.

Approved by City Manager Rich Wilkinson
Date: 1-26-2012

CITY OF LINDSAY

FINANCIAL MANAGEMENT AND ACCOUNTING PROCEDURES

&

INTERNAL CONTROLS POLICY

(January 2012)

Overview:

The management of the City of Lindsay (COL) is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimate and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of the system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with generally accepted accounting policies.

The Accounting Procedures Manual is intended to be a guide of the fiscal procedures of COL. The manual will serve both the management and the accounting staff to maintain good internal accounting and administrative controls; assist in the expected flow of accounting documentation; and to establish a uniform and systematical accumulation of information and statistical data necessary to fulfill the financial and accounting requirement of COL.

Annual audits of COL by an Independent Certified Public Accountant will be performed in accordance with our City Charter and the State of California audit requirements. The California Legislation has mandated the performance of financial audits for all local governmental entities in the State of California.

A single audit report is also prepared in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards (GAAP) issued by the Comptroller General of the United States and in conformance with OMB Circular A-133.

COL's annual audit is routinely filed with each member of government, including the Tulare County Association of Governments (TCAG), the California State Controller's Office, HUD, Caltrans, and all lenders and/or bond holders as may be required.

COL prepares its financial statements in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Boards (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principals. The more significant of COL's accounting policies are described below:

Reporting Entity

The Director of Finance is the designee of the City with the primary responsibility to ensure compliance with accounting policies and procedures by all city staff; to maintain accurate and up-to-date accounting records; to assist department heads with budget development; to supply other departments with revenue and expense reports on a regular basis; to provide financial reports to the City Manager and the governing body; and to act as liaison between the Independent Auditor and finance staff to facilitate preparation of the financial statements and single audit report.

Basis of Presentations – Fund Accounting

COL uses funds and account groups to report on its financial position and the result of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Funds and account groups are organized and accounted for as separate fiscal and accounting entities with self-balancing sets of accounts. COL uses the following fund types and account groups:

COL Fund Types

Functions of the COL that are principally supported by taxes and intergovernmental revenues are accounted for under *governmental activities* while functions that are intended to record all, or a significant portion of their costs through user fees and charges are identified as *business-type activities*. The governmental activities of the COL include general government, public safety, highways and streets, economic development, and culture and recreation. The business-type activities of the COL include Water, Sewer, Refuse, McDermont Field House, and the Lindsay Wellness Center.

Measurement Focus and Basis of Accounting

COL uses the modified accrual basis of accounting which means revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means that the amount of the transaction 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 liability is recorded (this occurs when the check is generated and posted to the general ledger) which shall be within 30 days of receipt of an approved invoice; all expenditures incurred in one fiscal year shall be recorded in that fiscal year.

Budgetary Principals

On, or before April 15, the Director of Finance shall meet with each department head regarding projects and needs for the upcoming year as part of the budget process; COL shall prepare a DRAFT budget for the ensuing fiscal year to commence on July 1, and shall submit same for approval by the governing body for the carrying out of governmental activities and business-type activities for the year. Any use of amendments to the budget shall be at the discretion of the governing body and submitted to same by May1st of the current fiscal year. Operating budgets are prepared on the modified accrual basis of accounting. Budgetary control and legal level of control are at the work element level as well as the object level. Amendments, appropriation transfers between work elements and objects, and transfers from contingencies must be approved by the governing body. Supplemental appropriations financed by unanticipated revenues must also be approved by the governing body. The Director of Finance shall prepare and present quarterly budget reviews to the governing body in the month immediately following the end of a quarter. Budget amendments or appropriation transfers between elements shall be presented at the mid-year and fiscal year end quarterly reviews.

Investments

Investments are stated at fair value as determined by quoted market prices. Changes in the fair value of investments are included with all other investment income in the operating statement. The Director of Finance shall prepare and present a monthly Treasurer's Report that denotes the name of the depository for each account and amount of cash therein.

ARTICLE I. ORGANIZATION OF ACCOUNTING SYSTEM

Section 1. GENERAL

Financial records shall be maintained in accordance with generally accepted accounting principles, applicable grant agreements, OMB Circular A-87, OMB Circular 133, and applicable county, state and federal regulations.

Section 2. MEASUREMENT FOCUS

The COL shall utilize the "spending" measurement focus. This focus requires that only current assets and current liabilities are generally reported on the balance sheet and the operating statement present financial flow information (i.e., revenues and expenditures).

Section 3. BASIS OF ACCOUNTING

Financial transactions shall be accounted for by the use of the modified accrual basis of accounting, whereby revenues are recognized when they become both measureable and available to finance expenditures of the current period, and expenditures are generally recognized when the related fund liabilities are incurred.

Section 4. FUNDS AND ACCOUNT GROUPS

The COL shall maintain separate and distinct funds to ensure proper segregation of assets and liabilities; to ensure proper enterprise fund maintenance for all business-type activities; to record and track all grant funds; to ensure proper segregation of all funds for accuracy in tracking and maintenance of all governmental activities.

Section 5. INTERNAL CONTROLS

COL shall organize and assign work duties and responsibilities in a way that ensures that established procedures shall require proper authorizations by designated officials for all actions taken and include the proper separation of duties.

Section 6. RECORDS AND REPORTS

COL shall keep and maintain complete and accurate financial records and prepare required reports in accordance with the uniform system of accounts and records, adopted by the Controller of the State of California. In maintaining records and preparing reports, COL shall reconcile financial information in a timely manner.

ARTICLE II. REVENUES

The Finance Department shall be responsible for recording all revenues, from all sources, to the general ledger. Assigned finance staff shall be responsible for the monthly utility billing, quarterly

business license billing, other miscellaneous billings and loan draws as dictated by budgeted project activities. All departments that generate revenue must report to the Finance department.

Section 1. GRANTS

It shall be the responsibility of the City Manager, the Director of Finance, and staff, or contracted consultants under the direction of the City Manager, to prepare applications for intergovernmental financial assistance and to make new additional applications from time to time, as appropriate. All grant applications must be pre-approved by the governing body. All draw requests for awarded grants must be approved by the Director of Finance prior to submission.

Section 2. FEES AND CHARGES

The finance staff shall bill and/or charge fees for services according to the method and or amount established by the governing board and in accordance with the city ordinance pertaining to same.

Section 3. LOANS

COL may acquire the funds necessary to meet financial obligations by means of loans from either public or private entities. All loans shall be approved by resolution of the City Council and may not exceed the standard limit as set forth by the Controller of the State of California.

Section 4. INVOICING AND ACCOUNTS RECEIVABLE

Unless otherwise stipulated by contract of necessity, COL shall maintain its accounts receivable and invoice the accounts maintained therein on a monthly or quarterly basis. The Director of Finance shall determine any amounts that are deemed uncollectible and get approval from the City Manager before writing them off; all amounts "written-off" shall be duly documented and reviewed by the independent auditor during the annual audit.

Section 5. RECEIPTS

All cash receipts shall be processed in accordance with the following procedures:

<u>Mail receipts</u>

A. Checks or warrants received by mail shall be channeled by the mail clerk to the front desk clerk for input into the accounting system via the receipts manager software.
B. Supporting documentation accompanying a check or warrant shall be stamped with the date of receipt. Any payment not including supporting documentation shall be verified with the sender and the supporting documentation shall be created by staff.
C. Staff shall identify the remittance and shall affix the proper fund number and revenue code to the supporting documentation, if needed; all utility and business license payments shall be recorded via the accounting software system using their identifying account numbers.
D. On days when there is a very large volume of mail, other finance staff may be assigned to assist with data input of the check batch which must be balanced – receipts to checks – with proper documentation (register output & calculator tape) that the batch was balanced and recorded correctly.

E. The check or warrant shall be placed in the locked cash drawer until the end of the business day when it will be locked in a bank bag in the vault until the following work day when a second clerk shall balance the daily transaction register and compile the receipts for deposit to the bank the next business day.

Over the Counter and Cash receipts

A. The front register shall maintain a beginning cash balance of $500 which is to be verified at the beginning of the work day and again at the end of the work day.
B. Receipts received over-the-counter must have supporting documentation to ensure proper posting to the customer's account and/or the general ledger revenue line. All receipts must be date-stamped.
C. A second register with a beginning cash of $50 shall be maintained in a locked cabinet in the vault for use during the time the main front desk clerk goes to lunch or on break. That register will use register 2 as a code and be balanced separately after the last break of the day. This will ensure if there is an over or short, the clerk responsible can be identified so the condition can be rectified.
D. Finance staff is responsible for billing and collecting receivables. Finance staff shall maintain accurate records of all billing and receivables and reconcile them on a timely basis.

Non-Finance Department Receipt Procedure

A. McDermont Field House shall utilize the night-drop box at the Bank of the Sierra daily to deposit receipts received and reconciled to the Enbed accounting system; remittance detail shall be forwarded to the Finance Department, with the appropriate support detail, the next business day following the intake of the receipts.
B. The Wellness Center shall reconcile and remit all receipts to the Finance Department before the close of the business day every Friday of the week, unless that Friday is a holiday, and then it is the Monday thereafter. During the week, all receipts shall be locked in a secure cabinet to which only the Wellness Director shall have the key.
C. The Public Safety Department shall be on the same weekly remittance schedule for all receipts received in that Department and shall maintain the receipts in a locked cabinet prior to remittance to the Finance Department.
D. No Department shall hold receipts for more than one week prior to remittance to the Finance Department. All deposits or remittance detail must have the appropriate supporting detail attached. The Finance Department shall verify all incoming deposits and record the detail to the General Ledger the same day it is received in the Finance Department. Finance staff shall reconcile all receipt transactions, denoted by receipt type, i.e. cash, check, voucher, other (EFT) and deposit all receipts into the appropriate account on a daily basis according to the established cash receipts policy.

Balancing the Transaction Ledger & Bank Deposits

A. A clerk other than the front desk clerk shall balance each day's work the first business day immediately following the receipt. Any discrepancies are to be reported to the Director of Finance. Any necessary adjustments must be pre-approved by the Director of Finance and

an adjustment ledger maintained with the date, original coding/adjustment, correct coding/amount, and staff initials.

B. Once the daily transactions have been balanced, the detail ledger shall be maintained, by month, in a ledger binder for ease of reference and the amount(s) recorded to a Deposit Log that denotes the amount, type, and specific bank account to which the deposit was made.

C. The deposit shall be compiled with receipts separated according to depository account (i.e. general receipts, impound account, restricted grant funds, etc) with each deposit account denoted on the summary page and shall be reviewed and initialed by the Finance Director, or departmental supervisor for accuracy.

D. A clerk, other than the one who balanced the work and prepared the deposit, shall take the deposit to the bank. The bank-stamped deposit slip shall be reviewed and initialed by the Director of Finance or departmental supervisor prior to being attached and filed with the supporting documentation. The Director of Finance shall maintain a binder of the daily deposits and interface and post the cash receipts to the general ledger.

E. All cash and checks shall be maintained in either a locked drawer or locked cabinet within the vault (which is locked and alarmed during non-work hours) at all times and at no time shall be left unattended in an unsecured location.

ARTICLE III. EXPENDITURES

Section 1. PAYROLL

A. Each Department head, or their assigned supervisor, is responsible for ensuring the proper recording of time worked, or compensated absences that are considered time worked, for all employees under their direction and charged to their budget.

B. Time sheets are to be kept daily by each employee. Exempt employees are to keep a time sheet if any of their time is to be charged to a specific project or grant for which reimbursement will be sought from another intergovernmental agency. Only actual time worked may be charged to a grant-funded project; leave time may not be charged to a grant-funded project and only benefits relative to actual time worked may be charged against a grant. City Services field personnel shall keep time sheets with fund allocations denoted at the time worked.

C. Overtime, including compensated leave accrual in lieu of overtime, and time off must be pre-approved and the time sheet shall include the initials of the department supervisor.

D. All payroll items are to be forwarded to the finance department for processing no later than noon on the Tuesday prior to a Friday payday.

Section 2. BENEFITS

All benefits are covered in either the employee manual or the bargaining unit M.O.U.

Section 3. TRAVEL & REIMBURSEMENT

A. The City Manager is charged with the responsibility of approving or disapproving requests for travel related to COL business. Each Department Head shall maintain a copy of the travel policy and applicable forms at the department level to be filled out by the requesting employee for pre-approval prior to engaging in any travel and/or training.

B. The Department Head shall verify there are adequate funds still available in the travel and/or training budget before granting approval of the request. The Department Head shall code the request according to the applicable project or work activity that will benefit.

C. Every request for travel or training must include documentation as to the purpose of the travel and/or the benefit to the City of the training.

D. The Director of Finance shall review, verify and approve all expense claims.

E. Lodging: Costs shall be reimbursed at actual cost, single rate, plus tax, for each day of travel during overnight lodging. In no instance, may the cost exceed $189 per night. Supporting documentation must be provided. A discounted government rate is to be requested and a TOT exemption form is to be presented. If not honored, it should so state by hotel staff and be returned along with the hotel receipt.

F. Meals: Per Diem is not allowed for trips lasting less than 24 hours. When a city credit card is used for a meal during any day during a trip, the COL per diem rate cannot be used for that day, or for the trip. An original receipt, matching the credit card charge, must be presented to finance upon return of the credit card or the employee shall be responsible for that charge. Any alcohol on the receipt shall be disallowed. Receipts are not required for the per diem election which shall be at the rate of $11 for breakfast, $17 for lunch, and $22 for dinner for a maximum meal allowance of $50 per day which includes a 15% tip allowance. One cannot claim reimbursement for provided meals; continental breakfast does not qualify as a provided meal. If traveling more than 24 hours, the following times determine which meals one may claim:

   a. Breakfast on the first day if trip started at, or before, 6am
   b. Lunch on the first day if trip started at, or before, 11 am
   c. Dinner on the first day if trip started at, or before, 5pm
   d. Breakfast on the last day if trip ended at, or after, 8am
   e. Lunch on the last day if trip if ended at, or after, 2pm
   f. Dinner on the last day if trip ended at, or after, 7pm

G. Mileage: A COL employee should always use a COL vehicle when available to do so. If a vehicle is not accessible then an employee may use a personal vehicle. In this instance, the department head must give pre-approval for use of the personal vehicle which shall be reimbursed at the current federal mileage reimbursement rate. Any employee receiving a vehicle allowance is required to use their personal vehicle and mileage is not paid. In this instance, a fleet vehicle may be used for travel in excess of 100 miles.

H. Reimbursement: Upon return, an employee shall complete and submit a "Claim for Reimbursement" accompanied by all required supporting documentation. Costs not adequately supported shall NOT be reimbursed. Payment shall be processed pursuant to the procedures defined herein. **An employee has 60 calendar days from the end for the month of return to submit reimbursement requests for the prior month or the request will be deemed ineligible and shall be denied.**

I. Advances: Advances in travel reimbursement may be authorized by the City Manager, subject to a full accounting of the travel costs after travel has been completed. All employees shall fill out the request forms at least 2 weeks prior to the proposed travel date in order to receive an advance; tuition and lodging should be prepaid whenever possible. Use of the city credit card should be limited as much as possible. In the event that a full accounting of, or repayment of, unexpended advance is not made within thirty (30) days, the advance will be

deducted from the next employee salary check. Repeated failure to liquidate travel advances on a timely basis will disqualify an employee from future advances.

Section 4. PAYMENT PROCESSING

A. Upon receipt of an invoice, or similar claim for payment, the request shall be routed to the department responsible for the agreement with the vendor / contractor for verification, coding and approval by both the department supervisor and the department head.
B. The responsible employee shall verify that the service or supply has been provided / received as stated on the invoice. The original invoice shall be stamped with the coding stamp, dated, coded, and initialed before forwarding to the finance department for payment processing.
C. The Accounts Payable clerk shall attach a cover sheet to all invoices being processed for payment. The cover sheet shall contain the name and indentifying number of the vendor, the invoice number, coding to the appropriate GL number based on the codes provided by the approving department, and a brief description of the charge.
D. The Director of Finance shall review the prepared documents, verifying the budget code is correct, appropriate supporting documentation attached (invoice, letter of engagement, contract, or contract change order, etc) and initial approval before a check may be processed and printed.
E. Invoices that are properly coded and authorized are to be batched and input according to a unique batch number into the accounting system by the Accounts Payable clerk. The batch is to be proofed for errors by the Act Clerk III in charge of the Accounts Payable module. The Director of Finance shall then take the check stock from the locked cabinet in the vault, note the beginning and ending check number on the AP journal, and place the stock in the printer.
F. Once printed, the Director of Finance shall personally sign each warrant. A warrant register shall be printed for review and approval by the mayor and maintained with the AP journal. Once signed, a copy of the warrant shall be made and affixed to the supporting documentation which is then filed, by batch, in the AP file cabinet. Warrants in excess of $10,000 (Ten Thousand Dollars) shall require a second signature from one of the members of the governing body so authorized to sign. All check runs – payroll and accounts payable – are to be reviewed and initialed by one of the city council members prior to release.
G. All outside wire transfers initiated by the Director of Finance shall have the authorizing initials of the City Manager. Intra-account transfers within the same bank do not require a second signature.

Section 5. PAYMENT VERIFICATION AND RECONCILIATION

A. A copy of the warrant register shall be reviewed and approved by the mayor or other authorized signer of the bank account or other member of the governing body.
B. All reports for each batch of warrants shall be run immediately following the check run and filed in the appropriate ledger.

C. The Director of Finance, or their designee, shall reconcile the bank accounts monthly, including clearing the outstanding checks in the system, determining if any checks remain outstanding for more than two months and taking the appropriate steps (i.e. stop payment request, void and reissue), with the approval of the Director of Finance to reconcile the check.
D. A check register is to be printed, from the accounting system, to be included on the council agenda for review by the governing body and other interested parties of all warrants processed in the time period immediately preceding the council meeting and subsequent to inclusion on a previous agenda.

Section 6. CREDIT CARD & CHARGE CARD POLICY

A. All City charge cards are to be kept locked in a cabinet in the Finance Department vault and must be signed in and out for each use on a ledger maintained by the Finance Director. No charge cards may be kept in excess of 48 hours, unless the employee is on travel, and all purchases must be pre-authorized by the Department Head. NOTE: The Director of City Services and the City Manager are the only exceptions to the 48-hour rule and may maintain their cards in their possession.
B. All charges using a credit, account card, or store charge must be fully supported with the original receipt and attached to an authorized COL charge slip form in order to be valid. Any employee not obtaining pre-approval for a charge or providing an original receipt (or lost-receipt form) will be responsible for the charge.
C. All store charge-account-authorized-employee-lists are to be updated semi-annually in January and July of each year; employees whose authorization has been withdrawn, or who are no longer with the COL, shall have their name removed from the authorized user list.
D. Fuel cards provided to city employees that qualify are to be used for city vehicles only; any use outside city limits must be approved by the department supervisor and substantiated as approved travel. Failure to adhere to the guidelines will result in the fuel card being revoked.
E. Additional policies and procedures are contained within a separate internal control policy specific to Credit and Charge cards that is attached at the end of this document and is to be considered an integral part of the COL overall Internal Control Policy.

ARTICLE IV. FIXED ASSETS

Section 1. GENERAL

Fixed Assets shall be defined as those items of tangible property which are of significant value, and which have a useful life of a least one fiscal year. The primary purpose of accounting for fixed assets shall be as follows

(a) To safeguard and track investments;
(b) To assign custodial responsibility;
(c) To aid in scheduling future asset retirement and acquisition;
(d) To supply financial reporting data;
(e) To ensure compliance with applicable local, state, and federal requirements

Section 2. CAPITALIZATION & DEPRECIATION

Individual inventory records shall be established and maintained in accordance with the following capitalization policy:

Equipment: All equipment is to be tracked by the COL. Unit value shall be set at an amount equal to the original cost of the acquisition, plus any costs associated with bringing the asset into an operational or useful condition. Such costs, included, but are not necessarily limited to, taxes, freight, installation, testing and related costs. In cases where an asset has been acquired by gift, or other means by which costs are not readily available, cost shall be established using an estimate of fair market value. All items valued in excess of $500, and with a useable life in excess of one year, are to be identified and tagged with an inventory serial number. All items valued in excess of $5,000 are to be tracked in the COL Fixed Asset System per GASB 34. The annual depreciation expense is to be posted to the financial statements annually.

ARTICLE V. GRANT TRACKING

Grant funding source activity is managed by the Director of Finance and is tracked in the following manner: A copy of the signed grant is filed with the Finance Department. A grant tracking spreadsheet shall be developed and maintained by the department that wrote the grant and is the primary beneficiary (i.e. FTHB grant awards shall be tracked and maintained by the Housing Department; SRTS, Measure R Transportation Projects, etc shall be tracked and maintained by City Services as the work is performed) and all financial data shall be routed through the Director of Finance for review and approval to ensure secondary oversight for compliance with grant requirements. The spreadsheet reports information on all funding sources including: original dollar amount of the grant, beginning and ending dates, extensions of terms and amounts, if any, draw downs, and available balances. The grant tacking spreadsheet is updated continually and is periodically reviewed by the Director of Finance to ensure compliance with the grant award agreement.

PURCHASING POLICY

ARTICLE I. RESPONSIBILITY AND CONTROL

Section 1. GENERAL RESPONSIBILITY

Except as otherwise specified, the Finance Director shall be deemed responsible for all purchases of and contract execution for materials, supplies, furnishings, equipment and services required by the City of Lindsay in the performance of daily operations.

Section 2. EXPENDITURE CONTROL

Once the annual operating budget has been adopted by the Council, it shall be considered the controlling documentary plan of expenditure. As such, purchases and acquisitions shall be processed within the limitations established by the amount of budgeted resources allocated to each object classification by the City of Lindsay.

ARTICLE II. REQUISITION, PURCHASING, PROCUREMENT AND CONTRACTING PROCEDURES

Section 1. PURCHASE ORDERS AND REQUISITION OF SUPPLIES

The following procedures will be used: First, check with the responsible finance clerk to determine if the item needed is in stock. If the item is in stock, the responsible finance clerk will obtain it and deliver it. If the item is not in stock, and is needed immediately, the responsible finance clerk will request approval of the Finance Director to purchase the item(s).

If the item can be purchased through as existing vendor charge account established between the City of Lindsay and a vendor i.e. Office Depot, the responsible finance clerk will place the order. If the item(s) must be ordered from another vendor with whom the City does not have an open charge account, the requesting department shall fill out the 3 part-pre-numbered COL purchase order, which will include the following information: description of the item(s), purchase price including applicable sales tax and delivery fees, GL expense line to which the item will be charged, initiating department's Director's signature of approval, Director of Finance signature of approval and City Manager's signature of approval. The initiating department shall keep a copy and a copy shall be forwarded to the accounts payable desk. Only personnel of mid-management or management rank are authorized to purchase on behalf of the City or to designate a department staff to make the purchase on their behalf according to the guidelines set herein.

After the purchase is made, receipts and packing slips will be returned to the department supervisor for coding. All merchandise will be inspected by the requesting department. If the order is incomplete or unacceptable the responsible staff will take steps to clear up any discrepancies. The receipt, after department head inspection, coding and approval, will be channeled to the proper finance clerk for payment.

All invoices will be submitted to the Finance Director who will approve for payment. The account clerks will match the purchase order, receipt and or packing slip and invoice to keep on file.

Section 2. BIDDING PROCEDURES

a. Unless otherwise ordered by resolution of the City Council, all supplies, materials, equipment and services shall be purchased from the lowest reasonable bidder after taking written bids if the estimated total cost of the commodities or services required from a class of vendors exceeds the sum of Fifty Thousand Dollars ($50,000.00). However the Purchasing Agent is not required to call for bids for the following transactions:

   i. Repair parts for motor vehicles and construction equipment, and gasoline, diesel fuel and other petroleum products used in and for motor vehicles.

   ii. Fixing the prices to be paid to newspapers for advertising.

   iii. Contracting for transportation services at the minimum rates established by the Public Utilities Commission of the State of California.

   iv. Purchase of services, with or without, the furnishing of material from independent contractors.

   v. Purchase of personal property or services from price lists of other State governmental entities where such price lists have been compiled in such a manner as to insure the lowest prices available to the City of Lindsay.

b. Written invitations for bids shall contain the date and hour of bid opening, the name of the department to be supplied, the requisition number, delivery date, quantities and complete specifications or descriptions of the items or services to be supplied. The purchasing agent shall mail or tender an invitation for bid to any prospective bidder requesting the specific invitation; and it is desirable generally to seek bids from a reasonable number of prospective bidders. Copies of the written invitations for bids shall be posted on a bulletin board available to the public, and bids shall be opened and read in public on the date and hour specified in each invitation for bids.

c. In the event the lowest complete bid is rejected and the award is made to a higher bidder, the reasons for such action shall be set forth in a memorandum and attached to the rejected bid.

d. Notwithstanding the necessity for bids, if bids have been solicited by the purchasing agent, as required by the article, and no bids have been received, or it is determined by the purchasing agent that it would not be in the best interest of the City of Lindsay to accept a bid because the bids received are in excess of the budgetary funds available for the purchase, or are not representative of the price for which the required commodity or service is available, the purchasing agent may reject all bids and solicit new bids, or may negotiate with individual vendors to obtain the commodity or service under terms that serve the best interest of the City of Lindsay.

e. Bids shall be kept on file for a period of four (4) years. Thereafter, they may be destroyed.

Section 3. INSTRUCTIONS TO BIDDERS

Failure to respond to bid may constitute removal from bidder's list. If unable to provide the commodities stated herein, bidder shall return bid prior to closing date stating the reason why unable to provide bid.

1. Preparation of bids

(a) All information requested of the bidder shall be entered in the appropriate space(s) on the form. Failure to do so may disqualify your offer.

(b) All information shall be typewritten or entered in ink. Mistakes may be crossed out and corrections inserted before submissions of your bid. Corrections shall be initialed in ink by the person signing the bid.

(c) Correction and/or modifications received after the closing time specified will not be accepted.

(d) Bids will not be accepted unless signed in ink (not typed) in the appropriate space(s) by an authorized officer or employee of the bidder.

(e) Bids must be submitted by the closing date or prior to the time specified to be considered. No telegraphic, facsimile or telephone bids will be accepted.

(f) Any bids received after the closing date shall be returned, unopened, to the bidder.

(g) Submit bid only in a sealed envelope with the bid number and closing date on the outside of the envelope.

(h) All bids must conform to project guidelines, as stated in the request for bid (RFB)

(i) Bid prices shall remain open and valid subject to acceptance for sixty (60) days after bid closing date.

(j) Prices bid shall remain firm for a minimum of 120 days from the award to cover subsequent purchase requirements.

(k) Prices bid by bidder are considered accurate and cannot be withdrawn after the bid is closed.

(l) Upon submission of bid documents, all such documents shall become the property of the City of Lindsay.

(m) Time of delivery shall be stated as the number of calendar days following receipt of the order by the bidder, to the receipt of the good or services by the City of Lindsay. Time of delivery may be a consideration in the award.

(n) Prices will be considered as net if no cash discount is shown.

(o) Provide any other information not specifically requested which may be considered by the purchasing agent. (Purchasing agent is not obligated to consider any information not specifically requested in this bid request.)

(p) The City of Lindsay generally solicits bids from a wide variety of bidders which may include retailers, wholesalers, suppliers, distributors, etc.

2. Brand Names/Quality

(a) Brand names and numbers, when used, are for reference to indicate the character or quality desired.

(b) Equal items will be considered, provided your offer clearly describes the article. Offers for equal items shall state the brand and number (or level of quality if item cannot be identified by brand and number).

(c) Equal items will not be considered if identical supply has been determined a necessity and the notation NO SUBSTITUTE has been entered.

(d) When brand, number, or level of quality is not stated by the bidder, it is understood the offer is exactly as specified.

(e) The purchasing agent shall, in all instances, be the final judge in determining whether the items bid are acceptable to the City of Lindsay, and whether the items bid are equal in quality and utility to the specified articles.

3. Samples

(a) Samples of articles, when required, shall be furnished free of cost of any sort to the City of Lindsay.

(b) Samples of articles selected may be retained for future comparison.

(c) Samples which are not destroyed or consumed by testing, or which are not retained for future comparison will be returned upon request at bidder's expense.

4. Quantity & Quality of Materials or Services

The successful bidder shall furnish and deliver the quantities designated by the purchasing agent. Packing slips which clearly identify the merchandise and a listing of the City of Lindsay's purchase order number must accompany every delivery. All materials, supplies or services furnished under contract or purchase order shall be in accordance with the county specifications. Materials or supplies which, in the opinion of

the purchasing agent, are not in accordance and conformity with such specifications shall be rejected and promptly removed from the City of Lindsay's premises at the bidder's or contractor's expense.

5. Award

The City of Lindsay reserves the right: (1) to award bids received on the basis of individual items, or groups of items, or on the entire list of items; (2) to reject any, or all bids, or any part thereof; (3) to waive any informality in the bids; (4) to make partial awards or award to more than one vendor (if your bid prices are based only on an "all or none" award you must so specify in your bid); and (5) to accept the bid that is in the best interest of the City of Lindsay. The purchasing agent's decision shall be final. A combination of the following factors will be considered in awarding this bid. These factors are not necessarily listed in order:

(a) Prices – the lowest price with the acceptable quality level shall be given priority.

(b) Bidder's previous record of performance and service.

(c) Ability of bidder to render satisfactory service in this instance.

(d) Quality and conformance to specifications.

The City of Lindsay shall be the sole judge in making this determination.

6. Rights to Reject Bids

The City of Lindsay purchasing agents reserve the right to reject any and all bids and to waive any informalities or irregularities in the bid process.

7. Indemnification

(a) The bidder or contractor shall hold the City of Lindsay, its officers, agents, and employees harmless from liability of any nature or kind because of the use of any copyrighted composition, secret process, patented or unpatented invention, articles or appliances furnished or used under this bid, and agrees to defend, at bidder's own expense, any and all actions brought against the City of Lindsay or bidder because of the unauthorized use of such articles.

(b) Contractor shall hold harmless, defend and indemnify the City of Lindsay, its agents, officers and employees from and against any liability, claims, actions, costs, damages, or losses of any kind, including death or injury to any person and/or damage to any property, including City of Lindsay property arising out of the acts or omissions of contractor or its agents, officers and employees under this contract. This indemnification specifically includes any claims that may be made against City of Lindsay by any taxing authority asserting that an employer-employee relationship exists by reason of this contract, the cost of any penalty or sanction imposed by any agency with regulatory authority over the activities carried out by the contractor, and any claims made against the City of Lindsay alleging civil rights violations by the Contractor under Government

Code sections 12920 et Seq. (California Fair Employment and Housing Act). Contractor specifically agrees to hold harmless and indemnify the City of Lindsay for any and all claims arising out of any injury, disability, or death of contractor's employees or agents. This indemnification obligation shall continue beyond the term of this contract as to any acts or omissions occurring under this contract or any extension of this contract.

8. Independent Contractor Status

This contract is entered into by both parties with the express understanding the contractor will perform all services required under this contract as an independent contractor. Nothing in this contract shall be construed to constitute the contractor or any of its agents, employees or officers as an agent, employee or officer of the City of Lindsay. Contractor agrees to advise everyone it assigns or hires to perform any duty under this contract that they are not employees, agents or officers of the City of Lindsay. Contractor shall be solely responsible for determining the means and methods of performing the specified services and the City of Lindsay shall have no right to control or exercise any supervision over contractor as to how the services will be performed. As the contractor is not a City of Lindsay employee, the contractor is responsible for paying all required state and federal taxes. In particular, the City of Lindsay will not:

(a) Withhold FICA (Social Security) from contractor's payments.

(b) Make state or federal unemployment insurance contributions on contractor's behalf.

(c) Withhold state or federal income tax from payments to contractor.

(d) Make disability insurance contributions on behalf of contractor.

(e) Obtain unemployment compensation insurance on behalf of contractor.

Notwithstanding this independent contractor relationship, the City of Lindsay, through the purchasing agent, shall have the right to designate the sites at which services are to be performed, and to monitor and evaluate the performance of contractor to assure compliance with this contract and that the independent contractor is in possession of all current licenses required by the City and other governing agency, if applicable.

9. Cash Discounts

In connection with any cash discount specified on this bid, time will be computed from the date of complete delivery of the supplies or equipment as specified, or from date correct invoices are received if the latter date is later than the date of delivery. For the purpose of earning the discount, payment is deemed to be made on the date of mailing of the City of Lindsay warrant check.

10. Default by Bidder

(a) Rights and remedies of the City of Lindsay for default: In case of default by bidder, the City of Lindsay may procure the articles of service from another source and may recover the loss occasioned thereby from any unpaid balance due the bidder or by proceeding against the bidder's performance bond, if any, or by suit against the bidder. The prices paid by the City of Lindsay shall be considered the prevailing market price at the time such purchase is made.

(b) Inspection of deliveries or offers for delivery, which do not meet specifications, will be at the expense of bidder.

11. Cancellation

The City of Lindsay reserves the right to cancel all purchase orders or agreements with due cause giving a ten day written notice, or may cancel without cause giving a thirty day written notice. Purchase orders or agreements which extend into a subsequent fiscal year will automatically cancel if the City of Lindsay does not appropriate funds for the goods and/or services under the purchase order or agreement.

12. Non-Funding Clause

Funds provided for commodities or services under the terms of this bid are contingent on availability of public funds. Should sufficient funds not be allocated during those terms, amounts due may be modified or terminated at any time by the City of Lindsay upon (30) days notice. Notice shall be fully given in writing or through service in person or by first class mail.

Section 4. PROFESSIONAL CONSULTANT SELECTION PROCEDURE

The purpose of this policy is to establish an open, fair and competitive process for selection of qualified professional consultants to perform work for the City of Lindsay. A Request for Proposals (RFP) will be issued whenever there is a need for work to be performed by other than City of Lindsay staff.

All Requests for Proposals and Request for Qualifications will be submitted to the Finance Director for review and approval prior to distribution.

Section 5. CONTRACT PREPARATION AND ADMINISTRATION

The purpose of this procedure is to establish an effective and efficient way to prepare and administer contracts, formal professional engagements and/or agreements between the City of Lindsay and a non-employee party.

It will be the responsibility of the project manager assigned to the project, and the Finance Director to prepare a draft contract using the standard City of Lindsay contract, including date and signature lines. The draft contract/agreement or letter of engagement shall be reviewed and approved by the Finance Director. If the draft differs from previously approved contracts, the draft may be submitted to City Council for review and approval as to form.

A contract folder shall be created, for each contract. The folder should contain a criteria checklist.

Each contract shall be prepared utilizing the following basic elements:

- A clear and accurate identification of the parties;
- The date on which the agreement was entered into;
- A statement, or series of statements, explaining why consultants are being used rather than staff;
- A clear and complete statement as to the purpose of the agreement;
- A clear and complete statement of the work, service or product to be performed, rendered or provided (i.e., work activities and end products);
- A time schedule for performance and completion of the contract;
- A clear and complete statement as to the procedures that will govern progress reports; and explicit statement of the exact amount of payment and basis upon which payment is to be made;
- A project budget, if applicable, which itemizes expenditures and revenues of the agreement and includes a "not-to-exceed" clause that may only be overridden by Council approval;
- A contract termination date.

Contracts which were subject to the approval of the City Council must also have such approval for a modification or amendment or termination, unless expressly stated as terms of the agreement and with the following exception:

An amendment to a contract or agreement which only extends the original time for completion of performance to a date within the same fiscal year, and does not increase the monetary amount is exempt.

It shall be the responsibility of the project manager to monitor the progress of the work as performed by the consultant. The project manager shall be responsible for reporting to the Finance Director any discrepancies which occur between the performance of the task and the requirements of the approved contract.

It shall be the responsibility of the Finance Director to monitor the fiscal arrangements of the contract. The Finance Director shall ensure that all appropriate fiscal reports are completed and maintained in accordance with the terms of the contract and acceptable accounting procedures. In addition, the Finance Director shall maintain the official signed contract and any support material. Such files shall be kept until the project has been audited.

Section 6. CONTRACT CHANGE ORDER POLICY

Contract Change Order (CCO) Policy – Project Increases

For unforeseen construction costs, and all City Services projects that involve a contract, the following policy is required:

Project bid proposals shall be received and abstract of bids be developed. Project shall be awarded to the lowest responsible bidder by Council action, as required.

A 10% contingency may be allowed to increase the project amount via CCO's depending on the scope of the CCO and the overall project budget. This 10% contingency is an aggregate total of all CCO's, not CCO's presented on an individual basis.

The City Council, through the City Manager, shall authorize the City Services Director to execute CCO increases so long as they fall within the 10% contingency and there is a nexus to the original scope of work.

For CCO (individual or aggregate) increases that exceed the 10% aggregate contingency and are below 25% increase of the project bid and there is a nexus to the original scope of work, the City Council shall approve and authorize the City Manager to execute the CCO.

For CCO's (individual or aggregate) that exceed 25% of the original bid proposal, and there is a nexus to the original scope of work, City Council shall approve and authorize the City Manager to execute a Supplemental Agreement with the Contractor.

All CCO's must be *pre-approved* by the City Manager, and if applicable pursuant to the thresholds established herein by the City Council.

All CCO's, regardless of the threshold increase, shall be presented to Council either as a consent calendar item, or actionable item, to ensure the governing body is made aware of any contract increases.

APPENDIX

CITY OF LINDSAY
CITY COUNCIL FOR 2010-2012

251 East Honolulu, P.O. Box 369, Lindsay, CA 93247
Administration (559) 562-7103 Fax (559) 562-7100

HOME

ED MURRAY..... 562-5746
843 Michael Lynn Place
Elected: 11/96; 11/00; 2004; 2008(Term Expires 11/2012)

ESTEBAN (Steve) VELASQUEZ.....562-6775
159 Lindero
Elected: 11/96; 11/2000; 11/2004 ; 2008(Term Expires 11/2012)

RAMONA PADILLA.....562-3938
823 Michael Lynn Place
Appointed: 01/25/11 (Term Expires 11/2014)

PAMELA KIMBALL.....562-1027
970 N. Hamlin Way
Appointed: 06/01 (Term Expires 11/2012)
Elected: 11/2004-11/08; 11/08-11/12

DANNY SALINAS.....562-9519
889 N. Orange
Appointed: 07/01 (Term Expires 11/2014)
Elected 11/2002-2006;11/06-11/10; 11/10-11/14

NOTE: The City Council also serves as the Lindsay Planning Commision and the Lindsay Financing Authority.

Lindsay City Council meetings are held on the 2nd and 4th Tuesday of each month in the City Council Chambers located in City Hall, 251 East Honolulu, 6:00pm. unless otherwise noticed

Planning Commission and Financing Authority meetings are held on an as needed basis.

CITY OF LINDSAY

Department Contact Numbers

ADMINISTRATION	
Rich Wilkinson-City Manager	562-7101
rwilkinson@lindsay.ca.us	
Carmen Wilson - City Clerk	562-7102
cityclerk@lindsay.ca.us	
Fax	562-7100
Maria Knutson - Administrative Assistant	562-7112
Mknutson@lindsay.ca.us	

PUBLIC SAFETY	
Rich Wilkinson - Chief	562-7121
rwilkinson@lindsay.ca.us	
Mari Carrillo - Administrative Assistant/HR	562-7120
mcarrillo@lindsay.ca.us	
Fax	562-3331
Lt. Chris Hughes	562-7123
chughes@lindsay.ca.us	
Lt. Bryan Clower	562-7122
bclower@lindsay.ca.us	
Dispatch - Business Line	**562-2511**
Dispatch Fax	**562-7126**
Watch Commander's Office	562-7127
Bubble	562-7128
Fire Quarters	562-7129
Conference Room	562-7124
Detective's Office	562-4738
Evidence	562-4159

FINANCE DEPARTMENT	
Tamara Laken - Director	562-7104
tlaken@lindsay.ca.us	
Michele Wilkinson - Risk Management	562-5927
mwilkinson@lindsay.ca.us	
Sandy Perez - Payroll	562-7108
sperez@lindsay.ca.us	
Raquel Lule - Accounts Payable	562-7512
rlule@lindsay.ca.us	
Yolanda Jenson - Customer Service	562-7107
yjenson@lindsay.ca.us	
Adriana Andrade - Utility Billing/Housing	562-7106
andrade@lindsay.ca.us	

WELLNESS CENTER	
Marie Arroyo	562-5196
marroyo@lindsay.ca.us	
Lifeguards - Pool	562-3657

PLANNING & ECONOMIC DEVELOPMENT	
Bill Zigler - Director	562-7117
wzigler@lindsay.ca.us	
Comm Dev Conference Room	562-6550
Fax	562-7139

CITY SERVICES	
Mike Camarena - Director	562-7141
engineering@lindsay.ca.us	
Neyba Amezcua-Engineering Tech/Projects Mgr	562-7119
namezcua@lindsay.ca.us	
David Boyd - Engineering Tech	562-7116
cityservices@lindsay.ca.us	
Mari De La Fuente - Customer Service	562-5982
mdelafuente@lindsay.ca.us	
Becky Murphy-Housing Specalist / Permits	562-5945
comdev@lindsay.ca.us	
Joseph Avina - Supervisor Field Services	239-5667
javina@lindsay.ca.us	
fax	562-5748

McDERMONT / RECREATION /AFS	
McDermont Field House (Front Desk)	562-3326
Clint Ashcraft - Director	
cashcraft@lindsay.ca.us	
Janie Castro - Department Manager	562-3326
jcastro@lindsay.ca.us	
Recreation - Cassie Manning	562-3326
cmanning@lindsay.ca.us	
After School - Red Zone: Tim Culver	562-3326
tculver77@yahoo.com	

CHAMBER OF COMMERCE	
Office - Yuni Loya	562-4929
Director Virginia Loya	333-1994
Fax	562-5219
lindsaychamber@lindsay.ca.us	

MAINTENANCE YARD	
Office	562-7119
Shop	562-7130
Water Plant	562-7131
Waste Water	562-7132
Lindsay Libraray	562-3021

6/25/2012

Lindsay City Census 2010 Data - Population

Lindsay city

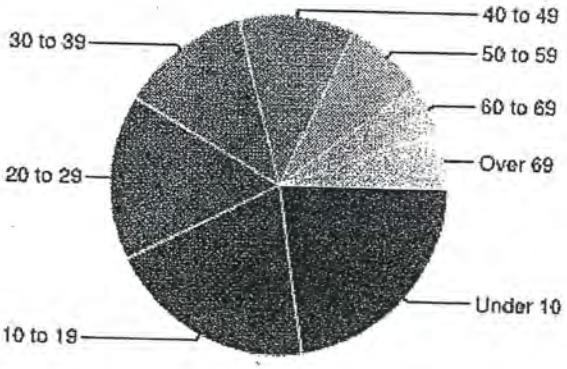
Population Growth: Census 2000 to Census 2010

According to Lindsay city Census 2010 results, the population of the area was approximately 11,768 people. From 2000 to 2010, the Lindsay city population growth percentage was 14.3% (or from 10,297 people to 11,768 people).

Population Growth	
2000 Population	10,297
2010 Population	11,768
Population Growth	14.3%

Lindsay city

2010 Population by Age



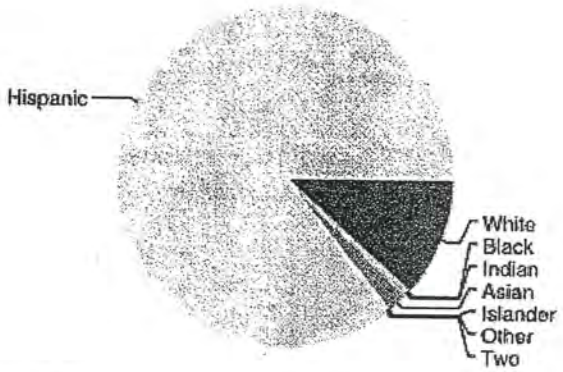
	%
Under 10 Years	22.4%
10 to 19 Years	20.1%
20 to 29 Years	15.7%
30 to 39 Years	12.5%
40 to 49 Years	11.3%
50 to 59 Years	7.8%
60 to 69 Years	4.9%
Over 69 Years	5.3%

Source: www.cubitplanning.com

Lindsay city

Census 2010 Race Data

Census 2010 race data for Lindsay city include the racial breakdown percentages of 0.2% black, 2.1% Asian and 85.5% Hispanic.

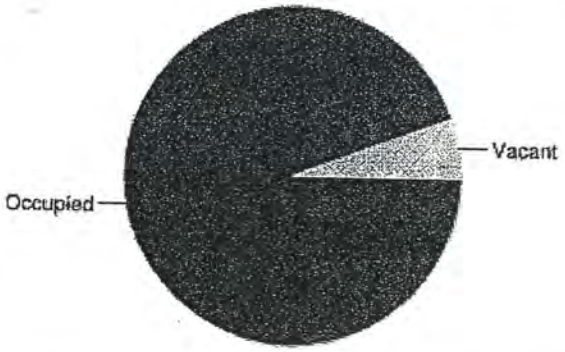


Non-Hispanic	
White	11.5
Black	0.2
Indian	0.3
Asian	2.1
Islander	0.0
Other	0.1
Two	0.3
Hispanic	85.5

Lindsay city

2010 Housing Units: Occupied versus Vacant

There were 3,193 housing units in Lindsay city, 94.4% of which were occupied housing units.



Housing Units: Occupied vs Vacant	
Occupied housing units	94.4%
Vacant housing units	5.6%

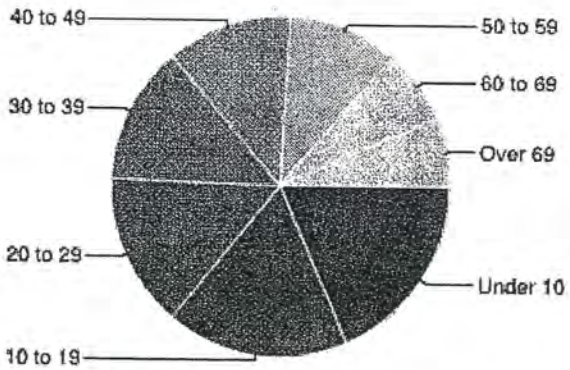
Tulare County
Census 2010 Data: Population

Tulare County
Population Growth: Census 2000 to Census 2010

According to Tulare County Census 2010 results, the population of the area was approximately 442,179 people. From 2000 to 2010, the Tulare County population growth percentage was 20.2% (or from 368,021 people to 442,179 people).

	2000	2010
Population Growth		
2000 Population		368,021
2010 Population		442,179
Population Growth		20.2%

Tulare County
2010 Population by Age



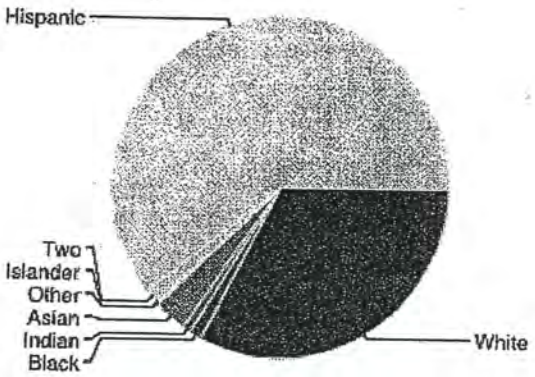
	%
Under 10 Years	18.3%
10 to 19 Years	17.6%
20 to 29 Years	14.6%
30 to 39 Years	13.0%
40 to 49 Years	12.2%
50 to 59 Years	10.6%
60 to 69 Years	7.1%
Over 69 Years	6.5%

Source:
www.cubitplanning.com

Tulare County

Census 2010 Race Data

Census 2010 race data for Tulare County include the racial breakdown percentages of 1.2% black, 3.2% Asian and 60.6% Hispanic.

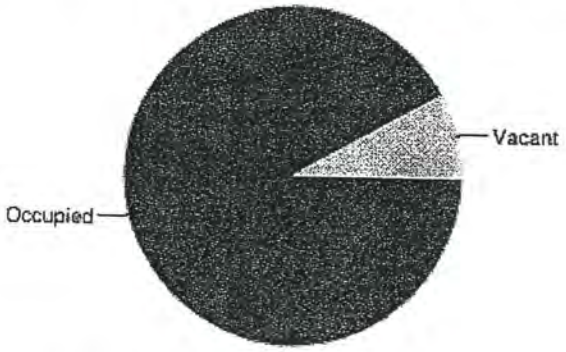


Non-Hispanic	
White	32.6
Black	1.2
Indian	0.8
Asian	3.2
Islander	0.1
Other	0.1
Two	1.4
Hispanic	60.6

Tulare County

2010 Housing Units: Occupied versus Vacant

There were 141,696 housing units in Tulare County, 92.0% of which were occupied housing units.



Housing Units: Occupied vs Vacant

Occupied housing units	92.0%
Vacant housing units	8.0%

California Census 2010 Data - Population

California

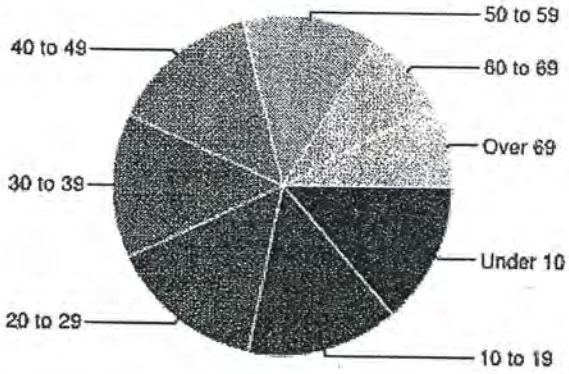
Population Growth: Census 2000 to Census 2010

According to California Census 2010 results, the population of the area was approximately 37,253,956 people. From 2000 to 2010, the California population growth percentage was 10.0% (or from 33,871,648 people to 37,253,956 people).

Population Growth	
2000 Population	33,871,648
2010 Population	37,253,956
Population Growth	10.0%

California

2010 Population by Age



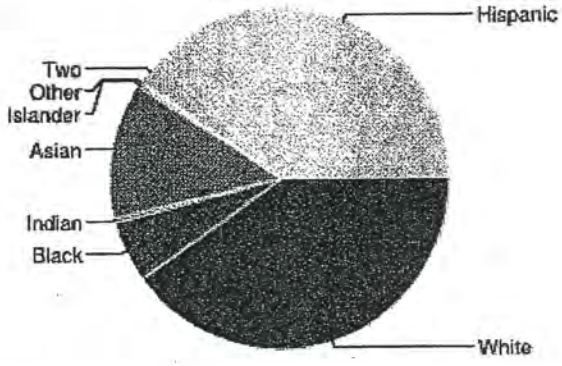
	%
Under 10 Years	13.5%
10 to 19 Years	14.5%
20 to 29 Years	14.8%
30 to 39 Years	13.8%
40 to 49 Years	14.2%
50 to 59 Years	12.8%
60 to 69 Years	8.4%
Over 69 Years	7.9%

Source: www.cubitplanning.com

California

Census 2010 Race Data

Census 2010 race data for California include the racial breakdown percentages of 5.8% black, 12.8% Asian and 37.6% Hispanic.

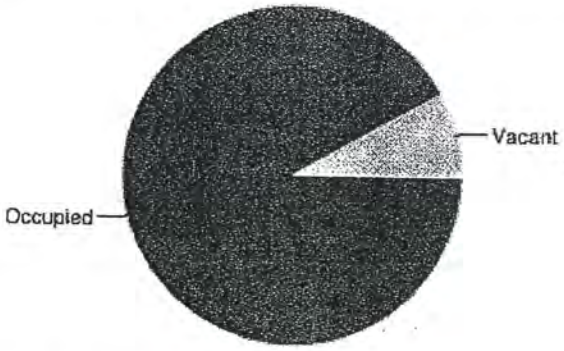


Non-Hispanic	
White	40.1
Black	5.8
Indian	0.4
Asian	12.8
Islander	0.3
Other	0.2
Two	2.6
Hispanic	37.6

California

2010 Housing Units: Occupied versus Vacant

There were 13,680,081 housing units in California, 91.9% of which were occupied housing units.



Housing Units: Occupied vs Vacant

Occupied housing units	91.9%
Vacant housing units	8.1%

GLOSSARY

GLOSSARY OF TERMS

Absentee Owner: Property owner who owns property at one location, but lives or operates a business at another location.

Accountability: Being obligated to explain one's actions, to justify what one does. Accountability requires governments to answer to the citizenry—to justify the raising of public resources and the purposes for which they are used. Governmental accountability is based on the belief that the citizenry has a "right to know," and a right to receive openly declared facts that may lead to public debate by citizens and their elected representatives.

Accrual Basis of Accounting: A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

Accrued Interest: The accumulated interest due on a bond or loan as of the last interest payment made by the issuer.

Accumulated Depreciation: A valuation account to record the accumulation of periodic credits made to record the expiration of the estimated service life of fixed assets.

Activity: A specific and distinguishable service performed by one or more organizational components of a government to accomplish a function for which the government is responsible (e.g., *police* is an activity within the *public safety* function).

Actuarial Accrued Liability: Term used in connection with defined benefit pension plans. That portion, as determined by a particular actuarial cost method, of the actuarial present value of pension plan benefits and expenses which are not provided for by future normal costs.

Actuarial Assumptions: Term used in connection with defined benefit pension plans. Assumptions as to the occurrence of future events affecting pension costs, such as: mortality, withdrawal, disability and retirement; changes in compensation and government-provided pension benefits; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the actuarial value of assets; characteristics of future entrants for open group actuarial cost methods; and other relevant items.

Actuarial Cost Method: Term used in connection with defined benefit pension plans. A procedure for determining the actuarial present value of pension benefits and expenses and for developing an actuarially equivalent allocation of such value to time periods, usually in the form of a normal cost and an actuarial accrued liability.

Actuarial Value of Assets: Term used in connection with defined benefit pension plans. The value of cash, investments, and other property belonging to a pension plan, as used by the actuary for the purpose of an actuarial valuation. The actuarial value of assets, which may represent an average value over time, normally differs from the amount reported in the financial statements, which is a point-in-time measure (i.e., as of the date of the statement of net assets).

Ad Valorem Tax: A tax assessed based on the dollar value of an item or activity. Typical examples are property taxes and sales taxes. Ad valorem taxes, contrast with per-unit taxes, such as alcoholic beverage and cigarette taxes, which are assessed at a fixed dollar per unit purchased.

Administrative Budget: Within the context of AB1X 26, this budget covers the administrative costs of Successor Agencies to the former dissolved Redevelopment Agencies.

Adopted Budget: The official budget as approved by the Lindsay City Council at the start of each fiscal year.

Advance Refunding: A transaction in which new debt is issued to provide monies to pay interest on old, outstanding debt as it becomes due, and to pay the principal on the old debt either as it matures or at an earlier call date. An advance refunding occurs before the maturity or call date of the old debt, and the proceeds of the new debt are invested until the maturity or call date of the old debt. Most advanced refundings result in defeasance of debt.

Agency: A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSA's) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of a federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Agency Fund: One of the types of a Fiduciary Fund Type. Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). Agency Funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Example: Plainview Water District

AIMS - Acclamation Insurance Management Services: Third-party adjuster that administers all workmen's compensation and liability claims on behalf of the City.

Amortization: The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Annual Appropriated Budget: The expenditure authority and related estimated revenues created by the appropriation bills or ordinances that are approved by the Lindsay City Council and signed into law by the Mayor. The annual appropriated budget would include all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes.

Annual Required Contribution (ARC): Term used in connection with defined benefit pension plans. The employer's mandated contribution for the year, calculated in accordance with certain parameters. The parameters include requirements for the frequency and timing of actuarial valuations as well as for the actuarial methods and assumptions that are acceptable for financial reporting.

Appropriation: A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

Assessed Valuation: A valuation set upon real estate or other property by a government as a basis for levying taxes. Assessed value multiplied by the tax rate determines the property tax.

Assessment District. A defined area of land which will be benefited by the acquisition, construction or maintenance of a public improvement. An assessment district is not a separate government entity.

Audit: A review of the City's accounts by an independent auditing firm to substantiate year-end fund balances, reserves, cash on hand, revenues, and expenditures.

Availability Criterion: Principle of the modified accrual basis of accounting according to which revenues may only be recognized when they are collectible within the current period or soon enough thereafter to be used to pay liabilities.

Availability Period: A specified period immediately following the close of the fiscal year by the end of which cash must be collected for related revenue to be recognized in accordance with the availability criterion of modified accrual accounting (the City of Lindsay period is July 1st thru August 31st).

Basis of Accounting: The time of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes. For example, the effects of transactions or events can be recognized on an accrual basis (that is, when the transactions or events take place), or on a cash basis (that is, when cash is received or paid). Basis of accounting is an essential part of measurement focus because a particular timing of recognition is necessary to accomplish a particular measurement focus.

Betterment: An addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity. The cost of the addition or change is added to the book value of the asset. The term "improvement' is preferred.

Bid: The indicated price at which a buyer is willing to purchase a security or commodity.

Blighted Areas: Areas and/or structures of a community which constitute either physical, social, or economic liabilities requiring redevelopment in the interest of health, safety, and general welfare of the people of the community and the state.

Book Value: The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Bond: A written promise to pay a specific sum of money called the face value or principal amount, at a specified date or dates in the future, called maturity date(s), together with periodic interest at a specified rate. The difference between a note and a bond is that the latter runs for a period of time and requires greater legal formality.

Bond Resolution: A legal order or contract by a governmental unit to authorize a bond issue. A bond resolution carefully details the rights of the bondholders and the obligations of the issuer.

Broker: A broker brings buyers and sellers together for a commission. He or she does not take a position.

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. It can designate the financial plan presented to the appropriating body for adoption or the plan finally approved by that body.

Budget Document: The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body. The budget document usually consists of three parts. The first part contains a message from the budget-making authority, together with a summary of the significant financial data supporting the summary. These schedules show in detail the information as to past years' actual revenues, expenditures and other data used in making estimates. The third part is composed of drafts of the appropriation, revenue and borrowing measures necessary to put the budget in effect.

Budget Message: A general discussion of the annual budget as presented in writing by the budget-making authority to the legislative body. The budget message should contain an outline of the government's experience during the past period of financial reporting and its financial status at the time of message, and recommendations regarding the financial policy for the coming period.

Budgetary Control: The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Business-Type Activities: One of two classes of activities reported in the government-wide financial statements. Business-type activities are financed in whole or part by fees charged to external parties for goods or services. These activities are usually reported in Enterprise Funds.

California State Board of Equalization (BOE): California state agency responsible for the collection and administration of the state's sales and use, alcohol, tobacco, and other taxes. In addition the BOE determines the assessed value of certain properties and oversees property tax assessment practices of county assessors.

California State Controller: The Controller is the Chief Fiscal Officer of the state and is elected every four years. The controller is responsible to: account and disburse all state funds; determine the legality and accuracy of claims against the state; pay the state's bills; audit and process all personnel and state payroll transactions; audit various state and local government programs; administer the Unclaimed Property Law; and inform the public of financial transactions of city, county and district governments.

Capital and Related Financing Activities: Term used in connection with cash flows reporting. Capital and related financing activities include (a) acquiring and disposing of capital assets used in providing services or producing goods, (b) borrowing money for acquiring, constructing, or improving capital assets and repaying the amounts borrowed, including interest, and (c) paying for capital assets obtained from vendors on credit.

Capital Assets: Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Capital Expenditure: A Capital Expenditure is an outlay of funds for fixed assets, including land, buildings, machinery, equipment, construction in progress, design in progress, improvements and infrastructure with an original cost of $5,000 or more.

Capital Improvements Plan (CIP): A plan for capital expenditure to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program of the City. It sets forth each project or
other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

Capital Improvement Projects (CIP) Fund : A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, special assessment funds, and trust funds).

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a certificate. Large denomination CD's are typically negotiable.

Capital Outlay: A budget category which includes all equipment having a unit cost of more than $500 and a useful life of more than one year.

Cash: The term, used in connection with cash flow reporting, includes not only currency on hand, but also demand deposits with banks or other financial institutions. *Cash* also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposit accounts in that the governmental enterprise may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

Cash Sale/Purchase: A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Categorical Grant: Grant typically allocated either to qualifying applicants according to a formula or to applicants competing for project grants through an application process. Categorical grants are the most common form of federal aid.

CJSVRMA - Central San Joaquin Valley Risk Management Authority: Joint Powers Authority (JPA) to which the City is a member, along with 53 other Central Valley cities, for the purposed of pooling assets and sharing liability for workmen's compensation and liability claims administration.

Collateral: Term used in connection with deposits with financial institutions. Security pledged by a financial institution to a governmental entity for its deposit.

Component Unit: A legally separate organization for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

Consumer Price Index (CPI): A statistical description of price levels provided by the U.S. Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.

Contributed Capital: This equity is obtained from other sources (e.g., capital grants). Thus it is somewhat like "capital stock" and "paid-in-capital in excess of par" for private enterprises. Proprietary fund equity is divided into "contributed capital" and "retained earnings."

Cost-Reimbursement Basis: Term used in connection with internal service funds. The setting of charges so that costs are systematically recovered on a break-even basis over time.

County Assessor: An elected official whose main duty is to set values on real property for the purpose of taxation within the county. The Assessor is responsible for the creation and maintenance of assessor parcels from final subdivisions, parcel maps, lot line adjustments, record of survey, deeds and miscellaneous documents.

County Auditor-Controller: The chief accounting officer of the county established to provide various accounting and property tax administration services to the county and other local governments within the county. The Auditor-Controller is responsible for budget control, disbursements and receipts, financial reporting, and for audits of certain agencies within the county. Auditor-Controllers are nonpartisan elected officials serving four year terms.

County Treasurer-Tax Collector: Administers the billing, collection, and reporting of property tax revenues and conducts Tax Defaulted Property Sales for real property tax delinquencies remaining after five years. Treasurer-Tax Collectors are nonpartisan elected officials serving four-year terms.

Credit Quality: The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current: A term which, applied to budgeting and accounting, designates the operation of the present fiscal period as opposed to past or future periods. It usually connotes financial resources likely to be used or converted into cash within one year.

Current Yield (Current Return): A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his or her own account.

Debt Financing: Issuance of bonds and other debt instruments to finance municipal improvements and services.

Debt Instrument: Written pledge to repay debt such as bills, notes and bonds.

Debt Service: Payment of principal and interest on long-term indebtedness.

Debt Limit: The maximum amount of gross or net debt that is legally permitted.

Debt Service Fund: Governmental Fund Type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deferred Revenues: Resource inflows that do not yet meet the criteria for revenue recognition. Unearned amounts are always reported as deferred revenue. In governmental funds, earned amounts also are reported as deferred revenue until they are available to liquidate liabilities of the current period.

Deficit: (1) The excess of liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period, or in the case of proprietary funds, the excess of expenses over income during an accounting period.

Defined Benefit Pension Plan: A pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specified usually is a function of one or more factors such as age, years of service, and compensation.

Department: An organizational unit comprised of divisions or programs. It is the basic unit of service responsible for encompassing a broad mandate of related activities.

Depreciation: The expiration in the service life of fixed assets, other than wasting assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence. (2) The portion of the cost of a fixed asset other than a wasting asset which is charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, is charged with a portion of such cost. Through this process, the entire cost of asset is ultimately charged off as an expense.

Development Impact Fees: Fees placed on the development of land or conditions required for the approval of a development project such as the donation ("dedication" or "exaction") of certain lands (or money) to specific public uses. The fees are typically justified as an offset to the future impact that development will have on existing infrastructure.

Direct Costing: Term used in connection with the valuation of capital assets. Use of source data (e.g., invoices) to establish the historical cost of a capital asset.

Documentary Transfer Tax: Tax imposed on documents recorded in the transfer of ownership in real estate as distinguished from a Real Property Transfer Tax which may only be imposed by Charter Cities.

Duration: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Earmarked Funds: Funds that have been tagged or "earmarked" for a specific purpose.

Economic Resources Measurement Focus: Measurement focus under which the aim of a set of financial

statements is to report all inflows, outflows, and balances affecting or reflecting an entity's net assets. The economic resources measurement focus is used for proprietary and fiduciary funds, as well as for government-wide financial reporting. It also is used by business enterprises and not-for-profit organizations in the private sector.

Effectiveness: Term used in connection with the evaluation of internal controls and performance measurement. The degree to which an entity, program, or procedure is successful in achieving its goals and objectives.

Efficiency: Term used in connection with the evaluation of internal controls and performance measurement. The degree to which an entity, program, or procedure is successful at achieving its goals and objectives with the least use of scarce resources. Efficiency necessarily presupposes effectiveness.

Eminent Domain: Authority of a government agency to acquire property for public purposes (not to be confused with meaning public buildings and improvements only). Also known as condemnation.

Encumbrances: Commitments related to unperformed contracts for goods and services.

Enforceable Obligation: Obligations of the former Redevelopment Agency to be paid by the Successor Agency. Enforceable Obligations include: Bonds. Loans borrowed by the redevelopment agency for a lawful purpose, including money borrowed from the Low and Moderate Income Housing Fund to the extent they are legally required to be paid pursuant of a required repayment schedule. Payments required to the federal government, preexisting obligations to the State or obligations imposed by state law, or legally enforceable payments required in connection with the agencies' employees. Tax sharing payments are not Enforceable Obligations as they will be paid by the County Auditor-Controller. Judgments or settlements entered by a competent court of law or binding arbitration. Any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy. Contracts or agreements necessary for the continued administration or operation of the redevelopment agency including agreements to purchase or rent office space, equipment, supplies and pay-related expenses. Amounts borrowed from or payments owed to the Low and Moderate Income Housing Fund that had been deferred as of the effective date of Part 1.9 provided that the repayment schedule is approved by the Oversight Board.

Enforceable Obligations do not include any agreements, contracts or arrangements between the community and the former Redevelopment Agency except (1) written agreements entered at the time of issuance and not later than December 31, 2010, and loan agreements within two years of creating the Redevelopment Agency or project area (Health and Safety Code 34167(d) & 3417(d).

Enforceable Obligations Payment Schedule (EOPS): A list of legally enforceable financial obligations of the former Redevelopment Agency. The Enforcement Obligations Payment Schedule (EOPS) must include the project name associated with the obligations; payee; short description of the nature of the work, product, service, facility, or other thing of value for which payment is to be made and the amount of payments obligated by month. Payment schedules for bonds and employee agreements may be aggregated. The Schedule had to be adopted at a public meeting of the Redevelopment Agency and posted on the Redevelopment Agency's web site. The schedule may be amended at any public meeting. The Enforcement Obligations Payment Schedule (EOPS) had to be transmitted by mail or electronic means to the County Auditor-Controller and the Department of Finance (DOF).

Enterprise Fund: This fund type accounts for operations that are financed and run like a private business. It enables the governing body to provide goods or services to the general public on a continuing basis through user charges.

Excise Tax: Tax placed on a person for a voluntary act, making the tax avoidable. It includes sales and use tax, business license tax, transient occupancy tax (TOT) utility users tax, etc. Phrase "excise tax" is most commonly used to refer to a parcel tax.

Exemption: The exclusion from the tax base of certain types of transactions or objects. For example, federally owned land is exempt from property taxes.

Expenditures: Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service and capital outlays. It includes the measurement focus classified as *other financing uses*.

Fair Value: Term used in connection with the valuation of investments. The amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Deposit Insurance Corporation (FDIC): A Federal agency that insures bank deposits, currently up to $250,000 per deposit.

Federal Accounting Standards Advisory Board: Authoritative standard-setting body responsible for establishing Generally Accepted Accounting Principles (GAAP) for the federal government.

Federal Funds (Fed Funds): Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Federal Funds Rate: Interest rate charged by one institution lending federal funds to the other.

Federal Reserve System: The central bank of the United States created by Congress and consisting of a sevenmember Board of Governors in Washington, D.C.; 12 regional banks and about 5,700 commercial banks are members of the system.

Fee: A charge to the consumer for the cost of providing a particular service. California government fees may not exceed the estimated reasonable cost of providing the particular service or facility for which the fee is charged, plus overhead.

Fiduciary Funds: Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The Fiduciary Fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and agency funds.

Final Amended Budget: Term used in connection with budgetary reporting. The original budget adjusted by all reserves, transfers, allocations, supplementary appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

Financial Accountability: Term used in connection with the definition of the financial reporting entity. The level of accountability that exists if a primary government appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or jointly appointed board that is financially dependent on the primary government.

Financial Accounting Standards Board (FASB): The authoritative accounting and reporting standard-setting body for business enterprises and not-for-profit organizations. The FASB is the direct successor of the Committee on Accounting Procedure and the Accounting Principles Board. The GASB and its predecessors have elected to apply a number of FASB's standards, as well as those of its predecessors, to state and local governments.

Financial Audits: Audits designed to provide independent assurance of the fair presentation of financial information.

Financial Resources: Resources that are or will become available for spending. Financial resources include cash and resources ordinarily expected to be converted to cash (e.g., receivables, investments). Financial resources also may include inventories and pre-paids (because they obviate the need to expend current available financial resources).

Finding: Term used in conjunction with public-sector auditing. Published communication of an internal control weakness or instance of noncompliance in connection with an audit conducted in accordance with GAGAS.

Fines, Forfeitures and Penalties: Revenues received and/or bail monies forfeited upon conviction of a misdemeanor or municipal infraction.

Fiscal Accountability: The responsibility of governments to justify that the actions in the current period have complied with public decisions concerning the raising and spending of public moneys in the short

term (usually one budgetary cycle or one year). This term is used in contrast to *operational accountability*.

Fiscal Funding Clause: Term used in connection with capital leases. A clause in a lease agreement that generally provides that the lease is cancelable if the City Council or other funding authority does not appropriate the funds necessary for the government unit to fulfill its obligations under the lease agreement.

Fiscal Year: A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operation. Nearly all city fiscal years begin on July 1 and end June 30 of the following year.

Five percent Criterion: Second of two tests used to determine whether a given governmental fund or enterprise fund must be reported as a major fund in the basic financial statements. This test is applied to the combined total assets, liabilities, revenues or expenses/expenditures of all governmental and enterprise funds for which the 10 % criterion has been met.

Fixed Assets: Assets of a long-term nature which are intended to continue to be held or used such as land, buildings, improvements other than buildings, machinery, and equipment.

Former Redevelopment Agency: A Redevelopment Agency that has been dissolved in accordance with AB1X26.

Franchise Act of 1937: Like the Broughton Act, restricts franchise collections to 2% of gross annual receipts, but includes a minimum fee of 2% of gross annual receipts, and includes a minimum fee of ½% of gross annual receipts for electric franchises or 1% of gross annual receipts for gas or water franchises operating within the City limits.

Franchise Fee: A fee levied upon utilities operating within the City limits which is based upon the gross revenueof the utility.

Full Accrual: This accounting method recognizes transactions and events as revenues/gains and expenses/losses when they occur, regardless of the timing of related cash flows. Proprietary funds rely upon this accounting method. In contrast, governmental funds rely upon "modified accrual" accounting.

Full Faith and Credit: Pledge by issuer of general obligation to bondholders that issuer "guarantees all available funds" be used to pay bondholders should the project go into default.

Function: A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., *public safety*).

Functional Revenue: Revenues that can be associated with and allocated to one or more expenditure function and which meet one of the following criteria: (1) the revenue is generated from direct services, such as revenue from fees or charges; (2) the revenue associated with a specific service by external requirements, such as grant conditions, bond sale agreements, or statutory or charter requirements.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance: The difference between assets and liabilities reported in a Governmental Fund.

Fund Classifications: One of three categories (Governmental, Proprietary, and Fiduciary) used to classify account fund types.

Fund Type: One of 11 classifications into which all individual funds can be categorized. Governmental Fund Types include the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, and Permanent Funds. Proprietary Fund Types include Enterprise Funds and Internal Service Funds. Fiduciary Fund Types include Pension (and other employee benefit) Trust Funds, Investment Trust Funds, Private- Purpose Trust Funds, and Agency Funds.

General Fixed Assets: Fixed assets used in operations accounted for in governmental funds. General Fixed Assets include all fixed assets not accounted for in proprietary funds or in trust and agency funds.

General Fund: The General Fund is one of five Governmental Fund Types and typically serves as the chief operating fund of a government. This fund is used to account for all financial resources except those required to be accounted for in another fund.

General Law City: A city that has not adopted a charter and is therefore bound by the State's general laws, even with respect to municipal affairs. In contrast, charter cities have authority over "municipal affairs," trumping state law governing the same topic.

General Obligation (GO) Bonds: Bonds for the payment of which the full faith and credit of the issuing government are pledged.

General Revenues: All revenues that are not required to be reported as program revenues. All taxes, even those that are levied for a specific purpose, are general revenues and should be reported by the type of tax---for example, sales tax, property tax, franchise tax, income tax. All other non-tax revenues (including interest, grants, and contributions) that do not meet the criteria to be reported as program revenues should also be reported as general revenues.

General Tax: A tax imposed for general governmental purposes, the proceeds of which are deposited into the General Fund. A majority vote of the electorate is required to impose, extend or increase any general tax.

Generally Accepted Accounting Principles (GAAP): The conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements. The various sources of GAAP for state and local government are set forth by SAS NO. 69, *The Meaning of "Present in Conformity with Generally Accepted Accounting Principles" in Independent Auditor's Report.*

Generally Accepted Government Auditing Standards (GAGAS): Standards for the conduct and reporting of both financial and performance audits in the public sector. The General Accounting Office promulgates GAGAS through its publication *Government Auditing Standards*, commonly known as the *Yellow Book*. The basic GAGAS standards are classed into three broad categories: general standards, fieldwork standards, and reporting standards. The general standards of GAGAS establish separate fieldwork and reporting standards for financial audits and performance audits. The fieldwork standards and reporting standards used for financial audits build upon the standards of fieldwork and the standards of reporting of GAGAS.

Governmental Accounting Standards Board (GASB): The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. GASB was established in June 1984 to replace National Council on Government Accounting (NCGA).

Governmental Activities: Activities generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in governmental funds and internal service funds.

Governmental Funds: Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, and Permanent Funds.

Grants: Contributions of cash or other assets from another governmental agency to be used or expended for a specific purpose, activity or facility.

Homeowner's Property Tax Relief: Revenue from the state to offset city loss of property tax for state-imposed $7,000 per dwelling homeowner exemption.

Improvement: An addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its capacity. The cost of the addition or change is added to the book value of the asset.

Improvement Bond Act of 1915: State law which allows cities, counties, and "public" districts to issue assessment bonds and bond anticipation notes. The Improvement Bond Act of 1915 Act does not authorize assessments.

Improvements Other than Buildings: A fixed asset account which reflects acquisition value of permanent improvements other than buildings, which add value to land. Examples of such improvements are fences, retaining walls, sidewalks, pavements, gutters, tunnels, and bridges.

Indebtedness Obligation: Under Health and Safety Code Section 3417(e), Indebtedness Obligation means bonds, notes, certificates of participation (COP), or other evidence of indebtedness issued or delivered by the (former) Redevelopment Agency, or by a joint exercise of powers authority to third-party investors or bondholders to finance redevelopment Projects.

Independent Auditor: Auditors who are independent, both in fact and appearance, of the entities they audit. Both GAAS and GAGAS set specific criteria that must be met for an auditor to be considered to be independent.

Indirect Expenses: Expenses that cannot be specifically associated with a given service, program, or department and thus, cannot be clearly associated with a particular functional category.

Infrastructure: Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

Interfund Transfers: Flows of assets (such as cash or goods) between funds and blended component units of the City of Lindsay without equivalent flows of assets in return and without a requirement for repayment. (Transfer Out – Transfer In)

Internal Control Framework: An integrated set of policies and procedures designed to assist management to achieve its goals and objectives. To be truly comprehensive, a government's internal control framework must (a) provide a favorable control environment, (b) provide for the continuing assessment of risk, (c) must provide for the design, implementation, and maintenance of effective control-related policies and procedures, (d) must provide for the effective communication of information, and (e) must provide for the on-going monitoring of the effectiveness of control-related policies and procedures as well as the resolution of potential problems identified by controls.

Internal Service Funds: Proprietary Fund Type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

Inventory: A detailed list showing quantities, descriptions and values of property, and, frequently, units of measure and unit prices.

Investments: Securities and real estate held for the production of revenues in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Investment Activities: Term used in connection with cash flows reporting. Investing activities include making and collecting loans (except program loans) and acquiring and disposing of debt or equity instruments.

Investment Earnings: Revenue earned from the investment of idle public funds.

Investment Policy: A concise and clear statement of the objectives and parameters by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

Joint Powers Authority (JPA): The Joint Exercise of Powers Act authorizes local public agencies to exercise common powers and to form joint powers authorities ("JPA") for the purpose of jointly receiving or providing specific services. Example: CSJVRMA for Work Comp & Liability.

LAIF (Local Agency Investment Fund): A special fund in the State Treasury which local agencies may use to deposit funds for investment. State law prohibits LAIF from impounding any depositor's funds and prohibits the fund from declaring bankruptcy. The LAIF fund is highly liquid in addition to being considered one of the most conservative of all investments. State statutes define and authorize the permissible investments of the fund.

Land: A fixed asset account which reflects the cost of land owned by the City of Lindsay or the Successor Agency for the former Lindsay Redevelopment Agency.

Landscaping and Light Act of 1972: The 1972 Act lets cities, counties and special districts levy assessments for land purchase and the construction, operation, and maintenance of parks, landscaping, lighting, traffic signals and graffiti abatement.

Landscape and Lighting Assessment District (LLAD): An area of the City established in accordance with State law where residents pay an annual assessment for a service which specifically benefits them. This area of the law is

much broader in defining services eligible for funding than that portion of the law relating to Benefit Assessment Districts (BAD). As such, a broader range of services are funded by Landscaping and Lighting Assessment Districts including park maintenance, street lighting and graffiti removal.

Lapse Period: A specified time at the beginning of a given budget period during which encumbrances outstanding at the end of the prior budget period may be liquidated using the prior year's budgetary authority. Many governments avoid the use of a lapse period by automatically appropriating as part of each new budget an amount sufficient to cover encumbrances outstanding at the end of the prior budget period.

Levy: (Verb) To impose taxes, special assessments or service charges for the support of governmental activities; (noun) the total amount of taxes, and/or special assessments and/or service charges imposed by a governmental agency.

Licenses and Permits: Charge designated to reimburse City for costs of regulating activities being licensed, such as licensing of animals, bicycles, yard sales, etc.

Lien: A claim on assets, especially property, for the payment of taxes or utility service charges.

Limited Obligation Bonds: Similar to general obligation bonds except that security for the issuance is limited exactly to the revenues pledged in the bond statement and not to the full faith and credit of the City.

Liquidity: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be sold or purchased at those quotes.

Local Government Investment Pool: An investment by local governments in which their money is pooled as a method for managing local funds.

LUSD – Lindsay Unified School District: There are a number of joint-use agreements between the school district and the city that provides for facility sharing which significantly reduces the cost for both parties.

Machinery and Equipment: Tangible property of a more or less permanent nature, other than land or buildings, and improvements thereon. Examples are machinery, tools, trucks, automobiles, furniture, and furnishings.

Maintenance of Effort (MOE): A requirement, often as a condition of an intergovernmental subvention or supplemental tax, to maintain a level of spending at a certain level. Maintenance of Effort (MOE) requirements are intended to prevent or limit the use of the additional revenues to supplant existing revenues such that the new revenues result in an increase in the level of program spending and services.

Major Fund: A governmental fund or enterprise fund reported as a separate column in the basic fund financial statements. The General Fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 % of corresponding totals for all governmental or enterprise funds and at least five percent of the aggregate amount for all governmental and enterprise funds for the same item. Any other government or enterprise fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

Major Program: Term used in the context of Single Audits. As part of the Single Audit, the independent auditor must gain an understanding of internal controls over compliance for each major federal award program and then test those controls. In addition, the independent auditor must render an opinion on whether the government complied with laws, regulations, and provisions of controls or grant agreements that could have a direct and material effect on each federal award program

Market-Based Pricing: Recent trend in pricing public services which uses the marketplace to regulate individual consumer behaviors consistent with overall societal goals by including the true cost of the service on society.

Market Risk: The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value: (1) What a willing seller could reasonably expect to receive if he or she were to sell the property

on the open market to a willing buyer; (2) current market price of a security.

Marks-Roos Bonds: Bonds authorized by the Marks-Roos Local Bond Pooling Act of 1985 which provide local agencies with flexible financing powers through participation in joint powers authorities.

Matching Requirement: A requirement that a grant recipient contribute resources to a program that equals or exceed a predetermined percentage of amounts provided by the grantor.

Material Weakness: A reportable condition (internal control weakness) of such magnitude that it could potentially result in material misstatement of financial statements.

Materiality: The magnitude of an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement. The objective of accountability in governmental financial reporting adds another perspective to materiality. Specifically, accountability requires materiality to be judged not only in a quantitative manner but also in a qualitative manner. That is, accountability involves such issues as legal and contractual compliance that may not have a "material" effect on the entity's reported operating results and financial position, but that would influence or change the judgment of a reasonable person about how the government has conducted its affairs during the period.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Measure R (2006): ½ cent sales tax passed by Tulare County residents to address major transportation needs within the County; local jurisdictions receive a monthly discretionary portion based on gas taxes collected within their boundaries; other major transportation improvement projects may be submitted to the Tulare County Association of Governments (TCAG), the governing body, for funding consideration.

Measurement Focus: The objective of a measurement, that is, what is being expressed in reporting an entity's financial performance and position. A particular measurement focus is accomplished by considering not only which resources, but also when the effects of transactions or events involving those resources are recognized (the basis of accounting). The measurement focus of government-wide financial statements, Proprietary Fund financial statements, and Fiduciary Fund financial statements is economic resources. The measurement focus of Governmental Fund financial statements is current financial resources.

Mello-Roos Bonds: Bonds allowing cities, counties, school districts and special districts to finance certain public capital facilities and services, especially in developing areas and areas undergoing rehabilitation. Property owners in the Mello-Roos district pay an annual special tax which is included on the property tax bill.

Mello-Roos Community Facilities Tax: Special non ad valorem tax imposed to finance public capital facilities and services in connection with new development.

Modified Accrual Basis: The accrual basis of accounting adapted to the Governmental Fund Type-Spending Measurement Focus. Under it, revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are recognized when the related fund liability is incurred except for the following: (1) inventories of materials and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay and other employee benefit amounts which need to be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; (4) interest on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earnings on special assessment levies; and (5) principal and interest on long-term debts which are generally recognized when due. All government funds and expendable trust funds are accounted for using the modified accrual basis of accounting.

Money Market Investment: A short-term, highly liquid debt instrument, including commercial paper, bankers acceptances, and U.S. Treasury and agency obligations. Asset-backed securities, derivatives, and structured notes are not included in this term.

Motor Vehicle License Fee (VLF): The motor vehicle license fee (VLF) is a fee for the privilege of operating a vehicle on public streets. The VLF is levied annually at 2% of the market value of motor

vehicles and is imposed by the state "in lieu" of local property taxes. VLF is also called Motor Vehicle In-Lieu Tax.

Municipal Facilities Development Impact Fee: A development impact fee levied upon new development to offset the impact that new development has upon specific City facilities and services.

National Association of Securities Dealers (NASD): A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

National Council on Governmental Accounting (NCGA): The immediate predecessor of the GASB as the authoritative accounting and financial reporting standard-setting body for state and local governments. The NCGA issued seven statements and 11 interpretations prior to its dissolution in June 1984. These statements and interpretations remain in effect unless superseded by a subsequent GASB pronouncement.

Negotiated Sale: What the price to be paid for land and improvements is mutually agreed upon by buyer and seller.

Net Asset Value: The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which include securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio.

Net Income: Proprietary fund excess of operating revenues, non-operating revenues, operating transfers-in over operating expenses, non-operating expenses, and operating transfers-out.

Nominal Yield: The stated rate of interest that a bond pays its current owner, based on per value of the security. It is also known as the "coupon", "coupon rate", or "interest rate."

Non-Operating Revenues: Proprietary Fund revenues which are directly related to the funds primary service activities. They consist primarily of user charges for services.

Number of Funds Principle: The principle that only the minimum number of funds consistent with legal and operating requirements should be established, since unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration.

Offer: An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask Price."

Operating Activities: Term used in connection with cash flows reporting. Operating activities generally result from providing services and producing and delivering goods, and include all transactions and other events that are not defined as capital and related financing, non-capital financing, or investing activities.

Operating Income: The excess of proprietary fund operating revenues over operating expenses.

Operational Accountability: Governments' responsibility to report the extent to which they have met their operating objectives efficiently and effectively, using all resources available for this purpose, and whether they can continue to meet their objectives for the foreseeable future.

Original Budget: The first complete appropriated budget. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year. The original budget should also include actual appropriation amounts automatically carried over from prior years by law. For example, a legal provision may require the automatic rolling forward of appropriations to cover prior-year encumbrances.

Ordinance: A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a statute or a constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions which must be by ordinance and those which may be by resolution. Revenue raising measures such as the imposition of taxes, special assessments, and service charges universally require ordinances.

Other Financing Source: An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. The use of the *other financing sources* category is limited to items so classified by GAAP.

Other Financing Use: A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends. The use of the other financing uses category is limited to items so classified by GAAP.

Outcome Measures: Term used in connection with service efforts and accomplishments reporting. Indicators
that measure accomplishments or results that occur (at least partially) because of services provided. Results also include measure of public perceptions of outcomes.

Output Measures: Term used in connection with service efforts and accomplishments reporting. Indicators that measure the quantity of services provided. Output measures include both measures of the quantity of service provided and measures of the quantity of a service provided that meets a certain quality requirement.

Parcel Tax: Special non ad valorem tax on parcels of property generally based on either a flat per-parcel rate or a variable rate depending on the size, use and/or number of units on the parcel.

Pass Through Agreements: Agreements entered into by the former redevelopment agency (RDA) whereby some or all of the tax increment originating from a particular taxing agency is refunded.

Pension Plan: An arrangement for the provision of pension benefits in which all assets accumulated for the payment of benefits may legally be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined in the terms of the plan.

Pension Trend Data: Actuarially based data over time concerning the funding progress of a defined benefit pension plan and employer's actual and annual required contributions to the plan.

Performance Audit: Auditing designed to evaluate the effectiveness or efficiency of an organization, program, or activity.

Performance Measurement: Commonly used term for service efforts and accomplishments reporting.

Portfolio: Collection of investment securities held by the City of Lindsay.

Positive Yield Curve: A chart formation that illustrates short-term securities having lower yields than long-term securities.

Possessory Interest: Taxable private ownership of interest in tax-exempt public property.

Primary Government: Term used in connection with defining the financial reporting entity. A state government or general purpose local government such as the City of Lindsay is a primary government.

Prime Rate: A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal: The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Private-Purpose Trust Funds: A Fiduciary Trust Fund Type used to report all trust arrangements, other than those properly reported in Pension Trust Funds or Investment Trust Funds, under which principal and income benefit individuals, private organizations, or other governments.

Program: Group activities, operations or organizational units directed to attaining specific purposes or objectives.

Project Area: The area which is designated in the redevelopment plan for redevelopment and revitalization.

Property Related Fee: A levy imposed on a parcel or upon a person as an incident of property ownership for property-related service.

Property Tax: An ad valorem tax imposed on real property (land and permanently attached improvements) and tangible personal property (movable property).

Property Tax In Lieu of Vehicle License Fee (VLF): Property tax shares and revenues allocated to cities and counties beginning in FY2004-2005 as compensation for Vehicle License Fee (VLF) revenues previously allocated to cities and counties by the state.

Proposition 1A (2004): Voter approved state constitutional amendment protecting most major city, county and special district revenues from reduction or shifting by the State Legislature.

Proposition 1A (2006): Voter approved Constitutional amendment protecting the local allocation of state transportation sales tax revenues under Proposition 42 from reduction or shifting by the State Legislature.

Proposition 4 (1979): Also called the Gann Initiative. This initiative is now Article XIIIB of the State Constitution, was drafted to be a companion measure to Proposition 13, Article XIIIA of the Constitution. Article XIIIB limits growth in government spending to changes in population and inflation.

Proposition 8 (1978): An amendment to Proposition 13, passed in November 1978 to allow County Assessors to

recognize declines in value for property tax purposes. Revenue and Taxation Code Section 51 requires the Assessor to annually enroll either a property's Proposition 13 base year value factored for inflation, or its market value as of January 1st, whichever is less.

Proposition 13 (1978): Article XIIIA of the California Constitution, commonly known as Proposition 13, which limits the maximum annual increase of any ad valorem tax on real property to 1% of the full cash value of such property.

Proposition 42 (2002): Voter approved measure that directs the State Legislature to allocate revenues derived from the taxable sales of gasoline to certain transportation programs including cities and counties.

Proposition 98 (1990): This measure establishes a minimum level of funding for public schools and community colleges and provides that any state revenues in excess of the appropriations limit be spent on schools.

Proposition 111 (1994): Voter approved measure that increased the state Motor Vehicle Tax by $0.09 per gallon and made certain adjustments to the spending limits under Proposition 4 (1979).

Proposition 172 (1993): A 1993 measure which places a one-half cent sales tax for local public safety in the Constitution effective January 1, 1994. The tax is imposed by the state and distributed to cities and counties.

Proposition 218 (1996): A voter approved state Constitutional amendment, self-titled "Right to Vote on Taxes Act" expanded restrictions on local government revenue-raising, allowing voters to repeal or reduce taxes, assessments, fees, and charges through the initiative process; reiterating the requirement for voter approval for both "special taxes" and "general taxes," and imposing procedural and substantive limitations on assessments of real property and on certain types of fees.

Proprietary Funds: Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of Proprietary Funds: Enterprise Funds and Internal Service Funds.

Prudent Person Rule: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called—"legal list". In other states, the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

Principal: "Face or "par value" of an instrument. It does not include accrued interest.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity; on a bond, the current income return.

Real Property: Land and permanently attached improvements.

Redevelopment: Planning, development, re-planning, redesign, clearance, reconstruction, or rehabilitation of all or part of a project area.

Redevelopment Agency: The former legislative body of the City of Lindsay designated to act on behalf of the City to direct the redevelopment of designated areas of the City of Lindsay in order to remove urban blight and enhance economic development.

Recognized Obligation: Under AB1X 26, a Recognized Obligation is an obligation listed on the Recognized Obligation Payment Schedule.

Recognized Obligation Payments Schedule (ROPS): The Recognized Obligation Payment Schedule (ROPS) is the document that sets forth the minimum payment amounts and due dates of payments required by Enforceable Obligations for each six-month period. This Recognized Obligation Payment Schedule (ROPS) must be approved by the Oversight Board. Each January 16 and June 1, the County Auditor-Controller allocates revenue from the Redevelopment Property Tax Trust Fund (RPTTF) back to each Successor Agency for payments listed on the Recognized Obligations Payment Schedule (ROPS).

Redevelopment Obligation Retirement Fund: Accounting Fund created by the Successor Agency to the dissolved Redevelopment Agency that contains all of the assets of the former Redevelopment Agency.
Redevelopment Property Tax Trust Fund (RPTTF): The Dissolution Act requires the County Auditor-Controller to allocate moneys in the Redevelopment Agency Property Tax Fund (RPTTF) for each Redevelopment Agency to (1) pay pass-through payments to affected taxing entities in the amounts that would have been owed had the former Redevelopment Agency not been dissolved, (2) to enable the Successor Agency to pay enforceable obligations for the former Redevelopment Agency, including bonds, (3) to pay for administrative costs under the administrative budget approved by the Oversight Board and (4) pay schools and other taxing entities any remaining fund balance.
Rehabilitation: To improve, alter, modernize or modify an existing structure to make it safe, sanitary, and decent and/or bring it up to building code standards.
Reimbursement Grant: A grant for which a potential recipient must first incur qualifying expenditures to be eligible. Reimbursement grants are also referred to as "expenditure-driven grants."
Reimbursement for State Mandated Costs: Article XIIIB, Section 6 of the California Constitution which requires the state to reimburse local agencies for the cost of state-imposed programs. Process is commonly called "SB 90" after its original 1972 legislation.
Regulatory Fee: A charge imposed on a regulated action to pay for the cost of public programs or facilities necessary to regulate a business or other activity or mitigate the impacts of the fee payer on the community. A regulatory fee does not include a charge on a property or a property owner solely due to property ownership.
Reliability: The principle that financial information should be verifiable, free from bias, and faithfully represent what it purports to represent.
Rents: Revenues received through the rental of public properties to private parties such as convention space, sports fields, Sweet Brier Plaza, and library facilities.
Reserved Fund Balance: The portion of a Governmental Fund's net assets that is not available for appropriation.
Resolution: A special or temporary order of the legislative body requiring less formality than an ordinance.
Restricted Assets: Assets whose use is subject to constraints that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
Restricted Net Assets: A component of net assets calculated by reducing the carrying value of restricted assets by the amount of any related debt outstanding.
Retained Earnings: Equity resulting from provision of goods and services. Proprietary fund equity is divided into "contributed capital" and "retained earnings."
Revenue Bonds: Bonds whereby the principal and interest are payable exclusively from the earnings of an Enterprise Fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the Enterprise Fund's property.
Revenues: Increases in governmental fund type net current assets from other than expenditures refunds and residual equity transfers. Under NCGA Statement 1, general long-term debt proceeds and operating transfers-in are classified as "other financing sources" rather than revenues. Increases in proprietary fund type net total assets from other than expense refunds, capital contributions, and residual equity transfers. Under NCGA 1, operating transfers-in are classified separately from revenues.
Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.
Sales Tax: A tax imposed on the total retail price of any tangible personal property.
Secured Property: As the property tax is guaranteed by placing a lien on the real property, secured property is that real property in which the value of the lien on the real property and personal property located thereon is sufficient to assure payment of the tax.
Secured Roll: That property tax list containing all assessed property secured by land subject to local taxation.

Securities: Investment instruments such as bonds, stocks and other instruments of indebtedness or equity.
Serial Bond: A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.
Service Charges: Charges imposed to support services to individuals or to cover the cost of providing such services. The fees charged are limited to the cost of providing the service or regulation required (plus overhead).
Short-Term Financing Methods: Techniques used for many purposes, such as meeting anticipated cash flow deficits, interim financing of a project, and project implementation. Using these techniques involves issuance of short-term notes. Voter approval is not required.
Sinking Fund: Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.
Single Audit: An audit performed in accordance with the Single Audit Act of 1984 (as amended) and the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations.* The Single Audit Act allows or requires governments (depending on the amount of federal assistance received) to have one audit performed to meet the needs of all federal grantor agencies. The Single Audit Act was amended in 1996.
Special Assessment: A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.
Special Assessment District (SAD): A geographic area established by notice of the City Council and with public approval for the purpose of making capital improvements such as the construction of streets or sidewalks, or to accomplish some other public good through the financial participation and assessment of property owners within the area. The former Lindsay Improvement District (LID) fell in this category.
Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditures for specified purposes. Under NCGA Statement 1, the use of Special Revenue Funds is required only when legally mandated.
Special Tax: A tax that is collected and earmarked for a special purpose and deposited into a separate account. A two-thirds vote of the electorate is required to impose, extend or increase any special tax.
Standby Charge: A compulsory charge levied upon real property to defray in whole or in part the expense of providing operating or maintaining public improvements. The charge is "exacted for the benefit which accrues to property by virtue of having water [or other public improvements] available to it, even though the water might not be used at the present time." Proposition 218 classifies standby charges as "assessments" which must be imposed in compliance with Section 4.25 of Article XIIIB of the State Constitution.
Street Lighting Act of 1919: Act authorizing cities to fund the maintenance and operation of street lights.
Successor Agencies: Successor Agencies assumed all obligations, books, assets, properties, contracts and leases of the former Redevelopment Agency on February 1, 2012. Except for the provisions of the Community Redevelopment Law (CRL) that are repealed, restricted or limited by AB1X 26 (the Dissolution Act), all authority, rights, powers, duties and obligations of the former Redevelopment Agencies are vested in the Successor Agencies.
Subventions: Subsidy or financial support received from county, state or federal government. The state and county currently levy certain taxes that are "subvened" to cities, including motor vehicle license fees, state mandated costs and motor vehicle fuel tax, and Supplemental Law Enforcement Services Fund (SLESF).
Supplemental Property Tax: In the event a property changes ownership, the county collects a supplemental property tax assessment in the current tax year by determining a supplemental value. In future tax periods, the property carries the full cash value.
Swap: Trading one asset for another.
Tangible Personal Property: Movable property.
Tax Allocation Bond: A bond or financial obligation issued by the agency in order to generate funds to

implement the redevelopment plan. The bond is repaid with tax increment flowing to the agency as a result of the agency's revitalization of the project area.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against a particular person or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered on those paying such charges as, for example, sewer service charges.

TCAG – Tulare County Association of Governments: A JPA of Tulare County member cities and the Tulare County Board of Supervisors, which serves as the Tulare County Transportation Authority, to oversee projects using Measure R funds and to act as the oversight and pass-thru agent for Local Transportation funds generated at the state level.

Tax-Anticipation Notes: Short-term, interest-bearing note issued by a government in anticipation of tax revenues to be received at a later date. The note is retired from the tax revenues to which it is related.

Tax Base: The objects or transactions to which a tax is applied (e.g., parcels of property, retail sales, etc.). State law or local ordinances define the tax base and the objects or transactions exempted from taxation.

Tax Increment: The increase in property taxes within the redevelopment project area that result from increases in the project area assessed value that exceeds the base year assessed value.

Tax-Increment Financing: Financing secured by the anticipated incremental increase in tax revenues, resulting from the redevelopment of an area.

Tax Rate: The amount of tax applied to the tax base. The rate may be flat, incremental or a percentage of the tax base, or any other reasonable method.

Teeter Plan: Enacted in 1949, an alternative method for allocating delinquent property tax revenues, authorized by Revenue and Taxation Code Section 4701, in which the County Auditor allocates property tax revenues based on the total amount of property taxes billed, but not yet collected. The county government then collects and keeps the delinquency, penalty and interest payments.

Timeliness: The principle that financial statements must be issued soon enough after the reported events to affect decisions.

Total Return: The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends Paid) + (Capital Gains) = Total Return.

Transactions and Use Tax: Also known as an "add-on local sales tax," a tax imposed on the total retail price of any tangible personal property and the use or storage of such property when sales tax is not paid.

Transient Occupancy Tax (TOT): Tax levied by cities on persons staying 30 days or less in a room(s) in a hotel, inn, motel, tourist home, non-membership campground or other lodging facility. Also called "Transient Lodging Tax" or "Hotel Tax." The TOT rate for the City is currently 8%.

Treasury Bills (T-Bills): A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

Treasury Bond: Long-term U.S. Treasury securities having initial maturities of more than ten years.

Treasury Notes: Intermediate-term coupon bearing U.S. Treasury securities having initial maturities from one year to ten years.

Triple Flip: A mechanism used to repay state fiscal recovery bonds pursuant to Proposition 57 of 2004. Under the triple flip, the local sales and use tax rate is reduced from 1% to 0.75% with the 0.25% diverted to repay state fiscal recovery bonds. Cities and counties are reimbursed for the lost revenue from a shift of property tax revenue.

Understandability: The principle that information in financial reports should be expressed as simply as possible.

Undesignated Unreserved Fund Balance: Available expendable financial resources in a Governmental Fund that are not the object of tentative management plans (i.e., designations).

Unearned Revenue: A type of deferred revenue account used in connection with resources that have not yet been earned.

Unfunded Actuarial Accrued Liability: The excess of the actuarial accrued liability over the actuarial value of assets. This value may be negative, in which case it may be expressed as a *negative unfunded actuarial accrued liability*, the *excess of actuarial value of assets over the actuarial accrued liability*, or the *funding excess*.

Unqualified Opinion: An opinion rendered without reservation by the independent auditor that financial statements are fairly presented.

Unrealized Revenues: Term used in connection with budgeting. The difference between estimated revenues and actual revenues.

Unrestricted Net Assets: That portion of net assets that is neither restricted nor invested in capital assets (net of related debt).

Unsecured Property: As the property tax is guaranteed by placing a lien on the real property, unsecured property is that real property in which the value of the lien is not sufficient to assure payment of the property tax.

Use Tax: A tax imposed on the use or storage of tangible personal property when sales tax is not paid.

User Fee: Fees charged for the use of a public service or program such as for recreation programs or public document retrieval. User fees for property-related services are referred to as property-related fees.

Utility Connection Fee: Utility connection fees or capacity fees are imposed on the basis of a voluntary decision to connect to a utility system or to acquire the right to use additional capacity.

Utility User's Tax (UUT): A tax imposed by the city on water, sewer, trash, electricity, gas, and cable to generate general fund revenues used primarily to fund the public safety department. The City of Lindsay's UUT rate is 6%.

Vehicle License Fee—Property Tax Swap: The trade of most city and county vehicle license fee (VLF) revenue for additional property tax share and revenue.

Volatility: A degree of fluctuation in the price and valuation of securities.

Voter Approved Property Tax for Indebtedness: Includes ad valorem property taxes levied in addition to the 1% rate for voter approved debt, approved prior to July 1, 1978 or after July 1, 1986.

Yield: The total amount of revenue a government expects to receive from a tax, determined by multiplying the tax rate by the tax base. Also, the annual rate of return on an investment, expressed as a percentage of the investment.