

CITY OF WOODLAND, CALIFORNIA

Comprehensive Annual Financial Report
Year Ended June 30, 2011

Prepared By

FINANCE DEPARTMENT

CITY OF WOODLAND, CALIFORNIA
Year Ended June 30, 2011

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July 25, 2012

Honorable Mayor Pimentel & Members of the City Council:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Woodland, California (the City), for the fiscal year ended June 30, 2011. The report has been developed and organized to conform to generally accepted accounting principles (GAAP) and to meet reporting standards set forth by the Government Finance Officers Association (GFOA).

Local ordinances and state law require that the City issue a report annually on its financial position and changes in financial position, and that this report be audited by an independent firm of certified public accountants. Responsibility for both the accuracy of the information and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed information is complete and reliable in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position of the City and its component units.

Management's discussion and analysis (MD&A) is required supplementary information and provides information and analysis that users need to interpret the basic financial statements. This transmittal letter is designed to complement the MD&A, which is included in the financial section of this document.

Reporting Entity

The City of Woodland was incorporated as a general law city on February 22, 1871. The City operates under a Council-Manager form of government and provides the following services: public safety (police and fire), streets, recycling, parks and recreation, library, water, sewer and storm drain, planning and zoning, building inspection, housing, engineering, general administration services and redevelopment. The financial statements of the City include the financial activities of the City as well as the following component units which are controlled by and dependent on the City:

- The Woodland Redevelopment Agency is a separate governmental entity whose purpose is to prepare and implement plans for improvement, rehabilitation, and development of certain areas within the City.
- The Woodland Public Facilities Corporation is a separate governmental entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Corporation has the power to purchase bonds issued by any local agency at public or negotiated sales and may sell such bonds to public or private purchasers at public or negotiated sales.

- The Woodland Finance Authority is a separate governmental entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sales and may sell such bonds to public or private purchasers at public or negotiated sales.

Local Economic Condition & Outlook

The City of Woodland is the county seat of Yolo County and is located approximately 85 miles northeast of San Francisco and approximately 18 miles northwest of Sacramento at the intersection of Interstate 5 and State Route 113. The City has been the seat of government for the County since 1862 and is also the industrial and agricultural center of the County. The City encompasses approximately 14.5 square miles near the center of the California's Central Valley. Woodland enjoys a mean temperature of 61.5 degrees and an annual average rainfall of 17.28 inches.

The City has a diversified economic base that has its origins in agriculture. However, due to the proximity of the City to major transportation arteries (Interstate 5 and State Route 113), and major waterways, the City has also become increasingly important as a manufacturing and distribution center of products including food processing, plastics, farm machinery and manufactured homes. Due to its nearness to Sacramento, the City has historically shared the economic trends of the Sacramento Valley Region. The economic impacts related to the real estate market and financial market collapse continued to put a downward pressure on City property tax revenues. As with many jurisdictions throughout the state, the City is realizing significant shortfalls in permit fees, service charges, property taxes, and development fee revenues. More recently, sales tax revenues have begun to slowly improve, halting their downward spiral and, in some quarters, actually showing growth.

Woodland continues to feel the impact of the weak housing market and efforts are focused on stimulating residential development primarily in the Spring Lake Specific Plan area. The City has experienced some growth in commercial development, albeit at a much slower pace than in prior years, and is working to attract other commercial development where feasible. The City is viewed as a community that is favorable to business and has been successful at attracting large retail and restaurant development in the Gateway area. The success of several "big box" retail outlets opened during the last two fiscal years provided new sales tax revenues to offset other losses throughout the City, and are beginning to establish growth within the City. Residential development activity in the City continues at reduced levels.

California's jobless rate continues to be very high (at more than 12 percent), the State budget deficit is now pegged at \$12 billion and, despite successful legislation to prevent it, the State's budget solution will likely contain measures that threaten local government revenues. Despite these difficult and unpleasant statistics, unemployment rates are not increasing at the pace seen over the last several years, and sales tax revenues appear to have ceased their downward spiral and have flattened out, which is positive news. Although the federal government has declared the recession to be over, many economic analysts are predicting that recovery will be extremely slow and that there will likely be a considerable lag time before the effects of such a recovery will materialize.

Major Projects for FY 2010/2011

Many City programs have been downsized or altogether eliminated because of budget conditions, and City staffing levels have been reduced by more than 25% over the last three years. Despite these reductions, and thanks to the receipt of grant funds, many successful projects were implemented this fiscal year.

Davis Woodland Water Supply Project (Surface Water) – The City is participating in a joint effort along with the City of Davis and the University of California, Davis to improve water supply quality. Due to aging wells and increased nitrate levels, water quality is deteriorating while regulations surrounding wastewater discharge are becoming more stringent. A solution to both of these issues is being pursued which will involve the construction of intake structures and water treatment facilities for water from the Sacramento River. A Joint Powers Authority (the Woodland Davis Clean Water Agency) was formed in September 2009 and was the first step in this important process for providing clean, safe, high quality drinking water. This will be a multi-year project that will require extensive planning, design, construction and operational considerations.

Water Meter Implementation – In accordance with state mandate, the City must convert flat rate water customers to metered billing in a two-phase process. Phase II, consisting of all pre-1992 residential construction, continued during the year. Thanks to the award of American Recovery and Reinvestment Act (ARRA) funding, the City expects all water customers throughout the City to be billed based on meters by 2013, which is 12 years earlier than required by the state. An automatic meter reading system was also installed, which allows accurate, real time information regarding water consumption in the City, and saves significant staff time that would have been required to manually read all new residential meters. The City also mailed out sample consumption based bills to residents transitioning from flat rates to the metered billing; this sample billing period allows customers to review their water usage habits and adjust as necessary.

Regional Courthouse Project – The Woodland Redevelopment Agency has been facilitating a project with the State of California Administrative Office of the Courts that will relocate regional courthouse facilities to a centralized location within the redevelopment area. Land was purchased by the Agency, which is the first step toward construction of this project, and plans were presented by the State to the City Council. Construction is expected to begin in 2014.

Enterprise Information System – The City had outgrown its financial and land management system, which was outdated and inefficient. The City completed an exhaustive selection process and ultimately selected a vendor to provide an enterprise wide software package that will increase efficiency and reliability of information. At the end of FY09/10 the first major module was converted to the new system; throughout FY10/11 twelve additional modules were implemented and only a few remain to be implemented before full completion of the project. This project has involved all City departments and has required significant time investment from staff, but is expected to improve customer service and allow the City to be more efficient with fewer staff.

I5 Interchange Project – The development of the Gateway commercial area has resulted in an increase in traffic in the area of the I-5/ County Road (CR) 102 area. In order to manage the increased traffic demands, outdated, insufficient and undersized infrastructure must be improved. Significant progress was made on this project, which consists of the construction of a southbound I-5 on-ramp, modifications to the existing on-ramps and off-ramps, and the widening of CR 102 to six lanes from the southbound ramp terminal to Maxwell Avenue. This project will partially be funded by transportation grants.

Major Initiatives for FY 2010/2011

Davis Woodland Water Supply Project (Surface Water) – As mentioned previously, this joint water project with the City of Davis and UC Davis is a multi-year project that will require extensive planning, design, construction and operational considerations. During the coming year, the Agency will focus on refining the project based on each participating agency's needs, securing the necessary water rights from the State of California, and pursuing agreements that will allow the Agency to purchase water to meet expected summer demands.

Redevelopment Agency Dissolution – As part of the plan and strategy to balance the FY12 California state budget, Governor Brown ordered the dissolution of all redevelopment agencies throughout the State. Following several lawsuits filed by agencies around the State, the California Supreme Court upheld the dissolution, which sets for a series of actions that must be taken by all former redevelopment agencies. The City will continue to make every effort to continue projects that had been planned utilizing tax increment bonds previously issued in an effort to promote revitalization and economic development in the City.

Utility Rate Studies – In order to accommodate the funding requirements that will be necessary to complete the Surface Water project described previously in the letter, the City will be required to implement further adjustments to the rates charged by the water utility. In addition, future capital requirements expected to be necessary for wastewater treatment, a study of the adequacy of the rates for the sewer utility is also necessary. These rate studies and the related processes to complete implementation, if necessary, will be a major undertaking for City staff and the community.

Internal Controls

City management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft or misuse and that adequate accounting records are maintained to allow for the preparation of financial statements in conformity with GAAP. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the likely derived benefit, and, (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal, state and local financial assistance, the City is also responsible for ensuring that adequate internal controls are in place to document compliance with applicable laws and regulations related to these programs. Management's continuing commitment to sound and viable internal controls is emphasized through written policies and procedures and a well-trained and qualified financial staff.

Budgetary Controls

The objective of the City's budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the City Council. The City Council annually reviews its Budget and Fiscal Policy to provide direction regarding appropriate reserve levels in each of the City's operating funds. Budgetary authority is maintained at a fund level and control is maintained at the department level (i.e., Police, Fire, Public Works, etc.) for the General Fund. Budgetary control for capital improvement projects is currently maintained on a project and fund basis which is reviewed and approved annually. As demonstrated by the financial statements included in the financial section of this report, the City continues to meet its responsibility for sound fiscal management.

Cash Management

The City Finance Officer is responsible for the cash management and investment program of the City. The government code and City policy stipulate how funds can be invested. The investment policy, which is adopted annually by City Council, is intended to provide guidelines for prudent investments and outlines policies to assist in maximizing the efficiency of the cash management while also maintaining sufficient reserves to meet daily cash flow requirements.

Risk Management

The City is a member of a joint powers authority, the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA), an insurance pool limited to public agencies in Yolo County. Provided coverage includes general liability, workers' compensation, property, and boiler and machinery.

The City, through YCPARMIA and in-house Safety Committees, participates in an active loss prevention program which includes periodic safety inspections of all facilities, specialized training in safety and handling of hazardous materials, and a wellness program provided to police employees. Recent actuarial reports indicate that YCPARMIA has sufficient resources to meet current and immediate future liabilities.

Statistical Information

The final section in the CAFR includes various statistical data relating to the City. This statistical section presents detailed trend information that assists users in understanding the basic financial statements, notes to basic financial statements and required supplementary information to assess the economic condition of a government.

Independent Auditors

State statutes require an annual audit by independent certified public accountants. The accounting firm of Macias Gini & O'Connell LLP has been engaged by the City to conduct this year's audit. In addition to meeting the requirements set forth in state statutes, the audit also meets the requirements of the OMB Circular A-133. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a certificate of Achievement for the Excellence in Financial Reporting to the City for its CAFR for the year ended June 30, 2010. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to receive this recognition, the City must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such report must satisfy accounting principles generally accepted in the United States of America and applicable legal requirements. The award is valid for a period of one year only.

Acknowledgements

The Department of Finance takes great pride in the preparation of this report. The professionalism, commitment and effort of each member of this Department have made this presentation possible. We also want to thank the members in other City Departments who assisted in the preparation of this report. Finally, we thank you for your interest and continuing support in planning and conducting the City's financial operations in a responsible manner, consistent with the City's mission to protect, preserve and enhance the quality of life for the citizens of this community.

Kimberly McKinney
Finance Officer

CITY OF WOODLAND
CITY COUNCIL & ADMINISTRATIVE STAFF ROSTER
FISCAL YEAR ENDING JUNE 30, 2011



ARTEMIO PIMENTEL, MAYOR

MARLIN DAVIES, VICE MAYOR **WILLIAM MARBLE, COUNCILMEMBER**
TOM STALLARD, COUNCILMEMBER **MARTIE DOTIE, COUNCILMEMBER**



ADMINISTRATIVE STAFF

MARK DEVEN, CITY MANAGER
&
COMMUNITY DEVELOPMENT DIRECTOR

ANDREW MORRIS, CITY ATTORNEY

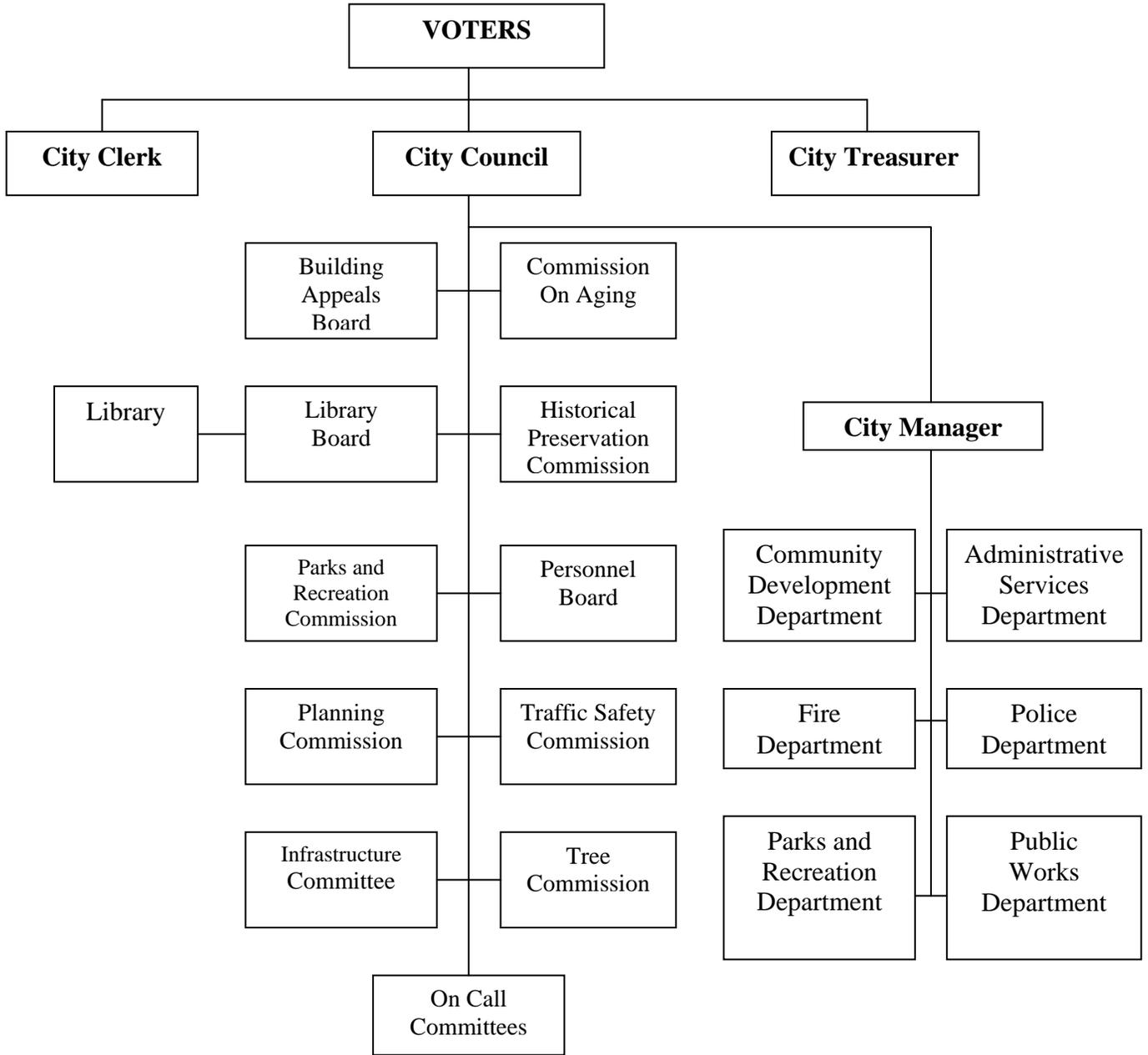
RICK SANDER, INTERIM FIRE CHIEF

HEATHER MULLER, LIBRARY SERVICES DIRECTOR

DAN BELLINI, POLICE CHIEF

GREG MEYER, PUBLIC WORKS DIRECTOR

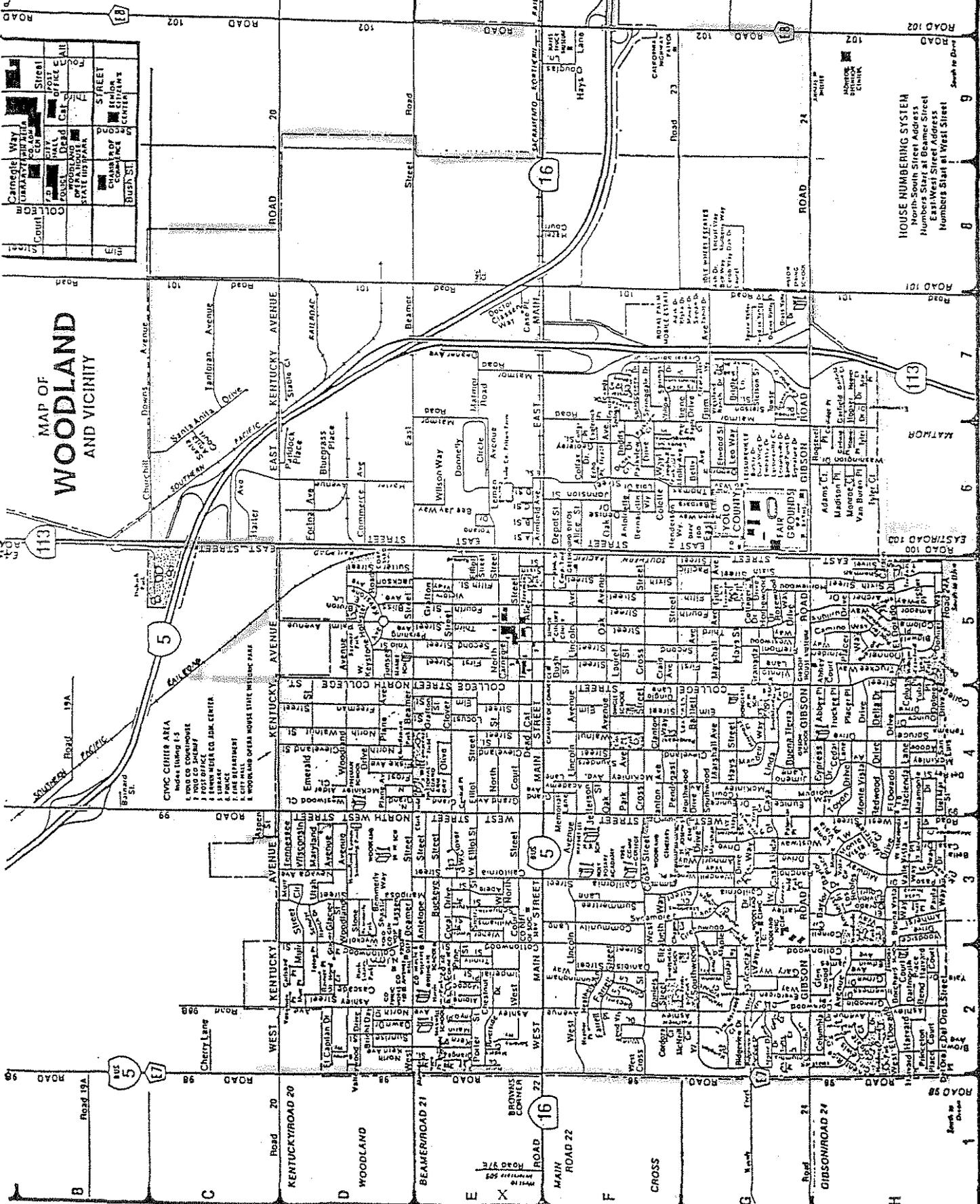
CITY OF WOODLAND GENERAL OVERVIEW ORGANIZATION CHART



MAP OF WOODLAND AND VICINITY

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Members of the City Council
Woodland, California

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Woodland, California (the City), as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Woodland, California, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Housing Assistance Grants Special Revenue Fund, and Home Grant Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3 to the financial statements, effective July 1, 2010, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

As discussed in Note 10, several City funds have fund balance/net asset deficits at June 30, 2011, which include the Sewer Development, Park Reserve, City Capital Projects, Special Transportation, and Fire Suppression District with fund balance deficits of \$7.1 million, \$2.4 million, \$4.1 million, \$1.9 million, and \$1.7 million, respectively.

As described in Note 12, based on the most recent actuarial valuation of the City's postemployment health care benefit plan, the City's independent actuary determined that, as of January 1, 2011, the value of the City's actuarial accrued and unfunded actuarial liability was \$61.3 million. Also, actual contributions made by the City for postemployment health care benefits were significantly less than the actuarially determined annual required contributions. The City's actuarially determined annual required contribution for the year ended June 30, 2011 was \$4.8 million and the City's actual contributions were only \$1.9 million. As such, the City's other postemployment benefits (OPEB) obligation increased approximately \$2.9 million, to a total of \$8.7 million as of June 30, 2011.

As described in Note 16, the California Supreme Court upheld Assembly Bill X1 26 thereby terminating redevelopment agencies in California, including the Redevelopment Agency of the City of Woodland. Successor agencies have been appointed to wind down the affairs of the redevelopment agencies in accordance with the provisions of Assembly Bill X1 26. The City of Woodland has elected to be appointed as successor agency for purposes of winding down the affairs of the Redevelopment Agency of the City of Woodland.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 25, 2012 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Macie Mei & O'Connell LLP

Certified Public Accountants

Sacramento, California
July 25, 2012

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(REQUIRED SUPPLEMENTARY INFORMATION)**

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MANAGEMENT'S DISCUSSION and ANALYSIS

This section of the City of Woodland's (City) Comprehensive Annual Financial Report presents a narrative overview and analysis of the financial activities of the City for the year ended June 30, 2011. Please read this in conjunction with the transmittal letter, which can be found in the introductory section of this report, and with the City's financial statements, which follow this discussion.

FINANCIAL HIGHLIGHTS

- The City's total net assets increased over the course of the fiscal year by \$11.9 million to \$327.4 million. The net assets of governmental activities increased by \$7.8 million and the net assets of business-type activities increased by \$4.1 million.
- The General Fund, using the current financial resources basis, reported revenues in excess of expenditures and other financing sources and uses of \$2.2 million. This was primarily the result of increasing revenues related to sales taxes (including a new ¼ percent sales tax), receipt of revenues related to development activity in the City and continued conservative spending of discretionary expenditures by all City departments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – (1) management's discussion and analysis, (2) the basic financial statements, (3) required supplementary information, and (4) combining statements for nonmajor governmental funds, nonmajor enterprise funds, internal service funds and agency funds. The basic financial statements include two kinds of statements that present different views of the City.

- The government-wide financial statements provide both long-term and short-term information about the City's overall financial status.
- Fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
 - Governmental fund statements depict how general government services such as police, fire and public works were financed in the short-term as well as what remains for future spending.
 - Proprietary fund statements offer short-term and long-term financial information about the activities the City operates like businesses, such as utility services.
 - Fiduciary fund statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The notes to the financial statements are followed by the Schedule of Funding Progress for the City's pension plans and other postemployment benefits (OPEB) plan, which is required supplementary information. In addition to these required elements, we have included combining statements that provide details about the City's nonmajor governmental funds, nonmajor enterprise funds, internal service funds and agency funds, each of which is presented in a column in the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The **statement of net assets** presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, finance, community development, parks and recreation, police, fire, library, and public works. The business-type activities of the City include water, sewer, storm drain, wastewater pretreatment, recycling, construction and demolition program, fire training center, cemetery, and youth program.

The government-wide financial statements include not only the City itself (known as the primary government) but also the Woodland Redevelopment Agency (Agency), Woodland Public Facilities Corporation (Corporation), and the Woodland Finance Authority (Authority). Although legally separate from the City, the component units are blended with the primary government because of their governance or financial relationship to the City.

FUND FINANCIAL STATEMENTS

The fund financial statements are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories which include **governmental**, **proprietary** and **fiduciary** funds.

Governmental Funds. Governmental funds, which account for most of the City's basic services, are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Fund financial statements, however, focus on (1) how cash and other financial assets can readily be converted to available resources and (2) the balances left at year-end that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the City's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains several individual and governmental funds organized according to their type (special revenue, debt service and capital projects). Information is presented separately in the governmental funds balance sheet and in the governmental funds statements of revenues, expenditures and changes in fund balances for the General, Spring Lake, Special Sales Tax District, Sewer Development, Home Grant, and Housing Assistance Grants, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts annually appropriated budgets for its General Fund and major special revenue funds. Budgetary comparison statements have been provided for the General Fund and major special revenue funds to demonstrate compliance with this budget.

Proprietary Funds. Proprietary funds are generally used to account for services for which the City charges customers—either outside customers, or internal units or departments of the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains the following two types of proprietary funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operations of its water, sewer, storm drain, wastewater pretreatment, recycling, construction and demolition program, fire training center, cemetery, Dubach Park, and youth program activities.

Internal Service funds are used to report activities that provide supplies and services for certain City programs and activities. The City uses internal service funds to account for its fleet of vehicles and equipment, management information services, self-insurance and employee benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Since the resources of these funds are not available to support the City’s own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to Financial Statements

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

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this section presents certain required supplementary information concerning the City’s progress in funding its obligation to provide pension and other postemployment benefits to its employees.

Combining Statements and Schedules

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information..

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

City of Woodland
Summary of Net Assets
As of June 30, 2011 and 2010
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government		Total % Change
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	
Current & other assets	\$ 65.5	\$ 61.0	\$ 33.3	\$ 25.1	\$ 98.8	\$ 86.1	14.8%
Capital assets	<u>262.9</u>	<u>261.6</u>	<u>140.3</u>	<u>126.1</u>	<u>403.2</u>	<u>387.7</u>	4%
Total assets	<u>328.4</u>	<u>322.6</u>	<u>173.6</u>	<u>151.2</u>	<u>502.0</u>	<u>473.8</u>	6%
Other liabilities	7.5	8.3	5.5	1.2	13.0	9.5	36.8%
Long-term Liabilities	<u>111.3</u>	<u>112.4</u>	<u>50.4</u>	<u>36.4</u>	<u>161.7</u>	<u>148.8</u>	8.7%
Total liabilities	<u>118.8</u>	<u>120.7</u>	<u>55.9</u>	<u>37.6</u>	<u>174.7</u>	<u>158.3</u>	10.4%
Net Assets:							
Invested in capital assets, net of related debt	175.6	170.6	77.3	80.7	252.9	251.3	0.64%
Restricted	20.6	28.7	--	--	20.6	28.7	-28.2%
Unrestricted	<u>13.5</u>	<u>2.6</u>	<u>40.4</u>	<u>32.9</u>	<u>53.9</u>	<u>35.5</u>	<u>51.8%</u>
Total net assets	\$ <u>209.7</u>	\$ <u>201.9</u>	\$ <u>117.7</u>	\$ <u>113.6</u>	\$ <u>327.4</u>	\$ <u>315.5</u>	<u>3.8%</u>

ANALYSIS OF NET ASSETS

Net assets represent the difference between the City's resources and its obligations. Over time, net assets may serve as a useful indicator of a government's financial position. For the City, assets exceeded liabilities by \$327.4 million at the close of the fiscal year 2011.

The largest portion of the City's net assets reflects its \$252.9 million (77.2 percent) investment in capital assets (e.g. land, buildings and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

Another portion of the City's net assets, \$20.6 million (6.3 percent) represents resources that are subject to external restrictions on how they may be used. This represents a decrease of \$8.1 million or (-28.2 percent) from the prior year, due primarily to use of unexpended bond proceeds from FY2009/10. The remaining balance of \$53.9 million represents unrestricted net assets.

Net assets of business-type activities increased \$4.1 million; the City can generally only use these net assets to finance the continuing operations of the business-type activities.

CHANGES IN NET ASSETS

The City's overall net assets increased by \$11.9 million, from \$315.5 million in FY 2009/10 to \$327.4 million in FY 2010/11, which consisted of a \$7.8 million increase in governmental activities and a \$4.1 million increase in business-type activities.

Major reasons for these changes are noted in the government and business-type activities discussion below.

City of Woodland
Changes in Net Assets
For the Years Ended June 30, 2011 and 2010
(in thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>		Total % Change
	2011	2010	2011	2010	2011	2010	
Revenues							
Program revenues:							
Charges for services	\$ 13,158	\$ 8,742	\$ 20,579	\$ 19,508	\$ 33,737	\$ 28,250	19.42%
Operating grants and contributions	13,264	6,788	432	209	13,696	6,997	95.74%
Capital grants and contributions	4,892	6,362	4,538	-	9,430	6,362	48.22%
General revenues:							
Property taxes	10,399	11,034	-	-	10,399	11,034	-5.75%
Sales and use tax	8,934	8,553	-	-	8,934	8,553	4.45%
Other taxes (including Measure E)	6,141	4,531	-	-	6,141	4,531	35.51%
Franchise fees	1,834	1,642	-	-	1,834	1,642	11.69%
Motor vehicle in-lieu	4,147	4,248	-	-	4,147	4,248	-2.38%
Investment earnings	347	531	224	224	571	755	-24.37%
Gain on sale of capital assets	461	919	-	-	461	919	-50%
Total revenues	63,577	53,350	25,773	19,941	89,350	73,291	22%
Expenditures							
Governmental activities:							
General government	1,828	2,099	-	-	1,828	2,099	-12.91%
Finance	856	905	-	-	856	905	-5.41%
Community development	5,789	5,316	-	-	5,789	5,316	8.9%
Parks and recreation	3,779	4,371	-	-	3,779	4,371	-13.54%
Police	14,855	15,467	-	-	14,855	15,467	-3.96%
Fire	9,177	9,576	-	-	9,177	9,576	-4.17%
Library	1,522	1,420	-	-	1,522	1,420	7.18%
Public works	14,875	15,842	-	-	14,875	15,842	-6.10%
Interest on long-term debt	3,739	3,817	-	-	3,739	3,817	-2.04%
Business-type activities:							
Water	-	-	8,136	7,249	8,136	7,249	12.24%
Sewer	-	-	9,963	8,715	9,963	8,715	12.21%
Storm drain	-	-	1,039	1,063	1,039	1,063	-2.26%
Wastewater pretreatment	-	-	432	408	432	408	5.88%
Recycling	-	-	355	337	355	337	5.34%
Construction and demolition program	-	-	34	70	34	70	-51.43%
Fire training center	-	-	486	435	486	435	11.72%
Cemetery	-	-	272	307	272	307	-11.40%
Dubach Park	-	-	-	1	-	1	-100.00%
Youth program	-	-	310	5	310	5	6,100.0%
Total Expenses	56,420	58,813	21,027	18,590	77,447	77,403	0.06%
Excess before transfers	7,157	(5,463)	4,746	1,351	11,903	(4,112)	-398.93%
Transfers	600	1,595	(600)	(1,595)	-	-	-
Changes in net assets	\$ 7,757	\$ (3,868)	\$ 4,146	\$ (244)	\$ 11,903	\$ (4,112)	-398.93%

REVENUE

The City's total revenue was \$89.3 million for the year ended June 30, 2011, an increase of \$16 million or 22 percent from 2010. Revenue from governmental activities totaled \$63.6 million and revenue from business-type activities totaled \$25.8 million.

Charges for services and operating and capital grants provided 63.6 percent of the total revenue received during 2011, while taxes (property, sales and other) provided 28.5 percent of total revenue.

Increase in total revenue is due primarily to a \$5.4 million increase in charges for services, a \$6.7 million increase in operating grants and contributions, a \$3.1 million increase in capital grants and contributions, a \$2.1 million increase in sale of capital assets, and \$1.6 million increase in other taxes. These increases were partially offset by a \$0.74 million decrease in property taxes and motor vehicle in lieu fees. The increase in charges for services stems primarily from an increase in collection of the City's development impact fees due to a moderate amount of residential building activity and a large nonresidential development; an approved increase in the water utility user fee of 20 percent occurred in July 2010. The increase in grants and contributions results from reimbursements related to grants received for installation of water meters, as well as for construction of a large, multifamily affordable housing complex. The increase in other taxes results primarily from the implementation of a new ¼ cent sales tax in the City, which was effective October 1, 2010. The decrease in property tax revenues results from the recessionary economy and the weak real estate market, which puts downward pressure on property values and the related tax revenues.

EXPENSES

Expenses of the City for the year totaled \$77.4 million, an increase of \$.044 million or 0.06 percent from 2010. These relatively stagnant numbers reflect the City's efforts to contain costs through mandatory furloughs, early retirement programs and control of discretionary expenditures. These savings are offset by increases in benefit costs, utility costs and other non-controllable costs such as animal control and public safety dispatch services provided by other agencies. Governmental activities expenses totaled \$59 million, or 73.7 percent of total expenses. Business-type activities incurred \$21 million, or 26.3 percent of total expenses during the year.

GOVERNMENTAL ACTIVITIES

The following table shows the cost of each of the City's major functions and the net cost of those functions. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the City's taxpayers by each of the functions.

City of Woodland
Net Cost of Governmental Activities
As of June 30, 2011 and 2010
(in millions)

	Total Cost of Services		Percent Change	Net Cost (Benefit) of Services		Percent Change
	2011	2010		2011	2010	
General government	\$ 1.83	\$ 2.10	-12.91%	\$ 0.95	\$ 1.18	-19.5%
Finance	0.86	0.90	-5.41%	0.81	0.81	0.0%
Community development	5.79	5.32	8.9%	(4.70)	1.41	-433.3%
Parks and recreation	3.78	4.37	-13.54%	1.59	2.35	-32.3%
Police	14.85	15.47	-3.96%	13.76	14.75	-6.7%
Fire	9.18	9.57	-4.17%	8.30	8.75	-5.1%
Library	1.52	1.42	7.18%	1.27	1.19	6.7%
Public works	14.87	15.84	-6.10%	(0.62)	2.66	-123.3%
Interest on long term debt	3.74	3.82	-2.04%	3.74	3.82	-2.1%
Total	\$ 56.42	\$ 58.81		\$ 27.47	\$ 36.92	

The cost for all governmental activities this year was \$56.42 million. The City's taxpayers paid for approximately 45.1 percent of these costs; \$25.47 million (including property, sales and other taxes). Fees, including developer fees, grants and contributions funded the balance of the costs of governmental activities.

Total cost of services remained unchanged in FY2010/11 through reductions in most departments due to cost saving efforts including staff furloughs and early retirement programs; savings from these efforts were partially offset by increasing benefit costs and some new expenditures related to operating grants received during the fiscal year.

The Public Works and Community Development Departments showed a net benefit in FY11, while all other departments show a net cost to the City. The net benefit from the Public Works and Community Development Departments resulted from increased collections of development impact fees, combined with expenditure savings due to staff reductions. The net cost of General Government decreased primarily as a result of retirement of staff and the related vacancies created there. The majority of the other functions showing a decrease in net costs, except for the Library, result from expenditure savings surrounding vacancies and other expenditure savings throughout the City.

BUSINESS-TYPE ACTIVITIES

Revenue for the City's business-type activities, excluding transfers, increased by \$5.8 million, from \$19.9 million in FY2009/10 to \$25.8 million in FY 2010/11. This increase is due primarily to an approved increase of 20% in water utility rates, which was effective July 1, 2010 as well as reimbursements related to the grant program for installation of water meters throughout the City. Charges for services totaled \$20.6 million or 80 percent of total business-type activity revenues. Business-type activities expenses increased by \$2.44 million, from \$18.59 million in FY2009/2010 to \$21.03 million in FY2010/11. The increase in expenses is attributable to increased benefit costs for existing employees, addition of new staff, and additional interest expense and cost of issuances related to new debt issued during the fiscal year. The costs of capital improvements are reported as capital assets in the statement of net assets, rather than as expenses in the statement of activities.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$23.9 million, an increase of \$0.7 million from the end of the prior year.

Several of the governmental funds had significant net changes in fund balance, which include the following:

- The fund balance of the General Fund increased by \$2.2 million in FY2010/11 due to better than expected revenues from sales taxes and development related revenues, as well as savings in expenditures from employee vacancies and other discretionary department costs..
- The fund balance of the Special Sales Tax District fund increased by \$2.8 million in FY2010/11 due to transfer of revenues generated by a ½ cent sales tax in the City that was not entirely used during the fiscal year for construction of capital projects.
- The Special Transportation Fund (nonmajor special revenue fund) recorded a net decrease in fund balance of \$1.36 million due to a timing difference between the expenditure of costs for reimbursable grant projects and the related revenues for reimbursements.

- The City Capital Projects Fund (nonmajor capital projects fund) recorded a net decrease in fund balance of \$1.28 million due to capital expenditures related to purchase and implementation of a new financial and land management system for the City, road rehabilitation projects, and preliminary work for construction of a new freeway onramp.
- The Park Reserve Fund (nonmajor capital projects fund) recorded a net decrease in fund balance of \$2.0 million due to declining revenues that did not cover the total cost of transfers to a debt service fund to cover the fund's share of annual debt service payments.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$6.22 million, while total fund balance was \$6.52 million, an increase of \$2.2 million from the prior year. This was due primarily to better than expected sale tax revenues of \$0.4 million, improved licenses and permits revenues of \$0.26 million and savings on budgeted expenditures for salary related and other discretionary costs of \$0.74 million.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. For FY 2010/11, the unassigned fund balance of \$6.22 million represents 19.7 percent of total General Fund expenditures of \$31.5 million, and the total fund balance represents approximately 20.7 percent of that amount. For FY 2009/10, the General Fund's unreserved fund balance of \$4.2 million was approximately 12.3 percent of the total expenditures of \$34.1 million, and the total fund balance of \$4.33 million represented approximately 12.7 percent of expenditures.

Proprietary Funds

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

At the end of FY 2010/11, the unrestricted net assets for the Water and Sewer funds were \$13.5 million and \$19.7 million, respectively. Total net assets for the Water Fund increased by \$5.7 million and net assets for the Sewer Fund decreased by \$0.74 million in FY2010/11. The increase in net assets for the Water Fund is due primarily to an approved rate increase of 20%, which was effective on July 1, 2010; as well as intergovernmental revenues received as reimbursement for expenditures related to installation of water meters throughout the City. These increased revenues were partially offset by an increase in personnel costs for salaries, benefits and other postemployment benefits. The decrease in net assets for the Sewer Fund is due primarily to a one-time adjustment to depreciation due to reclassification of certain fixed assets, which resulted in an increase to depreciation expense of \$0.7 million during the year. Other expenditures remained relatively consistent with previous year expenditures, and no adjustment to user rates occurred during the fiscal year.

Five proprietary funds had deficits in unrestricted net assets: Storm Drain Fund had a deficit of \$9.2 million, Dubach Park Fund had a deficit of \$595 thousand, the Construction and Demolition Program Fund had a deficit of \$27 thousand, the Cemetery Fund had a deficit of \$192 thousand, and the Youth Programs fund had a deficit of \$90 thousand. The internal service funds that are used to account for certain governmental activities had unrestricted net assets of \$3.6 million.

The total increase in net assets for the enterprise funds was \$4.1 million. Factors concerning the finances of these funds have been addressed previously in the discussion of the City's business-type activities. As in the previous years, the Storm Drain Fund's decrease in net assets is related to a continuing operating deficit resulting from inadequate monthly charges to users of the enterprise. The City proposed a voter approved rate increase in FY2007/08 to address this on-going deficiency, which did not pass. Operations have been reduced to the minimum legal level and the City will attempt another rate increase measure and is exploring potential other options for providing these services. Due to weather-related and topographic factors and the recent opening of the new Community Sports Park, Dubach Park operations were ceased. The Woodland Cemetery has been undergoing a revitalization effort that will increase capacity and should allow the operations of the facility to be self-supporting, and services have been altered in an attempt to reduce the reliance on the General Fund and operate within the annual revenues received.

The following table shows actual revenues, expenses and results of operations (excluding capital contributions and expenses) for the current fiscal year in the City's proprietary funds (in millions):

**City of Woodland
Proprietary Fund Operations
For the Year Ended June 30, 2011**

	Operating Revenues	Operating Expenses	Operating Income (Loss)	NonOperating Revenues (Expense)	Interfund Transfers	Change in Net Assets
Water	\$ 8.93	\$ 6.67	\$ 2.26	\$ 3.58	\$ (0.14)	\$ 5.69
Sewer	10.00	9.30	0.70	(0.55)	(0.90)	(0.74)
Storm Drain	0.20	1.03	(0.83)	-	0.24	(0.59)
Wastewater Pretreatment	0.39	0.43	(0.04)	-	-	(0.04)
Recycling	0.19	0.35	(0.16)	0.03	-	(0.13)
Construction and Demolition Program	0.02	0.03	(0.01)	-	-	(0.01)
Fire Training Center	0.55	0.49	0.06	-	-	0.06
Cemetery	0.07	0.27	(0.20)	-	0.20	-
Youth Program	0.22	0.31	(0.09)	-	-	(0.09)
Total:	\$ 20.57	\$ 18.88	\$ 1.69	\$ 3.06	\$ (0.60)	\$ 4.15

General Fund Budgetary Highlights

The City's final budgeted appropriations in the General Fund increased by \$0.3 million from the preliminary budget in FY10/11. This increase was due primarily to additional costs needed for personnel and overtime in the fire department and various changes in supplies and services accounts. These increases were possible due to better than anticipated revenues in most of the categories within the General Fund.

During the year, actual revenues were \$1.4 million more than budgeted estimates. This variance primarily consisted of a positive variance of \$0.8 million for taxes, resulting from improved sales tax revenues; license and permit revenues had a positive variance of \$0.26 million due to fees for development related activity than wasn't originally projected; intergovernmental revenues were better than budget by \$0.2 million due primarily to motor vehicle fees that were better than expected; charges for services showed a positive variance of \$0.19 million due to revision of the City's cost allocation plan and the related recovery revenues to the General Fund.

General Fund expenditures came under budget by \$0.74 million, with some overruns in the personnel category due to overtime in the Fire department and leave payouts for employees that accepted retired or resigned from the City throughout the year. These were offset by budgetary savings in discretionary supplies and services in most departments.

The net effect of better than estimated revenues and budgetary expenditure savings resulted in a budgetary surplus of \$2.2 million at the end of the fiscal year.

In creating its budget for the year ending June 30, 2012, the City used an estimated budgetary fund balance of \$4.7 million.

CAPITAL ASSET & DEBT ADMINISTRATION

Capital Assets

As of June 30, 2011, the City had invested \$403.3 million in a broad range of capital assets, including police and fire equipment, buildings, parks and park improvements, roads and water, sewer and storm drainage transmission and distribution systems. This represents a net increase for the current fiscal year of \$15.5 million, or 4 percent.

City of Woodland
Capital Assets
As of June 30, 2011 and 2010
(net of depreciation, in millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Capital Assets Not Being Depreciated						
Land	\$ 18.0	\$ 16.5	\$ 3.8	\$ 3.8	\$ 21.8	\$ 20.3
Intangible assets	1.2	1.1	-	-	1.1	1.1
Construction in progress	15.1	9.5	25.2	15.9	40.2	25.4
Depreciable Capital Assets:						
Ponds	-	-	0.3	0.3	0.3	0.3
Buildings	64.7	66.4	0.1	0.1	64.8	66.5
Improvements	15.9	16.4	23.0	24.1	38.9	40.5
Machinery and equipment	6.1	7.2	3.0	1.9	9.1	9.0
Intangible assets	0.6	0.8	0.1	0.1	0.9	0.9
Sewer treatment plant	-	-	7.2	8.1	7.2	8.1
Infrastructure	141.4	143.8	77.6	71.8	219.0	215.5
Total	<u>\$ 263.0</u>	<u>\$ 261.7</u>	<u>\$ 140.3</u>	<u>\$ 126.1</u>	<u>\$ 403.3</u>	<u>\$ 387.8</u>

This year's major capital asset additions included:

- Replacement of major components at the Water Pollution Control Facility added \$1.3 million to machinery and equipment.
- Installation of well monitoring systems and equipment added \$1.2 million to construction in progress.
- Completion a large sewer line rehabilitation project added \$1.9 million to infrastructure.
- Continued installation of water meters in residential customers throughout the City added \$8.2 million to construction in progress.
- Construction of a new freeway interchange added \$7.3 million to construction in progress.

More detailed information about the City's capital assets is presented in Note 8 of the Notes to the Basic Financial Statements.

Long-term Debt

At June 30, 2011 and 2010, the City had \$144 million and \$138.8 million, respectively, in long-term debt outstanding. The outstanding debt of governmental activities decreased approximately \$1.1 million as a result of principal payments on existing debt during the fiscal year. Outstanding debt of business-type activities increased approximately \$16.2 million as a result of issuance of \$18.8 million in new Water Revenue bonds, and increases of \$4.5 million in loans payable related to installation of water meters throughout the City. These increases were offset by refunding of outstanding Water Revenue Bonds of \$8.9 million and principal payments on existing debt during the fiscal year.

**City of Woodland
Outstanding Debt
As of June 30, 2011 and 2010
(in millions)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenue and other bonds	\$ 52.6	\$ 54.6	\$ 40.7	\$ 31.2	\$ 93.3	\$ 85.8
Tax allocation bonds, net	8.1	8.3	-	-	8.1	8.3
Certificates of participation, net	-	-	.8	1.6	.8	1.6
Loans payable	5.9	6.0	-	-	5.9	6.0
Developer fee obligations	33.4	34.2	-	-	33.4	34.2
Capital lease obligations	2.5	2.9	-	-	2.5	2.9
Total	\$ 102.5	\$ 106.0	\$ 41.5	\$ 32.8	\$ 144.0	\$ 138.8

More detailed information about the City's total long-term liabilities is presented in Note 9 of the Notes to the Financial Statements.

The City continues to maintain excellent credit ratings on all of its debt issues. The following are the ratings at June 30, 2011 as determined by Moody's Investors Service and Standard & Poor's. These ratings have not changed subsequent to year-end.

	<u>Moody's</u>	<u>S & P</u>
Insured Issues:		
• 2002 Lease Revenue Bonds	A3	AAA
• 2003 Gibson Ranch CFD		AAA
• 2004 Gibson Ranch Refunding Bonds		AAA
• 2005 Capital Project Lease Revenue Bonds	A3	
• 2005 Wastewater Revenue Bonds	A3	
• 2007 Lease Revenue Bonds	A3	
• 2007 Tax Allocation Bonds	Aa3	
Uninsured Issues:		
• 2009 Wastewater Revenue Bonds		AA
• 2011 Water Revenue Bonds		AA-

The City's bonded debt per capita is a useful indicator to citizens and investors of the City's debt position. As of June 30, 2011 the City had no bonded debt per capita. Bonded debt does not include special assessment debt or mortgage insured bonds for which the City is not obligated.

ECONOMIC FACTORS & NEXT YEAR'S BUDGET

Economic Factors

In light of the current downturn in the housing market, the City continues to face significant fiscal challenges. These include:

- The challenge of maintaining service levels in the context of continued growth in population and dwindling resources. Decreases in general revenues stemming from property and sales taxes in combination with continuing increases in personnel, benefit and utility costs present significant challenges for funding a balance of City services. Uncertainty surrounding receipt of money due from the State for operations of critical programs has also become a concern.
- The City's Storm Drain system continues to deteriorate, and it will require repairs and replacements in older areas of the City in the near future. The Storm Drain Fund currently has a deficit in unrestricted net assets of \$9.2 million, with total net assets of \$9.4 million. Development fees pay for new construction only; maintenance impacts stemming from past and future new construction will continue to burden this fund. Storm drain rate increases must be voter approved and an attempt to increase the

fee failed in August 2007. Council continues to have discussion regarding a future fee increase, but the operations have been reduced to the minimum legal level, and any operations in excess of current revenues have become a General Fund obligation.

Economic factors that may favorably affect the City in the longer term include:

- Construction of the Gateway project, anchored by Costco and Target, has helped generate new sales tax revenues and will ultimately aid area employment. Other retail stores include a Best Buy and Michael's store, which has helped generate new sales tax revenues. Additional stores are planned in the future and planning efforts are underway to determine the feasibility of expanding to a second phase of this project.
- A major regional State courthouse project relocation is hoped to help revitalize the downtown area and draw additional business and visitors into the area.
- The Woodland Park Specific plan covers approximately 900 acres in the northeast industrial area of the City. Eventually the Plan will encourage diverse employment; it will include land for corporate campus, research and development, as well as current manufacturing and warehousing industries. It should set the stage for job growth for many years to come. Changes to the Federal Emergency Management Agency (FEMA) flood maps throughout the City will aid to make development of some of this area more realistic in the near term.

Next Year's Budget

The General Fund budget for 2011 appropriates \$36.3 million, a decrease of 8 percent from the prior year. General Fund revenue for 2011 is projected to be \$36.1 million, which is \$2.7 million less than the revenue budget for 2010.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances, and to demonstrate the City's accountability for the money it receives. If you have questions about this report, need additional financial information, or would like to obtain component unit financial statements, contact the City of Woodland Department of Finance, 300 First Street, Woodland, California, 95695 or visit the City's web page at www.cityofwoodland.org.

FINANCIAL SECTION

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CITY OF WOODLAND, CALIFORNIA
STATEMENT OF NET ASSETS
JUNE 30, 2011

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 29,933,551	\$ 7,310,794	\$ 37,244,345
Restricted cash and investments	-	11,693,990	11,693,990
Receivables	7,200,721	6,278,972	13,479,693
Internal balances	(4,741,451)	4,741,451	-
Other assets	674,460	76,954	751,414
Long-term notes receivable	29,591,360	-	29,591,360
Cash and investments with fiscal agents	2,917,317	3,173,940	6,091,257
Capital assets not being depreciated	34,229,671	29,057,100	63,286,771
Capital assets being depreciated, net	228,640,900	111,262,439	339,903,339
	<u>\$ 328,446,529</u>	<u>\$ 173,595,640</u>	<u>\$ 502,042,169</u>
Total assets			
LIABILITIES			
Accounts payable	\$ 3,408,034	\$ 1,854,373	\$ 5,262,407
Interest payable	1,040,579	508,259	1,548,838
Deposits	3,049,200	-	3,049,200
Commercial paper	-	3,100,000	3,100,000
Noncurrent liabilities:			
Due within one year	5,292,917	1,227,722	6,520,639
Due in more than one year	106,020,045	49,184,526	155,204,571
	<u>118,810,775</u>	<u>55,874,880</u>	<u>174,685,655</u>
Total liabilities			
NET ASSETS			
Invested in capital assets, net of related debt	175,532,061	77,270,997	252,803,058
Restricted for:			
Capital projects	13,464,919	-	13,464,919
Debt service	2,225,693	-	2,225,693
Transportation	831,205	-	831,205
Other purposes	4,123,188	-	4,123,188
Unrestricted	13,458,688	40,449,763	53,908,451
	<u>209,635,754</u>	<u>117,720,760</u>	<u>327,356,514</u>
Total net assets			
Total liabilities and net assets	<u>\$ 328,446,529</u>	<u>\$ 173,595,640</u>	<u>\$ 502,042,169</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2011

FUNCTIONS/PROGRAMS:	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 1,828,119	\$ 883,057	\$ -	\$ -	\$ (945,062)	\$ -	\$ (945,062)
Finance	856,310	45,210	-	-	(811,100)	-	(811,100)
Community development	5,788,512	2,772,625	7,711,944	-	4,696,057	-	4,696,057
Parks and recreation	3,778,885	1,957,743	3,709	224,446	(1,592,987)	-	(1,592,987)
Police	14,854,765	491,091	603,368	-	(13,760,306)	-	(13,760,306)
Fire	9,176,631	876,684	-	-	(8,299,947)	-	(8,299,947)
Library	1,521,535	33,314	220,544	-	(1,267,677)	-	(1,267,677)
Public works	14,874,781	6,098,190	4,724,505	4,667,452	615,366	-	615,366
Interest on long-term debt	3,738,641	-	-	-	(3,738,641)	-	(3,738,641)
Total governmental activities	<u>56,418,179</u>	<u>13,157,914</u>	<u>13,264,070</u>	<u>4,891,898</u>	<u>(25,104,297)</u>	<u>-</u>	<u>(25,104,297)</u>
Business-type activities:							
Water	8,135,324	8,928,928	411,186	4,537,761	-	5,742,551	5,742,551
Sewer	9,963,470	10,004,352	-	-	-	40,882	40,882
Storm Drain	1,038,603	197,875	-	-	-	(840,728)	(840,728)
Wastewater Pretreatment	432,021	393,113	-	-	-	(38,908)	(38,908)
Recycling	355,318	187,079	21,032	-	-	(147,207)	(147,207)
Construction and Demolition Program	33,570	24,870	-	-	-	(8,700)	(8,700)
Fire Training Center	486,268	549,684	-	-	-	63,416	63,416
Cemetery	272,134	73,560	-	-	-	(198,574)	(198,574)
Youth Program	309,987	219,079	-	-	-	(90,908)	(90,908)
Total business-type activities	<u>21,026,695</u>	<u>20,578,540</u>	<u>432,218</u>	<u>4,537,761</u>	<u>-</u>	<u>4,521,824</u>	<u>4,521,824</u>
Total	<u>\$ 77,444,874</u>	<u>\$ 33,736,454</u>	<u>\$ 13,696,288</u>	<u>\$ 9,429,659</u>	<u>(25,104,297)</u>	<u>4,521,824</u>	<u>(20,582,473)</u>

General revenues:

Taxes:		
Property taxes	10,398,932	10,398,932
Measure E/V special tax	5,224,831	5,224,831
Other taxes	915,164	915,164
Franchise fees	1,833,993	1,833,993
Intergovernmental not restricted for specific programs:		
Sales and use tax - levied by State	8,934,116	8,934,116
Motor vehicle in-lieu	4,146,982	4,146,982
Investment earnings	347,056	223,636
Gain on sale of capital assets	460,403	460,403
Transfers	599,702	(599,702)
Total general revenues and transfers	<u>32,861,179</u>	<u>32,485,113</u>
Change in net assets	7,756,882	11,902,640
Net assets - beginning of year, restated	<u>201,878,872</u>	<u>315,453,874</u>
Net assets- end of year	<u>\$ 209,635,754</u>	<u>\$ 327,356,514</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2011

	<u>General</u>	<u>Spring Lake</u>	<u>Special Sales Tax District</u>	<u>Sewer Development</u>
ASSETS				
Cash and investments	\$ 7,072,218	\$ 5,258,838	\$ 1,782,269	\$ -
Cash and investments with fiscal agents	127,679	-	-	-
Receivables	4,020,812	187,992	-	135,159
Due from other funds	71,382	2,445,712	4,122,370	-
Inventory	131,262	-	-	-
Other assets	6,240	-	-	-
Long-term notes receivable	-	-	-	-
Advances to other funds	-	1,799,931	-	2,427,320
Total assets	<u>\$ 11,429,593</u>	<u>\$ 9,692,473</u>	<u>\$ 5,904,639</u>	<u>\$ 2,562,479</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities:				
Accounts payable	\$ 1,677,490	\$ 9,377	\$ 95,597	\$ -
Deposits	2,712,691	273,049	-	-
Due to other funds	32,080	-	-	630,920
Deferred revenue	380,626	187,992	-	132,474
Compensated absences	100,000	-	-	-
Advances from other funds	-	-	-	8,876,227
Total liabilities	<u>4,902,887</u>	<u>470,418</u>	<u>95,597</u>	<u>9,639,621</u>
Fund balances (deficits):				
Nonspendable	137,502	1,799,931	-	-
Restricted	-	-	-	2,427,320
Committed	-	7,422,124	5,809,042	-
Assigned	167,062	-	-	-
Unassigned	6,222,142	-	-	(9,504,462)
Total fund balances (deficits)	<u>6,526,706</u>	<u>9,222,055</u>	<u>5,809,042</u>	<u>(7,077,142)</u>
Total liabilities and fund balances (deficits)	<u>\$ 11,429,593</u>	<u>\$ 9,692,473</u>	<u>\$ 5,904,639</u>	<u>\$ 2,562,479</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2011

Home Grant	Housing Assistance Grants	Other Governmental	Total Governmental	
				ASSETS
\$ 181,791	\$ 16,892	\$ 11,459,258	\$ 25,771,266	Cash and investments
-	-	2,789,638	2,917,317	Cash and investments with fiscal agents
471,350	-	2,351,980	7,167,293	Receivables
-	-	2,660,878	9,300,342	Due from other funds
-	-	-	131,262	Inventory
-	-	-	6,240	Other assets
12,206,152	8,250,764	9,134,444	29,591,360	Long-term notes receivable
-	-	4,387,441	8,614,692	Advances to other funds
\$ 12,859,293	\$ 8,267,656	\$ 32,783,639	\$ 83,499,772	Total assets
				LIABILITIES AND FUND BALANCES (DEFICITS)
				Liabilities:
\$ 471,350	\$ 825	\$ 1,004,623	\$ 3,259,262	Accounts payable
-	-	63,460	3,049,200	Deposits
-	-	9,248,653	9,911,653	Due to other funds
12,206,152	8,250,764	9,423,978	30,581,986	Deferred revenue
-	-	-	100,000	Compensated absences
-	-	3,868,605	12,744,832	Advances from other funds
12,677,502	8,251,589	23,609,319	59,646,933	Total liabilities
				Fund balances (deficits):
-	-	-	1,937,433	Nonspendable
181,791	16,067	19,284,492	21,909,670	Restricted
-	-	1,191,025	14,422,191	Committed
-	-	-	167,062	Assigned
-	-	(11,301,197)	(14,583,517)	Unassigned
181,791	16,067	9,174,320	23,852,839	Total fund balances (deficits)
\$ 12,859,293	\$ 8,267,656	\$ 32,783,639	\$ 83,499,772	Total liabilities and fund balances (deficits)

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES
JUNE 30, 2011

Total fund balances - total governmental funds	\$ 23,852,839
Amounts reported for governmental activities in the statement of net assets are different from those reported in the governmental funds because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	258,678,669
Deferred costs of issuance for debt used in governmental activities are not financial resources and, therefore, are not reported in the funds.	536,958
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.	5,614,783
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	30,581,986
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Developer fee obligations	(33,409,066)
Revenue bonds	(52,592,780)
Tax allocation bonds	(8,107,144)
Loans payable	(5,866,860)
Capital lease	(265,344)
Compensated absences	(1,817,099)
Other postemployment benefits	(6,542,599)
Interest payable	(1,028,589)
	209,635,754
Net assets of governmental activities	\$ 209,635,754

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	<u>General</u>	<u>Spring Lake</u>	<u>Special Sales Tax District</u>	<u>Sewer Development</u>
REVENUES:				
Taxes	\$ 23,590,238	\$ -	\$ -	\$ -
Fines and penalties	299,959	-	-	-
Intergovernmental	4,507,587	-	-	-
Charges for services	4,868,071	-	-	-
Licenses and permits	4,030,837	1,504,950	-	1,374,953
Investment earnings	57,279	30,800	11,798	11,839
Miscellaneous	4,860	268,971	-	-
Total revenues	<u>37,358,831</u>	<u>1,804,721</u>	<u>11,798</u>	<u>1,386,792</u>
EXPENDITURES:				
Current:				
General government	1,708,178	-	-	-
Finance	702,784	15,190	-	-
Community development	2,255,401	87,609	2,675	-
Parks and recreation	2,283,523	10,696	3,397	-
Police	13,683,026	-	-	-
Fire	9,017,245	-	-	-
Library	826,673	-	3,764	-
Public works	826,183	799,552	620,300	63,687
Debt service:				
Principal	167,887	757,904	-	-
Interest	42,253	-	-	-
Total expenditures	<u>31,513,153</u>	<u>1,670,951</u>	<u>630,136</u>	<u>63,687</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,845,678</u>	<u>133,770</u>	<u>(618,338)</u>	<u>1,323,105</u>
OTHER FINANCING SOURCE (USES):				
Proceeds from sale of capital assets	535,000	-	-	-
Issuance of debt	-	-	-	-
Transfers in	138,378	-	3,843,476	-
Transfers out	(4,307,373)	(320,922)	(418,213)	(1,317,851)
Total other financing sources (uses)	<u>(3,633,995)</u>	<u>(320,922)</u>	<u>3,425,263</u>	<u>(1,317,851)</u>
Net change in fund balances	2,211,683	(187,152)	2,806,925	5,254
Fund balances (deficits), beginning of year	<u>4,315,023</u>	<u>9,409,207</u>	<u>3,002,117</u>	<u>(7,082,396)</u>
Fund balances (deficits), end of year	<u>\$ 6,526,706</u>	<u>\$ 9,222,055</u>	<u>\$ 5,809,042</u>	<u>\$ (7,077,142)</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

Home Grant	Housing Assistance Grants	Other Governmental	Total Governmental	
\$ - - 3,227,227 - - - 82,031 <u>3,309,258</u>	\$ - - 112,083 - - 38,609 <u>150,692</u>	\$ 1,679,082 - 8,969,309 1,854,503 3,563,110 213,787 2,452,286 <u>18,732,077</u>	\$ 25,269,320 299,959 16,816,206 6,722,574 10,473,850 325,503 2,846,757 <u>62,754,169</u>	REVENUES: Taxes Fines and penalties Intergovernmental Charges for services Licenses and permits Investment earnings Miscellaneous Total revenues
- - 3,273,756 - - - - - - - - - - - - - <u>3,273,756</u>	- - 47,925 - - - - - - - - - - - - - <u>47,925</u>	77,184 961,323 4,378,110 1,176,980 822,701 174,934 316,152 15,141,899 2,303,590 3,472,038 <u>28,824,911</u>	1,785,362 1,679,297 10,045,476 3,474,596 14,505,727 9,192,179 1,146,589 17,451,621 3,229,381 3,514,291 <u>66,024,519</u>	EXPENDITURES: Current: General government Finance Community development Parks and recreation Police Fire Library Public works Debt service: Principal Interest Total expenditures
<u>35,502</u>	<u>102,767</u>	<u>(10,092,834)</u>	<u>(3,270,350)</u>	Excess (deficiency) of revenues over (under) expenditures
- - - - <u>-</u>	- - - - <u>-</u>	2,525,000 278,934 6,042,140 (3,086,639) <u>5,759,435</u>	3,060,000 278,934 10,023,994 (9,450,998) <u>3,911,930</u>	OTHER FINANCING SOURCE (USES): Proceeds from sale of capital assets Proceeds from issuance of debt Transfers in Transfers out Total other financing sources (uses)
35,502	102,767	(4,333,399)	641,580	Net change in fund balances
<u>146,289</u>	<u>(86,700)</u>	<u>13,507,719</u>	<u>23,211,259</u>	Fund balances (deficits), beginning of year
<u>\$ 181,791</u>	<u>\$ 16,067</u>	<u>\$ 9,174,320</u>	<u>\$ 23,852,839</u>	Fund balances (deficits), end of year

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF
ACTIVITIES - GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2011

Net change in fund balances - total governmental funds \$ 641,580

Amounts reported for governmental activities in the statement of activities are different from those reported in the governmental funds because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital outlay	15,866,341	
Depreciation expense	<u>(11,074,668)</u>	4,791,673

In the statement of activities, only the gain or loss on the sale or disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs the change in fund balance by the book value of the capital assets disposed of or sold.

(2,780,312)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

3,382,849

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither, transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt.

Principal retirement	3,229,381	
Proceeds from long-term loans		(399,184)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Amortization of bond issuance costs	(37,259)	
Amortization of premiums and discounts	(10,492)	
Change in accrued interest	19,573	
Changes in compensated absences	(268,946)	
Changes in other postemployment benefits	(2,033,845)	

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of internal service funds is reported with governmental activities.

1,221,864

Change in net assets of governmental activities

\$ 7,756,882

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 22,892,731	\$ 22,781,717	\$ 23,590,238	\$ 808,521
Fines and penalties	562,699	339,100	299,959	(39,141)
Intergovernmental	4,038,476	4,303,735	4,507,587	203,852
Charges for services	4,579,697	4,673,677	4,868,071	194,394
Licenses and permits	3,786,151	3,769,623	4,030,837	261,214
Investment earnings	90,800	90,800	57,279	(33,521)
Miscellaneous	2,501	3,903	4,860	957
Total revenues	<u>35,953,055</u>	<u>35,962,555</u>	<u>37,358,831</u>	<u>1,396,276</u>
EXPENDITURES:				
General Government:				
City Council				
Personnel services	78,526	81,785	82,602	(817)
Supplies	68,500	74,500	108,065	(33,565)
Other services and charges	130,177	135,176	98,041	37,135
Total City Council	<u>277,203</u>	<u>291,461</u>	<u>288,708</u>	<u>2,753</u>
City Clerk				
Personnel services	17,965	17,965	61,462	(43,497)
Supplies	6,690	73,290	74,055	(765)
Other services and charges	3,806	3,806	8,123	(4,317)
Total City Clerk	<u>28,461</u>	<u>95,061</u>	<u>143,640</u>	<u>(48,579)</u>
City Attorney				
Other services and charges	502,000	427,000	372,625	54,375
City Manager/Human Resources				
Personnel services	764,387	660,284	751,587	(91,303)
Supplies	123,500	120,250	114,758	5,492
Other services and charges	32,434	34,434	36,860	(2,426)
Total City Manager/Human Resources	<u>920,321</u>	<u>814,968</u>	<u>903,205</u>	<u>(88,237)</u>
Total General Government	<u>1,727,985</u>	<u>1,628,490</u>	<u>1,708,178</u>	<u>(79,688)</u>
Finance				
Personnel services	393,471	422,783	473,468	(50,685)
Supplies	275,115	248,665	156,779	91,886
Other services and charges	65,554	65,554	72,537	(6,983)
Total Finance	<u>734,140</u>	<u>737,002</u>	<u>702,784</u>	<u>34,218</u>
Community Development				
Personnel services	1,834,689	1,855,679	1,603,251	252,428
Supplies	213,196	209,796	185,725	24,071
Other services and charges	597,645	597,645	466,425	131,220
Total Community Development	<u>2,645,530</u>	<u>2,663,120</u>	<u>2,255,401</u>	<u>407,719</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Parks and Recreation				
Personnel services	\$ 1,087,846	\$ 1,137,506	\$ 1,058,292	\$ 79,214
Supplies	785,735	732,735	609,506	123,229
Other services and charges	702,710	702,710	615,725	86,985
Total Parks and Recreation	2,576,291	2,572,951	2,283,523	289,428
Police				
Personnel services	10,101,423	9,998,743	9,860,664	138,079
Supplies	2,563,659	2,547,959	2,355,120	192,839
Other services and charges	1,448,656	1,414,356	1,467,242	(52,886)
Total Police	14,113,738	13,961,058	13,683,026	278,032
Fire				
Personnel services	5,924,593	6,529,103	6,944,271	(415,168)
Supplies	466,201	443,201	434,032	9,169
Other services and charges	1,687,160	1,682,159	1,638,942	43,217
Total Fire	8,077,954	8,654,463	9,017,245	(362,782)
Library				
Personnel services	717,472	669,990	592,539	77,451
Supplies	142,770	138,770	135,604	3,166
Other services and charges	103,524	103,524	98,530	4,994
Total Library	963,766	912,284	826,673	85,611
Public Works				
Personnel services	325,210	338,283	334,454	3,829
Supplies	303,059	303,059	246,708	56,351
Other services and charges	272,796	272,796	245,021	27,775
Total Public Works	901,065	914,138	826,183	87,955
Debt service:				
Principal	167,887	167,887	167,887	-
Interest	42,253	42,253	42,253	-
Total expenditures	31,950,609	32,253,646	31,513,153	740,493
Excess of revenues over expenditures	4,002,446	3,708,909	5,845,678	2,136,769
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	535,000	535,000	-
Transfers in	138,378	138,378	138,378	-
Transfers out	(4,374,092)	(4,149,092)	(4,307,373)	(158,281)
Total other financing sources (uses)	(4,235,714)	(3,475,714)	(3,633,995)	(158,281)
Net change in fund balance	\$ (233,268)	\$ 233,195	2,211,683	\$ 1,978,488
Fund balance, beginning of year			4,315,023	
Fund balance, end of year			\$ 6,526,706	

The notes to the basic financial statements are an integral part of this statement.

**CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOME GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ -	\$ 4,000,000	\$ 3,227,227	\$ (772,773)
Miscellaneous	-	-	82,031	82,031
Total revenues	<u>-</u>	<u>4,000,000</u>	<u>3,309,258</u>	<u>(690,742)</u>
EXPENDITURES:				
Current:				
Community development	-	4,000,000	3,273,756	726,244
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	35,502	<u>\$ 35,502</u>
Fund balance (deficit), beginning of year			<u>146,289</u>	
Fund balance, end of year			<u>\$ 181,791</u>	

The notes to the basic financial statements are an integral part of this statement.

**CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOUSING ASSISTANCE GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ -	\$ 50,000	\$ 112,083	\$ 62,083
Miscellaneous	-	-	38,609	38,609
Total revenues	<u>-</u>	<u>50,000</u>	<u>150,692</u>	<u>100,692</u>
EXPENDITURES:				
Current:				
Community development	-	50,000	47,925	2,075
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	102,767	<u>\$ 102,767</u>
Fund balance (deficit), beginning of year			<u>(86,700)</u>	
Fund balance (deficit), end of year			<u>\$ 16,067</u>	

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water	Sewer	Storm Drain	Other Enterprise Funds		
ASSETS						
Current assets:						
Cash and investments	\$ 2,738,413	\$ 2,196,453	\$ -	\$ 2,375,928	\$ 7,310,794	\$ 4,162,284
Restricted cash and investments	4,801,739	6,892,251	-	-	11,693,990	-
Receivables	5,906,906	320,592	5,311	46,163	6,278,972	33,428
Due from other funds	793,092	2,898,967	-	-	3,692,059	-
Prepaid items and deposits	68,464	8,490	-	-	76,954	-
Total current assets	<u>14,308,614</u>	<u>12,316,753</u>	<u>5,311</u>	<u>2,422,091</u>	<u>29,052,769</u>	<u>4,195,712</u>
Noncurrent assets:						
Cash and investments with fiscal agents	1,324,812	1,849,128	-	-	3,173,940	-
Advances to other funds	2,068,674	8,876,227	-	68,000	11,012,901	-
Land	406,851	2,957,761	447,400	-	3,812,012	-
Construction in progress	24,707,616	537,472	-	-	25,245,088	-
Depreciable capital assets (net of accumulated depreciation)	29,967,331	63,147,264	18,140,754	7,090	111,262,439	4,191,902
Total noncurrent assets	<u>58,475,284</u>	<u>77,367,852</u>	<u>18,588,154</u>	<u>75,090</u>	<u>154,506,380</u>	<u>4,191,902</u>
Total assets	<u>72,783,898</u>	<u>89,684,605</u>	<u>18,593,465</u>	<u>2,497,181</u>	<u>183,559,149</u>	<u>8,387,614</u>
LIABILITIES						
Current liabilities:						
Accounts payable	1,337,761	396,925	29,932	89,755	1,854,373	148,772
Due to other funds	-	-	2,268,047	812,701	3,080,748	-
Interest payable	333,105	175,154	-	-	508,259	11,989
Compensated absences	61,988	42,165	13	6,409	110,575	11,910
Commercial paper	3,100,000	-	-	-	3,100,000	-
Deferred loss on refunding	(16,436)	-	-	-	(16,436)	-
Long-term debt - current portion	315,000	818,583	-	-	1,133,583	596,273
Total current liabilities	<u>5,131,418</u>	<u>1,432,827</u>	<u>2,297,992</u>	<u>908,865</u>	<u>9,771,102</u>	<u>768,944</u>
Noncurrent liabilities:						
Compensated absences	120,904	96,055	5,322	27,897	250,178	57,687
Advances from other funds	-	-	6,814,761	68,000	6,882,761	-
Revenue bonds	18,500,000	22,202,220	-	-	40,702,220	-
Deferred loss on refunding	(345,161)	-	-	-	(345,161)	-
Loans payable	6,780,346	-	-	-	6,780,346	-
Capitalized lease obligations	-	-	-	-	-	1,589,233
Other postemployment benefits	738,891	737,720	63,145	257,187	1,796,943	356,967
Total noncurrent liabilities	<u>25,794,980</u>	<u>23,035,995</u>	<u>6,883,228</u>	<u>353,084</u>	<u>56,067,287</u>	<u>2,003,887</u>
Total liabilities	<u>30,926,398</u>	<u>24,468,822</u>	<u>9,181,220</u>	<u>1,261,949</u>	<u>65,838,389</u>	<u>2,772,831</u>
NET ASSETS						
Invested in capital assets, net of related debt	21,946,310	36,729,443	18,588,154	7,090	77,270,997	2,006,396
Unrestricted	19,911,190	28,486,340	(9,175,909)	1,228,142	40,449,763	3,608,387
Total net assets	<u>\$ 41,857,500</u>	<u>\$ 65,215,783</u>	<u>\$ 9,412,245</u>	<u>\$ 1,235,232</u>	<u>\$ 117,720,760</u>	<u>\$ 5,614,783</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2011

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water	Sewer	Storm Drain	Other Enterprise Funds		
OPERATING REVENUES:						
Charges for services	\$ 8,922,619	\$ 9,874,049	\$ 181,309	\$ 1,193,275	\$ 20,171,252	\$ -
Billings to departments	-	-	-	-	-	11,981,926
Other	6,309	130,303	16,566	254,110	407,288	49,834
Total operating revenues	<u>8,928,928</u>	<u>10,004,352</u>	<u>197,875</u>	<u>1,447,385</u>	<u>20,578,540</u>	<u>12,031,760</u>
OPERATING EXPENSES:						
Personnel services	3,459,896	3,420,330	113,551	1,039,807	8,033,584	1,452,157
Utilities	832,920	779,405	55,377	14,464	1,682,166	22,158
Office supplies and expenses	793,330	1,404,788	57,180	438,519	2,693,817	929,880
Small tools and supplies	2,745	3,887	380	337	7,349	8,132
Contractual services	210,256	721,625	74,158	246,270	1,252,309	-
Depreciation	953,024	2,482,323	632,924	1,970	4,070,241	884,269
Equipment rental and maintenance	422,857	483,872	100,389	146,266	1,153,384	517,815
Insurance premiums and claims	-	-	-	-	-	6,918,672
Total operating expenses	<u>6,675,028</u>	<u>9,296,230</u>	<u>1,033,959</u>	<u>1,887,633</u>	<u>18,892,850</u>	<u>10,733,083</u>
Operating income (loss)	<u>2,253,900</u>	<u>708,122</u>	<u>(836,084)</u>	<u>(440,248)</u>	<u>1,685,690</u>	<u>1,298,677</u>
NONOPERATING REVENUES (EXPENSES):						
Investment earnings	90,447	119,276	-	13,913	223,636	21,553
Intergovernmental	411,186	-	-	21,032	432,218	-
Interest expense	(1,373,505)	(644,093)	-	(1,665)	(2,019,263)	(113,181)
Gain (loss) on disposal of capital assets	(86,791)	(23,147)	(4,644)	-	(114,582)	(11,891)
Total nonoperating revenues (expenses)	<u>(958,663)</u>	<u>(547,964)</u>	<u>(4,644)</u>	<u>33,280</u>	<u>(1,477,991)</u>	<u>(103,519)</u>
Income (loss) before contributions and transfers	1,295,237	160,158	(840,728)	(406,968)	207,699	1,195,158
Capital contribution	4,537,761	-	-	-	4,537,761	-
Transfers in	-	-	242,000	200,000	442,000	333,290
Transfers out	(138,378)	(903,324)	-	-	(1,041,702)	(306,584)
Change in net assets	5,694,620	(743,166)	(598,728)	(206,968)	4,145,758	1,221,864
Net assets, beginning of year, as restated	<u>36,162,880</u>	<u>65,958,949</u>	<u>10,010,973</u>	<u>1,442,200</u>	<u>113,575,002</u>	<u>4,392,919</u>
Net assets, end of year	<u>\$ 41,857,500</u>	<u>\$ 65,215,783</u>	<u>\$ 9,412,245</u>	<u>\$ 1,235,232</u>	<u>\$ 117,720,760</u>	<u>\$ 5,614,783</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2011

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water	Sewer	Storm Drain	Other Enterprise Funds		
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from customers	\$ 9,227,607	\$ 10,459,521	\$ 202,594	\$ 1,439,059	\$ 21,328,781	\$ 12,029,195
Payments to suppliers	(1,460,453)	(3,253,042)	(309,487)	(873,054)	(5,896,036)	(1,205,333)
Payments to employees	(3,150,731)	(3,100,608)	(105,487)	(956,298)	(7,313,124)	(1,328,783)
Payments for insurance premiums and claims	-	-	-	-	-	(6,918,791)
Net cash provided (used) by operating activities	<u>4,616,423</u>	<u>4,105,871</u>	<u>(212,380)</u>	<u>(390,293)</u>	<u>8,119,621</u>	<u>2,576,288</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers in	-	-	242,000	200,000	442,000	333,290
Transfers out	(138,378)	(903,324)	-	-	(1,041,702)	(306,584)
Interfund loan payments	-	-	(29,619)	-	(29,619)	-
Interfund borrowings from (to) other funds	2,079,011	36,250	-	62,665	2,177,926	-
Advances to other funds	(47,685)	-	-	-	(47,685)	-
Operating grants received	411,186	-	-	21,032	432,218	-
Net cash provided (used) by noncapital financing activities	<u>2,304,134</u>	<u>(867,074)</u>	<u>212,381</u>	<u>283,697</u>	<u>1,933,138</u>	<u>26,706</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition of capital assets	(14,569,206)	(3,835,558)	-	-	(18,404,764)	(103,092)
Capital contributions	1,690,833	-	-	-	1,690,833	-
Proceeds from issuance of long-term debt	18,819,425	-	-	-	18,819,425	-
Proceeds from the issuance of commercial paper	3,100,000	-	-	-	3,100,000	-
Principal payments on long-term debt	(8,975,000)	(820,000)	-	-	(9,795,000)	(703,896)
Interest paid	(1,077,796)	(615,550)	-	-	(1,693,346)	(132,036)
Net cash provided (used) by capital and related financing activities	<u>(1,011,744)</u>	<u>(5,271,108)</u>	<u>-</u>	<u>-</u>	<u>(6,282,852)</u>	<u>(939,024)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest received	90,447	119,276	-	13,913	223,636	21,553
Net increase (decrease) in cash and cash equivalents	5,999,260	(1,913,035)	1	(92,683)	3,993,543	1,685,523
Cash and cash equivalents, beginning of year	1,540,892	11,001,739	-	2,468,611	15,011,242	2,476,761
Cash and cash equivalents, end of year	<u>\$ 7,540,152</u>	<u>\$ 9,088,704</u>	<u>\$ 1</u>	<u>\$ 2,375,928</u>	<u>\$ 19,004,785</u>	<u>\$ 4,162,284</u>
Reconciliation to the Statement of Net Assets:						
Cash and investments	\$ 2,738,413	\$ 2,196,453	\$ -	\$ 2,375,928	\$ 7,310,794	\$ 4,162,284
Restricted cash and investments	4,801,739	6,892,251	-	-	11,693,990	-
Cash and cash equivalents	<u>\$ 7,540,152</u>	<u>\$ 9,088,704</u>	<u>\$ -</u>	<u>\$ 2,375,928</u>	<u>\$ 19,004,784</u>	<u>\$ 4,162,284</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:						
Book value of capital assets from disposition	\$ 86,791	\$ 23,147	\$ 4,644	\$ -	\$ 114,582	\$ -
Amortization of original issue discount	-	51,416	-	-	51,416	-
Debt proceeds deposited with fiscal agent	1,324,812	-	-	-	1,324,812	-

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2011

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water	Sewer	Storm Drain	Other Enterprise Funds		
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 2,253,900	\$ 708,122	\$ (836,084)	\$ (440,248)	\$ 1,685,690	\$ 1,298,677
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	953,024	2,482,323	632,924	1,970	4,070,241	884,269
Change in assets and liabilities:						
Receivables	298,679	455,169	4,719	(8,326)	750,241	(2,565)
Prepaid items and deposits	(1)	-	-	-	(1)	295,538
Accounts payable	801,656	140,535	(22,003)	(27,198)	892,990	(23,005)
Compensated absences	(5,359)	11,372	1,204	(11,040)	(3,823)	(17,182)
Other postemployment benefits	314,524	308,350	6,860	94,549	724,283	140,556
Total adjustments	<u>2,362,523</u>	<u>3,397,749</u>	<u>623,704</u>	<u>49,955</u>	<u>6,433,931</u>	<u>1,277,611</u>
Net cash provided (used) by operating activities	<u>\$ 4,616,423</u>	<u>\$ 4,105,871</u>	<u>\$ (212,380)</u>	<u>\$ (390,293)</u>	<u>\$ 8,119,621</u>	<u>\$ 2,576,288</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
JUNE 30, 2011

ASSETS

Cash and investments	\$ 5,410,968
Cash and investments with fiscal agents	4,900,547
Accounts receivable	<u>313,655</u>
Total assets	<u><u>\$ 10,625,170</u></u>

LIABILITIES

Accounts payable	\$ 59,048
Deposits payable	4,433,735
Due to assessment district bondholders	<u>6,132,387</u>
Total liabilities	<u><u>\$ 10,625,170</u></u>

The notes to the basic financial statements are an integral part of this statement.

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CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Woodland (City) was incorporated as a general law city on February 22, 1871. The City operates under the Council-Manager form of government and provides the following services: public safety (police and fire), highways and streets, recycling, recreation and culture, water and sewer, planning and zoning, general administration services, and community development.

The financial statements and accounting policies of the City conform with generally accepted accounting principles applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

A. Reporting Entity

The financial statements of the City include the financial activities of the City as well as the Woodland Redevelopment Agency, the Woodland Public Facilities Corporation and the Woodland Finance Authority, all of which are controlled by and dependent on the City. While these are separate legal entities, City Council serves in separate session as their governing body and their financial activities are integral to those of the City. Their financial activities have been aggregated and merged (termed “blended”) with those of the City in the accompanying financial statements.

The **Woodland Redevelopment Agency (Agency)** is a separate governmental entity whose purpose is to prepare and implement plans for improvement, rehabilitation, and development of certain areas within the City. The Agency is controlled by the City and has the same governing board as the City, which also performs all accounting and administrative functions for the Agency. The financial activities of the Agency have been included in these financial statements in the Woodland Redevelopment Agency Low/Mod Housing Fund, Woodland Redevelopment Agency 2007 Tax Allocation Bonds Fund, and the Woodland Redevelopment Agency City Funds. On February 1, 2012 the Agency dissolved and the City of Woodland has elected to be appointed as successor agency for purposes of winding down the affairs of the Agency. Refer to Note 16, Woodland Redevelopment Agency Dissolution, for further disclosure.

The **Woodland Public Facilities Corporation (Corporation)** is a separate governmental entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Corporation has the power to purchase bonds issued by any local agency at public or negotiated sales and may sell such bonds to public or private purchasers at public or negotiated sales. The Corporation is controlled by the City and has the same governing body. The Corporation no longer has any financial activity as the related debt has been paid off.

The **Woodland Finance Authority (Authority)** is a separate governmental entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sales and may sell such bonds to public or private purchasers at public or negotiated sales. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the 2002 Lease Revenue Bonds, 2005 Capital Projects Lease Revenue Bonds, 2005 Wastewater Treatment Plant Revenue Bonds, 2007 Capital Projects Lease Revenue Bonds debt service funds, the Water Fund and the Sewer Fund.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements

Government-wide Statements: The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the primary government (the City) and its component units. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. Eliminations have been made to minimize the double counting of internal activities.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category—*governmental*, *proprietary*, and *fiduciary*—are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

C. Major Funds

The City reported the following major governmental funds in the accompanying financial statements:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The major revenue sources for this fund are property taxes, sales taxes, unrestricted revenues from the State, fines and forfeitures and interest income. Expenditures are made for public safety, most street work and the other services not required to be accounted for in another fund.

Spring Lake Capital Projects Fund – Established to account for the proceeds received from the issuance of special assessment debt, for which the City has no obligation, and project specific funds collected for capital improvement in the Spring Lake Community Facilities District.

Special Sales Tax District Capital Projects Fund – Established to account for funds collected by the City's general fund representing the Measure E ½ cent special sales tax.

Sewer Development Capital Projects Fund – Established to account for fees collected from developers for the sewer system expansion.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Home Grant Special Revenue Fund – Established to account for the revenues and expenditures associated with the HOME Investment Partnership Program.

Housing Assistance Grants Special Revenue Fund – Established to account for the activity related to grant funding received to provide housing assistance.

The City reported the following enterprise funds as major funds in the accompanying financial statements:

Water Fund - Accounts for the provision of water services to residents of the City and some residents of the County of Yolo (County). All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance and billing and collection.

Sewer Fund - Accounts for the provision of sewer services to residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

Storm Drain Fund - Accounts for the provision of storm drain services to residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

The City also reports the following fund types:

Internal Service Funds - The funds account for equipment service and repair, employee benefits, self-insurance and information systems; all of which are provided to other departments on a cost-reimbursement basis.

Fiduciary Funds - Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The City's Agency Funds include activity for various special assessment districts as well as grants and donations for specific purposes. The financial activities of these funds are excluded from the government-wide financial statements, but are presented in separate fiduciary fund financial statements.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide, proprietary funds and fiduciary funds financial statements are reported using the *economic resources measurement focus* and the *accrual basis* of accounting. However, because agency funds only report assets and liabilities, they do not have a measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of the related cash flows. 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 provider have been met.

Governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues reported in the governmental funds to be available if they are collected within 90 days after the end of the current fiscal period, except for property taxes which the City considers available if they are collected within 60 days after the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due. Governmental capital asset acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Property taxes, sales taxes, franchise taxes, grants, entitlements, special assessments and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Fines, licenses and permits, and charges for services are considered to be measurable and available only when the City receives cash. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations.

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

The City may fund programs with a combination of cost-reimbursement grants, block grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by unrestricted resources.

The City allocates certain indirect costs incurred by the General Fund to those activities that directly benefit.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For its business-type activities and enterprise funds, the City has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board or any Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to apply private-sector standards issued after November 30, 1989. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitute accounting principles generally accepted in the United States of America.

E. Revenue Recognition for Water, Sewer and Recycling Funds

Revenues are recognized based on cycle billings rendered to customers and the period for which service is being delivered.

F. Property Taxes

The County assesses properties, bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on July 1. Secured property taxes become a lien on real property on January 1 of the preceding fiscal year.

Secured property tax is due in two installments, on November 1 and March 1. Property taxes become delinquent after December 10 and April 10, respectively. Unsecured property tax is due on July 1, and becomes delinquent on August 31.

The term “unsecured” refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed.

G. Assets, Liabilities and Net Assets/Fund Balance

1. Cash and Investments

The City pools cash and investments except for investments managed by paying fiscal agents under bonded debt agreements. Interest from bank accounts and investments are allocated to the various funds based on the average daily balances of the funds entitled to receive interest. The City reports investments at fair value, except that guaranteed investment contracts are recorded at cost. Guaranteed investment contracts are non-marketable interest bearing agreements with or guaranteed by certain financial institutions. The agreements provide for a guaranteed return on principal over a specified period. A guaranteed investment contract is a general obligation instrument issued by a financial institution, subject to any applicable legal restrictions. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, and is determined from published data provided by the exchanges, computerized pricing sources, the National Association of Securities Dealers’ National Market System, securities custodians and other authoritative sources. The fair value of investments is based on published market prices and quotations from major investment brokers.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Cash and Investments with Fiscal Agents

Proceeds from various City debt issuances, as well as special assessment debt, which have been set aside for repayment are classified as cash and investments with fiscal agents because their use is limited by applicable bond covenants. The reserves are determined as a portion of the bond proceeds or as required by the applicable bond covenants.

3. Cash and Cash Equivalents

Cash and cash equivalents consist of cash, investments and restricted cash and investment with fiscal agents with maturities of three months or less for purposes of the statement of cash flows.

4. Interfund Receivables and Payables

Interfund transactions between funds are reflected either as loans, services provided, reimbursements or transfers.

Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either “due to/from other funds” (i.e. temporary cash borrowings) or “advances to/from other funds” (i.e. the noncurrent portion of interfund loans) in the balance sheet of governmental funds and the statement of net assets for proprietary funds. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide statement of net assets as “internal balances.” Advances to other funds, as reported in the governmental funds balance sheet, are offset by nonspendable fund balance to indicate those amounts that are not in spendable form.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation of the government-wide presentation.

5. Inventory

Inventory is valued at cost using the first-in first-out method. The City maintains perpetual inventory records. During the last week of June for each fiscal year the City takes a physical count of inventory and the City’s perpetual records are adjusted. The City uses the consumption method of accounting for inventory.

6. Capital Assets

Capital assets, which include land, construction in progress, intangible assets, ponds, buildings, improvements, machinery and equipment, sewer treatment plant, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements, as well as in the proprietary fund financial statements. All capital assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated fair market value at the date of donation.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase, for assets recorded in proprietary funds, is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Depreciation on capital assets and improvements is provided using the straight line method, which means the cost of the asset is divided by its expected useful life (in years) is charged to expense each year until the asset is fully depreciated. Capital assets with a value of \$5,000 or more are capitalized.

Estimated useful lives are as follows:

	Useful Lives
Ponds	50 years
Buildings	25 – 50 years
Improvements	10 – 50 years
Machinery and equipment	3 – 10 years
Intangible assets	5 – 10 years
Sewer treatment plant	20 – 50 years
Infrastructure	10 – 60 years

7. Notes Receivable

The City and the Agency provide financial assistance in the form of loans to qualified low-income homeowners and investors who rent to low-income tenants under the Housing Rehabilitation and First-Time Homebuyer Loan Programs. The programs offer low interest loans and grants to repair health and safety problems. The loans are typically amortized or deferred over a 30-year period.

8. Deferred Revenue

Deferred revenue recorded in the governmental funds arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenue also arises when resources are received by the City before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the City recognizes revenue.

9. Compensated Absences

Compensated absences comprise unused vacation leave, vested sick pay and certain compensated time off, which is paid at the date of termination from City employment. All compensated pay is accrued when incurred in the government-wide and proprietary fund financial statements. For all governmental funds, termination pay-outs expected to be paid out of current financial resources are recorded as fund liabilities. Compensated absences liability is typically liquidated by the General Fund.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Long-term Obligations

In the government-wide and proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond discount and amortized over the term of the related debt.

11. Special Assessments

Special assessment debt totaled \$49,788,000 as of June 30, 2011. The City is not liable for such debt; rather, it acts solely as an agent for the property owners who are liable for the debt in collecting the assessments, forwarding the collections to the bondholders, and initiating foreclosure proceedings, if applicable. Accordingly, this liability is not reflected in these basic financial statements.

12. Net Assets/Fund Balances

The government-wide and proprietary fund financial statements utilize a net asset presentation. Net assets are categorized as invested in capital assets – net of related debt, restricted and unrestricted.

Invested in capital assets, net of related debt describes the portion of net assets which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance the assets constructed and/or acquired.

Restricted net assets represent external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and redevelopment funds restricted for low and moderate income housing.

Unrestricted describes the portion of net assets which is not restricted to use.

In the fund financial statements, governmental funds report fund balances as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

The City considers restricted amounts to have been spent before unrestricted fund balance when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed, assigned, and then unassigned amounts in that order will be spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used

Fund balance classifications are described below:

- **Nonspendable Fund Balance:** Nonspendable Fund Balance refers to amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

required to be maintained intact. It includes long-term loans and notes receivable, inventories and prepaid items.

- **Restricted Fund Balance:** Amounts restricted by constraints that are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balance:** Amounts to be used for specific purposes pursuant to constraints imposed by formal action of the City Council. These self-imposed constraints must be set in place prior to the end of the fiscal year.
- **Assigned Fund Balance:** Amounts constrained by the City's intent to use for specific purposes, but are neither legally restricted or committed. An assignment of fund balance is more easily removed or modified than fund balance classified as committed and may be established after the fiscal year end.
- **Unassigned Fund Balance:** This classification represents the fund balance not assigned to other funds and not restricted, committed or assigned to specific purposes within the General Fund and is available for financing future budgets. The General Fund is the only fund that reports a positive unassigned fund balance amount.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

A. Budgeting Procedures

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public meetings are conducted during May and June to obtain taxpayer comments.
3. The budget is legally enacted through passage of a minute order.
4. The City Manager is authorized to transfer budgeted amounts among funds and departments so long as the total City budget, exclusive of capital projects, does not change. The level of budgetary control (that is the level at which expenditures, including transfers out, cannot legally exceed the appropriated amount) is at the individual fund level. Only those revisions, if any, which increase total budgeted expenditures must be approved by the City Council.
5. Budgets are adopted for the General Fund, all special revenue funds, and all debt service funds, except for the Special Transportation, Off-Site Affordable Housing, Workforce Housing Grants, and the American Recovery and Reinvestment Act special revenue funds. The City also adopts project timeframe budgets for capital projects funds. Such budgets are based on a project timeframe and therefore are not comparable on an annual basis.
6. Formal budgetary integration is employed as a management control device during the year for all budgeted funds.
7. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), except for capital projects funds, which are budgeted on a project length basis.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING (Continued)

The various City functions and activities are presented in the accompanying budget versus actual statements.

B. Encumbrances

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all budgeted funds. Unexpended appropriations lapse at year-end and must be reappropriated in the following year.

NOTE 3 – IMPLEMENTATION OF GASB STATEMENT

Effective July 1, 2010, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement is effective for the City for fiscal periods beginning after June 15, 2010. The objective of GASB Statement No. 54 is to improve the usefulness, including understandability, of fund balance information. This Statement provides more clearly defined categories to make the nature and extent of the constraints placed on a government's fund balance more transparent and clarifies the existing governmental fund type definitions.

The implementation of GASB Statement No. 54 primarily impacted the classification of fund balances for the governmental funds and the Governmental Fund Balance Note Disclosure for the year ended June 30, 2011. In addition, the Housing Monitoring Fund, Historical Walking Tour Fund, Local Law Enforcement Block Grant Fund and COPS More Technology Fund no longer meet the criteria for a Special Revenue Fund as defined by Statement No. 54 and has been reclassified as part of the General Fund.

NOTE 4 – CASH AND INVESTMENTS

A. Authorized Investments

The City's dependence on property tax receipts, which are received semi-annually, requires it to maintain significant cash reserves to finance operations during the remainder of the year. The City pools cash from all sources and all funds except cash and investments with fiscal agents. These funds are invested at the maximum yield, consistent with safety and liquidity. Individual funds pay expenditures as needed with available cash reserves or with short term interfund loans.

The following table identifies the investment types that are authorized by the City's investment policy and California Government Code Section 53601. The City's investment policy is more restrictive than the California Government Code, as the City may not invest in derivatives or reverse repurchase agreements.

This table does not address investment of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the City's investment policy.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 4 – CASH AND INVESTMENTS (Continued)

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>	<u>Minimum Rating</u>
Local Agency Investment Fund (LAIF)	N/A	None	None	None
State and Local Agency Obligations	5 years	None	None	None
U.S. Treasury Securities	5 years	None	None	None
U.S. Agency Securities	5 years	None	None	None
Negotiable Certificates of Deposit	5 years	30%	None	None
Medium Term Corporate Notes	5 years	30%	None	AA
Money Market Mutual Funds	N/A	20%	10%	AAA

The City’s investments are carried at cost and adjusted to reflect their fair value at the end of the fiscal year, and it includes the effects of these adjustments in investment earnings.

B. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, except that the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

C. Concentration of Credit Risk

Nearly 12% of the City’s pooled investments at year-end are in U.S. Agency Securities. There is no limitation on amounts invested in these types of issues. Investments in any one issuer (other than U.S. Treasury Notes, mutual funds and external investment pools) that represented 5% or more of the total investments of the City are as follows:

Federal Farm Credit Bank	\$ 6,000,000
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There are no investments in any one issuer that represented 5% or more of the total investments by reporting unit (governmental activities, business-type activities, each major fund and the aggregate remaining fund information).

D. Interest Rate and Credit Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City structures its investment portfolio such that securities mature to meet cash

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 4 – CASH AND INVESTMENTS (Continued)

requirements for ongoing operations and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools which provides the necessary liquidity needed for operations.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the City's policy to limit investments to the safest types of securities with the minimum ratings required by the California Government Code ("A" or better), pre-qualifying the financial institutions, broker/dealers and advisers with which the City will do business and diversifying the investment portfolio so that potential losses on individual securities is minimized.

As of June 30, 2011, the City's investments and credit ratings are as follows:

	Credit Rating (S & P)	Maturity				Estimated Fair Value
		31-180 Days	181-365 Days	1-5 Years	Over 5 Years	
Deposits:						
Cash in Bank and on Hand	N/A	\$ --	\$ --	\$ --	\$ --	\$ 1,807,634
City Pooled Investments:						
LAIF	Not Rated	--	46,541,667	--	--	46,541,667
U. S. Agency Securities:						
Federal Farm Credit Bank	AAA	1,000,000	--	5,000,000	--	6,000,000
Total City Pooled Investments						<u>52,541,667</u>
Cash and Investments with Fiscal Agent:						
Cash in Bank	N/A	--	--	--	--	127,679
Certificates of Deposit	N/A	21,075	--	--	--	21,075
Money Market Mutual Fund	AAA	10,085,729	--	--	--	10,085,729
Guaranteed Investment Contracts	Not Rated	--	--	--	757,323	757,323
Total Cash and Investments With Fiscal Agent						<u>10,991,806</u>
Total Cash and Investments						<u>\$65,341,107</u>

The City is a voluntary participant in the State of California Local Agency Investment Fund (LAIF). The total amount invested by all public agencies in LAIF as of June 30, 2011 was \$24 billion. LAIF is part of the State of California's Pooled Money Investment Account (PMIA), which, as of June 30, 2011 had a balance of \$66.4 billion. PMIA is not SEC registered, but is required to invest according to California State Government Code. The weighted average maturity of PMIA investments was 237 days as of June 30, 2011. The Local Investment Advisory Board (LIAB) has oversight responsibility for LAIF. The LIAB consists of five members as designated by state statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the City's portion of the pool. PMIA does not invest in leveraged products or inverse floating rate securities. However, included in PMIA's investment portfolio are structured notes and asset-backed securities totaling \$1.1 billion and \$2.2 billion, respectively, as of June 30, 2011.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 4 – CASH AND INVESTMENTS (Continued)

Cash and investments as of June 30, 2011 are classified in the accompanying financial statements as follows:

Statement of Net Assets:	
Cash and investments	\$ 37,244,345
Restricted cash and investments	11,693,990
Cash and investments with fiscal agents	6,091,257
Statement of Fiduciary Assets and Liabilities:	
Cash and investments	5,410,968
Cash and investments with fiscal agents	<u>4,900,547</u>
Total cash and investments	<u><u>\$ 65,341,107</u></u>

NOTE 5 – INTERFUND TRANSACTIONS

A. Transfers Between Funds

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to reimburse a fund that incurred an expenditure on behalf of another fund, provide funding for capital projects and the payment of debt service.

Transfers between funds during the fiscal year ended June 30, 2011 were as follows:

Fund Receiving Transfers	Fund Making Transfers	Amount Transferred
General Fund	Water Enterprise Fund	\$ 138,378
Special Sales Tax District Capital Projects Fund	General Fund	3,843,476
Other Governmental Funds	General Fund	21,897
	Spring Lake Capital Projects Fund	320,922
	Special Sales Tax District Capital Projects Fund	391,507
	Sewer Development Capital Projects Fund	1,317,851
	Other Governmental Funds	3,086,639
	Sewer Enterprise Fund	<u>903,324</u>
		<u>6,042,140</u>
Storm Drain Enterprise Fund	General Fund	<u>242,000</u>
Other Enterprise Funds	General Fund	<u>200,000</u>
Internal Service Funds	Special Sales Tax District Capital Projects Fund	26,706
	Internal Service Funds	<u>306,584</u>
		<u>333,290</u>
		<u><u>\$ 10,799,284</u></u>

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 5 – INTERFUND TRANSACTIONS (Continued)

B. Current Interfund Balances

Current interfund balances arise in the normal course of business and represent temporary cash borrowings that are expected to be repaid shortly after the end of the fiscal year.

Current interfund balances as of June 30, 2011 were as follows:

Due From	Due To	Amount
General Fund	Other Governmental Funds	\$ 32,080
Sewer Development Capital Projects Fund	Sewer Enterprise Fund	630,920
Other Governmental Funds	Special Sales Tax District Capital Projects Fund	4,122,370
	Spring Lake Capital Projects Fund	2,445,712
	Water Enterprise Fund	793,092
	Other Governmental Funds	1,887,479
		<u>9,248,653</u>
Storm Drain Enterprise Fund	Sewer Enterprise Fund	2,268,047
Other Enterprise Funds	General Fund	71,382
	Other Governmental Funds	741,319
		<u>812,701</u>
		<u>\$ 12,992,401</u>

C. Long-Term Interfund Advances

As of June 30, 2011 the Sewer Development (\$2,427,320), Water Development (\$2,286,342) and Storm Drain Development (\$2,101,099) Capital Projects Funds had advanced a total of \$6,814,761 to the Storm Drain Enterprise Fund for cash flow purposes. Interest on the advance was forgiven, and the remaining repayment terms will be evaluated when the related fee study is completed. The Water Enterprise Fund has advanced \$2,068,674 to the City Capital Projects Fund for the buy-out of a ten-year lease of the Municipal Services Center, and for certain site improvements. The advance bears simple interest at an annual rate of 5.5% and is expected to be repaid out of future land sale proceeds. The Spring Lake Capital Projects Fund has advanced \$1,799,931 to the Fire Suppression District Special Revenue Fund to cover operating costs incurred by the District on behalf of Spring Lake; the advance is expected to be repaid out of future fees generated by development in Spring Lake. The Sewer Enterprise Fund had advanced \$8,876,227 to the Sewer Development Capital Projects Fund to cover costs incurred related to expansion of the wastewater treatment plant; the advance will be repaid with collection of development impact fees for all City development. The Recycling Enterprise Fund has advanced \$68,000 to the Construction and Demolition Program Enterprise Fund to cover start-up costs related to implementation and revision of a citywide waste reduction program; the advance will be repaid out of administrative fees and recycling charges paid by development companies.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 5 – INTERFUND TRANSACTIONS (Continued)

D. Internal Balances

Internal balances are presented in the government-wide financial statements only. They represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental and business-type activities.

NOTE 6 – RECEIVABLES

Receivables at June 30, 2011, as presented in the statement of net assets are comprised of the following:

	Taxes	Accounts	Inter- governmental	Interest	Total Receivables
Governmental Activities:					
General Fund	\$ 2,827,795	\$ 635,493	\$ 513,991	\$ 43,533	\$ 4,020,812
Spring Lake Capital Projects	--	187,992	--	--	187,992
Sewer Development	--	135,159	--	--	135,159
HOME Grant Fund	--	--	471,350	--	471,350
Other Governmental Funds	110,984	296,605	1,944,391	--	2,351,980
Internal Service Funds	--	33,428	--	--	33,428
Total Governmental Activities	<u>\$ 2,938,779</u>	<u>\$ 1,288,677</u>	<u>\$ 2,929,732</u>	<u>\$ 43,533</u>	<u>\$ 7,200,721</u>
Business-Type Activities:					
Water	\$ --	\$ 213,050	\$ 5,693,856	\$ --	\$ 5,906,906
Sewer	--	320,592	--	--	320,592
Storm Drain	--	5,311	--	--	5,311
Other Enterprise Funds	--	42,535	3,628	--	46,163
Total Business-Type Activities	<u>\$ --</u>	<u>\$ 581,488</u>	<u>\$ 5,697,484</u>	<u>\$ --</u>	<u>\$ 6,278,972</u>

Intergovernmental receivables in the General Fund of \$321,094 are not expected to be collected within one year.

NOTE 7 – NOTES RECEIVABLE AND REDEVELOPMENT AGREEMENTS

A. Notes Receivable

The City engages in various programs designed to encourage construction or improvement in low- to moderate-income housing or other projects. Under these programs, which are described below, grants or loans are provided under favorable terms to homeowners or developers who agree to spend the funds in accordance with the City's terms. Although the loans and notes are expected to be repaid in full, their balance has been offset by deferred revenue in the respective governmental funds as they are not expected to be repaid during fiscal year 2011-2012. The City's loan balance of \$29,591,360 is comprised of the following types of loan programs:

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 7 – NOTES RECEIVABLE AND REDEVELOPMENT AGREEMENTS (Continued)

Housing Rehabilitation and Affordable Housing Loans

The housing rehabilitation loans are to provide second mortgages to eligible families for assistance in making repairs to their homes. The affordable housing loans are provided to promote development of low-income housing. Each of the loans is secured by a deed of trust and has various deferred payback terms with interest ranging from 0% to 4%. The balance of the loans receivable arising from this program as of June 30, 2011 was \$4,795,529.

Housing Assistance Grants

In conjunction with the City's Home Buyer Assistance Program, the difference between the Developer's reduced sales price and the market sales price is considered a market subsidy, or a silent second loan, to eligible buyers. In addition, the Agency provided loans up to \$30,000 to low income first time homebuyers under the State of California BEGIN Program. Both the market subsidy and BEGIN Program loans are deferred for up to 30 years as long as the eligible buyer occupies the property as its principal residence and is not in default under the affordability covenants and resale restrictions. The market subsidy loans do not accrue interest. However, the BEGIN loans accrue simple interest at 3% per year. As of June 30, 2011, these loans totaled \$6,862,481, consisting of market subsidy loans of \$5,226,373 and BEGIN loans of \$1,636,108 (accrued interest of \$110,287).

First Time Homebuyer Program

The Program is designed to provide second mortgages to eligible families for assistance in purchasing their first house. The maximum loan amount is \$40,000, financed as a 3% interest thirty year deferred payment loan. The balance of the loans receivable arising from this program at June 30, 2011 was \$1,810,139.

Owner Participation Agreements

As of June 30, 1996 the Redevelopment Agency had entered into an Owner Participation Agreement with real property owners in the Redevelopment Area for the purpose of making property improvements to the historic Hotel Woodland. These improvements were financed with loans secured by deeds of trust on the property. The amounts and terms of these loans call for interest rates up to 4.44 % and various due dates through the year 2025. As of June 30, 2011 the City had issued loans of \$2,818,837 of which \$435,230, which includes accrued interest of \$190,153, were issued by the Agency.

Gibson Ranch Community Facilities District

The City entered into a number of reimbursement agreements with various parties regarding the acquisition and development of the Gibson Ranch Community Facilities District. The balance of these loans receivable at June 30, 2011 was \$50,473.

Mobile Home Park Owner Participation Agreement and Rehabilitation Loans

The Agency loaned the Community Housing Opportunities Corporation (CHOC) \$300,000 to purchase two parcels of mobile home park and motel real property on the condition that CHOC operate and maintain these properties as low and moderate income housing. The loans are secured by second and third deeds of trust and have interest at rates of 4% to 6.5% during the first three years and at LAIF rates until maturity in 2020. The balance of the remaining loan receivable at June 30, 2011 was \$108,018.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 7 – NOTES RECEIVABLE AND REDEVELOPMENT AGREEMENTS (Continued)

During the 2001-2002 fiscal year the Agency loaned \$1,000,000 to the CHOC, secured by a deed of trust, with interest accruing at 3% per annum. However, loan payments of principal and interest were deferred until December 12, 2009, when it was due in full. CHOC defaulted on the loan payment due to financial constraints resulting from greater than expected costs related to upgrades and expansion of the mobile home park facilities. The City and Agency have been working with CHOC to find additional sources of funding to allow completion of the expanded mobile home pads and purchase of additional mobile home coaches. Revenue generated from rental payments for the new coaches is anticipated to provide sufficient resources to repay the loan. On December 14, 2010, the Agency Board voted to extend the due date for accrued principal and interest through January 31, 2013. The balance of this loan receivable as of June 30, 2011 was \$1,282,666.

Greenwood Subdivision

As part of the Greenwood Subdivision Buyer Assistance Program, the difference between the Developer's reduced sales price and the market sales price is considered a silent second loan to an eligible buyer. In addition, the Agency provides a loan of \$15,000 to moderate-income households and \$40,000 to low-income households. As long as the eligible buyer occupies the property as its principal place of residence and is not in default under the affordability covenants and resale restrictions, 10% of the initial loan amount shall be credited toward the outstanding principal after 10 years and at each five-year period thereafter throughout the 45-year term of the note. As of June 30, 2011, the total outstanding on loans, including interest is \$483,352, which comprises \$135,000 in loans funded by the Agency, \$251,900 representing the Agency's market adjustment, and accrued interest of \$96,452.

Heritage Oaks Apartments

The Agency loaned Heritage Oaks, L.P. \$1,550,000 to pay a portion of the costs of the financing for the acquisition and rehabilitation of a 120-unit multi-family residential apartment complex, commonly referred to as the Heritage Oaks Apartments. Heritage Oaks L.P. intends to acquire and rehabilitate Heritage Oaks Apartments and rent the units to very low and low-income individuals and families. As of June 30, 2011, the total amount of the loan outstanding, including accrued interest was \$1,848,747. Payment on the loan is secured by a deed of trust and assignment of rents on the Heritage Oaks Apartments. So long as there is no default on the loan, the entire principal balance including accrued interest is due and payable on August 22, 2014.

Fair Plaza Senior Apartments L.P.

On April 4, 2008, the City and the Agency loaned the Fair Plaza Senior Apartments L.P., a California limited partnership, a total of \$1,317,000 to fund a portion of the total development costs related to the acquisition and rehabilitation of 68-units of affordable rental housing for qualified very-low and low income senior citizens. As of June 30, 2011, the total amount of the loan outstanding, including accrued interest of \$145,852, was \$1,469,258. Payment of the note is secured by a deed of trust and assignment of rents with respect to the 68-units. So long as there is no default on the loan, the entire principal balance, including accrued interest, is due and payable 31 years from the issuance of the certificate of occupancy, which was issued in November 2008.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 7 – NOTES RECEIVABLE AND REDEVELOPMENT AGREEMENTS (Continued)

Terracina Spring Lake Apartments

The City loaned Spring Lake Family Apartments L.P. a total of \$4,189,000 to fund a portion of the total development costs related to the acquisition and construction of a 156-unit multi-family residential apartment complex, commonly referred to as Terracina Spring Lake. This multi-family complex rents entirely to very low and low-income individuals and families. As of June 30, 2011, the total amount of the loan outstanding, including accrued interest, was \$4,565,005.

Rochdale Grange

The City agreed to loan Rochdale Grange, LP \$4,000,000 to fund a portion of total development costs related to the acquisition and construction of a multi-family residential apartment complex. The loan proceeds are distributed as costs are incurred on the construction of the project; interest will begin accruing after distribution of the entire loan amount, which is expected to occur in during fiscal year 2011-12. As of June 30, 2011, the total amount distributed to Rochdale Grange L.P. was \$3,268,756.

Façade Improvement Loans

On May 1, 2011 the Agency loaned \$200,000 to the owners of the Porter Building, located in downtown Woodland, to complete improvements to the exterior façade and interior structures. The loan bears interest at 5% per annum on the unpaid principal balance and matures on May 1, 2016. As of June 30, 2011, the total amount of the loan outstanding was \$192,541.

On June 21, 2011 the Agency approved a loan amount of \$245,000 to the owners of the Jackson Building, located in downtown Woodland, for interior upgrades and exterior façade improvements. The loan bears interest at 2.49% per annum and is scheduled to commence on the earlier of January 1, 2012 or thirty days following the issuance of the final permit. As of June 30, 2011, \$35,557 had been disbursed to the property owner and interest has not begun to accrue.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 8 – CAPITAL ASSETS

	Balance June 30, 2010, As restated	Additions	Retirements	Transfers	June 30, 2011
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 16,477,413	\$ 4,047,855	\$ (2,577,239)	\$ 61,180	\$ 18,009,209
Intangible assets	1,120,155	35,684	-	-	1,155,839
Construction in progress	9,539,143	11,730,867	-	(6,205,387)	15,064,623
Total capital assets, not being depreciated:	<u>27,136,711</u>	<u>15,814,406</u>	<u>(2,577,239)</u>	<u>(6,144,207)</u>	<u>34,229,671</u>
Capital assets, being depreciated:					
Buildings	74,587,666	-	(66,877)	-	74,520,789
Improvements	21,608,122	-	(97,211)	5,994	21,516,905
Machinery and equipment	21,168,272	111,017	(3,912,558)	520,931	17,887,662
Intangible assets	827,892	23,229	(143,744)	-	707,377
Infrastructure	242,781,260	43,612	(18,944)	5,617,282	248,423,210
Total capital assets, being depreciated:	<u>360,973,212</u>	<u>177,858</u>	<u>(4,239,334)</u>	<u>6,144,207</u>	<u>363,055,943</u>
Less accumulated depreciation for:					
Buildings	(8,152,716)	(1,741,404)	51,125	-	(9,842,995)
Improvements	(5,225,760)	(462,299)	58,795	-	(5,629,264)
Machinery and equipment	(14,034,069)	(1,668,203)	3,891,870	-	(11,810,402)
Intangible assets	(72,185)	(65,298)	939	-	(136,544)
Infrastructure	(98,972,915)	(8,024,451)	1,528	-	(106,995,838)
Total accumulated Depreciation	<u>(126,457,645)</u>	<u>(11,961,655)</u>	<u>4,004,257</u>	<u>-</u>	<u>(134,415,043)</u>
Total capital assets, being depreciated, net	<u>234,515,567</u>	<u>(11,783,797)</u>	<u>(235,077)</u>	<u>6,144,207</u>	<u>228,640,900</u>
Governmental activities capital assets, net	<u>\$ 261,652,278</u>	<u>\$ 4,030,609</u>	<u>\$ (2,812,316)</u>	<u>-</u>	<u>\$ 262,870,571</u>

Governmental activities' beginning capital assets have been restated for construction in progress. See Note 15 for additional detail.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 8 – CAPITAL ASSETS (Continued)

	Balance June 30, 2010, As restated	Increases	Decreases	Transfers	Balance June 30, 2011
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 3,812,012	\$ -	\$ -	\$ -	\$ 3,812,012
Construction in progress	<u>15,943,572</u>	<u>18,348,372</u>	<u>-</u>	<u>(9,046,856)</u>	<u>25,245,088</u>
Total capital assets, not being depreciated:	<u>19,755,584</u>	<u>18,348,372</u>	<u>-</u>	<u>(9,046,856)</u>	<u>29,057,100</u>
Capital assets, being depreciated:					
Ponds	781,056	-	-	-	781,056
Buildings	355,830	-	-	-	355,830
Improvements	41,800,277	-	(1,997)	-	41,798,280
Machinery and equipment	3,943,901	62,184	(533,363)	1,333,180	4,805,902
Intangible assets	110,960	-	(6,813)	-	104,147
Sewer treatment plant	15,472,364	-	-	-	15,472,364
Infrastructure	<u>108,502,446</u>	<u>-</u>	<u>(83,614)</u>	<u>7,713,676</u>	<u>116,132,508</u>
Total capital assets, being depreciated:	<u>170,966,834</u>	<u>62,184</u>	<u>(625,787)</u>	<u>9,046,856</u>	<u>179,450,087</u>
Less accumulated depreciation for:					
Ponds	(446,716)	(23,366)	-	-	(470,082)
Buildings	(284,751)	(6,928)	-	-	(291,679)
Improvements	(17,709,713)	(1,048,307)	-	-	(18,758,020)
Machinery and equipment	(2,012,869)	(278,507)	471,663	-	(1,819,713)
Intangible assets	(11,926)	(9,210)	-	-	(21,136)
Sewer treatment plant	(7,408,535)	(909,051)	-	-	(8,317,586)
Infrastructure	<u>(36,746,647)</u>	<u>(1,794,872)</u>	<u>32,087</u>	<u>-</u>	<u>(38,509,432)</u>
Total accumulated Depreciation	<u>(64,621,157)</u>	<u>(4,070,241)</u>	<u>503,750</u>	<u>-</u>	<u>(68,187,648)</u>
Total capital assets, being depreciated, net	<u>106,345,677</u>	<u>(4,008,057)</u>	<u>(122,037)</u>	<u>9,046,856</u>	<u>111,262,439</u>
Business type activities capital assets, net	<u>\$ 126,101,261</u>	<u>\$ 14,340,316</u>	<u>\$ (122,037)</u>	<u>\$ -</u>	<u>\$ 140,319,539</u>

Business-type activities' beginning capital assets have been restated for construction in progress. See Note 15 for additional detail.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 8 – CAPITAL ASSETS (Continued)

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program is as follows:

Governmental Activities:

General government	\$	2,141
Finance		104,244
Community development		4,176
Parks and recreation		537,439
Police		493,046
Fire		72,212
Library		346,082
Public works		9,518,047
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets		884,268
Total		<u>\$ 11,961,655</u>

Business-type Activities:

Water	\$	953,024
Sewer		2,482,323
Storm Drain		632,924
Nonmajor enterprise funds		1,970
Total		<u>\$ 4,070,241</u>

NOTE 9 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS

The City generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt.

A. Current Year Transactions and Balances

The City's debt issues and transactions are summarized below and discussed in detail thereafter.

	Original Issue Amount	Balance June 30, 2010	Additions	Retirements	Balance June 30, 2011	Current Portion
Governmental Activities Debt:						
Woodland Finance Authority 2002 Lease Revenue Bonds, 2.00%- 5.00%, due 03/01/32	\$ 33,215,000	\$ 20,920,000	\$ --	\$ (350,000)	\$ 20,570,000	\$ 360,000
Woodland Finance Authority 2005 Capital Projects Lease Revenue Bonds, 3.00%-5.00%, due 03/01/26	20,390,000	18,250,000	--	(840,000)	17,410,000	870,000
Woodland Finance Authority 2005 Wastewater Revenue Bonds, 3.80%-5.00%, due 03/01/35	7,547,780	7,547,780	--	--	7,547,780	--

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 9 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

	Original Issue Amount	Balance June 30, 2010	Additions	Retirements	Balance June 30, 2011	Current Portion
Woodland Finance Authority						
2007 Capital Projects Lease Revenue						
Bonds, 4.00%-4.250%, due 03/01/19	\$ 10,350,000	\$ 7,895,000	\$ --	\$ (830,000)	\$ 7,065,000	\$ 865,000
Woodland Redevelopment Agency						
2007 Tax Allocation Bonds,						
3.75%-6.00%, due 12/01/34	8,975,000	8,445,000	--	(170,000)	8,275,000	180,000
Original Issue Discount	(144,873)	(123,141)	--	7,244	(115,897)	(7,244)
Deferred Amount on Refunding	(64,951)	(55,207)	--	3,248	(51,959)	(3,248)
Loans Payable:						
California Housing Finance Agency Loan 3.00%, due 09/18/13	1,000,000	1,252,050	30,000	--	1,282,050	1,282,050
Housing and Urban Development Loan 2.1-2.6%, due 08/0/14	1,000,000	500,000	--	(100,000)	400,000	100,000
California Housing Finance Agency Loan 3.00%, due 8/23/14	1,550,000	1,802,247	46,500	--	1,848,747	--
California Energy Commission 3.85%	2,150,000	1,112,734	--	(167,887)	944,847	174,424
California Housing Finance Agency Loan 3.50%, due 5/7/17	1,250,000	1,347,465	43,750	--	1,391,215	--
Developer Fee Obligations	--	34,166,971	--	(757,904)	33,409,067	516,160
Other Postemployment Benefits	--	4,725,165	3,611,182	(1,436,781)	6,899,566	--
Compensated Absences	--	1,734,932	1,856,664	(1,604,900)	1,986,696	303,764
Capital Leases:						
Capital lease obligation, 4.39%, due 5/30/16	1,152,000	617,152	--	(91,980)	525,172	96,085
Capital lease obligation, 3.99%, due 12/22/10	270,000	29,476	--	(29,476)	--	--
Capital lease obligation, 4.049%, 9/17/14	1,058,000	445,131	--	(97,987)	347,144	102,115
Capital lease obligations 4.8%, due 07/01/11	1,610,045	385,303	--	(187,518)	197,785	197,785
Capital lease obligation, 4.77% due 1/10/18	650,000	551,170	--	(76,513)	474,657	63,194
Capital lease obligation, 5.10% due 12/10/17	586,000	505,687	--	(105,338)	400,349	53,452
Capital lease obligation, 5.00% due 2/20/14	460,000	355,483	--	(115,084)	240,399	83,642
Capital lease obligation, 3.59% due 2/28/16	278,934	--	278,934	(13,590)	265,344	55,590
Total Governmental Activities Debt	<u>\$ 93,282,935</u>	<u>\$ 112,410,398</u>	<u>\$ 5,867,030</u>	<u>\$ (6,964,466)</u>	<u>\$ 111,312,962</u>	<u>\$ 5,292,917</u>

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 9 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

	Original Issue Amount	Balance June 30, 2010 as restated	Additions	Retirements	Balance, June 30, 2011	Current Portion
Business-type Activities Debt						
Woodland Finance Authority						
2005 Wastewater Revenue Bonds, 3.80%-5.00%, due 03/01/35	\$ 10,087,220	\$ 10,087,220	\$ --	\$ --	\$ 10,087,220	\$ --
Woodland Finance Authority 2009 Wastewater Revenue Bonds, 4.00%-4.50%, due 03/1/32	12,115,000	12,115,000	--	--	12,115,000	--
Woodland Finance Authority 2008 Water Revenue Bonds 5.00% -8.00%, due 12/1/33	9,250,000	8,975,000	--	(8,975,000)	--	--
Woodland Finance Authority 2011 Water Revenue Bonds 2.00% -6.00%, due 3/1/41	18,815,000	--	18,815,000	--	18,815,000	315,000
Deferred amount on refunding	--	--	(361,597)	--	(361,597)	(16,436)
1992 Wastewater Improvement Certificates of Participation, 2.75%-6.0%, due 03/01/18	17,335,000	1,690,000	--	(820,000)	870,000	870,000
Less unamortized original issue discount	(1,285,400)	(102,833)	--	51,416	(51,417)	(51,417)
Loans Payable						
California Department of Public Health 2.507%, due 6/30/2033	--	2,242,584	4,537,762	--	6,780,346	--
Other Postemployment Benefits	--	1,072,660	1,200,352	(476,069)	1,796,943	--
Compensated Absences	--	364,576	352,507	(356,329)	360,754	110,575
Total Business-type Activities Debt	<u>\$ 73,736,320</u>	<u>\$ 36,444,207</u>	<u>\$ 24,544,024</u>	<u>\$ (10,575,982)</u>	<u>\$ 50,412,248</u>	<u>\$ 1,227,722</u>

B. 2002 Lease Revenue Bonds

In December 2002 the Authority issued Lease Revenue Bonds in the principal amount of \$33,215,000. The Lease Revenue Bonds bear interest at 2.0% to 5.0%. Principal payments are due annually on March 1. Interest payments are due semi-annually on March 1 and September 1. Upon issuance and delivery of the 2002 Lease Revenue Bonds a portion of the proceeds were used to prepay and defease \$6,425,000, the aggregate outstanding principal amount of the 1992 Waste Water Improvement Certificates of Participation. The 1992 Certificates were called on March 1, 2003. The remaining portion of the proceeds were used to finance the construction and acquisition of capital projects, including a Police Station Facility, Wastewater Treatment Plan Expansion, Community/Senior Center, recreation fields and road improvements.

C. 2005 Capital Projects Lease Revenue Bonds

In August 2005 the Authority issued 2005 Capital Projects Lease Revenue Bonds in the principal amount of \$20,390,000. The Revenue Bonds bear interest at 3.0% to 5.0%. Principal payments are due annually on March 1. Interest payments are due semi-annually on March 1 and September 1. The proceeds were used to construct and equip a community senior center and sports complex and two fire stations.

D. 2005 Wastewater Revenue Bonds

In November 2005 the Authority issued Revenue Bonds in the principal amount of \$17,635,000. The Revenue Bonds bear interest at 3.8% to 5.0%. Principal payments are due annually commencing March 1, 2013. Interest payments are due semi-annually on March 1 and September 1. The proceeds were used for acquiring, construction and equipping certain wastewater treatment facility improvements. The bonds

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 9 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

have been allocated to the governmental activities and Sewer Enterprise Fund, 42.8% and 57.2%, respectively, based on the repayment provisions outlined in the official statement.

E. 2007 Capital Projects Lease Revenue Bonds

In July 2007 the Authority issued Lease Revenue Bonds in the principal amount of \$10,350,000. The Lease Revenue Bonds bear interest at 4.0% to 4.25%. Principal payments are due annually on March 1. Interest payments are due semi-annually on March 1 and September 1. The proceeds were used to (1) finance the costs of acquiring and installing improvements to the Community Senior Center and Sports Complex and construction of a sports field (2) fund a debt service reserve account and (3) pay certain costs associated with the issuance and delivery of the Lease Revenue Bonds.

F. 2007 Tax Allocation Bonds

In July 2007, the Agency issued \$8,975,000 in Series 2007 Tax Allocation Bonds. The Tax Allocation Bonds bear interest at 3.75% to 6.00%. Proceeds from the sale of the bonds were used to (1) refund the \$2,060,000 outstanding principal amount of the 1996 Tax Allocation Bonds, (2) to finance various redevelopment activities with the redevelopment project area, (3) fund a debt service reserve account and (4) pay certain costs associated with the issuance and delivery of the Series 2007 Tax Allocation Bonds. The total amount outstanding of the refunded 1996 Tax Allocation Bonds as of June 30, 2011, was \$1,815,000, which is considered to be defeased and, therefore, not included in the financial statements.

G. 2008 Water Revenue Bonds

In November 2008, the Authority issued Revenue Bonds in the principal amount of \$9,250,000. The Revenue Bonds bear interest at 5.0% to 8.0%. Principal payments are due annually on June 1. Interest payments are due semi-annually on June 1 and December 1. The proceeds were used for construction and installation of improvements to the Water System to increase reliability, quality and delivery of the water within the City, including the acquisition and installation of water meters, the construction and installation and modification of wells, construction, replacement and installation of water tanks, service lines and pipes and implementation of monitoring and auditing systems. These bonds were refunded during FY11 through proceeds derived from issuance of the 2011 Water Revenue Bonds.

H. 2009 Wastewater Revenue Bonds

In November 2009, the Authority issued Revenue Bonds in the principal amount of \$12,115,000. The Revenue Bonds bear interest at 3.00% to 5.00%. Principal payments are due annually commencing March 1, 2013. Interest payments are due semi-annually on March 1 and September 1. The proceeds were used for various improvements to the City's sewer system, including the asset replacements at the Wastewater Treatment Plan, rehabilitation of sewer lines, replacement of sewer trunk lines, and drying pond conversions.

I. 2011 Water Revenue Bonds

In March 2011, the Authority issued Revenue bonds in the principal amount of \$18,815,000. The Revenue Bonds bear interest at 2.00% to 6.00%; principal payments are due annually commencing March 1, 2012. Interest payments are due semi-annually on March 1 and September 1. Upon issuance of the 2011 Water Revenue Bonds, \$8,875,000 of the proceeds was used to refund the outstanding principal balance of the 2008 Water Revenue Bonds. The remaining proceeds are being used for construction and

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 9 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

installation of various improvements to the water system including installation of water meters, construction of a ground level water storage tank and booster station, and replacement and rehabilitation of wells and pipes throughout the City. The refunding resulted in an economic loss of \$38,057 and an increase of \$453,902 in future debt payments. The reacquisition price exceeded the net carrying amount of the old debt by \$361,597. This amount is being netted against the new debt and amortized over the life of the old debt.

J. Commercial Paper Notes

In May 2011, the Authority authorized the issuance of Commercial Paper Notes in an amount not to exceed \$38,000,000. Commercial paper notes have final maturities that can not exceed 270 days and are therefore classified on the financial statements as current debt. The interest rate on the Commercial Paper Notes is set based upon market conditions upon issuance of the short term debt. The total amount of notes issued as of June 30, 2011 was \$3,100,000, with an interest rate of 0.16%. The proceeds for issuance of the notes are used to finance the City's contribution to a regional water project.

K. Loans Payable

On September 18, 2001, the Agency borrowed \$1,000,000 from the California Housing Finance Agency (CalHFA) to finance a loan it made under a Mobile Home Owner Participation Agreement as discussed in Note 7. Interest at 3% accrues annually and payment was deferred until the loan maturity date of September 18, 2011. The Agency requested an extension of the maturity date on the loan for another two years. On September 27, 2010, CalHFA approved the extension and maturity date to September 18, 2013. The extension, however, was conditioned upon a payment to CalHFA in the sum of \$130,000 on or before September 18, 2011. The Agency did not make the payment and as a result the balance of the loan of \$1,282,050, which includes principal of \$1,000,000 and accrued interest of \$282,050, became due in full on September 18, 2011.

In fiscal year 2004, the City received a \$1,000,000 Section 108 loan from the Department of Housing and Urban Development to finance costs related to the Casa del Sol Mobile Home Park project. Interest is payable semi-annually each February 1 and August 1, and principal payments are payable annually through 2014. Debt service payments for the first three years on this loan were paid from the Community Development Block Grant Special Revenue Fund. The City has determined that the loan repayments are an eligible use of funds from the Redevelopment Agency Low/Moderate Income Housing Fund, therefore, current year and future debt service requirements will be paid from this fund.

On August 23, 2004, the Agency borrowed \$1,550,000 from the California Housing Finance Agency to finance a loan to assist in the financing, acquisition and improvement of a 120-unit multifamily residential apartment complex, commonly referred to as the Heritage Oaks Apartments. The rehabilitated apartment complex will then be leased out to low and moderate-income families. Interest accrues at 3% per annum, but payment is deferred until the loan due date of August 23, 2014.

In March 2004, the City signed a loan agreement with the California Energy Commission in the principal amount of \$2,150,000, to finance replacement, installation and upgrades to HVAC units, coolers and well pumps, as well as installing cool roof products on properties owned by the City and located in the City of Woodland. Repayment of the loan is expected from utility expense savings realized from these improvements. As of June 30, 2011, the City had drawn down a total of \$1,578,397 of the available loan proceeds and \$944,847 in principal is still outstanding.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 9 – LONG-TERM DEBT AND FINANCIAL ARRANGMENTS (Continued)

In May 2008, the City borrowed \$1,250,000 from the California Housing Finance Agency to finance a loan to assist in the financing of the development costs related to the acquisition and rehabilitation of 68-units of affordable rental housing for qualified very-low and low income senior citizens. Interest accrues at 3.5% per annum, but payment is deferred until the loan due date of May 7, 2017.

In July 2009, the City was awarded a loan from the California Department of Public Health (CDPH) with subsidization of fifty percent forgiveness of principal to pay for installation of water meters throughout the City. The funding agreement provides for a maximum loan amount of \$14,839,000, of which 50%, or an estimated \$7,419,500 will not need to be repaid. The principal amount of the loan is determined as 50% of each disbursement made by CDPH. The loan bears interest at 2.507% and the repayment term, which begins upon project completion, is 20 years. As of June 30, 2011 disbursements from the Department of Public Health totaled \$13,560,692, of which 50% or \$6,780,346 is added to outstanding principal. The project was not complete as of June 30, 2011 and therefore the repayment term has not begun. See Note 15 for additional detail.

L. Developer Fee Obligations

The City received funding for the Spring Lake Project via Mello-Roos Community Facilities District (CFD) bonds and developer advances. The total funds received are allocated to each developer in the form of fee credits, which are redeemable against future fees assessed in the geographic boundaries of the Spring Lake Project. The total amount of the proceeds received from the bonds and developer advances are included as long-term debt for governmental activities.

M. Capital Lease Obligations

On May 30, 2006, the City entered into a capital lease for the acquisition of heavy equipment. Capital lease obligations are paid from the Equipment and Service Repair Internal Service Fund. Annual lease payments of \$117,576, including interest, are required through May 2016.

On September 2, 2004, the City purchased various fire equipment. The capital lease obligations are paid from the Equipment and Service Repair Internal Service Fund. Annual lease payments of \$114,535, including interest, are required through September 2014.

On July 1, 2001, the City purchased fire equipment on the installment basis. The capital lease obligations are paid from the Equipment and Service Repair Internal Service Fund. Annual lease payments of \$206,678, including interest, are required through July 2011.

On July 10, 2008, the City entered into a capital lease for the acquisition of heavy equipment. Capital lease obligations are paid from the Equipment Service Repair Internal Service Fund. Annual lease payments of \$85,491, including interest, are required through January 2018.

On December 18, 2008, the City entered into a capital lease for the acquisition of heavy equipment. Capital lease obligations are paid from the Equipment Service Repair Internal Service Fund. Annual lease payments of \$81,359, including interest, are required through December 2017.

On February 18, 2009, the City entered into a capital lease for the acquisition of self-contained breathing apparatuses. Capital lease obligations are paid from the Equipment and Service Repair Internal Service Fund. Annual lease payments of \$104,550, including interest, are required through February 2014.

On February 15, 2011, the City entered into a capital lease for the acquisition of a new telephone system and related hardware. Capital lease obligations are paid from the City Capital Projects non-major

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 9 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

governmental fund. Annual lease payments of \$64,995, including interest, are required through February 2016.

N. 1992 Wastewater Improvement Certificates of Participation

The 1992 Wastewater Improvement Certificates of Participation were issued to refund the 1988 Wastewater Improvement Certificates of Participation. Semiannual payments are due in March and September through March 2018.

O. Debt Service Requirements

Annual debt service requirements for the lease revenue bonds, tax allocation bonds, water revenue bonds and wastewater revenue bonds and certificates of participation in the aggregate are shown below:

For the Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2012	\$ 2,275,000	\$ 2,797,670	\$ 1,185,000	\$ 2,056,650
2013	2,761,240	2,707,903	918,760	2,005,939
2014	2,870,520	2,598,703	944,480	1,980,066
2015	2,984,800	2,482,161	975,200	1,950,030
2016	4,381,220	2,707,612	1,003,780	1,918,772
2017-2021	20,120,240	10,556,376	5,649,760	8,963,119
2022-2026	15,069,960	6,582,838	6,980,040	7,635,473
2027-2031	4,729,560	2,296,364	8,845,440	5,772,677
2032-2036	5,675,240	719,748	9,819,760	3,171,020
2037-2041	-	-	5,565,000	1,040,100
Total	\$ 60,867,780	\$ 33,449,375	\$ 41,887,220	\$ 36,493,846

Annual debt service requirements for the loans payable in the aggregate are shown below for all long-term debt:

For the Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2012	\$ 1,556,474	\$ 53,341	\$ -	\$ -
2013	281,475	41,415	-	-
2014	288,714	29,156	339,071	93,943
2015	2,144,925	16,493	339,071	93,943
2016	204,057	6,082	339,071	93,943
2017-2021	1,391,214	-	1,695,356	469,713
2022-2026	-	-	1,695,356	469,713
2027-2031	-	-	1,695,356	469,713
2032-2033	-	-	677,065	187,885
Total	\$ 5,866,859	\$ 146,487	\$ 6,780,346	\$ 1,878,853

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 9 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

The future minimum capital lease obligations and the net present value of these minimum lease payments as of June 30, 2011 are as follows:

Year Ending June 30,	Governmental Activities
2012	\$ 755,975
2013	549,298
2014	525,770
2015	369,287
2016	324,405
2017-2018	258,496
Total minimum lease payments	2,783,232
Less amount representing interest	(332,382)
Present value of minimum lease payments	\$ 2,450,850

Capital assets acquired through capital leases as of June 30, 2011 is as follows:

	Governmental Activities
Machinery and equipment	\$ 5,618,204
Less: Accumulated depreciation	(3,143,060)
Total	\$ 2,475,144

P. Special District Debt With No City Commitment

Special Assessment Districts in various parts of the City have issued debt to finance infrastructure improvements and facilities within their boundaries. The City is the collecting and paying agent for the debt issued by these Districts, but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt is not included in general long-term debt of the City. The outstanding balance of each of these issues as of June 30, 2011 is as follows:

East Main Street Reassessment District, Series 2001	\$ 5,395,000
Beamer-Kentucky Assessment District	873,000
Gibson Ranch Community Facilities District, Phase 1, Series 2001	4,980,000
Gibson Ranch Community Facilities District, Series 2003	2,175,000
Gibson Ranch Community Facilities District, Refunding Bonds, Series 2004	4,220,000
Gibson Ranch Community Facilities District, Series 2004	2,225,000
Spring Lake Community Facilities District, Series 2004	29,920,000
Total Special Assessment Debt With no City Commitment	\$ 49,788,000

**CITY OF WOODLAND, CALIFORNIA
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2011**

NOTE 10 – NET ASSETS AND FUND BALANCES

A. Fund Equity Deficits

The following funds had fund balance or net assets deficits as of June 30, 2011:

Capital Projects Funds:	
Sewer Development	\$ 7,077,142
Park Reserve	2,445,712
City Capital Projects	4,073,434
Special Revenue Funds:	
Special Needs Assistance Grant	19,543
Special Transportation	1,860,152
Transportation	367,082
Gas Tax	812,534
Fire Suppression District	1,669,270
American Recovery and Reinvestment Act	50,097
CDBG American Recovery and Reinvestment Act	3,373
Enterprise Funds:	
Construction and Demolition Program	27,144
Cemetery	192,393
Dubach Park	595,037
Youth Program	90,807

The deficit in the City Capital Projects and Park Reserve Funds are expected to be cured by future development activity along with a review and update to the fee structure; the Sewer Development Fund will be cured by revenues generated from future development fees and potential assistance through refinancing existing debt to the Sewer Enterprise Fund; the Special Needs Assistance Grant Fund deficit, Special Transportation Fund deficit, Transportation Fund deficit and American Recovery and Reinvestment Act fund deficit are expected to be cured by future revenue claims on reimbursable federal grants; the Gas Tax Fund deficit will be cured by future revenue allocations and shift of costs to other approved funding sources for transportation projects; the Fire Suppression District Fund deficit will be cured by future special assessment and development related fees collected from the Spring Lake Project; the fund deficit in the CDBG American Recovery and Reinvestment Act special revenue fund will be cured upon receipt of funds from revenue claims on reimbursable federal projects. The Cemetery, Construction and Demolition Program and Dubach Park Fund deficits are expected to be cured by fee revenue and sale of surplus property. The Cemetery has been undergoing a major renovation to allow additional space to accommodate more customers; this is expected to have a positive impact on fee revenues to address the current deficit. The Youth Program Fund deficit will be cured by collection of additional fees for recreation activities provided by the City.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 10 – NET ASSETS AND FUND BALANCES (CONTINUED)

B. Fund Balance Classification

Fund balances for all governmental funds as of June 30, 2011 were classified as follows:

	General Fund	Spring Lake	Special Sales Tax District	Sewer Development	Home Grant	Housing Assistance Grant	Other Governmental	Total
Nonspendable								
Inventory	\$ 131,262	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,262
Prepays	6,240	-	-	-	-	-	-	6,240
Advances	-	1,799,931	-	-	-	-	-	1,799,931
Subtotal	137,502	1,799,931	-	-	-	-	-	1,937,433
Restricted for								
Capital Projects	-	-	-	2,427,320	-	-	10,504,482	12,931,802
Home loan program	-	-	-	-	181,791	16,067	629,086	826,944
Block Grant	-	-	-	-	-	-	90,540	90,540
Lighting & landscaping								
Districts	-	-	-	-	-	-	1,262,128	1,262,128
Transportation services	-	-	-	-	-	-	831,205	831,205
Public safety	-	-	-	-	-	-	410,934	410,934
Library services	-	-	-	-	-	-	166,898	166,898
Cemeteries	-	-	-	-	-	-	341,247	341,247
Debt services	-	-	-	-	-	-	5,047,972	5,047,972
Subtotal	-	-	-	2,427,320	181,791	16,067	19,284,492	21,909,670
Committed for								
Measure E Spending								
Plan	-	-	5,809,042	-	-	-	-	5,809,042
Spring Lake Specific								
Plan	-	7,422,124	-	-	-	-	-	7,422,124
Affordable housing	-	-	-	-	-	-	1,191,025	1,191,025
Subtotal	-	7,422,124	5,809,042	-	-	-	1,191,025	14,422,191
Assigned to								
Encumbrances	167,062	-	-	-	-	-	-	167,062
Subtotal	167,062	-	-	-	-	-	-	167,062
Unassigned								
General Fund	6,222,142	-	-	-	-	-	-	6,222,142
Capital projects	-	-	-	(9,504,462)	-	-	(6,519,146)	(16,023,608)
Transportation	-	-	-	-	-	-	(1,179,616)	(1,179,616)
Grant programs	-	-	-	-	-	-	(1,933,165)	(1,933,165)
Fire Suppression	-	-	-	-	-	-	(1,669,270)	(1,669,270)
Subtotal	6,222,142	-	-	(9,504,462)	-	-	(11,301,197)	(14,583,517)
Total fund balances	\$6,526,706	\$ 9,222,055	\$ 5,809,042	\$ (7,077,142)	\$ 181,791	\$ 16,067	\$ 9,174,320	\$23,852,839

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 11 – PENSION PLAN

Plan Description

The City's defined benefit pension plan, the City's Miscellaneous and Safety Plans, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The City's Miscellaneous and Safety Plans are part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public entities within the State of California. A menu of benefit provisions, as well as other requirements are established by state statutes within the Public Employees Retirement Law.

The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through City ordinance. CalPERS issues a separate comprehensive annual financial report; however, a separate report of the City's Miscellaneous and Safety Plans are not available. Copies of CalPERS' annual financial report may be obtained from their Executive Office, 400 Q Street, P.O. Box 942701, Sacramento, California 94229.

Funding Policy

Active members in the City's Miscellaneous and Safety plans were required to contribute 8% and 13%, respectively, of their annual covered salary. The City is required to contribute at an actuarially determined rate necessary to fund the benefits for its members. The required employer contribution rates for the year ended June 30, 2011 were 15.242% for Miscellaneous and 21.263% for Safety. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

Annual Pension Cost

CalPERS uses the Entry Age Normal Actuarial Cost Method, which is a projected benefit cost method. This method takes into account those benefits that are expected to be earned in the future as well as those already accrued. Accordingly, the normal cost for an employee is the level amount which would fund the projected benefit if it were paid annually from date of employment until retirement. CalPERS uses a modification of the Entry Age Cost Method in which the employer's total normal cost is expressed as a level percentage of payroll. For the year ended June 30, 2011, the City's annual pension cost of \$5,055,769 was equal to its required and actual contributions.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 11 – PENSION PLAN (Continued)

Annual pension cost for the last three years is as follows:

THREE-YEAR TREND INFORMATION FOR CALPERS

Year Ended	Annual Pension Cost (APC)		Percentage of APC Contributed	Net Pension Obligation
	Miscellaneous Plan	Safety Plan		
6/30/09	\$ 2,821,646	\$ 2,674,405	100%	--
6/30/10	2,903,230	2,856,064	100%	--
6/30/11	2,328,796	2,726,973	100%	--

Actuarial Methods and Assumptions

For the year ended June 30, 2011, the required annual contributions were determined as part of the June 30, 2008 actuarial valuation, using the entry age normal actuarial cost method with the contributions determined as a percentage of pay. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected salary increases that vary by duration of service ranging from 3.25% to 14.45% (11.15% for Safety Plan) depending on age, service, and type of employment, (c) inflation of 3.0%, and (d) payroll growth of 3.25%. The actuarial value of the City’s assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen year period depending on the size of investment gains and/or losses. The City’s unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2011, the most recent actuarial valuation, for the Miscellaneous and Safety Plans was 26 and 25 years, respectively.

Funded Status and Funding Progress

As of June 30, 2010, the most recent actuarial valuation date, the City’s Safety Plan was 80.2% funded. The actuarial accrued liability for benefits was \$92,463,009, and the actuarial value of assets was \$74,124,588 resulting in an unfunded actuarial accrued liability (UAAL) of \$18,338,421. The covered payroll (annual payroll of active employees covered by the plan) was \$9,700,164 and the ratio of the UAAL to the covered payroll was 189.1%.

As of June 30, 2010, the most recent actuarial valuation date, the City’s Miscellaneous Plan was 76.7% funded. The actuarial accrued liability for benefits was \$84,324,258, and the actuarial value of assets was \$64,657,639, resulting in an unfunded actuarial accrued liability (UAAL) of \$19,666,619. The covered payroll (annual payroll of active employees covered by the plan) was \$11,935,255 and the ratio of the UAAL to the covered payroll was 164.8%.

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City's Postemployment Healthcare Benefit Plan is a single-employer defined benefit healthcare plan administered by CalPERS. The postemployment healthcare plan provides lifetime postemployment medical coverage to its eligible employees who satisfy the requirements for retirement under CalPERS (attained age 50 with 5 years of State or public agency service or approved disability retirement). Coverage is also extended to spouses and surviving spouses of retirees. The City contributes the full cost of retiree coverage up to specific limits set in collective bargaining agreements. Benefit provisions of the plan are established and may be amended by the City Council through collective bargaining.

The City contributes toward the cost of retiree's medical coverage differently depending upon the retiree's hire date. Contributions are as follows:

- For retirees hired prior to July 1, 2006, the City pays the full cost of the retiree coverage up to specific limits set in collective bargaining agreements. For 2011, the limits are
 - \$515 for retiree only coverage
 - \$1,020 for retiree plus one dependent
 - \$1,335 for retiree plus two or more dependents
- For retirees hired after June 30, 2006, the City contributes the Minimum (required) Employer Contribution (MEC). The 2011 MEC is \$108 per month. If a covered spouse survives the retiree, the City will continue the applicable contribution toward the spouse's coverage until his or her death.

In addition to retiree medical coverage, the City's life insurance benefit is automatically continued for retirees; dependents are not permitted to be covered after retirement. The amount of life insurance is the death benefit provided on the last day of active employment and varies by collective bargaining unit. The original death benefit is reduced at later ages:

- 65% of the original death benefit from ages 65-69
- 45% of the original death benefit from ages 70-74
- 30% of the original death benefit from ages 75-79
- 20% of the original death benefit for ages 80 and above

Funding Policy

The contribution requirements of the City are established and may be amended by the City Council. Currently, the City's policy is to contribute to the plan on a pay-as-you-go basis. For the year ended June 30, 2011, the City contributed \$1,912,850, representing premium payments on behalf of its retired employees.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost

The City's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. Currently, the City has not prefunded any of its OPEB obligation and is contributing on a pay-as-you-go basis. The following table shows the City's annual OPEB cost, for the year ended June 30, 2011, the amount actually contributed to the plan, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contributions</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2009	\$ 4,795,207	1,920,461	40%	\$ 2,874,746
6/30/2010	4,748,085	1,825,006	38%	5,797,825
6/30/2011	4,811,534	1,912,850	40%	8,696,509

The following table shows the components of the City's annual OPEB cost, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for the year ended June 30, 2011.

Annual required contribution (ARC)	\$ 4,803,986
Interest on net OPEB obligation	260,902
Adjustment to the ARC	<u>(253,354)</u>
Annual OPEB cost (expense)	4,811,534
Contributions made	<u>(1,912,850)</u>
Increase in net OPEB obligation	2,898,684
Net OPEB obligation - beginning of year	<u>5,797,825</u>
Net OPEB obligation - end of year	<u><u>\$ 8,696,509</u></u>

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2011, which was determined from the January 1, 2011 actuarial valuation, was as follows:

Actuarial accrued liability (AAL)	\$ 61,288,307
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 61,288,307</u>
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Covered payroll (active plan members)	\$ 18,434,250
UAAL as a percentage of covered payroll	332.5%

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

Actuarial Methods and Assumptions

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

In the January 1, 2011 actuarial valuation, the entry age normal cost method, level percent of pay was used. The actuarial assumptions included a 4.5 percent investment rate of return (if no prefunding occurs), and an annual blended healthcare cost trend rate of 8.5 percent initially, reduced by decrements to an ultimate rate of 4.5 percent after eight years. Salary was assumed to increase by 3.25% annually. The actuarial value of the plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis over a period of 30 years. Under the Entry Age Normal Cost method the projected benefits for each employee is levelly spread over the individual's projected earnings or service from entry age to assumed exit age.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 13 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damages to, and destruction of assets; errors and omissions; injuries to and illnesses of employees; and natural disasters, for which the City manages its risk by participating in the public entity risk pool described below and by retaining certain risks.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. The joint powers authority is governed by a board consisting of representatives from member municipalities. The board controls the operations of the joint powers authority, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of this joint powers authority are not the City's responsibility.

A. Coverage

The City is one of ten member agencies which constitute the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA). YCPARMIA was formed in 1979 to develop an effective risk management program to reduce the amount and frequency of losses by pooling the agencies' self-insurance losses and jointly purchasing excess insurance. A Risk Manager was hired to administer the YCPARMIA program. YCPARMIA provides workers' compensation insurance coverage up to \$145,000,000, above the City's self insurance limit of \$1,000 per occurrence, and general and auto liability coverage of \$40,000,000, above the City's self insurance limit of \$5,000 per occurrence, boiler and machinery insurance up to \$100,000,000, above the City's deductible of \$1,000 per claim, and property damage insurance up to \$714,356,856, above the City's deductible of \$1,000 for vehicles, and \$1,000 per other occurrence.

YCPARMIA is governed by a board consisting of representatives from member public agencies. The board controls the operations of YCPARMIA, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

During the fiscal year ended June 30, 2011 the City contributed \$1,177,618 for current year coverage. Audited financial statements are available from YCPARMIA at 77 W. Lincoln Avenue, Woodland, CA 95695.

B. Liability for Uninsured Claims

The City provides for the uninsured portion of claims and judgments in the Self-Insurance Internal Service Fund. Claims and judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed, above, the City has coverage for such claims, but it has retained the risk for the deductible, or uninsured portion of these claims. As of June 30, 2011, the City has not recorded a liability for any outstanding uninsured claims.

**CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011**

NOTE 14 – CONTINGENT LIABILITIES

The City participates in Federal and State grant programs. These programs are subject to financial and compliance audits by grantors or their representatives. Some audits of these programs for or including the year ended June 30, 2011 have not been concluded. Accordingly, the City’s compliance with the applicable grant requirements is yet to be established. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the City’s management does not expect such amounts, if any, to be material.

NOTE 15 – RESTATEMENTS OF BEGINNING NET ASSETS

Governmental activities and business-type beginning net assets balances have been restated as follows:

As indicated in Note 9, the City was awarded a loan from the California Department of Public Health (CDPH) in July 2009. The loan carries a provision of subsidization of fifty percent forgiveness of principal to pay for installation of water meters throughout the City. The funding agreement provides for a maximum loan amount of \$14,839,000, of which 50%, or an estimated \$7,419,500 will not need to be repaid. The principal amount of the loan is determined as 50% of each disbursement made by CDPH. As of June 30, 2010 the City received \$4,485,168 in disbursements from the Department of Public Health, of which 50% or \$2,242,584 should have been reflected as outstanding debt in the Water fund. Furthermore, the City incorrectly recorded \$4,485,168 of related capital assets acquired as governmental activities instead of appropriately recording them in the Water fund. As a result of not properly recording the loan received from CDPH as a long-term liability and the related capital assets in the Water fund, the City’s beginning net assets as reported in the Statement of Activities have been restated by \$2,242,584.

The impact on beginning net assets of governmental activities and proprietary balances as a result of the aforementioned restatements is as follows:

	Governmental Activities	Business-type Activities	Water Fund
Net assets/Fund balances, beginning of year, as originally reported	\$ 206,364,040	\$ 111,332,418	\$ 33,920,296
Capital assets-Construction in progress	(4,485,168)	4,485,168	4,485,168
Noncurrent liabilities	<u> -</u>	<u> (2,242,584)</u>	<u> (2,242,584)</u>
Net assets/Fund balances, beginning of year, as restated	<u>\$ 201,878,872</u>	<u>\$ 113,575,002</u>	<u>\$ 36,162,880</u>

NOTE 16 – WOODLAND REDEVELOPMENT AGENCY DISSOLUTION

On June 29, 2011, the Governor of California signed Assembly Bills (AB) X1 26 and 27 as part of the State’s budget package. AB X1 26 requires each California redevelopment agency to suspend nearly all activities except to implement existing contracts, meet already-incurred obligations, preserve its assets and prepare for the impending dissolution of the Agency. AB X1 27 provides a means for redevelopment agencies to continue to exist and operate by means of a Voluntary Alternative Redevelopment Program

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2011

NOTE 16 – WOODLAND REDEVELOPMENT AGENCY DISSOLUTION (Continued)

(VARP). Under this program, each city would adopt an ordinance agreeing to make certain payments to the County Auditor Controller in fiscal year 2011-12 and annual payments each fiscal year thereafter.

The League of California Cities and the California Redevelopment Association filed a lawsuit on July 18, 2011 on behalf of cities, counties and redevelopment agencies petitioning the California Supreme Court to overturn AB X1 26 and 27 on the grounds that these bills violate the California Constitution.

Assembly Bill X1 26 enacted was upheld by the California Supreme Court on December 29, 2011. Assembly Bill X1 27 was invalidated in its entirety by the California Supreme Court. Accordingly, as of February 1, 2012, redevelopment agencies in California, including the Woodland Redevelopment Agency, was terminated and successor agencies appointed to wind down the affairs of the redevelopment agencies in accordance with the provisions of Assembly Bill X1 26. The City of Woodland has elected to be appointed as successor agency for purposes of winding down the affairs of the Agency. The financial statements do not include any adjustments as a result of the dissolution of the Agency.

NOTE 17 – NEW ACCOUNTING PRONOUNCEMENTS

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In December 2010 GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The intent of this Statement is to incorporate certain Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants (AICPA) pronouncements issued on or before November 30, 1989, into the GASB's authoritative literature. This Statement is effective for the City's fiscal year ending June 30, 2013, and its provisions are generally required to be applied retroactively.

In June 2011 GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, Previous financial reporting standards do not include guidance for reporting these financial statement elements, which are distinct from assets and liabilities. This Statement is effective for the City's fiscal year ending June 30, 2013.

REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF FUNDING PROGRESS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2011

Safety Plan

Valuation Date	Entry Age Accrued Actuarial Liability	Value of Assets	Unfunded Accrued Actuarial Liability	Funded Ratio	Annual Covered Payroll	Unfunded Liability as % of Payroll
2008	\$ 81,156,625	\$67,446,670	\$13,709,955	83.1%	\$9,792,117	140.0%
2009	87,762,686	70,645,378	17,117,308	80.5%	10,023,068	170.8%
2010	92,463,009	74,124,588	18,338,421	80.2%	9,700,164	189.1%

Miscellaneous Plan

Valuation Date	Entry Age Accrued Actuarial Liability	Value of Assets	Unfunded Accrued Actuarial Liability	Funded Ratio	Annual Covered Payroll	Unfunded Liability as % of Payroll
2008	\$ 69,853,899	\$58,663,549	\$11,190,350	84.0%	\$13,364,749	83.7%
2009	79,034,005	61,762,034	17,271,971	78.1%	13,456,471	128.4%
2010	84,324,258	64,657,639	19,666,619	76.7%	11,935,255	164.8%

Other Postemployment Benefit Plan

Valuation Date	Actuarial Accrued Liability	Value of Assets	Unfunded Accrued Actuarial Liability	Funded Ratio	Annual Covered Payroll	Unfunded Liability as % of Payroll
2009	\$ 55,792,898	--	\$ 55,792,898	0.0%	\$ 21,527,732	259.2%
2011	61,288,307	--	61,288,307	0.0%	18,434,250	332.5%

**CITY OF WOODLAND, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 3,250,753	\$ 2,685,552	\$ 5,522,953	\$ 11,459,258
Cash and investments with fiscal agents	-	2,397,881	391,757	2,789,638
Receivables	1,787,646	-	564,334	2,351,980
Due from other funds	803,336	-	1,857,542	2,660,878
Long-term notes receivable	4,488,846	-	4,645,598	9,134,444
Advances to other funds	-	-	4,387,441	4,387,441
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 10,330,581</u>	<u>\$ 5,083,433</u>	<u>\$ 17,369,625</u>	<u>\$ 32,783,639</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities:				
Accounts payable	\$ 633,407	\$ 35,461	\$ 335,755	\$ 1,004,623
Deposits	-	-	63,460	63,460
Due to other funds	3,800,502	-	5,448,151	9,248,653
Deferred revenue	4,488,846	-	4,935,132	9,423,978
Advances from other funds	1,799,931	-	2,068,674	3,868,605
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>10,722,686</u>	<u>35,461</u>	<u>12,851,172</u>	<u>23,609,319</u>
Fund balances (deficits):				
Restricted	3,198,921	5,047,972	11,037,599	19,284,492
Committed	1,191,025	-	-	1,191,025
Unassigned	(4,782,051)	-	(6,519,146)	(11,301,197)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances (deficits)	<u>(392,105)</u>	<u>5,047,972</u>	<u>4,518,453</u>	<u>9,174,320</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances (deficits)	<u>\$ 10,330,581</u>	<u>\$ 5,083,433</u>	<u>\$ 17,369,625</u>	<u>\$ 32,783,639</u>

**CITY OF WOODLAND, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES:				
Taxes	\$ 367,642	\$ -	\$ 1,311,440	\$ 1,679,082
Intergovernmental	8,744,863	-	224,446	8,969,309
Charges for services	1,854,503	-	-	1,854,503
Licenses and permits	-	-	3,563,110	3,563,110
Investment earnings	21,702	65,547	126,538	213,787
Miscellaneous	134,152	-	2,318,134	2,452,286
Total revenues	<u>11,122,862</u>	<u>65,547</u>	<u>7,543,668</u>	<u>18,732,077</u>
EXPENDITURES:				
Current:				
General government	-	-	77,184	77,184
Finance	37,205	-	924,118	961,323
Community development	1,041,058	-	3,337,052	4,378,110
Parks and recreation	1,128,090	-	48,890	1,176,980
Police	822,701	-	-	822,701
Fire	174,934	-	-	174,934
Library	236,817	-	79,335	316,152
Public works	9,715,075	-	5,426,824	15,141,899
Debt service:				
Principal	-	2,190,000	113,590	2,303,590
Interest	-	3,399,390	72,648	3,472,038
Total expenditures	<u>13,155,880</u>	<u>5,589,390</u>	<u>10,079,641</u>	<u>28,824,911</u>
Deficiency of revenues under expenditures	<u>(2,033,018)</u>	<u>(5,523,843)</u>	<u>(2,535,973)</u>	<u>(10,092,834)</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	-	2,525,000	2,525,000
Issuance of debt	-	-	278,934	278,934
Transfers in	31,897	6,010,243	-	6,042,140
Transfers out	(10,000)	-	(3,076,639)	(3,086,639)
Total other financing sources (uses)	<u>21,897</u>	<u>6,010,243</u>	<u>(272,705)</u>	<u>5,759,435</u>
Net change in fund balances	(2,011,121)	486,400	(2,808,678)	(4,333,399)
Fund balances, beginning of year	<u>1,619,016</u>	<u>4,561,572</u>	<u>7,327,131</u>	<u>13,507,719</u>
Fund balances (deficits), end of year	<u>\$ (392,105)</u>	<u>\$ 5,047,972</u>	<u>\$ 4,518,453</u>	<u>\$ 9,174,320</u>

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SPECIAL REVENUE FUNDS

STRENG POND LANDSCAPE MAINTENANCE DISTRICT – accounts for the maintenance and landscaping costs within the Streng Pond Assessment District.

NORTH PARK LANDSCAPE MAINTENANCE DISTRICT – accounts for the maintenance of lighting and landscaping costs within the North Park Assessment District.

GIBSON RANCH LANDSCAPE MAINTENANCE DISTRICT – accounts for the maintenance of lighting and landscaping costs within the Gibson Ranch Southeast Area Community Facilities District.

SPECIAL NEEDS ASSISTANCE GRANT – accounts for the activity related to the Special Needs Assistance Program grant.

TRANSIT – accounts for special transportation funds derived from the city's share of motor fuel revenue to pay for contracted transportation services. These funds are legally restricted items approved in the city's Transportation Development Act (TDA) claim.

PROPOSITION 172 – accounts for the monies generated from the one-half cent sales tax increase. The funds are spent for public safety.

TRANSPORTATION – accounts for the City's share of motor fuel tax revenues that are used for street and road maintenance within the City's boundaries. These funds are approved in the City's TDA claim.

LITERACY GRANT – accounts for special funds received to facilitate citizens in improving their reading, writing and spelling abilities.

GAS TAX – accounts for the special gas tax street improvement funds apportioned by the State.

ASSET SEIZURE – accounts for donations received from specific expendable purposes.

SUPPLEMENTAL LAW ENFORCEMENT SERVICES GRANT – accounts for revenues and expenditures related to the Supplemental Law Enforcement Services Grant Program.

AMERICAN RECOVERY & REINVESTMENT ACT – accounts for the revenues and expenditures related to funds received as part of the federal American Recovery and Reinvestment Act for a variety of projects.

STATE GRANT PROGRAMS – accounts for the revenues received from the State of California under AB2928. The allocations must be spent on local streets and roads maintenance, rehabilitation, and reconstruction projects according to the State's Traffic Congestion Relief Plan.

SPECIAL REVENUE FUNDS (CONTINUED)

STATE LIBRARY PROGRAMS – accounts for State library funds and donations received for specific expendable purposes.

CEMETERY ENDOWMENT – accounts for revenues and expenditures related to ongoing maintenance of the City's cemetery.

WEST WOOD LIGHTING & LANDSCAPING DISTRICT – accounts for the maintenance of lighting and landscaping costs within the Woodland West and Nueva Vista Districts.

SPRING LAKE LIGHTING & LANDSCAPING DISTRICT – accounts for the maintenance of lighting and landscaping costs within the Spring Lake District.

SPRING LAKE SPORTS PARK MAINTENANCE CFD – accounts for the maintenance of the Sports Park facility. Authorized costs include labor, material, administration, personnel, equipment and utilities.

FIRE SUPPRESSION DISTRICT – accounts for revenues and expenditures related to tax levy on new development to offset the increased costs of fire suppression and rescue activities.

OFF-SITE AFFORDABLE HOUSING – accounts for fees collected from the Spring Lake Specific Plan (SLSP) to fund affordable housing within areas outside the SLSP to meet the City's affordable housing requirements.

WORKFORCE HOUSING GRANTS – accounts for revenues and expenditures associated with a State grant program issued as a reward for increasing affordable housing throughout the City. These funds are used for construction of various capital improvements throughout the City.

GATEWAY LIGHTING & LANDSCAPING DISTRICT – accounts for the maintenance of lighting and landscaping costs within the Gateway District.

CDBG AMERICAN RECOVERY & REINVESTMENT ACT – accounts for the revenues and expenditures related to additional Community Development Block Grant Funds received as a part of the federal American Recovery and Reinvestment Act.

COMMUNITY DEVELOPMENT BLOCK GRANT – accounts for the revenues and expenditures related to the Community Development Block Grant Funds received from the federal government.

POLICE GRANTS – accounts for the revenues and expenditures related to federal grants received to assist with hiring of peace officers for the City.

**CITY OF WOODLAND, CALIFORNIA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2011**

	Streng Pond Landscape Maintenance District	North Park Landscape Maintenance District	Gibson Ranch Landscape Maintenance District	Special Needs Assistance Grant
ASSETS				
Cash and investments	\$ 31,704	\$ 20,875	\$ 468,165	\$ -
Receivables	722	1,335	30,888	65,962
Due from other funds	-	-	-	-
Long-term notes receivable	-	-	-	-
	<u>\$ 32,426</u>	<u>\$ 22,210</u>	<u>\$ 499,053</u>	<u>\$ 65,962</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities:				
Accounts payable	\$ 65	\$ -	\$ 6,482	\$ 37,112
Due to other funds	-	-	-	48,393
Deferred revenue	-	-	-	-
Advances from other funds	-	-	-	-
	<u>65</u>	<u>-</u>	<u>6,482</u>	<u>85,505</u>
Fund balances (deficits):				
Restricted	32,361	22,210	492,571	-
Committed	-	-	-	-
Unassigned	-	-	-	(19,543)
	<u>32,361</u>	<u>22,210</u>	<u>492,571</u>	<u>(19,543)</u>
Total liabilities and fund balances (deficits)	<u>\$ 32,426</u>	<u>\$ 22,210</u>	<u>\$ 499,053</u>	<u>\$ 65,962</u>

**CITY OF WOODLAND, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2011**

Transit	Proposition 172	Transportation	Literacy Grant	Special Transportation	Gas Tax	
\$ 67,945	\$ 177,008	\$ -	\$ 3,363	\$ -	\$ -	ASSETS
263,221	65,427	192,145	4,780	-	23,060	Cash and investments
-	-	-	-	-	-	Receivables
-	-	-	-	-	-	Due from other funds
-	-	-	-	-	-	Long-term notes receivable
\$ 331,166	\$ 242,435	\$ 192,145	\$ 8,143	\$ -	\$ 23,060	Total assets
LIABILITIES AND FUND BALANCES (DEFICITS)						
Liabilities:						
\$ -	\$ 118	\$ 8,364	\$ 2,388	\$ 484,911	\$ 25,504	Accounts payable
-	-	550,863	-	1,375,241	810,090	Due to other funds
-	-	-	-	-	-	Deferred revenue
-	-	-	-	-	-	Advances from other funds
-	118	559,227	2,388	1,860,152	835,594	Total liabilities
Fund balances (deficits):						
331,166	242,317	-	5,755	-	-	Restricted
-	-	-	-	-	-	Committed
-	-	(367,082)	-	(1,860,152)	(812,534)	Unassigned
331,166	242,317	(367,082)	5,755	(1,860,152)	(812,534)	Total fund balances (deficits)
\$ 331,166	\$ 242,435	\$ 192,145	\$ 8,143	\$ -	\$ 23,060	Total liabilities and fund balances (deficits)

**CITY OF WOODLAND, CALIFORNIA
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2011**

	<u>Asset Seizure</u>	<u>Supplemental Law Enforcement Services Grant</u>	<u>American Recovery & Reinvestment Act</u>	<u>State Grant Programs</u>
ASSETS				
Cash and investments	\$ 52,760	\$ 92,347	\$ -	\$ -
Receivables	-	-	742,995	-
Due from other funds	-	-	-	500,039
Long-term notes receivable	-	-	-	-
	<u>\$ 52,760</u>	<u>\$ 92,347</u>	<u>\$ 742,995</u>	<u>\$ 500,039</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	793,092	-
Deferred revenue	-	-	-	-
Advances from other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>793,092</u>	<u>-</u>
Total liabilities	-	-	793,092	-
Fund balances (deficits):				
Restricted	52,760	92,347	-	500,039
Committed	-	-	-	-
Unassigned	-	-	(50,097)	-
	<u>52,760</u>	<u>92,347</u>	<u>(50,097)</u>	<u>500,039</u>
Total fund balances (deficits)	52,760	92,347	(50,097)	500,039
Total liabilities and fund balances (deficits)	<u>\$ 52,760</u>	<u>\$ 92,347</u>	<u>\$ 742,995</u>	<u>\$ 500,039</u>

**CITY OF WOODLAND, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2011**

State Library Programs	Cemetery Endowment	West Wood Lighting & Landscaping District	Spring Lake Lighting & Landscaping District	Spring Lake Sports Park Maintenance CFD	Fire Suppression District	
\$ 164,427	\$ 341,247	\$ 41,354	\$ 489,028	\$ 11,836	\$ 126,955	ASSETS
2,596	-	983	26,771	9,442	3,706	Cash and investments
-	-	-	-	-	-	Receivables
-	-	-	-	-	-	Due from other funds
-	-	-	-	-	-	Long-term notes receivable
<u>\$ 167,023</u>	<u>\$ 341,247</u>	<u>\$ 42,337</u>	<u>\$ 515,799</u>	<u>\$ 21,278</u>	<u>\$ 130,661</u>	Total assets
						LIABILITIES AND FUND BALANCES (DEFICITS)
						Liabilities:
\$ 5,880	\$ -	\$ -	\$ 14,842	\$ 4,844	\$ -	Accounts payable
-	-	-	-	-	-	Due to other funds
-	-	-	-	-	-	Deferred revenue
-	-	-	-	-	1,799,931	Advances from other funds
<u>5,880</u>	<u>-</u>	<u>-</u>	<u>14,842</u>	<u>4,844</u>	<u>1,799,931</u>	Total liabilities
						Fund balances (deficits):
161,143	341,247	42,337	500,957	16,434	-	Restricted
-	-	-	-	-	-	Committed
-	-	-	-	-	(1,669,270)	Unassigned
<u>161,143</u>	<u>341,247</u>	<u>42,337</u>	<u>500,957</u>	<u>16,434</u>	<u>(1,669,270)</u>	Total fund balances (deficits)
<u>\$ 167,023</u>	<u>\$ 341,247</u>	<u>\$ 42,337</u>	<u>\$ 515,799</u>	<u>\$ 21,278</u>	<u>\$ 130,661</u>	Total liabilities and fund balances (deficits)

**CITY OF WOODLAND, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2011**

	Off-Site Affordable Housing	Workforce Housing Grants	Gateway Lighting & Landscaping District	CDBG American Recovery & Reinvestment Act	Community Development Block Grant	Police Grants	Total Nonmajor Special Revenue Funds
ASSETS							
Cash and investments	\$ 887,728	\$ 95,969	\$ 151,826	\$ -	\$ 2,706	\$ 23,510	\$ 3,250,753
Receivables	-	-	4,389	47,873	301,351	-	1,787,646
Due from other funds	303,297	-	-	-	-	-	803,336
Long-term notes receivable	-	32,591	-	61,000	4,395,255	-	4,488,846
Total assets	<u>\$ 1,191,025</u>	<u>\$ 128,560</u>	<u>\$ 156,215</u>	<u>\$ 108,873</u>	<u>\$ 4,699,312</u>	<u>\$ 23,510</u>	<u>\$ 10,330,581</u>
LIABILITIES AND FUND BALANCES (DEFICITS)							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ 957	\$ -	\$ 41,940	\$ -	\$ 633,407
Due to other funds	-	-	-	51,246	171,577	-	3,800,502
Deferred revenue	-	32,591	-	61,000	4,395,255	-	4,488,846
Advances from other funds	-	-	-	-	-	-	1,799,931
Total liabilities	-	32,591	957	112,246	4,608,772	-	10,722,686
Fund balances (deficits):							
Restricted	-	95,969	155,258	-	90,540	23,510	3,198,921
Committed	1,191,025	-	-	-	-	-	1,191,025
Unassigned	-	-	-	(3,373)	-	-	(4,782,051)
Total fund balances (deficits)	<u>1,191,025</u>	<u>95,969</u>	<u>155,258</u>	<u>(3,373)</u>	<u>90,540</u>	<u>23,510</u>	<u>(392,105)</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,191,025</u>	<u>\$ 128,560</u>	<u>\$ 156,215</u>	<u>\$ 108,873</u>	<u>\$ 4,699,312</u>	<u>\$ 23,510</u>	<u>\$ 10,330,581</u>

**CITY OF WOODLAND, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2011**

	Streng Pond Landscape Maintenance District	North Park Landscape Maintenance District	Gibson Ranch Landscape Maintenance District	Special Needs Assistance Grant
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	144,397
Charges for services	14,270	26,586	597,483	-
Investment earnings	186	123	2,742	-
Miscellaneous	-	-	-	-
Total revenues	<u>14,456</u>	<u>26,709</u>	<u>600,225</u>	<u>144,397</u>
EXPENDITURES:				
Current:				
Finance	2,125	1,063	5,726	-
Community development	-	-	-	176,679
Parks and recreation	8,405	16,584	538,837	-
Police	-	-	-	-
Fire	-	-	-	-
Library	-	-	-	-
Public works	-	2,471	134,865	-
Total expenditures	<u>10,530</u>	<u>20,118</u>	<u>679,428</u>	<u>176,679</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,926</u>	<u>6,591</u>	<u>(79,203)</u>	<u>(32,282)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,926	6,591	(79,203)	(32,282)
Fund balances (deficits), beginning of year	<u>28,435</u>	<u>15,619</u>	<u>571,774</u>	<u>12,739</u>
Fund balances (deficits), end of year	<u>\$ 32,361</u>	<u>\$ 22,210</u>	<u>\$ 492,571</u>	<u>\$ (19,543)</u>

**CITY OF WOODLAND, CALIFORNIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2011**

Transit	Proposition 172	Transportation	Literacy Grant	Special Transportation	Gas Tax	
\$ -	\$ 367,642	\$ -	\$ -	\$ -	\$ -	REVENUES:
1,402,475	-	741,051	120,445	2,507,765	1,230,645	Taxes
-	-	-	-	-	-	Intergovernmental
-	1,036	-	18	-	-	Charges for services
-	-	2,201	13,000	-	52,642	Investment earnings
1,402,475	368,678	743,252	133,463	2,507,765	1,283,287	Miscellaneous
						Total revenues
-	-	-	-	-	-	EXPENDITURES:
-	-	65,531	-	-	-	Current:
-	-	-	-	-	-	Finance
-	186,836	-	-	-	-	Community development
-	174,934	-	-	-	-	Parks and recreation
-	-	-	-	-	-	Police
-	-	-	145,562	-	-	Fire
1,389,028	-	1,277,073	-	3,872,327	1,403,891	Library
1,389,028	361,770	1,342,604	145,562	3,872,327	1,403,891	Public works
						Total expenditures
13,447	6,908	(599,352)	(12,099)	(1,364,562)	(120,604)	Excess (deficiency) of revenues over (under) expenditures
-	-	-	17,500	-	-	OTHER FINANCING SOURCES (USES):
-	-	-	-	-	-	Transfers in
-	-	-	17,500	-	-	Transfers out
-	-	-	17,500	-	-	Total other financing sources (uses)
13,447	6,908	(599,352)	5,401	(1,364,562)	(120,604)	Net change in fund balances
317,719	235,409	232,270	354	(495,590)	(691,930)	Fund balances (deficits), beginning of year
\$ 331,166	\$ 242,317	\$ (367,082)	\$ 5,755	\$ (1,860,152)	\$ (812,534)	Fund balances (deficits), end of year

**CITY OF WOODLAND, CALIFORNIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2011**

	Asset Seizure	Supplemental Law Enforcement Services Grant	American Recovery & Reinvestment Act	State Grant Programs
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	104,836	1,626,099	-
Charges for services	2,867	-	-	-
Investment earnings	309	540	-	101
Miscellaneous	-	-	-	-
Total revenues	<u>3,176</u>	<u>105,376</u>	<u>1,626,099</u>	<u>101</u>
EXPENDITURES:				
Current:				
Finance	-	-	-	-
Community development	-	-	29,720	-
Parks and recreation	-	-	-	-
Police	132	97,491	516,558	-
Fire	-	-	-	-
Library	-	-	-	-
Public works	-	-	1,305,262	-
Total expenditures	<u>132</u>	<u>97,491</u>	<u>1,851,540</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,044</u>	<u>7,885</u>	<u>(225,441)</u>	<u>101</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,044	7,885	(225,441)	101
Fund balances (deficits), beginning of year	<u>49,716</u>	<u>84,462</u>	<u>175,344</u>	<u>499,938</u>
Fund balances (deficits), end of year	<u>\$ 52,760</u>	<u>\$ 92,347</u>	<u>\$ (50,097)</u>	<u>\$ 500,039</u>

**CITY OF WOODLAND, CALIFORNIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2011**

State Library Programs	Cemetery Endowment	West Wood Lighting & Landscaping District	Spring Lake Lighting & Landscaping District	Spring Lake Sports Park Maintenance CFD	Fire Suppression District	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	REVENUES:
87,099	-	-	-	-	-	Taxes
-	11,832	19,621	538,553	179,835	215,087	Intergovernmental
963	1,998	242	2,864	68	743	Charges for services
3,846	-	-	-	-	-	Investment earnings
91,908	13,830	19,863	541,417	179,903	215,830	Miscellaneous
						Total revenues
						EXPENDITURES:
						Current:
-	-	870	11,120	8,959	3,623	Finance
-	-	-	-	-	-	Community development
-	-	7,402	350,514	197,122	-	Parks and recreation
-	-	-	-	-	-	Police
-	-	-	-	-	-	Fire
91,255	-	-	-	-	-	Library
-	-	1,388	298,875	-	-	Public works
91,255	-	9,660	660,509	206,081	3,623	Total expenditures
						Excess (deficiency) of revenues over (under) expenditures
653	13,830	10,203	(119,092)	(26,178)	212,207	
						OTHER FINANCING SOURCES (USES):
-	-	-	-	-	-	Transfers in
(10,000)	-	-	-	-	-	Transfers out
(10,000)	-	-	-	-	-	Total other financing sources (uses)
(9,347)	13,830	10,203	(119,092)	(26,178)	212,207	Net change in fund balances
170,490	327,417	32,134	620,049	42,612	(1,881,477)	Fund balances (deficits), beginning of year
\$ 161,143	\$ 341,247	\$ 42,337	\$ 500,957	\$ 16,434	\$ (1,669,270)	Fund balances (deficits), end of year

CITY OF WOODLAND, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2011

	Off-Site Affordable Housing	Workforce Housing Grants	Gateway Lighting & Landscaping District	CDBG American Recovery & Reinvestment Act	Community Development Block Grant	Police Grants	Total Nonmajor Special Revenue Funds
REVENUES:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 367,642
Intergovernmental	-	-	-	72,874	707,177	-	8,744,863
Charges for services	160,600	-	87,769	-	-	-	1,854,503
Investment earnings	4,633	2,194	889	-	1,916	137	21,702
Miscellaneous	-	-	-	-	62,463	-	134,152
Total revenues	<u>165,233</u>	<u>2,194</u>	<u>88,658</u>	<u>72,874</u>	<u>771,556</u>	<u>137</u>	<u>11,122,862</u>
EXPENDITURES:							
Current:							
Finance	-	-	3,719	-	-	-	37,205
Community development	-	-	-	73,503	695,625	-	1,041,058
Parks and recreation	-	-	9,226	-	-	-	1,128,090
Police	-	-	-	-	-	21,684	822,701
Fire	-	-	-	-	-	-	174,934
Library	-	-	-	-	-	-	236,817
Public works	-	3,870	26,025	-	-	-	9,715,075
Total expenditures	<u>-</u>	<u>3,870</u>	<u>38,970</u>	<u>73,503</u>	<u>695,625</u>	<u>21,684</u>	<u>13,155,880</u>
Excess (deficiency) of revenues over (under) expenditures	<u>165,233</u>	<u>(1,676)</u>	<u>49,688</u>	<u>(629)</u>	<u>75,931</u>	<u>(21,547)</u>	<u>(2,033,018)</u>
OTHER FINANCING SOURCES (USES):							
Transfers in	-	-	-	-	14,397	-	31,897
Transfers out	-	-	-	-	-	-	(10,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,397</u>	<u>-</u>	<u>21,897</u>
Net change in fund balances	165,233	(1,676)	49,688	(629)	90,328	(21,547)	(2,011,121)
Fund balances (deficits), beginning of year	1,025,792	97,645	105,570	(2,744)	212	45,057	1,619,016
Fund balances (deficits), end of year	<u>\$ 1,191,025</u>	<u>\$ 95,969</u>	<u>\$ 155,258</u>	<u>\$ (3,373)</u>	<u>\$ 90,540</u>	<u>\$ 23,510</u>	<u>\$ (392,105)</u>

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STRENG POND LANDSCAPE MAINTENANCE DISTRICT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 13,504	\$ 13,504	\$ 14,270	\$ 766
Investment earnings	-	-	186	186
Total revenues	<u>13,504</u>	<u>13,504</u>	<u>14,456</u>	<u>952</u>
EXPENDITURES:				
Current:				
Finance	5,000	5,000	2,125	2,875
Parks and recreation	12,222	12,222	8,405	3,817
Total expenditures	<u>17,222</u>	<u>17,222</u>	<u>10,530</u>	<u>6,692</u>
Net change in fund balance	<u>\$ (3,718)</u>	<u>\$ (3,718)</u>	3,926	<u>\$ 7,644</u>
Fund balance, beginning of year			<u>28,435</u>	
Fund balance, end of year			<u>\$ 32,361</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NORTH PARK LANDSCAPE MAINTENANCE DISTRICT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Amount Actuals</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 25,217	\$ 25,217	\$ 26,586	\$ 1,369
Investment earnings	-	-	123	123
Total revenues	<u>25,217</u>	<u>25,217</u>	<u>26,709</u>	<u>1,492</u>
EXPENDITURES:				
Current:				
Finance	3,200	3,200	1,063	2,137
Parks and recreation	26,530	26,530	16,584	9,946
Public works	<u>2,709</u>	<u>2,709</u>	<u>2,471</u>	<u>238</u>
Total expenditures	<u>32,439</u>	<u>32,439</u>	<u>20,118</u>	<u>12,321</u>
Net change in fund balance	<u>\$ (7,222)</u>	<u>\$ (7,222)</u>	6,591	<u>\$ 13,813</u>
Fund balance, beginning of year			<u>15,619</u>	
Fund balance, end of year			<u>\$ 22,210</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GIBSON RANCH LANDSCAPE MAINTENANCE DISTRICT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 478,630	\$ 478,630	597,483	118,853
Investment earnings	-	-	2,742	2,742
Total revenues	<u>478,630</u>	<u>478,630</u>	<u>600,225</u>	<u>121,595</u>
EXPENDITURES:				
Current:				
Finance	15,000	15,000	5,726	9,274
Parks and recreation	452,594	640,728	538,837	101,891
Public works	179,222	167,118	134,865	32,253
Total expenditures	<u>646,816</u>	<u>822,846</u>	<u>679,428</u>	<u>143,418</u>
Net change in fund balance	<u>\$ (168,186)</u>	<u>\$ (344,216)</u>	(79,203)	<u>\$ 265,013</u>
Fund balance, beginning of year			<u>571,774</u>	
Fund balance, end of year			<u>\$ 492,571</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL NEEDS ASSISTANCE GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	<u>\$ 175,151</u>	<u>\$ 175,151</u>	<u>\$ 144,397</u>	<u>\$ (30,754)</u>
EXPENDITURES:				
Current:				
Community development	<u>175,151</u>	<u>175,151</u>	<u>176,679</u>	<u>(1,528)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(32,282)</u>	<u>\$ (32,282)</u>
Fund balance, beginning of year			<u>12,739</u>	
Fund balance, end of year			<u>\$ (19,543)</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRANSIT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	<u>\$ 1,402,475</u>	<u>\$ 1,402,475</u>	<u>\$ 1,402,475</u>	<u>\$ -</u>
EXPENDITURES:				
Current:				
Public works	<u>1,402,475</u>	<u>1,402,475</u>	<u>1,389,028</u>	<u>13,447</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>13,447</u>	<u>\$ 13,447</u>
Fund balance, beginning of year			<u>317,719</u>	
Fund balance, end of year			<u>\$ 331,166</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PROPOSITION 172 SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes	\$ 316,000	\$ 316,000	\$ 367,642	\$ 51,642
Investment earnings	-	-	1,036	1,036
Total revenues	<u>316,000</u>	<u>316,000</u>	<u>368,678</u>	<u>52,678</u>
EXPENDITURES:				
Current:				
Police	230,782	230,782	186,836	43,946
Fire	<u>222,047</u>	<u>222,047</u>	174,934	47,113
Total expenditures	<u>452,829</u>	<u>452,829</u>	<u>361,770</u>	<u>91,059</u>
Net change in fund balance	<u>\$ (136,829)</u>	<u>\$ (136,829)</u>	6,908	<u>\$ 143,737</u>
Fund balance, beginning of year			<u>235,409</u>	
Fund balance, end of year			<u>\$ 242,317</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRANSPORTATION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 1,280,366	\$ 1,280,366	\$ 741,051	\$ (539,315)
Miscellaneous	-	-	2,201	2,201
Total revenues	<u>1,280,366</u>	<u>1,280,366</u>	<u>743,252</u>	<u>(537,114)</u>
EXPENDITURES:				
Current:				
Community development	90,561	90,561	65,531	25,030
Public works	<u>1,353,704</u>	<u>1,367,419</u>	<u>1,277,073</u>	<u>90,346</u>
Total expenditures	<u>1,444,265</u>	<u>1,457,980</u>	<u>1,342,604</u>	<u>115,376</u>
Net change in fund balance	<u>\$ (163,899)</u>	<u>\$ (177,614)</u>	(599,352)	<u>\$ (421,738)</u>
Fund balance, beginning of year			<u>232,270</u>	
Fund balance, end of year			<u>\$ (367,082)</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LITERACY GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 102,735	\$ 102,735	\$ 120,445	17,710
Investment earnings	-	-	18	18
Miscellaneous	3,000	3,000	13,000	10,000
Total revenues	<u>105,735</u>	<u>105,735</u>	<u>133,463</u>	<u>27,728</u>
EXPENDITURES:				
Current:				
Library	147,375	147,375	145,562	1,813
Deficiency of revenues under expenditures	<u>(41,640)</u>	<u>(41,640)</u>	<u>(12,099)</u>	<u>29,541</u>
OTHER FINANCING SOURCES:				
Transfers in	17,500	17,500	17,500	-
Net change in fund balance	<u>\$ (24,140)</u>	<u>\$ (24,140)</u>	5,401	<u>\$ 29,541</u>
Fund balance, beginning of year			<u>354</u>	
Fund balance, end of year			<u>\$ 5,755</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GAS TAX SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 904,064	\$ 904,064	\$ 1,230,645	\$ 326,581
Miscellaneous	-	-	52,642	52,642
Total revenues	<u>904,064</u>	<u>904,064</u>	<u>1,283,287</u>	<u>379,223</u>
EXPENDITURES:				
Current:				
Public works	<u>1,386,295</u>	<u>1,424,939</u>	<u>1,403,891</u>	<u>21,048</u>
Net change in fund balance	<u>\$ (482,231)</u>	<u>\$ (520,875)</u>	(120,604)	<u>\$ 400,271</u>
Fund balance (deficit), beginning of year			<u>(691,930)</u>	
Fund balance (deficit), end of year			<u>\$ (812,534)</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET SEIZURE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 8,000	\$ 8,000	\$ 2,867	\$ (5,133)
Investment earnings	-	-	309	309
Total revenues	<u>8,000</u>	<u>8,000</u>	<u>3,176</u>	<u>(4,824)</u>
EXPENDITURES:				
Current:				
Police	<u>6,000</u>	<u>6,000</u>	<u>132</u>	<u>5,868</u>
Net change in fund balance	<u>\$ 2,000</u>	<u>\$ 2,000</u>	3,044	<u>\$ 1,044</u>
Fund balance, beginning of year			<u>49,716</u>	
Fund balance, end of year			<u>\$ 52,760</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SUPPLEMENTAL LAW ENFORCEMENT SERVICES GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 80,000	\$ 80,000	\$ 104,836	\$ 24,836
Investment earnings	-	-	540	540
Total revenues	<u>80,000</u>	<u>80,000</u>	<u>105,376</u>	<u>25,376</u>
EXPENDITURES:				
Current:				
Police	<u>106,275</u>	<u>106,275</u>	<u>97,491</u>	<u>8,784</u>
Net change in fund balance	<u>\$ (26,275)</u>	<u>\$ (26,275)</u>	7,885	<u>\$ 34,160</u>
Fund balance, beginning of year			<u>84,462</u>	
Fund balance, end of year			<u>\$ 92,347</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE GRANT PROGRAMS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 101	\$ 101
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	101	<u>\$ 101</u>
Fund balance, beginning of year			<u>499,938</u>	
Fund balance, end of year			<u>\$ 500,039</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE LIBRARY PROGRAMS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ -	\$ 170,000	\$ 87,099	\$ (82,901)
Investment earnings	-	1,000	963	(37)
Miscellaneous	-	-	3,846	3,846
Total revenues	<u>-</u>	<u>171,000</u>	<u>91,908</u>	<u>(79,092)</u>
EXPENDITURES:				
Current:				
Library	-	384,812	91,255	293,557
Deficiency of revenues under expenditures	<u>-</u>	<u>(213,812)</u>	<u>653</u>	<u>214,465</u>
OTHER FINANCING USES:				
Transfers out	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (10,000)</u>	<u>\$ (223,812)</u>	<u>(9,347)</u>	<u>\$ 214,465</u>
Fund balance, beginning of year			<u>170,490</u>	
Fund balance, end of year			<u>\$ 161,143</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CEMETERY ENDOWMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ -	\$ -	\$ 11,832	\$ 11,832
Investment earnings	-	-	1,998	1,998
Total revenues	<u>-</u>	<u>-</u>	<u>13,830</u>	<u>13,830</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	13,830	<u>\$ 13,830</u>
Fund balance, beginning of year			<u>327,417</u>	
Fund balance, end of year			<u>\$ 341,247</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WEST WOOD LIGHTING & LANDSCAPING DISTRICT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 17,587	\$ 17,587	\$ 19,621	\$ 2,034
Investment earnings	-	-	242	242
Total revenues	<u>17,587</u>	<u>17,587</u>	<u>19,863</u>	<u>2,276</u>
EXPENDITURES:				
Current:				
Finance	-	3,100	870	2,230
Parks and recreation	-	15,736	7,402	8,334
Public works	-	1,478	1,388	90
Total expenditures	<u>-</u>	<u>20,314</u>	<u>9,660</u>	<u>10,654</u>
Net change in fund balance	<u>\$ 17,587</u>	<u>\$ (2,727)</u>	10,203	<u>\$ 12,930</u>
Fund balance, beginning of year			<u>32,134</u>	
Fund balance, end of year			<u>\$ 42,337</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPRING LAKE LIGHTING & LANDSCAPING DISTRICT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 419,784	\$ 419,784	\$ 538,553	\$ 118,769
Investment earnings	-	-	2,864	2,864
Total revenues	<u>419,784</u>	<u>419,784</u>	<u>541,417</u>	<u>121,633</u>
EXPENDITURES:				
Current:				
Finance	-	12,000	11,120	880
Parks and recreation	-	485,963	350,514	135,449
Public works	-	323,186	298,875	24,311
Total expenditures	<u>-</u>	<u>821,149</u>	<u>660,509</u>	<u>160,640</u>
Net change in fund balance	<u>\$ 419,784</u>	<u>\$ (401,365)</u>	(119,092)	<u>\$ 282,273</u>
Fund balance, beginning of year			<u>620,049</u>	
Fund balance, end of year			<u>\$ 500,957</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPRING LAKE SPORTS PARK MAINTENANCE CFD SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 180,000	\$ 180,000	\$ 179,835	\$ (165)
Investment earnings	-	-	68	68
Total revenues	<u>180,000</u>	<u>180,000</u>	<u>179,903</u>	<u>(97)</u>
EXPENDITURES:				
Current:				
Finance	-	9,500	8,959	541
Parks and recreation	-	190,236	197,122	(6,886)
Total expenditures	<u>-</u>	<u>199,736</u>	<u>206,081</u>	<u>(6,345)</u>
Net change in fund balance	<u>\$ 180,000</u>	<u>\$ (19,736)</u>	(26,178)	<u>\$ (6,442)</u>
Fund balance, beginning of year			<u>42,612</u>	
Fund balance, end of year			<u>\$ 16,434</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIRE SUPPRESSION DISTRICT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 50,000	\$ 50,000	\$ 215,087	\$ 165,087
EXPENDITURES:				
Current:				
Finance	5,500	5,500	3,623	1,877
Fire	-	-	-	-
Total expenditures	<u>5,500</u>	<u>5,500</u>	<u>3,623</u>	<u>1,877</u>
Net change in fund balance	<u>\$ 44,500</u>	<u>\$ 44,500</u>	212,207	<u>\$ 163,953</u>
Fund balance (deficit), beginning of year			<u>(1,881,477)</u>	
Fund balance (deficit), end of year			<u>\$ (1,669,270)</u>	

CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GATEWAY LIGHTING & LANDSCAPING DISTRICT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 91,000	\$ 91,000	\$ 87,769	\$ (3,231)
Investment earnings	-	-	889	889
Total revenues	<u>91,000</u>	<u>91,000</u>	<u>88,658</u>	<u>(2,342)</u>
EXPENDITURES:				
Current:				
Finance	-	7,500	3,719	3,781
Parks and recreation	-	42,389	9,226	33,163
Public works	-	35,980	26,025	9,955
Total expenditures	<u>-</u>	<u>85,869</u>	<u>38,970</u>	<u>46,899</u>
Net change in fund balance	<u>\$ 91,000</u>	<u>\$ 5,131</u>	49,688	<u>\$ 44,557</u>
Fund balance, beginning of year			<u>105,570</u>	
Fund balance, end of year			<u>\$ 155,258</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT AMERICAN RECOVERY AND
REINVESTMENT ACT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	<u>\$ -</u>	<u>\$ 90,763</u>	<u>72,874</u>	<u>\$ (17,889)</u>
EXPENDITURES:				
Current:				
Community development	<u>-</u>	<u>90,763</u>	<u>73,503</u>	<u>17,260</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u>(629)</u>	<u><u>\$ (629)</u></u>
Fund balance, beginning of year			<u>(2,744)</u>	
Fund balance (deficit), end of year			<u><u>\$ (3,373)</u></u>	

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL -
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ 1,259,339	\$ 707,177	\$ (552,162)
Investment earnings	-	-	1,916	1,916
Miscellaneous	-	-	62,463	62,463
Total revenues	<u>-</u>	<u>1,259,339</u>	<u>771,556</u>	<u>(487,783)</u>
EXPENDITURES:				
Current:				
Community development		<u>1,259,339</u>	<u>695,625</u>	<u>563,714</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>75,931</u>	<u>75,931</u>
Other financing sources (uses):				
Transfers in	<u>-</u>	<u>-</u>	<u>14,397</u>	<u>14,397</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>90,328</u>	<u>\$ 75,931</u>
Fund balance, beginning of year			<u>212</u>	
Fund balance, end of year			<u>\$ 90,540</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
POLICE GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ -	\$ -	137	\$ 137
Total revenues	<u>-</u>	<u>-</u>	<u>137</u>	<u>137</u>
EXPENDITURES:				
Current:				
Police	<u>23,460</u>	<u>23,460</u>	<u>21,684</u>	<u>1,776</u>
Net change in fund balance	<u>\$ (23,460)</u>	<u>\$ (23,460)</u>	(21,547)	<u>\$ 1,913</u>
Fund balance, beginning of year			<u>45,057</u>	
Fund balance, end of year			<u>\$ 23,510</u>	

DEBT SERVICE FUNDS

2002 LEASE REVENUE BONDS – accounts for the accumulation of resources for, and payment of, principal and interest on the 2002 Lease Revenue Bonds issued to finance the construction and acquisition activities of various capital projects.

2005 CAPITAL PROJECTS LEASE REVENUE BONDS – accounts for the accumulation of resources for, and payment of, principal and interest on the 2005 Capital Projects Lease Revenue Bonds issued to construct and equip a community senior center and sports complex and two fire stations.

2005 WASTEWATER TREATMENT PLANT REVENUE BONDS – accounts for the accumulation of resources for, and payment of, principal and interest on the 2005 Wastewater Treatment Plant Revenue Bonds issued to acquire, construct and equip certain wastewater treatment facility improvements.

2007 CAPITAL PROJECTS LEASE REVENUE BONDS – accounts for the accumulation of resources for, and payment of, principal and interest on the 2007 Capital Projects Lease Revenue Bonds issued to finance the costs of acquiring and installing additional improvements to the Community Senior Center and Sports Complex and construction of a sports field.

WOODLAND REDEVELOPMENT AGENCY 2007 TAX ALLOCATION BONDS – accounts for the accumulation of resources for, and payment of, principal and interest on the 2007 Tax Allocation Bonds issued to finance various redevelopment activities.

**CITY OF WOODLAND, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2011**

	<u>2002 Lease Revenue Bonds</u>	<u>2005 Capital Projects Lease Revenue Bonds</u>	<u>2005 Wastewater Treatment Plant Revenue Bonds</u>	<u>2007 Capital Projects Lease Revenue Bonds</u>	<u>Woodland Redevelopment Agency 2007 Tax Allocation Bonds</u>	<u>Total Nonmajor Debt Service Funds</u>
ASSETS						
Cash and investments	\$ 354,213	\$ 1,523,536	\$ 324,047	\$ 74,590	\$ 409,166	\$ 2,685,552
Cash and investments with fiscal agents	<u>757,323</u>	<u>102</u>	<u>-</u>	<u>1,035,785</u>	<u>604,671</u>	<u>2,397,881</u>
Total assets	<u>\$ 1,111,536</u>	<u>\$ 1,523,638</u>	<u>\$ 324,047</u>	<u>\$ 1,110,375</u>	<u>\$ 1,013,837</u>	<u>\$ 5,083,433</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,461</u>	<u>\$ 35,461</u>
Fund balances:						
Restricted	<u>1,111,536</u>	<u>1,523,638</u>	<u>324,047</u>	<u>1,110,375</u>	<u>978,376</u>	<u>5,047,972</u>
Total liabilities and fund balances	<u>\$ 1,111,536</u>	<u>\$ 1,523,638</u>	<u>\$ 324,047</u>	<u>\$ 1,110,375</u>	<u>\$ 1,013,837</u>	<u>\$ 5,083,433</u>

**CITY OF WOODLAND, CALIFORNIA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2011**

	2002 Lease Revenue Bonds	2005 Capital Projects Lease Revenue Bonds	2005 Wastewater Treatment Plant Revenue Bonds	2007 Capital Projects Lease Revenue Bonds	Woodland Redevelopment Agency 2007 Tax Allocation Bonds	Total Nonmajor Debt Service Funds
REVENUES:						
Investment earnings	\$ 36,684	\$ 9,053	\$ 1,898	\$ 2,450	\$ 15,462	\$ 65,547
EXPENDITURES:						
Debt service:						
Principal	350,000	840,000	-	830,000	170,000	2,190,000
Interest	1,010,772	805,396	852,980	318,380	411,862	3,399,390
Total expenditures	1,360,772	1,645,396	852,980	1,148,380	581,862	5,589,390
Deficiency of revenues under expenditures	(1,324,088)	(1,636,343)	(851,082)	(1,145,930)	(566,400)	(5,523,843)
OTHER FINANCING SOURCES:						
Transfers in	1,369,706	2,052,181	851,468	1,151,685	585,203	6,010,243
Net change in fund balance	45,618	415,838	386	5,755	18,803	486,400
Fund balance, beginning of year	1,065,918	1,107,800	323,661	1,104,620	959,573	4,561,572
Fund balance, end of year	<u>\$ 1,111,536</u>	<u>\$ 1,523,638</u>	<u>\$ 324,047</u>	<u>\$ 1,110,375</u>	<u>\$ 978,376</u>	<u>\$ 5,047,972</u>

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2002 LEASE REVENUE BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 36,684	\$ 36,684
EXPENDITURES:				
Debt service:				
Principal	350,000	350,000	350,000	-
Interest	1,019,706	1,019,706	1,010,772	8,934
Total expenditures	<u>1,369,706</u>	<u>1,369,706</u>	<u>1,360,772</u>	<u>8,934</u>
Deficiency of revenues under expenditures	<u>(1,369,706)</u>	<u>(1,369,706)</u>	<u>(1,324,088)</u>	<u>45,618</u>
OTHER FINANCING SOURCES:				
Transfers in	<u>1,369,706</u>	<u>1,369,706</u>	<u>1,369,706</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	45,618	<u>\$ 45,618</u>
Fund balance, beginning of year			<u>1,065,918</u>	
Fund balance, end of year			<u>\$ 1,111,536</u>	

CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2005 CAPITAL PROJECTS LEASE REVENUE BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 9,053	\$ 9,053
EXPENDITURES:				
Debt service:				
Principal	840,000	840,000	840,000	-
Interest	803,169	803,169	805,396	(2,227)
Deficiency of revenues under expenditures	(1,643,169)	(1,643,169)	(1,636,343)	6,826
OTHER FINANCING SOURCES:				
Transfer in	2,052,181	2,052,181	2,052,181	-
Net change in fund balance	<u>\$ 409,012</u>	<u>\$ 409,012</u>	415,838	<u>\$ 6,826</u>
Fund balance, beginning of year			<u>1,107,800</u>	
Fund balance, end of year			<u>\$ 1,523,638</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2005 WASTEWATER TREATMENT PLANT REVENUE BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 1,898	\$ 1,898
EXPENDITURES:				
Debt service:				
Interest	851,567	851,567	852,980	(1,413)
Deficiency of revenues under expenditures	851,567	851,567	(851,082)	(1,702,649)
OTHER FINANCING SOURCES:				
Transfers in	851,468	851,468	851,468	-
Net change in fund balance	\$ 1,703,035	\$ 1,703,035	386	\$ (1,702,649)
Fund balance, beginning of year			323,661	
Fund balance, end of year			\$ 324,047	

CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2007 CAPITAL PROJECTS LEASE REVENUE BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 2,450	\$ 2,450
EXPENDITURES:				
Debt service:				
Principal	830,000	830,000	830,000	-
Interest	321,685	321,685	318,380	3,305
Total expenditures	<u>1,151,685</u>	<u>1,151,685</u>	<u>1,148,380</u>	<u>3,305</u>
Deficiency of revenues under expenditures	<u>(1,151,685)</u>	<u>(1,151,685)</u>	<u>(1,145,930)</u>	<u>5,755</u>
OTHER FINANCING SOURCES:				
Transfer in	<u>1,151,685</u>	<u>1,151,685</u>	<u>1,151,685</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	5,755	<u>\$ 5,755</u>
Fund balance, beginning of year			<u>1,104,620</u>	
Fund balance, end of year			<u>\$ 1,110,375</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WOODLAND REDEVELOPMENT AGENCY
2007 TAX ALLOCATION BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 15,462	\$ 15,462
EXPENDITURES:				
Debt service:				
Principal	170,000	170,000	170,000	-
Interest	415,203	415,203	411,862	3,341
Total expenditures	585,203	585,203	581,862	3,341
Deficiency of revenues under expenditures	(585,203)	(585,203)	(566,400)	18,803
OTHER FINANCING SOURCES:				
Transfers in	585,203	585,203	585,203	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	18,803	<u>\$ 18,803</u>
Fund balance, beginning of year			<u>959,573</u>	
Fund balance, end of year			<u>\$ 978,376</u>	

CAPITAL PROJECTS FUNDS

WOODLAND REDEVELOPMENT AGENCY CITY FUNDS – accounts for all revenues and expenditures connected with the project remedy conditions contributing to the revitalization of the redevelopment area.

WOODLAND REDEVELOPMENT AGENCY LOW/MOD HOUSING FUND – accounts for all the revenues and expenditures related to the housing requirements of the redevelopment plan area.

PARK RESERVE – accounts for funds collected from developers for park expansion.

PARK IN LIEU FEES – accounts for fees collected for park improvements and expansion.

GIBSON RANCH CAPITAL PROJECTS – accounts for the proceeds from the special assessment debt, with no City obligation, and specific project funds collected for capital improvements in Gibson Ranch Southeast Area Community Facilities District.

CITY CAPITAL PROJECTS – accounts for capital project improvements such as public facilities, traffic congestion, tree and equipment expenditures over \$5,000 within the general government function for funds collected from developers for water system expansion.

WATER DEVELOPMENT – accounts for funds collected from developers for water system expansion.

STORM DRAIN DEVELOPMENT – accounts for funds collected from developers for storm drain system expansion.

**CITY OF WOODLAND, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2011**

	Woodland Redevelopment Agency City Funds	Woodland Redevelopment Agency Low/Mod Housing	Park Reserve	Park in Lieu Fees	Gibson Ranch Capital Projects
ASSETS					
Cash and investments	\$ 4,689,114	\$ 522,509	\$ -	\$ 190,911	\$ 103,351
Cash and investments with fiscal agents	391,757	-	-	-	-
Receivables	34,904	10,653	83,640	-	-
Due from other funds	-	-	-	741,319	-
Long-term notes receivable	228,098	4,367,027	-	-	50,473
Advances to other funds	-	-	-	-	-
Total assets	\$ 5,343,873	\$ 4,900,189	\$ 83,640	\$ 932,230	\$ 153,824
LIABILITIES AND FUND BALANCES (DEFICITS)					
Liabilities:					
Accounts payable	\$ 1,213	\$ 45	\$ -	\$ 287	\$ -
Deposits	-	-	-	-	-
Due to other funds	-	-	2,445,712	-	-
Deferred revenue	228,098	4,367,027	83,640	-	50,473
Advances from other funds	-	-	-	-	-
Total liabilities	229,311	4,367,072	2,529,352	287	50,473
Fund balances (deficits):					
Restricted	5,114,562	533,117	-	931,943	103,351
Unassigned	-	-	(2,445,712)	-	-
Total fund balances (deficits)	5,114,562	533,117	(2,445,712)	931,943	103,351
Total liabilities and fund balances (deficits)	\$ 5,343,873	\$ 4,900,189	\$ 83,640	\$ 932,230	\$ 153,824

**CITY OF WOODLAND, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2011**

City Capital Projects	Water Development	Storm Drain Development	Total Nonmajor Capital Projects Funds	
				ASSETS
\$ -	\$ 17,068	\$ -	\$ 5,522,953	Cash and investments
-	-	-	391,757	Cash and investments with fiscal agents
388,259	23,554	23,324	564,334	Receivables
-	1,116,223	-	1,857,542	Due from other funds
-	-	-	4,645,598	Long-term notes receivable
-	2,286,342	2,101,099	4,387,441	Advances to other funds
<u>\$ 388,259</u>	<u>\$ 3,443,187</u>	<u>\$ 2,124,423</u>	<u>\$ 17,369,625</u>	Total assets
				LIABILITIES AND FUND BALANCES (DEFICITS)
				Liabilities:
\$ 334,210	\$ -	\$ -	\$ 335,755	Accounts payable
13,460	50,000	-	63,460	Deposits
1,886,215	-	1,116,224	5,448,151	Due to other funds
159,134	23,436	23,324	4,935,132	Deferred revenue
2,068,674	-	-	2,068,674	Advances from other funds
<u>4,461,693</u>	<u>73,436</u>	<u>1,139,548</u>	<u>12,851,172</u>	Total liabilities
				Fund balances (deficits):
-	3,369,751	984,875	11,037,599	Restricted
(4,073,434)	-	-	(6,519,146)	Unassigned
<u>(4,073,434)</u>	<u>3,369,751</u>	<u>984,875</u>	<u>4,518,453</u>	Total fund balances (deficits)
<u>\$ 388,259</u>	<u>\$ 3,443,187</u>	<u>\$ 2,124,423</u>	<u>\$ 17,369,625</u>	Total liabilities and fund balances (deficits)

CITY OF WOODLAND, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2011

	Woodland Redevelopment Agency City Funds	Woodland Redevelopment Agency Low/Mod Housing	Park Reserve	Park in Lieu Fees	Gibson Ranch Capital Projects
REVENUES:					
Taxes	\$ 1,033,072	\$ 278,368	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Licenses and permits	148,908	-	237,659	306,333	-
Investment earnings	19,041	3,073	-	1,118	-
Miscellaneous	14,205	51,769	-	-	-
Total revenues	<u>1,215,226</u>	<u>333,210</u>	<u>237,659</u>	<u>307,451</u>	<u>-</u>
EXPENDITURES:					
Current:					
General government	68,984	-	-	-	-
Finance	10,890	-	-	-	-
Community development	3,121,920	151,279	-	-	-
Parks and recreation	-	-	-	-	-
Library	-	-	-	-	-
Public works	60,000	-	52,167	68,174	50,473
Debt service:					
Principal	-	100,000	-	-	-
Interest and fiscal charges	-	22,305	-	-	-
Total expenditures	<u>3,261,794</u>	<u>273,584</u>	<u>52,167</u>	<u>68,174</u>	<u>50,473</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,046,568)</u>	<u>59,626</u>	<u>185,492</u>	<u>239,277</u>	<u>(50,473)</u>
OTHER FINANCING USES:					
Proceeds from sale of capital assets	2,525,000	-	-	-	-
Issuance of debt	-	-	-	-	-
Transfers out	(585,203)	-	(2,198,599)	-	-
Total other financing sources (uses)	<u>1,939,797</u>	<u>-</u>	<u>(2,198,599)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(106,771)	59,626	(2,013,107)	239,277	(50,473)
Fund balances (deficits), beginning of year	<u>5,221,333</u>	<u>473,491</u>	<u>(432,605)</u>	<u>692,666</u>	<u>153,824</u>
Fund balances (deficits), end of year	<u>\$ 5,114,562</u>	<u>\$ 533,117</u>	<u>\$ (2,445,712)</u>	<u>\$ 931,943</u>	<u>\$ 103,351</u>

**CITY OF WOODLAND, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2011**

City Capital Projects	Water Development	Storm Drain Development	Total Nonmajor Capital Projects Funds	
\$ -	\$ -	\$ -	\$ 1,311,440	REVENUES:
224,446	-	-	224,446	Taxes
2,335,537	496,590	38,083	3,563,110	Intergovernmental
100,629	2,677	-	126,538	Licenses and permits
2,169,687	-	82,473	2,318,134	Investment earnings
				Miscellaneous
<u>4,830,299</u>	<u>499,267</u>	<u>120,556</u>	<u>7,543,668</u>	Total revenues
8,200	-	-	77,184	Current:
913,228	-	-	924,118	General government
63,853	-	-	3,337,052	Finance
48,890	-	-	48,890	Community development
79,335	-	-	79,335	Parks and recreation
4,921,365	79,955	194,690	5,426,824	Library
				Public works
13,590	-	-	113,590	Debt service:
50,343	-	-	72,648	Principal
<u>6,098,804</u>	<u>79,955</u>	<u>194,690</u>	<u>10,079,641</u>	Interest and fiscal charges
				Total expenditures
<u>(1,268,505)</u>	<u>419,312</u>	<u>(74,134)</u>	<u>(2,535,973)</u>	Excess (deficiency) of revenues over (under) expenditures
-	-	-	2,525,000	OTHER FINANCING USES:
278,934	-	-	278,934	Proceeds from sale of capital assets
(292,837)	-	-	(3,076,639)	Transfers out
<u>(13,903)</u>	<u>-</u>	<u>-</u>	<u>(272,705)</u>	Total other financing sources (uses)
(1,282,408)	419,312	(74,134)	(2,808,678)	Net change in fund balances
<u>(2,791,026)</u>	<u>2,950,439</u>	<u>1,059,009</u>	<u>7,327,131</u>	Fund balances (deficits), beginning of year
<u>\$ (4,073,434)</u>	<u>\$ 3,369,751</u>	<u>\$ 984,875</u>	<u>\$ 4,518,453</u>	Fund balances (deficits), end of year

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ENTERPRISE FUNDS

WASTEWATER PRETREATMENT – accounts for the provision of wastewater pretreatment services to residents of the City and some residents of the County of Yolo. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

RECYCLING – accounts for the provision of recycling services provided to residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, and billing and collection.

CONSTRUCTION AND DEMOLITION PROGRAM – accounts for all costs of City administration of the Construction and Demolition Debris Recycling Ordinance, which is required to meet State regulations.

FIRE TRAINING CENTER – accounts for the provision of the fire training facility as provided by the City of Woodland's Fire Department. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, and billing and collection.

CEMETERY – accounts for the provision of cemetery services available to residents of the City and County. All activities necessary to provide such services are accounted for in this fund, include, but is not limited to, administration, operations, capital improvements, maintenance, and billing and collection.

DUBACH PARK – accounts for revenues received from third party rentals of the Dubach baseball/softball complex. All costs necessary to operate the sports park are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, and the collection of associated fees.

YOUTH PROGRAM – accounts for the activities of Youth Recreation programs offered by the City.

**CITY OF WOODLAND, CALIFORNIA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2011**

	<u>Wastewater Pretreatment</u>	<u>Recycling</u>	<u>Construction and Demolition Program</u>	<u>Fire Training Center</u>
ASSETS				
Current assets:				
Cash and investments	\$ 589,205	\$ 1,562,747	\$ 91,162	\$ 132,814
Receivables	10,851	30,894	-	3,628
Total current assets	<u>600,056</u>	<u>1,593,641</u>	<u>91,162</u>	<u>136,442</u>
Noncurrent assets:				
Advances to other funds	-	68,000	-	-
Capital assets (net of accumulated depreciation)	2,374	4,716	-	-
Total assets	<u>602,430</u>	<u>1,666,357</u>	<u>91,162</u>	<u>136,442</u>
LIABILITIES				
Current liabilities:				
Accounts payable	793	18,833	35,297	11,714
Due to other funds	-	-	-	-
Compensated absences	3,168	2,175	901	39
Total current liabilities	<u>3,961</u>	<u>21,008</u>	<u>36,198</u>	<u>11,753</u>
Noncurrent liabilities:				
Compensated absences	1,289	9,106	-	16,872
Advances from other funds	-	-	68,000	-
Other postemployment benefits	92,122	57,078	14,109	51,426
Total noncurrent liabilities	<u>93,411</u>	<u>66,184</u>	<u>82,109</u>	<u>68,298</u>
Total liabilities	<u>97,372</u>	<u>87,192</u>	<u>118,307</u>	<u>80,051</u>
NET ASSETS (DEFICITS)				
Invested in capital assets, net of related debt	2,374	4,716	-	-
Unrestricted	502,684	1,574,449	(27,145)	56,391
Total net assets (deficits)	<u>\$ 505,058</u>	<u>\$ 1,579,165</u>	<u>\$ (27,145)</u>	<u>\$ 56,391</u>

**CITY OF WOODLAND, CALIFORNIA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2011**

Cemetery	Dubach Park	Youth Program	Total Nonmajor Enterprise Funds	
				ASSETS
				Current assets:
\$ -	\$ -	\$ -	\$ 2,375,928	Cash and investments
790	-	-	46,163	Receivables
790	-	-	2,422,091	Total current assets
				Noncurrent assets:
-	-	-	68,000	Advances to other funds
-	-	-	7,090	Capital assets (net of accumulated depreciation)
790	-	-	2,497,181	Total assets
				LIABILITIES
				Current liabilities:
3,693	-	19,425	89,755	Accounts payable
146,290	595,029	71,382	812,701	Due to other funds
118	8	-	6,409	Compensated absences
150,101	595,037	90,807	908,865	Total current liabilities
				Noncurrent liabilities:
630	-	-	27,897	Compensated absences
-	-	-	68,000	Advances from other funds
42,452	-	-	257,187	Other postemployment benefits
43,082	-	-	353,084	Total noncurrent liabilities
193,183	595,037	90,807	1,261,949	Total liabilities
				NET ASSETS (DEFICITS)
-	-	-	7,090	Invested in capital assets, net of related debt
(192,393)	(595,037)	(90,807)	1,228,142	Unrestricted
\$ (192,393)	\$ (595,037)	\$ (90,807)	\$ 1,235,232	Total net assets (deficits)

**CITY OF WOODLAND, CALIFORNIA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
YEAR ENDED JUNE 30, 2011**

	<u>Wastewater Pretreatment</u>	<u>Recycling</u>	<u>Construction and Demolition Program</u>	<u>Fire Training Center</u>
OPERATING REVENUES:				
Charges for services	\$ 392,913	\$ 186,495	\$ 24,860	\$ 296,368
Other	200	584	10	253,316
Total operating revenues	<u>393,113</u>	<u>187,079</u>	<u>24,870</u>	<u>549,684</u>
OPERATING EXPENSES:				
Personnel services	310,492	262,648	28,318	152,710
Utilities	4,644	1,917	685	-
Office supplies and expenses	42,618	33,116	3,392	295,738
Small tools and supplies	144	-	-	-
Contractual services	44,431	31,101	-	24,130
Depreciation	791	1,179	-	-
Equipment rental and maintenance	28,901	23,692	1,175	13,690
Total operating expenses	<u>432,021</u>	<u>353,653</u>	<u>33,570</u>	<u>486,268</u>
Operating income (loss)	<u>(38,908)</u>	<u>(166,574)</u>	<u>(8,700)</u>	<u>63,416</u>
NONOPERATING REVENUES:				
Investment earnings	3,451	9,152	534	776
Intergovernmental	-	21,032	-	-
Gain (loss) on disposal of capital assets	-	(1,665)	-	-
Total nonoperating revenues	<u>3,451</u>	<u>28,519</u>	<u>534</u>	<u>776</u>
Income (loss) before transfers	(35,457)	(138,055)	(8,166)	64,192
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	(35,457)	(138,055)	(8,166)	64,192
Net assets (deficits), beginning of year	<u>540,515</u>	<u>1,717,220</u>	<u>(18,979)</u>	<u>(7,801)</u>
Net assets (deficits), end of year	<u>\$ 505,058</u>	<u>\$ 1,579,165</u>	<u>\$ (27,145)</u>	<u>\$ 56,391</u>

**CITY OF WOODLAND, CALIFORNIA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
YEAR ENDED JUNE 30, 2011**

Cemetery	Dubach Park	Youth Program	Total Nonmajor Enterprise Funds	
				OPERATING REVENUES:
\$ 73,560	\$ -	\$ 219,079	\$ 1,193,275	Charges for services
-	-	-	254,110	Other
<u>73,560</u>	<u>-</u>	<u>219,079</u>	<u>1,447,385</u>	Total operating revenues
				OPERATING EXPENSES:
138,254	-	147,385	1,039,807	Personnel services
7,218	-	-	14,464	Utilities
39,057	-	24,598	438,519	Office supplies and expenses
193	-	-	337	Small tools and supplies
8,604	-	138,004	246,270	Contractual services
-	-	-	1,970	Depreciation
78,808	-	-	146,266	Equipment rental and maintenance
<u>272,134</u>	<u>-</u>	<u>309,987</u>	<u>1,887,633</u>	Total operating expenses
<u>(198,574)</u>	<u>-</u>	<u>(90,908)</u>	<u>(440,248)</u>	Operating income (loss)
				NONOPERATING REVENUES:
-	-	-	13,913	Investment earnings
-	-	-	21,032	Intergovernmental
-	-	-	(1,665)	Gain (loss) on disposal of capital assets
<u>-</u>	<u>-</u>	<u>-</u>	<u>33,280</u>	Total nonoperating revenues
(198,574)	-	(90,908)	(406,968)	Income (loss) before transfers
<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>	Transfers in
1,426	-	(90,908)	(206,968)	Change in net assets
<u>(193,819)</u>	<u>(595,037)</u>	<u>101</u>	<u>1,442,200</u>	Net assets (deficits), beginning of year
<u>\$ (192,393)</u>	<u>\$ (595,037)</u>	<u>\$ (90,807)</u>	<u>\$ 1,235,232</u>	Net assets (deficits), end of year

**CITY OF WOODLAND, CALIFORNIA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2011**

	Wastewater Pretreatment	Recycling	Construction and Demolition Program	Fire Training Center
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ 402,995	\$ 170,967	\$ 24,870	\$ 548,378
Payments to suppliers	(122,385)	(123,965)	(11,596)	(338,076)
Payments to employees	(276,990)	(237,971)	(26,251)	(135,368)
Net cash provided (used) by operating activities	<u>3,620</u>	<u>(190,969)</u>	<u>(12,977)</u>	<u>74,934</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in	-	-	-	-
Interfund borrowings from other funds	-	-	-	-
Operating grants received	-	21,032	-	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>21,032</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	<u>3,451</u>	<u>9,152</u>	<u>534</u>	<u>776</u>
Net increase (decrease) in cash and cash equivalents	7,071	(160,785)	(12,443)	75,710
Cash and cash equivalents, beginning of year	<u>582,134</u>	<u>1,723,532</u>	<u>103,605</u>	<u>57,104</u>
Cash and cash equivalents, end of year	<u>\$ 589,205</u>	<u>\$ 1,562,747</u>	<u>\$ 91,162</u>	<u>\$ 132,814</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	<u>\$ (38,908)</u>	<u>\$ (166,574)</u>	<u>\$ (8,700)</u>	<u>\$ 63,416</u>
Adjustment to reconcile operating income (loss) to net cash flows provided (used) by operating activities:				
Depreciation	791	1,179	-	-
Change in assets and liabilities:				
Receivables	9,882	(16,112)	-	(1,306)
Accounts payable	(1,647)	(34,139)	(6,344)	(4,518)
Compensated absences	(9,395)	748	(852)	(2,112)
Other postemployment benefits	42,897	23,929	2,919	19,454
Total adjustments	<u>42,528</u>	<u>(24,395)</u>	<u>(4,277)</u>	<u>11,518</u>
Net cash provided (used) by operating activities	<u>\$ 3,620</u>	<u>\$ (190,969)</u>	<u>\$ (12,977)</u>	<u>\$ 74,934</u>

**CITY OF WOODLAND, CALIFORNIA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2011**

Cemetery	Youth Program	Total Nonmajor Enterprise Funds	
			CASH FLOWS FROM OPERATING ACTIVITIES:
\$ 72,770	\$ 219,079	\$ 1,439,059	Receipts from customers and users
(131,720)	(145,312)	(873,054)	Payments to suppliers
(132,333)	(147,385)	(956,298)	Payments to employees
(191,283)	(73,618)	(390,293)	Net cash provided (used) by operating activities
			CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:
200,000	-	200,000	Transfers in
(8,717)	71,382	62,665	Interfund borrowings from other funds
-	-	21,032	Operating grants received
191,283	71,382	283,697	Net cash provided by noncapital financing activities
			CASH FLOWS FROM INVESTING ACTIVITIES:
-	-	13,913	Interest received
-	(2,236)	(92,683)	Net increase (decrease) in cash and cash equivalents
-	2,236	2,468,611	Cash and cash equivalents, beginning of year
\$ -	\$ -	\$ 2,375,928	Cash and cash equivalents, end of year
			Reconciliation of operating income (loss) to net cash provided (used) by operating activities:
\$ (198,574)	\$ (90,908)	\$ (440,248)	Operating income (loss)
			Adjustment to reconcile operating income (loss) to net cash flows provided (used) by operating activities:
-	-	1,970	Depreciation
			Change in assets and liabilities:
(790)	-	(8,326)	Receivables
2,160	17,290	(27,198)	Accounts payable
571	-	(11,040)	Compensated absences
5,350	-	94,549	Other postemployment benefits
7,291	17,290	49,955	Total adjustments
\$ (191,283)	\$ (73,618)	\$ (390,293)	Cash flows provided (used) by operating activities

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INTERNAL SERVICE FUNDS

EQUIPMENT SERVICE AND REPAIR – accounts for the rental of motor vehicles to other City departments and related costs.

BENEFITS – accounts for the City’s health insurance program.

SELF-INSURANCE – accounts for the self-insured portion of the City’s worker’s compensation, general liability and property insurance programs.

INFORMATION SYSTEMS – accounts for the operation and maintenance of the City’s information systems.

CITY OF WOODLAND, CALIFORNIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2011

	Equipment Service and Repair	Benefits	Self- Insurance	Information Systems	Total
ASSETS					
Current assets:					
Cash and investments	\$ 2,472,862	\$ 467,185	\$ 318,539	\$ 903,698	\$ 4,162,284
Receivables	-	1,014	31,410	1,004	33,428
Total current assets	<u>2,472,862</u>	<u>468,199</u>	<u>349,949</u>	<u>904,702</u>	<u>4,195,712</u>
Noncurrent assets:					
Capital assets, net of accumulated depreciation	<u>3,775,869</u>	-	-	416,033	<u>4,191,902</u>
Total assets	<u>6,248,731</u>	<u>468,199</u>	<u>349,949</u>	<u>1,320,735</u>	<u>8,387,614</u>
LIABILITIES					
Current liabilities:					
Accounts payable	12,952	13,352	16,090	106,378	148,772
Interest payable	11,989	-	-	-	11,989
Compensated absences	7,331	-	-	4,579	11,910
Capital lease obligations	<u>596,273</u>	-	-	-	<u>596,273</u>
Total current liabilities	<u>628,545</u>	<u>13,352</u>	<u>16,090</u>	<u>110,957</u>	<u>768,944</u>
Noncurrent liabilities:					
Compensated absences	28,888	-	1,271	27,528	57,687
Capital lease obligations	1,589,233	-	-	-	1,589,233
Other postemployment benefits	<u>184,751</u>	-	<u>6,180</u>	<u>166,036</u>	<u>356,967</u>
Total noncurrent liabilities	<u>1,802,872</u>	<u>-</u>	<u>7,451</u>	<u>193,564</u>	<u>2,003,887</u>
Total liabilities	<u>2,431,417</u>	<u>13,352</u>	<u>23,541</u>	<u>304,521</u>	<u>2,772,831</u>
NET ASSETS					
Invested in capital assets, net of related debt	1,590,363	-	-	416,033	2,006,396
Unrestricted	<u>2,226,951</u>	<u>454,847</u>	<u>326,408</u>	<u>600,181</u>	<u>3,608,387</u>
Total net assets	<u>\$ 3,817,314</u>	<u>\$ 454,847</u>	<u>\$ 326,408</u>	<u>\$ 1,016,214</u>	<u>\$ 5,614,783</u>

CITY OF WOODLAND, CALIFORNIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
YEAR ENDED JUNE 30, 2011

	Equipment Service and Repair	Benefits	Self- Insurance	Information Systems	Total
OPERATING REVENUES:					
Billings to departments	\$ 3,125,728	\$ 5,632,485	\$ 1,964,133	\$ 1,259,580	\$ 11,981,926
Other	-	-	49,834	-	49,834
Total operating revenues	<u>3,125,728</u>	<u>5,632,485</u>	<u>2,013,967</u>	<u>1,259,580</u>	<u>12,031,760</u>
OPERATING EXPENSES:					
Personnel services	692,197	-	34,317	725,643	1,452,157
Utilities	2,793	-	-	19,365	22,158
Office supplies and expenses	728,543	-	-	201,337	929,880
Small tools and supplies	8,132	-	-	-	8,132
Depreciation	784,838	-	-	99,431	884,269
Equipment rental and maintenance	217,704	-	-	300,111	517,815
Insurance premiums and claims	-	5,548,634	1,370,038	-	6,918,672
Total operating expenses	<u>2,434,207</u>	<u>5,548,634</u>	<u>1,404,355</u>	<u>1,345,887</u>	<u>10,733,083</u>
Operating income (loss)	<u>691,521</u>	<u>83,851</u>	<u>609,612</u>	<u>(86,307)</u>	<u>1,298,677</u>
NONOPERATING REVENUES (EXPENSES):					
Investment earnings	15,308	-	952	5,293	21,553
Interest expense	(113,181)	-	-	-	(113,181)
Gain (loss) on disposal of capital assets	(9,674)	-	-	(2,217)	(11,891)
Total nonoperating revenues (expenses)	<u>(107,547)</u>	<u>-</u>	<u>952</u>	<u>3,076</u>	<u>(103,519)</u>
Income (loss) before transfers	583,974	83,851	610,564	(83,231)	1,195,158
Transfers in	26,706	306,584	-	-	333,290
Transfers out	-	-	(306,584)	-	(306,584)
Change in net assets	610,680	390,435	303,980	(83,231)	1,221,864
Net assets, beginning of year	<u>3,206,634</u>	<u>64,412</u>	<u>22,428</u>	<u>1,099,445</u>	<u>4,392,919</u>
Net assets, end of year	<u>\$ 3,817,314</u>	<u>\$ 454,847</u>	<u>\$ 326,408</u>	<u>\$ 1,016,214</u>	<u>\$ 5,614,783</u>

**CITY OF WOODLAND, CALIFORNIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2010**

	Equipment Service and Repair	Benefits	Self- Insurance	Information Systems	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers	\$ 3,125,868	\$ 5,631,471	\$ 2,013,280	\$ 1,258,576	\$ 12,029,195
Payments to suppliers	(708,956)	-	-	(496,377)	(1,205,333)
Payments to employees	(643,429)	-	(30,161)	(655,193)	(1,328,783)
Insurance premiums and claims paid	-	(5,537,515)	(1,381,276)	-	(6,918,791)
Net cash provided (used) by operating activities	<u>1,773,483</u>	<u>93,956</u>	<u>601,843</u>	<u>107,006</u>	<u>2,576,288</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers in	26,706	306,584	-	-	333,290
Transfers out	-	-	(306,584)	-	(306,584)
Net cash provided (used) by noncapital financing activities	<u>26,706</u>	<u>306,584</u>	<u>(306,584)</u>	<u>-</u>	<u>26,706</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of capital assets	(42,700)	-	-	(60,392)	(103,092)
Principal payments on long-term debt	(703,896)	-	-	-	(703,896)
Interest paid	(132,036)	-	-	-	(132,036)
Net cash used by capital and related financing activities	<u>(878,632)</u>	<u>-</u>	<u>-</u>	<u>(60,392)</u>	<u>(939,024)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	15,308	-	952	5,293	21,553
Net increase (decrease) in cash and cash equivalents	936,865	400,540	296,211	51,907	1,685,523
Cash and cash equivalents, beginning of year	1,535,997	66,645	22,328	851,791	2,476,761
Cash and cash equivalents, end of year	<u>\$ 2,472,862</u>	<u>\$ 467,185</u>	<u>\$ 318,539</u>	<u>\$ 903,698</u>	<u>4,162,284</u>

CITY OF WOODLAND, CALIFORNIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2010

	Equipment Service and Repair	Benefits	Self- Insurance	Information Systems	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 691,521	\$ 83,851	\$ 609,612	\$ (86,307)	\$ 1,298,677
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	784,838	-	-	99,431	884,269
Changes in assets and liabilities:					
Receivables	140	(1,014)	(687)	(1,004)	(2,565)
Prepaid items and deposits	295,538	-	-	-	295,538
Accounts payable	(47,322)	11,119	(11,238)	24,436	(23,005)
Compensated absences	(22,240)	-	752	4,306	(17,182)
Other postemployment benefits	71,008	-	3,404	66,144	140,556
Total adjustments	<u>1,081,962</u>	<u>10,105</u>	<u>(7,769)</u>	<u>193,313</u>	<u>1,277,611</u>
Net cash provided (used) by operating activities	<u>\$ 1,773,483</u>	<u>\$ 93,956</u>	<u>\$ 601,843</u>	<u>\$ 107,006</u>	<u>\$ 2,576,288</u>

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AGENCY FUNDS

EAST MAIN REASSESSMENT DISTRICT – accounts for the accumulation of resources for and the payment of special assessments within the district.

BEAMER-KENTUCKY ASSESSMENT DISTRICT – accounts for the accumulation of resources for and the payment of special assessments within the district.

GIBSON RANCH COMMUNITY FACILITIES DISTRICT – accounts for the accumulation of resources for and the payment of special assessments within the district.

SPRING LAKE COMMUNITY FACILITIES DISTRICT – accounts for the accumulation of resources for and the payment of special assessments within the district.

RECREATION CONTRACT – accounts for donations and grants received for specific expendable purposes.

CITY OF WOODLAND, CALIFORNIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2011

	East Main Reassessment District			
	Balance, July 1, 2010	Additions	Deletions	Balance, June 30, 2011
ASSETS:				
Cash and investments	\$ 1,161,263	\$ 3,252,497	\$ (3,273,750)	\$ 1,140,010
Cash and investments with fiscal agents	954,268	1,333,648	(1,295,491)	992,425
Accounts receivable	64,275	80,190	(64,275)	80,190
Total assets	<u>\$ 2,179,806</u>	<u>\$ 4,666,335</u>	<u>\$ (4,633,516)</u>	<u>\$ 2,212,625</u>
LIABILITIES:				
Due to assessment district bondholders	<u>\$ 2,179,806</u>	<u>\$ 4,666,335</u>	<u>\$ (4,633,516)</u>	<u>\$ 2,212,625</u>

	Beamer-Kentucky Assessment District			
	Balance, July 1, 2010	Additions	Deletions	Balance, June 30, 2011
ASSETS:				
Cash and investments	\$ 470,094	\$ 591,057	\$ (553,499)	\$ 507,652
Accounts receivable	18,806	17,549	(18,806)	17,549
Total assets	<u>\$ 488,900</u>	<u>\$ 608,606</u>	<u>\$ (572,305)</u>	<u>\$ 525,201</u>
LIABILITIES:				
Due to assessment district bondholders	<u>\$ 488,900</u>	<u>\$ 608,606</u>	<u>\$ (572,305)</u>	<u>\$ 525,201</u>

	Gibson Ranch Community Facilities District			
	Balance, July 1, 2010	Additions	Deletions	Balance, June 30, 2011
ASSETS:				
Cash and investments	\$ 1,724,421	\$ 3,755,935	\$ (3,673,880)	\$ 1,806,476
Cash and investments with fiscal agents	1,512,745	1,626,060	(1,626,286)	1,512,519
Accounts receivable	69,035	75,566	(69,035)	75,566
Total assets	<u>\$ 3,306,201</u>	<u>\$ 5,457,561</u>	<u>\$ (5,369,201)</u>	<u>\$ 3,394,561</u>
LIABILITIES:				
Due to assessment district bondholders	<u>\$ 3,306,201</u>	<u>\$ 5,457,561</u>	<u>\$ (5,369,201)</u>	<u>\$ 3,394,561</u>

CITY OF WOODLAND, CALIFORNIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2011

	Spring Lake Community Facilities District			
	Balance, July 1, 2010	Additions	Deletions	Balance, June 30, 2011
ASSETS:				
Cash and investments	\$ 1,822,400	\$ 6,128,297	\$ (6,039,621)	\$ 1,911,076
Cash and investments with fiscal agents	2,395,603	2,380,270	(2,380,270)	2,395,603
Accounts receivable	120,774	127,056	(120,774)	127,056
Total assets	<u>\$ 4,338,777</u>	<u>\$ 8,635,623</u>	<u>\$ (8,540,665)</u>	<u>\$ 4,433,735</u>
LIABILITIES:				
Deposits payable	<u>\$ 4,338,777</u>	<u>\$ 8,635,623</u>	<u>\$ (8,540,665)</u>	<u>\$ 4,433,735</u>

	Recreation Contract			
	Balance, July 1, 2010	Additions	Deletions	Balance, June 30, 2011
ASSETS:				
Cash and investments	\$ 53,182	\$ 108,081	(115,509)	\$ 45,754
Accounts receivable	13,294	-	-	13,294
Total assets	<u>\$ 66,476</u>	<u>\$ 108,081</u>	<u>\$ (115,509)</u>	<u>\$ 59,048</u>
LIABILITIES:				
Accounts payable	<u>\$ 66,476</u>	<u>\$ 108,081</u>	<u>\$ (115,509)</u>	<u>\$ 59,048</u>

	Totals			
	Balance, July 1, 2010	Additions	Deletions	Balance, June 30, 2011
ASSETS:				
Cash and investments	\$ 5,231,360	\$ 13,835,867	\$ (13,656,259)	\$ 5,410,968
Cash and investments with fiscal agents	4,862,616	5,339,978	(5,302,047)	4,900,547
Accounts receivable	286,184	300,361	(272,890)	313,655
Total assets	<u>\$ 10,380,160</u>	<u>\$ 19,476,206</u>	<u>\$ (19,231,196)</u>	<u>\$ 10,625,170</u>
LIABILITIES:				
Accounts payable	\$ 66,476	\$ 108,081	\$ (115,509)	\$ 59,048
Deposits payable	4,338,777	8,635,623	(8,540,665)	4,433,735
Due to assessment district bondholders	5,974,907	10,732,502	(10,575,022)	6,132,387
Total liabilities	<u>\$ 10,380,160</u>	<u>\$ 19,476,206</u>	<u>\$ (19,231,196)</u>	<u>\$ 10,625,170</u>

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STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	128
Revenue Capacity <i>These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.</i>	135
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	142
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.</i>	147
Operating Information <i>These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.</i>	150

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in fiscal year 2002-2003; schedules presenting government-wide information include information beginning in that year.*

**CITY OF WOODLAND, CALIFORNIA
NET ASSETS
LAST NINE FISCAL YEARS**

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Governmental activities									
Invested in capital assets, net of related debt	\$ (5,974,470)	\$ 18,466,085	\$ 26,316,581	\$ 48,381,398	\$ 159,816,139	\$153,358,424	\$167,697,342	\$175,149,249	\$175,532,061
Restricted	28,474,693	24,228,114	16,682,105	26,136,710	5,829,056	26,413,639	26,905,963	28,664,010	20,645,005
Unrestricted	<u>6,744,092</u>	<u>7,372,245</u>	<u>10,302,628</u>	<u>14,817,078</u>	<u>29,294,147</u>	<u>26,088,467</u>	<u>15,628,835</u>	<u>2,550,781</u>	<u>13,458,688</u>
Total governmental activities net assets	<u>\$ 29,244,315</u>	<u>\$ 50,066,444</u>	<u>\$ 53,301,314</u>	<u>\$ 89,335,186</u>	<u>\$ 194,939,342</u>	<u>\$ 205,860,530</u>	<u>\$ 210,232,140</u>	<u>\$ 206,364,040</u>	<u>\$ 209,635,754</u>
Business-type activities									
Invested in capital assets, net of related debt	\$ 31,474,247	\$ 34,279,325	\$ 37,188,552	\$ 33,124,403	\$ 104,371,922	\$101,945,090	\$103,132,145	\$78,435,923	\$77,270,997
Restricted	-	-	920,091	920,334	-	-	-	-	-
Unrestricted	<u>2,486,050</u>	<u>1,792,349</u>	<u>445,988</u>	<u>6,720,236</u>	<u>6,287,867</u>	<u>9,293,746</u>	<u>8,444,484</u>	<u>32,896,495</u>	<u>40,449,763</u>
Total business-type activities net assets	<u>\$ 33,960,297</u>	<u>\$ 36,071,674</u>	<u>\$ 38,554,631</u>	<u>\$ 40,764,973</u>	<u>\$ 110,659,789</u>	<u>\$ 111,238,836</u>	<u>\$ 111,576,629</u>	<u>\$ 111,332,418</u>	<u>\$ 117,720,760</u>
Primary government									
Invested in capital assets, net of related debt	\$ 25,499,777	\$ 52,745,410	\$ 63,505,133	\$ 81,505,801	\$ 264,188,061	\$ 255,303,514	\$ 270,829,487	\$ 253,585,172	\$ 252,803,058
Restricted	\$ 28,474,693	24,228,114	17,602,196	27,057,044	5,829,056	26,413,639	26,905,963	28,664,010	20,645,005
Unrestricted	<u>\$ 9,230,142</u>	<u>9,164,594</u>	<u>10,748,616</u>	<u>21,537,314</u>	<u>35,582,014</u>	<u>35,382,213</u>	<u>24,073,319</u>	<u>35,447,276</u>	<u>53,908,451</u>
Total primary government net assets	<u>\$ 63,204,612</u>	<u>\$ 86,138,118</u>	<u>\$ 91,855,945</u>	<u>\$ 130,100,159</u>	<u>\$ 305,599,131</u>	<u>\$ 317,099,366</u>	<u>\$ 321,808,769</u>	<u>\$ 317,696,458</u>	<u>\$ 327,356,514</u>

NOTE: The City began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2002-2003

CITY OF WOODLAND, CALIFORNIA
CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Expenses									
Governmental activities:									
General government	\$ 804,147	\$ 846,549	\$ 919,743	\$ 1,818,344	\$ 1,742,568	\$ 963,525	\$ 1,909,619	\$ 2,099,341	\$ 1,828,119
Finance	880,704	459,971	329,476	1,248,282	1,174,837	1,099,083	1,131,247	905,273	856,310
Community Development	2,698,530	3,552,412	3,809,587	3,030,976	4,430,029	11,270,325	7,073,091	5,316,025	5,788,512
Parks, recreation and community services	3,697,090	3,554,470	3,877,823	4,193,574	5,438,284	5,170,520	4,960,573	4,371,128	3,778,885
Police	10,025,791	10,270,280	10,660,799	12,676,703	13,959,212	14,832,056	15,755,916	15,466,484	14,854,765
Fire	5,024,823	4,998,293	6,301,829	7,478,351	7,487,566	8,700,689	9,306,236	9,576,035	9,176,631
Library	1,414,866	1,468,196	1,361,020	1,554,755	1,534,716	1,573,439	1,700,371	1,419,705	1,521,535
Public Works	4,300,993	4,915,892	7,934,290	6,306,374	12,205,024	18,743,712	13,271,321	15,842,416	14,874,781
Interest on long-term liabilities	2,370,129	1,648,293	1,756,743	3,473,820	3,236,740	3,843,047	3,926,300	3,817,325	3,738,641
Total governmental activities expenses	<u>\$ 31,217,073</u>	<u>\$ 31,714,356</u>	<u>\$ 36,951,310</u>	<u>\$ 41,781,179</u>	<u>\$ 51,208,976</u>	<u>\$ 66,196,396</u>	<u>\$ 59,034,674</u>	<u>\$ 58,813,732</u>	<u>\$ 56,418,179</u>
Business-type activities:									
Water Utility	\$ 3,479,614	\$ 3,320,033	\$ 3,050,253	\$ 3,506,928	\$ 4,600,289	\$ 5,794,840	\$ 6,698,569	\$ 7,248,618	\$ 8,135,324
Sewer	4,925,883	4,151,316	4,366,121	5,062,366	6,353,032	7,975,350	9,020,553	8,715,448	9,963,470
Storm Drain	920,303	617,485	799,882	939,832	1,282,399	1,060,395	922,637	1,063,417	1,038,603
Wastewater Pretreatment	285,794	327,334	289,252	270,541	303,517	326,126	308,436	408,221	432,021
Parking	254,144	287,074	317,473	302,740	-	-	-	-	-
Recycling	193,109	200,845	271,214	247,245	268,208	226,929	301,096	336,672	355,318
Construction and Demolition	-	-	-	-	54,267	58,709	68,075	69,855	33,570
Fire Training Center	35,364	69,306	311,730	384,161	300,979	395,068	347,173	435,031	486,268
Cemetery	305,594	301,495	331,637	377,086	312,253	348,076	387,079	306,882	272,134
Dubach Park	-	-	227,281	182,113	185,328	149,256	2,153	463	-
Youth Program	-	-	-	-	-	8,872	9,695	5,403	309,987
Total business-type activities expenses	<u>10,399,805</u>	<u>9,274,888</u>	<u>9,964,843</u>	<u>11,273,012</u>	<u>13,660,272</u>	<u>16,343,621</u>	<u>18,065,466</u>	<u>18,590,010</u>	<u>21,026,695</u>
Total primary government expenses	<u>\$ 41,616,878</u>	<u>\$ 40,989,244</u>	<u>\$ 46,916,153</u>	<u>\$ 53,054,191</u>	<u>\$ 64,869,248</u>	<u>\$ 82,540,017</u>	<u>\$ 77,100,140</u>	<u>\$ 77,403,742</u>	<u>\$ 77,444,874</u>
Program Revenues									
Governmental activities:									
Charges for Services:									
General Government	\$ 61,593	\$ 58,251	\$ 1,474,342	\$ 1,969,990	\$ 1,493,164	\$ 2,909,700	\$ 1,891,825	\$ 920,426	\$ 883,057
Finance	201,774	5,293	10,854	585,890	351,557	268,181	229,906	90,698	45,210
Community Development	1,927,047	1,473,717	2,141,304	3,179,126	1,893,850	6,188,714	8,215,989	1,464,819	2,772,625
Parks, recreation and community services	379,080	944,727	652,359	8,510,365	4,983,490	4,182,914	3,194,424	1,908,106	1,957,743
Police	629,922	504,030	713,486	1,503,740	1,304,712	1,130,977	834,577	467,329	491,091
Fire	114,295	366,602	309,899	1,794,430	1,283,470	1,212,994	1,165,662	821,018	876,684
Library	31,305	46,945	19,179	222,629	231,962	193,839	101,242	21,678	33,314
Public Works	1,528,669	13,065,145	4,767,255	12,932,147	15,490,978	12,868,353	7,615,676	3,048,102	6,098,190
Operating Grants and Contributions	4,245,419	4,035,639	4,004,712	4,877,553	11,266,695	10,326,296	5,608,509	6,787,871	13,264,070
Capital Grants and Contributions	7,871,072	7,130,560	115,481	8,096,047	1,507,966	1,975,531	1,435,075	6,362,304	4,891,898
Total governmental activities program revenues	<u>\$ 16,990,176</u>	<u>\$ 27,630,909</u>	<u>\$ 14,208,871</u>	<u>\$ 43,671,917</u>	<u>\$ 39,807,844</u>	<u>\$ 41,257,499</u>	<u>\$ 30,292,885</u>	<u>\$ 21,892,351</u>	<u>\$ 31,313,882</u>
Business-type activities:									
Charges for services:									
Water	\$ 3,554,666	\$ 4,148,888	\$ 4,364,072	\$ 4,759,033	\$ 5,589,013	\$ 6,268,129	\$ 6,354,592	\$ 7,353,553	\$ 8,928,928
Sewer	4,408,855	5,119,334	5,520,842	6,589,670	7,832,929	9,357,295	10,487,752	10,861,213	10,004,352
Storm Drain	172,800	174,219	176,943	318,737	179,500	193,005	183,738	196,682	197,875
Wastewater Pretreatment	353,157	379,679	394,310	388,346	392,034	399,466	394,743	408,337	393,113
Parking	213,742	367,151	294,903	254,052	-	-	-	-	-
Recycling	227,844	227,035	223,355	220,117	284,654	298,462	282,949	176,253	187,079
Construction & Demolition	-	-	-	-	76,250	65,154	62,446	15,675	24,870
Fire Training	72,432	66,343	294,013	387,025	372,233	261,851	337,305	407,401	549,684
Cemetery	105,952	99,776	128,634	141,317	109,530	95,752	110,808	85,140	73,560
Dubach Park	-	-	69,452	39,117	52,638	14,354	-	25	-
Youth Program	-	-	-	-	1,130	11,020	8,046	3,735	219,079
Operating Grants and Contributions	32,051	184,234	191,873	14,354	74,846	28,329	59,306	209,014	432,218
Capital Grants and Contributions	-	178,217	-	-	-	-	-	-	4,537,761
Total business-type activities program revenue	<u>9,141,499</u>	<u>10,944,876</u>	<u>11,658,397</u>	<u>13,111,768</u>	<u>14,964,757</u>	<u>16,992,817</u>	<u>18,281,685</u>	<u>19,717,028</u>	<u>25,548,519</u>
Total primary government program revenues	<u>\$ 26,131,675</u>	<u>\$ 38,575,785</u>	<u>\$ 25,867,268</u>	<u>\$ 56,783,685</u>	<u>\$ 54,772,601</u>	<u>\$ 58,250,316</u>	<u>\$ 48,574,570</u>	<u>\$ 41,609,379</u>	<u>\$ 56,862,401</u>

The City did not implement GASB Statement No 34 until fiscal year 2002-2003, therefore is only required to show financial data from 2003 instead of the 10 year requirement.

NOTE:

**CITY OF WOODLAND, CALIFORNIA
CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS**

(continued)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Net (expense)/revenue									
Governmental activities	\$ (14,179,081)	\$ (4,077,346)	\$ (22,742,438)	\$ 1,890,738	\$ (11,401,132)	\$ (24,938,898)	\$ (28,741,789)	\$ (36,921,381)	\$ (25,104,297)
Business-type activities	(1,306,122)	1,663,887	1,693,554	1,838,816	1,304,485	649,196	216,219	1,127,018	4,521,824
Total primary government net expense	<u>(15,485,203)</u>	<u>(2,413,459)</u>	<u>(21,048,884)</u>	<u>3,729,554</u>	<u>(10,096,647)</u>	<u>(24,289,702)</u>	<u>(28,525,570)</u>	<u>(35,794,363)</u>	<u>(20,582,473)</u>
General Revenues & Other Changes in Net Assets									
Governmental activities:									
Taxes									
Property taxes	\$ 6,684,665	\$ 7,649,661	\$ 8,186,362	\$ 9,780,697	\$ 11,074,128	\$ 11,018,368	\$ 11,416,389	\$ 11,034,574	\$ 10,398,932
Utility users tax (Measure H/E)	3,529,072	3,737,578	4,162,525	4,262,703	2,828,924	4,163,290	3,732,000	3,692,982	5,224,831
Other taxes	1,120,950	1,338,368	1,428,605	1,161,070	1,384,275	1,070,800	880,676	838,561	915,164
Franchise fees	930,797	1,416,716	1,332,035	1,334,394	1,407,480	1,610,996	1,607,431	1,641,841	1,833,993
Sales taxes	7,577,040	7,738,037	6,821,372	9,363,938	9,526,016	9,427,334	9,210,512	8,552,518	8,934,116
Sales tax in lieu	-	-	1,829,274	-	-	-	-	-	-
Motor vehicle in lieu fees	2,955,804	2,291,591	4,015,060	3,830,891	4,107,723	4,279,487	4,365,446	4,247,958	4,146,982
Investment earnings	484,019	407,370	785,219	1,780,863	1,597,591	2,310,560	1,169,692	531,345	347,056
Gain from disposal of capital assets	166,760	-	-	-	-	1,007,176	320	918,649	460,403
Miscellaneous	379,942	501,154	1,634,124	2,324,140	398,561	254,291	-	-	-
Transfers	(7,531,590)	(181,000)	(566,221)	304,438	2,286,855	817,784	630,934	1,594,853	599,702
Total governmental activities	<u>16,297,459</u>	<u>24,899,475</u>	<u>29,628,355</u>	<u>34,143,134</u>	<u>34,611,553</u>	<u>35,960,086</u>	<u>33,013,400</u>	<u>33,053,281</u>	<u>32,861,179</u>
Business-type activities:									
Investment earnings	325,355	128,487	197,476	675,964	644,286	747,635	752,508	223,624	223,636
Miscellaneous	53,981	138,003	-	-	-	-	-	-	-
Transfers	7,531,590	181,000	566,221	(304,438)	(2,286,855)	(817,784)	(630,934)	(1,594,853)	(599,702)
Total business-type activities	<u>7,910,926</u>	<u>447,490</u>	<u>763,697</u>	<u>371,526</u>	<u>(1,642,569)</u>	<u>(70,149)</u>	<u>121,574</u>	<u>(1,371,229)</u>	<u>(376,066)</u>
Total primary government	<u>24,208,385</u>	<u>25,346,965</u>	<u>30,392,052</u>	<u>34,514,660</u>	<u>32,968,984</u>	<u>35,889,937</u>	<u>33,134,974</u>	<u>31,682,052</u>	<u>32,485,113</u>
Change in net assets									
Governmental activities	\$ 2,118,378	\$ 20,822,129	\$ 6,885,917	\$ 36,033,872	\$ 23,210,421	\$ 11,021,188	\$ 4,271,611	\$ (3,868,100)	\$ 7,756,882
Business-type activities	6,604,804	2,111,377	2,457,251	2,210,342	(338,084)	579,047	337,793	(244,211)	4,145,758
Total primary government	<u>\$ 8,723,182</u>	<u>\$ 22,933,506</u>	<u>\$ 9,343,168</u>	<u>\$ 38,244,214</u>	<u>\$ 22,872,337</u>	<u>\$ 11,600,235</u>	<u>\$ 4,609,404</u>	<u>\$ (4,112,311)</u>	<u>\$ 11,902,640</u>

(concluded)

The City did not implement GASB Statement No 34 until fiscal year 2002-2003, therefore is only required to show financial data from 2003 instead of the 10 year requirement.

NOTE:

**CITY OF WOODLAND, CALIFORNIA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS**

Exhibit A-5

	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
General Fund									
Restricted	\$ 319,302	\$ 322,339	\$ 546,620	\$ 560,434	\$ 688,203	\$ 1,259,109	\$ 140,827	\$ 130,820	\$ 137,502
Unrestricted	<u>2,574,929</u>	<u>3,551,472</u>	<u>4,276,718</u>	<u>5,711,433</u>	<u>6,487,552</u>	<u>6,274,827</u>	<u>5,154,515</u>	<u>4,196,104</u>	<u>6,389,204</u>
Total general fund	<u>\$ 2,894,231</u>	<u>\$ 3,873,811</u>	<u>\$ 4,823,338</u>	<u>\$ 6,271,867</u>	<u>\$ 7,175,755</u>	<u>\$ 7,533,936</u>	<u>\$ 5,295,342</u>	<u>\$ 4,326,924</u>	<u>\$ 6,526,706</u>
All Other Governmental Funds									
Restricted	\$ 7,953,823	\$ 2,036,224	\$ 14,700,024	\$ 17,870,938	\$ 21,923,165	\$ 28,173,355	\$ 18,281,716	\$ 19,302,650	\$ 23,709,601
Unrestricted	<u>19,515,932</u>	<u>20,707,420</u>	<u>29,503,406</u>	<u>24,209,063</u>	<u>(44,421)</u>	<u>8,065,814</u>	<u>8,105,941</u>	<u>(418,315)</u>	<u>(6,383,468)</u>
Total all other governmental funds	<u>\$ 27,469,755</u>	<u>\$ 22,743,644</u>	<u>\$ 44,203,430</u>	<u>\$ 42,080,001</u>	<u>\$ 21,878,744</u>	<u>\$ 36,239,169</u>	<u>\$ 26,387,657</u>	<u>\$ 18,884,335</u>	<u>\$ 17,326,133</u>

NOTE: The City did not implement GASB Statement No. 34 until fiscal year 2002-2003, therefore, it is only required to show financial data from 2003 instead of the 10 year requirement.

**CITY OF WOODLAND, CALIFORNIA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS**

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Revenues									
Taxes	\$ 19,029,636	\$ 20,700,343	\$ 22,846,924	\$ 25,325,017	\$ 25,120,517	\$ 26,066,032	\$ 25,100,332	\$ 23,975,565	\$ 25,269,320
Contribution from property owners	-	4,669,080	26,954,441	-	-	-	-	-	-
Fines and penalties	511,906	359,630	602,630	362,997	754,274	568,543	456,942	434,173	299,959
Intergovernmental	9,996,232	7,768,056	8,851,802	10,592,937	11,307,096	16,708,438	11,521,084	16,528,740	16,816,206
Charges for services	712,914	546,908	5,600,175	6,862,114	6,992,872	8,544,540	7,238,752	6,980,697	6,722,574
Licenses, fees, and permits	2,393,155	3,016,263	7,756,794	26,542,591	24,136,416	25,827,630	16,257,298	6,351,522	10,473,850
Investment earnings	501,445	435,690	771,186	2,162,707	1,597,591	2,199,631	1,105,856	500,718	325,503
Fees and reimbursements	8,351,932	14,492,890	-	-	-	-	-	-	-
Other revenues	925,213	2,366,003	1,443,515	1,522,113	1,038,791	429,461	283,082	265,241	2,846,757
Total revenues	42,422,433	54,354,863	74,827,467	73,370,476	70,947,557	80,344,275	61,963,346	55,036,656	62,754,169
Expenditures									
General government	1,536,443	1,510,764	1,550,077	1,703,603	1,777,932	1,860,312	1,780,986	2,009,548	1,785,362
Finance	1,219,519	934,871	1,182,689	1,455,400	1,378,111	1,517,770	1,568,733	1,320,219	1,679,387
Community development	2,884,956	2,467,624	6,118,975	3,836,385	5,241,028	12,503,460	7,366,038	6,837,345	10,045,386
Parks, recreation and community services	4,150,568	5,271,014	4,120,841	4,689,856	5,761,699	14,384,578	12,462,217	4,150,055	3,474,596
Police	9,939,251	10,061,455	11,904,073	13,154,202	14,545,362	15,397,567	14,987,573	14,651,667	14,505,727
Fire	5,230,687	5,713,030	6,616,713	8,059,303	8,131,827	9,259,952	9,016,008	9,285,591	9,192,179
Library	1,405,864	1,383,889	1,353,616	1,642,125	1,726,632	1,912,052	1,835,271	1,428,738	1,146,589
Public works	21,516,993	26,763,664	35,391,914	55,347,083	47,405,561	16,987,327	15,660,159	19,588,664	17,451,621
Total expenditures	47,884,281	54,106,311	68,238,898	89,887,957	85,968,152	73,823,018	64,676,985	59,271,827	59,280,847

continued

NOTE: The City did not implement GASB Statement No. 34 until fiscal year 2002-2003, therefore, it is only required to show financial data from 2003 instead of the 10 year requirement.

**CITY OF WOODLAND, CALIFORNIA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS**

(continued)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Debt service:									
Principal	1,200,677	3,206,992	3,523,352	10,784,363	8,340,472	9,150,693	7,654,750	3,800,171	3,229,381
Interest and fiscal charges	1,764,221	1,575,091	1,689,995	2,307,672	3,064,393	3,530,567	3,680,617	3,547,174	3,514,291
Bond issuance and fiscal agent fees	-	-	-	-	-	689,744	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	189,405	-	-	-
Total expenditures	<u>50,849,179</u>	<u>58,888,394</u>	<u>73,452,245</u>	<u>102,979,992</u>	<u>97,373,017</u>	<u>86,504,278</u>	<u>76,012,352</u>	<u>66,619,172</u>	<u>66,024,519</u>
Excess of revenues over (under) expenditures	(8,426,746)	(4,533,531)	1,375,222	(29,609,516)	(26,425,460)	(6,160,003)	(14,049,006)	(11,582,516)	(3,270,350)
Other financing sources (uses)									
Proceeds sale of capital assets	166,760	-	-	-	-	1,527,776	320	875,000	3,060,000
Proceeds from long-term loans	-	1,000,000	2,281,897	1,097,858	-	-	-	-	278,934
Bond issuance	33,215,000	-	-	27,600,021	-	20,575,000	-	-	-
Original issue discount	-	-	-	-	-	(144,873)	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	(1,935,546)	-	-	-
Contribution from developer advances	-	-	20,763,581	-	6,777,750	-	1,348,369	689,527	-
Transfers in	33,691,881	11,083,700	19,525,085	42,319,297	11,037,210	20,268,657	16,576,829	9,037,307	10,023,994
Transfers out	(39,906,068)	(11,296,700)	(20,097,149)	(42,082,560)	(10,686,869)	(18,533,256)	(15,966,618)	(7,491,058)	(9,450,998)
Total other financing sources (uses)	<u>27,167,573</u>	<u>787,000</u>	<u>22,473,414</u>	<u>28,934,616</u>	<u>7,128,091</u>	<u>21,757,758</u>	<u>1,958,900</u>	<u>3,110,776</u>	<u>3,911,930</u>
Net change in fund balances	<u>\$ 18,740,827</u>	<u>\$ (3,746,531)</u>	<u>\$ 23,848,636</u>	<u>\$ (674,900)</u>	<u>\$ (19,297,369)</u>	<u>\$ 15,597,755</u>	<u>\$ (12,090,106)</u>	<u>\$ (8,471,740)</u>	<u>\$ 641,580</u>
Debt service as a percentage of noncapital expenditures	2%	8%	7%	13%	20%	20%	19%	14%	11%

concluded

NOTE:

The City did not implement GASB Statement No. 34 until fiscal year 2002-2003, therefore, it is only required to show financial data from 2003 instead of the 10 year requirement.

CITY OF WOODLAND, CALIFORNIA
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year	Property	Sales Taxes	Utility Use Taxes	Motor Vehicle In-Lieu Fees	Real Property Transfer Tax	Occupancy Tax	Other Taxes	Total
2001-02	\$ 6,381,498	\$ 6,831,948	\$ 342,877	\$ 2,757,276	\$ 283,222	\$ 577,198	\$ 3,458,472	\$ 20,632,491
2002-03	6,698,166	7,577,040	329,593	2,955,804	402,382	579,286	3,752,697	22,294,968
2003-04	7,670,401	7,738,037	325,560	2,291,591	481,542	715,634	4,101,610	23,324,375
2004-05	8,184,837	8,650,645	316,183	4,015,060	704,088	724,518	4,580,485	27,175,816
2005-06	9,629,638	9,363,938	213,257	3,830,891	545,468	615,602	5,359,028	29,557,822
2006-07	11,074,128	9,526,016	-	4,107,723	592,006	743,612	2,877,581	28,921,066
2007-08	11,018,368	9,427,334	-	4,279,487	357,260	713,539	4,163,291	29,959,279
2008-09	11,416,389	9,210,512	-	4,365,446	313,981	566,695	3,732,000	29,605,023
2009-10	11,034,574	8,552,518	-	4,247,958	253,266	585,295	3,692,982	28,366,593
2010-11	10,398,932	8,934,116	-	4,146,982	219,871	622,427	5,297,697	29,620,025
Change 2002-2011	63%	31%	-100%	50%	-22%	8%	53%	44%

CITY OF WOODLAND, CALIFORNIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Real Property Assessed/Market Value	Business Property Assessed/Market Value	Total Assessed/Market Value	Percentage of Increase in Market Value	Total Direct Tax Rate
2001-02	2,369,383,933	332,465,644	2,701,849,577	7.2%	0%
2002-03	2,508,185,387	333,626,275	2,841,811,662	5.2%	0%
2003-04	2,718,892,439	342,792,511	3,061,684,950	7.7%	0%
2004-05	2,974,344,251	352,754,057	3,327,098,308	8.7%	0%
2005-06	3,396,701,505	397,769,478	3,794,470,983	14.0%	0%
2006-07	4,113,534,512	204,738,505	4,318,273,017	13.8%	0%
2007-08	4,435,826,485	231,464,657	4,667,291,142	8.1%	0%
2008-09	4,541,341,365	252,589,386	4,793,930,751	2.7%	0%
2009-10	4,449,705,630	251,977,544	4,701,683,174	-1.9%	0%
2010-11	4,252,821,214	229,375,503	4,482,196,717	-4.7%	0%

NOTES:

- (1) The State of California Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed one percent of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100 percent of market value as defined by Article XIII A and may be adjusted no more than two percent per year unless the property is improved, sold or transferred. Because of this method of assessment, the City does not have a reasonable basis for estimating the actual value of taxable property and this information is not presented above.
- (2) The State Legislature has determined the method of distribution of receipts from a one percent tax levy among the counties, cities, school districts, and other districts.
- (3) The City participates in the County Plan whereby all taxes are remitted to the City each year.

SOURCE:

Yolo County Assessor's and Auditor's Office.

CITY OF WOODLAND, CALIFORNIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(rate per \$100 of assessed value)

Fiscal Year	City Direct Rate	Overlapping Rates				Total
		Basic County Wide Levy	School District	Flood Control Debt Service		
2001-02	- %	1.00 %	- %	- %	1.000 %	
2002-03	- %	1.00 %	- %	- %	1.000 %	
2003-04	- %	1.00 %	- %	- %	1.000 %	
2004-05	- %	1.00 %	- %	- %	1.000 %	
2005-06	- %	1.00 %	- %	- %	1.000 %	
2006-07	- %	1.00 %	- %	- %	1.000 %	
2007-08	- %	1.00 %	- %	- %	1.000 %	
2008-09	- %	1.00 %	- %	- %	1.000 %	
2009-10	- %	1.00 %	- %	- %	1.000 %	
2010-11	- %	1.00 %	- %	- %	1.000 %	

NOTES:

- (1) Overlapping rates are those of local and county governments that apply to property owners within the City of Woodland. Not all overlapping rates apply to all Woodland property owners; for example, although the County of Yolo property tax rates apply to all City property owners, school districts' rates apply only to property owners within those districts' geographic boundaries.
- (2) The State of California Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed one percent of its assessed value unless an additional amount for general obligation debt has been approved by voters.

SOURCE:

Yolo County's Assessor's Office

**CITY OF WOODLAND, CALIFORNIA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND PAST YEARS**

Taxpayer	FY 2010-11			FY 2000-01		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Walgreen Company	\$ 104,859,942	1	21.92%	\$ 56,738,181	1	20.26%
Dayton Hundson Corporation	101,428,087	2	21.20%	38,200,370	3	13.64%
Pacific Coast Producers	58,705,231	3	12.27%	-		0.00%
Industrial Woodlands	45,215,893	4	9.45%	-		0.00%
Costco Wholesale	32,887,167	5	6.87%	-		0.00%
Woodland Development	30,216,653	6	6.32%			
Payless Drug Stores Northwest	30,215,874	7	6.32%	-		0.00%
Autumn Run Investors	26,670,620	8	5.58%	-		0.00%
Target	24,589,425	9	5.14%	32,344,416	5	11.55%
Industrial Tide CT Owner	23,590,480	10	4.93%	10,564,661	10	3.77%
Woodland Biomass	-		0.00%	53,370,976	2	19.06%
County Fair Mall	-		0.00%	37,546,797	4	13.41%
Rice Growers Assn (RGA)	-		0.00%	14,400,726	6	5.14%
Cotter & Company	-		0.00%	13,129,864	7	4.69%
Mazda Motor of America	-		0.00%	12,097,999	8	4.32%
Pacific Gulf Property	-		0.00%	11,685,000	9	4.16%
Total	\$ 478,379,372		100.00%	\$ 280,078,990		100.00%

SOURCE: Yolo County Assessor's Secured Roll

**CITY OF WOODLAND, CALIFORNIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001-02	6,381,498	6,381,498	100%	-	6,381,498	100%
2002-03	6,698,166	6,698,166	100%	-	6,698,166	100%
2003-04	7,670,401	7,670,401	100%	-	7,670,401	100%
2004-05	8,184,837	8,184,837	100%	-	8,184,837	100%
2005-06	9,629,638	9,629,638	100%	-	9,629,638	100%
2006-07	11,074,128	11,074,128	100%	-	11,074,128	100%
2007-08	11,018,368	11,018,368	100%	-	11,018,368	100%
2008-09	11,416,389	11,416,389	100%	-	11,416,389	100%
2009-10	11,034,574	11,034,574	100%	-	11,034,574	100%
2010-11	10,398,932	10,398,932	100%	-	10,398,932	100%

NOTE: The City participates in the County Plan whereby all taxes are remitted to the City each year.

SOURCE: Yolo County Assessor's and Auditor's Office

**CITY OF WOODLAND, CALIFORNIA
TAXABLE SALES BY CATEGORY
LAST NINE FISCAL YEARS**

	Fiscal Year								
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Retail stores	\$ 468,596	\$ 513,656	\$ 552,233	\$ 585,904	\$ 585,105	\$ 580,044	\$ 566,786	\$ 505,204	\$ 503,261
All other outlets	613,467	667,962	771,300	813,262	825,289	829,302	819,381	771,601	726,572
Total	\$ 1,082,063	\$ 1,181,618	\$ 1,323,533	\$ 1,399,166	\$ 1,410,394	\$ 1,409,346	\$ 1,386,167	\$ 1,276,805	\$ 1,229,833
City direct sales tax rate	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.075%

NOTES: (1) Taxable Sales data for fiscal year 2011 is not yet available

SOURCE: California State Board of Equalization

**CITY OF WOODLAND, CALIFORNIA
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Overlapping Rate Yolo County</u>
2001-02	0.050%	1.050%
2002-03	0.050%	1.050%
2003-04	0.050%	1.050%
2004-05	0.050%	1.050%
2005-06	0.050%	1.050%
2006-07	0.050%	1.050%
2007-08	0.050%	1.050%
2008-09	0.050%	1.050%
2009-10	0.050%	1.050%
2010-11	0.075%	1.075%

NOTES:

- (1) The City of Woodland tax rate was approved by Woodland citizens in 2006 and went into effect on October 1, 2006. The tax funds critical public improvements in City infrastructure, as well as construction of certain capital projects.

A second local measure of .025% was approved in 2010 and went into effect on October 1, 2010. The tax funds operations for library, parks and public safety.

- (2) Any increases to the City direct tax rate must be approved by a majority vote of the citizens of Woodland.

SOURCE:

California State Board of Equalization

**CITY OF WOODLAND, CALIFORNIA
SALES TAX REVENUE PAYERS BY INDUSTRY
FISCAL YEAR 2005-2006 AND NINE YEARS PRIOR**

	FY 2005-06				FY 1996-97			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Retail trade	2	20.00%	\$144,758,535	28.90%	3	30.00%	\$126,629,394	45.21%
Services								
Manufacturing	1	10.00%	\$55,787,934	11.14%	3	30.00%	\$78,598,839	28.06%
Wholesale trade								
Government								
Construction	3	30.00%	\$96,859,581	19.34%				
Finance, insurance, and real estate	4	40.00%	\$203,450,094	40.62%	3	30.00%	\$60,450,031	21.58%
Transportation and utilities								
Agricultural					1	10.00%	\$14,400,726	5.14%
Mining								
Farm earnings								
Total	10.00	100.00%	\$500,856,144	100.00%	10	100.00%	\$280,078,990	100.00%

NOTE: *Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the state's revenue. Fiscal year 2006 is the most recent year for which data are available.*

SOURCE: Sales Tax Commission

Yolo County Assessor (Principal Property Tax Payers List)

**CITY OF WOODLAND, CALIFORNIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities						Business-type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	Revenue & Other Bonds (net)	Tax Allocation Bonds	Certificates of Participation	Loans Payable	Developer Fee Obligation	Capital Lease Obligations	Revenue & Other Bonds (net)	Certificates of Participation	Loans Payable	Commercial Paper			
2001-02	\$ -	\$ 2,305,000	\$ 1,085,000	\$ 2,201,763	\$ -	\$ 1,610,045	\$ -	\$ 12,352,334	\$ -	\$ -	\$ 19,554,142	0.03 %	\$ 388.21
2002-03	32,405,000	2,260,000	835,000	2,069,922	-	1,480,907	-	5,777,250	-	-	44,828,079	0.06	\$ 878.93
2003-04	29,590,000	2,215,000	570,000	2,796,811	4,391,065	1,496,868	-	5,293,668	-	-	46,353,412	0.06	\$ 882.60
2004-05	26,530,000	2,165,000	290,000	5,041,785	52,042,657	2,274,113	-	4,770,085	-	-	93,113,640	0.12	\$ 1,744.29
2005-06	51,217,780	2,115,000	-	6,102,092	45,016,350	1,957,370	10,087,220	4,216,501	-	-	120,712,313	0.15	\$ 2,278.79
2006-07	49,842,780	2,060,000	-	5,723,798	45,338,422	2,868,409	10,087,220	3,622,917	-	-	119,543,546	0.15	\$ 2,211.31
2007-08	58,442,780	8,560,668	-	6,290,575	38,870,115	2,332,312	10,087,220	2,984,334	-	-	127,568,004	0.16	\$ 2,376.01
2008-09	56,557,780	8,416,160	-	6,155,631	34,911,230	3,504,086	19,257,220	2,305,751	-	-	131,107,858	0.13	\$ 2,402.69
2009-10	54,612,780	8,445,000	-	6,014,496	34,166,971	2,889,402	31,177,220	1,627,167	2,242,584	-	141,175,620	0.21	\$ 2,567.16
2010-11	52,592,780	8,275,000	-	5,866,860	33,409,066	2,450,850	41,017,220	870,000	6,780,346	3,100,000	154,362,122	0.14	\$ 2,782.90

NOTES: (1) Details regarding the City's outstanding debt can be found in Note 9 in the notes to the financial statements.
(2) Refer to Table 18 for personal income and population data.

**CITY OF WOODLAND, CALIFORNIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2001-02	5,304,480	0.20%	105
2002-03	39,050,829	1.37%	766
2003-04	36,668,679	1.20%	698
2004-05	36,300,898	1.09%	680
2005-06	61,392,242	1.62%	1,159
2006-07	60,494,987	1.40%	1,119
2007-08	75,626,335	1.62%	1,409
2008-09	74,633,657	1.56%	1,368
2009-10	71,961,678	1.53%	1,309
2010-11	69,185,490	1.54%	1,247

- NOTES:
- (1) Details regarding the City's outstanding debt can be found in Note 9 in the notes to the financial statements.
 - (2) Refer to Table 6 for Taxable Value of Property data.
 - (3) Refer to Table 18 for population data.

CITY OF WOODLAND, CALIFORNIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Direct and Overlapping Debt</u>	<u>2010-11 Assessed Valuation</u>	<u>Ratio to Assessed Valuation</u>
Debt repaid with property taxes					
City of Woodland	\$ -	100.00%	\$ -	\$4,482,196,717	0.000%
Other debt			<u>-</u>		
Subtotal, overlapping debt			-		
City direct debt			<u>-</u>		
Total direct and overlapping debt			<u><u>\$ -</u></u>		

**CITY OF WOODLAND, CALIFORNIA
LEGAL DEBT MARGIN INFORMATION
LAST FIVE FISCAL YEARS**

Legal Debt Margin Calculation for Fiscal Year 2010-2011

Assessed value	\$ 4,482,196,717
Debt limit (3.75% of assessed value)	168,082,377
Debt applicable to limit	<u>-</u>
Legal debt margin	<u><u>\$ 168,082,377</u></u>

	2006-07	2007-08	2008-09	2009-10	2010-11
Debt Limit	\$ 161,935,238	\$ 175,023,418	\$ 179,772,403	\$ 176,313,119	\$ 168,082,377
Total net debt applicable to limit	-	-	-	-	-
Assets in debt service fund available for payment	-	-	-	-	-
Legal debt margin	<u><u>\$ 161,935,238</u></u>	<u><u>\$ 175,023,418</u></u>	<u><u>\$ 179,772,403</u></u>	<u><u>\$ 176,313,119</u></u>	<u><u>\$ 168,082,377</u></u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

NOTE: Assessed value of property subject to taxation at full market value as a result of Proposition 13.

SOURCE: Yolo County Assessor's Office.

**CITY OF WOODLAND, CALIFORNIA
PLEGDED-REVENUE COVERAGE
LAST NINE FISCAL YEARS**

Wastewater Revenue Bonds*							
Fiscal Year	Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage Ratios	
				Principal	Interest	Including Demand Fees	Excluding Demand Fees
2002-03	\$ 4,046,639	\$ 3,755,491	\$ 291,148	\$ 510,000	\$ 977,711	29.78%	29.78%
2003-04	11,214,459	2,819,081	8,395,378	535,000	524,833	1599.63%	1599.63%
2004-05	5,433,769	3,252,175	2,181,594	575,000	249,875	873.07%	873.07%
2005-06	7,122,994	4,167,685	2,955,309	605,000	335,804	880.07%	880.07%
2006-07	8,257,345	5,202,827	3,054,518	645,000	299,241	1020.76%	1020.76%
2007-08	9,357,295	5,858,573	3,498,722	690,000	261,291	1339.01%	1339.01%
2008-09	10,362,454	6,174,811	4,187,643	730,000	220,850	1896.15%	1896.15%
2009-10	10,736,302	5,925,231	4,811,071	770,000	628,032	766.06%	766.06%
2010-11	9,874,049	6,813,907	3,060,142	820,000	644,093	475.11%	475.11%

Water Revenue Bonds (including Commercial Paper)*							
Fiscal Year	Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage Ratios	
				Principal	Interest	Including Demand Fees	Excluding Demand Fees
2008-09	\$ 6,354,592	\$ 5,320,174	\$ 1,034,418	\$ 80,000	\$ 245,382	421.55%	421.55%
2009-10	\$ 7,328,351	\$ 5,813,177	\$ 1,515,174	\$ 195,000	\$ 493,521	307.01%	307.01%
2010-11	\$ 8,922,619	5,717,872	\$ 3,204,747	\$ -	\$ 633,487	505.89%	505.89%

- NOTES:
- (1) Gross revenue and expenses are based upon bond counsel interpretation.
 - (2) Net Revenues are equal to Gross Revenues less operating costs.
 - (3) Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

SOURCE: City of Woodland Wastewater Utility Fund Financial Statements
1992 Wastewater Improvement Certificates of Participation and
2005 Lease Revenue Bond.
2008 Water Revenue Bonds
2009 Wastewater Revenue Bonds
2011 Water Revenue Bonds

**CITY OF WOODLAND, CALIFORNIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2000-01	50,600	\$ 705,870,000	13,950	4.8%
2001-02	50,370	\$ 712,080,690	14,137	4.5%
2002-03	51,003	\$ 741,430,611	14,537	5.6%
2003-04	52,519	\$ 777,333,719	14,801	5.8%
2004-05	53,382	\$ 800,463,090	14,995	5.4%
2005-06	52,972	\$ 792,302,204	14,957	4.8%
2006-07	54,060	\$ 810,737,820	14,997	4.7%
2007-08	53,690	\$ 789,618,830	14,707	6.1%
2008-09	54,567	\$ 984,497,814	18,042	9.5%
2009-10	54,993	\$ 680,666,692	12,377	12.40%
2010-11	55,468	\$ 1,066,483,236	19,227	10.7%

- NOTES:
- (1) Personal income is calculated as per capita personal income multiplied by the City's population.
 - (2) Per capita personal income is calculated as median household income divided by median household size (three persons).

- SOURCES:
- (1) Population data source - State Department of Finance
 - (2) Per capita personal income data source US Department of Commerce, Bureau of Economic Analysis
 - (3) Unemployment rate data source - State Department of Employment Development and U.S. Bureau of Labor Statistics: www.calmis.ca.gov

**CITY OF WOODLAND, CALIFORNIA
PRINCIPAL EMPLOYERS
CURRENT AND TEN YEARS AGO**

Employer	2011			2001		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Target Distribution Center	796	1	25.99%			
Walgreen Co., Distribution	713	2	23.28%			
Thrifty Payless	475	3	15.51%			
Pacific Coast Producers	300	4	9.79%			
Sun Foods	150	5	4.90%			
Aldersons Convalescent	150	6	4.90%			
Truck Accessories	143	7	4.67%			
PGP International	128	8	4.18%			
Cottonwood HC Inc	105	9	3.43%			
Silvercrest Western Homes	103	10	3.36%			
Sherwin-Williams Co.				121	1	16.78%
Sizzler				103	2	14.29%
Western Power Products Inc.				92	3	12.76%
Valley Truck & Tractor				85	4	11.79%
Baby Nutritional Care				80	5	11.10%
Robert's Arco Main				73	6	10.12%
Cache Creek Foods, LLC				64	7	8.88%
Mac Go, Inc.				55	8	7.63%
Rafael's Family Restaurant				48	9	6.66%
Total Top 10 Employers	<u>3,063</u>			<u>721</u>		

Source: City Community Development Division.

CITY OF WOODLAND, CALIFORNIA
FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS

Function/Program	Full-time-Equivalent Employees as of June 30				
	2007	2008	2009	2010	2011
Governmental Activities:					
General government	39	31	31	32	20
Public safety					
Police	97	99	94	88	80
Fire	62	62	62	47	48
Public works	91	84	77	72	32
Recreation and Parks	42	42	41	20	17
Community Development	28	55	50	32	28
Library					7
Business-type activities:					
Water utility	2	2	2	2	32
Wastewater utility	7	7	6	6	32
Parking	1	1	1	1	0
Storm water	8	8	8	8	1
Total	<u>377</u>	<u>383</u>	<u>372</u>	<u>308</u>	<u>297</u>

SOURCE: Various City departments.

CITY OF WOODLAND, CALIFORNIA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS

Function/Program	2006-07	2007-08	2008-09	2009-10	2010-11
Governmental Activities:					
General government					
Building permits issued	1,922	1,721	1,471	1,177	1,193
Building inspections conducted	12,876	9,197	7,549	4,315	2,607
Public safety					
Police					
Physical arrests	3,429	3,567	4,096	3,359	3,451
Traffic violations	5,977	6,949	7,967	8,089	5,613
Fire					
Emergency responses	4,285	4,480	4,462	4,417	4,480
Fires extinguished	293	278	193	206	165
Inspections	2,748	1,228	3,114	3,235	2,002
Public works					
Street resurfacing (miles)	12.53	17.60	10.50	9.1	3.9
Potholes repaired	4,049	3,255	2,363	4,051	4,079
Recreation and parks					
Athletic field permits issued	106	120	135	140	117
Other permits issued					664
Community center admissions	-	13,965	18,072	20,000	27,002
Business-type Activities:					
Water utility					
Number of customers	13,986	14,041	14,501	14,568	14,701
Water main breaks	30	31	70		
Average daily consumption (per consumer)	250	265	260		
Wastewater utility					
Average Daily Flows (mgd)	6.3	6.3	5.88	5.6	5.66
Sanitary Storm Sewer Miles	110	170			
Parking					
Number of lots	17	17	17	17	17
Average annual maintenance	\$23,243	\$34,171	\$36,443	\$39,191	\$30,147

SOURCE: Various City departments

**CITY OF WOODLAND, CALIFORNIA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS**

Function/Program	2006-07	2007-08	2008-09	2009-10	2010-11
Governmental Activities:					
General government					
Public safety					
Police					
Stations	1	1	1	1	1
Vehicular patrol units	23	24	22	22	24
Fire					
Stations	3	3	3	3	3
Public works					
Streets (miles)	198.0	183.6	183.6	183.6	183.6
Streetlights	3,299	3,379	3,421	3,343	3,399
Traffic signals	59	62	62	62	62
Recreation and parks					
Parks - Number of developed acres	179.60	179.60	179.60	187.6	187.6
Number of parks	29	29	29	30	30
Number of swimming facilities	2	2	2	2	1
Number of community recreation centers	1	1	1	1	1
Number of senior centers	1	1	1	1	1
Number of bike lanes	62	62	62	62	62
Business-type Activities:					
Water utility					
Number of water connections	13,986	14,041	14,501	14,568	14,701
Billions of gallons sold	5,119,152,092	5,121,542,112	5,123,087,436	5,123,087,436	N/A
Wastewater utility					
Number of sewer connections	13,986	14,041	14,501	14,568	14,701
Plant treatment capacity (MGD)	7.8	10.4	10.4	10.4	10.4
Plant flow (annual avg)	6.7	6.3	6.1	5.7	5.7
Parking					
Number of lots	17	17	17	17	17
Storm Water					
Miles	110	110	115	115	115

NOTES: N/A = Not available

SOURCE: Various City departments.