



CITY OF HUGHSON  
**CITY COUNCIL MEETING**  
City Hall Council Chambers  
7018 Pine Street, Hughson, CA

**AGENDA**  
**TUESDAY, FEBRUARY 14, 2012 – 7:00 P.M.**

**CALL TO ORDER:** Mayor Ramon Bawan

**ROLL CALL:** Mayor Ramon Bawan  
Mayor Pro Tem Matt Beekman  
Councilmember Jill Silva  
Councilmember George Carr  
Councilmember Jeramy Young

**FLAG SALUTE:**

**INVOCATION:**

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**1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):**

Members of the Audience may address the City Council on any item of interest to the public pertaining to the City and may step to the podium, State their name and City of Residence for the record (requirement of Name and City of Residence is optional) and make their presentation. Please limit presentations to five minutes. Since the City Council cannot take action on matters not on the agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern, which are not urgent in, nature can be resolved more expeditiously by completing and submitting to the City Clerk a "Citizen Request Form" which may be obtained from the City Clerk.

**2. PRESENTATIONS:** None.

**3. CONSENT CALENDAR:**

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

- 3.1: Approval of the January 23, 2012 Regular City Council Minutes.
- 3.2: Approval of the Warrants for the Months of January and February.
- 3.3: Approval of the Treasurers Report for the Month(s) of October and November 2011.
- 3.4: Approval of Resolution No. 2012-09, Approving and Authorizing the Submission of the 2011-2012 Transportation Fund (LTF) Claim.
- 3.5: Approval of Resolution No. 2012-10, a Resolution of the City of Hughson, in its capacity as the Successor Agency to the Hughson Redevelopment Agency which adds Mayor Ramon Bawan, Mayor Pro Tem Matthew Beekman, City Manager Bryan Whitemyer, and Finance Manager, Lisa Whiteside as authorized agents to deposit and /or transfer monies from the Local Agency Investment Fund RDA bank accounts.
- 3.6: Approval of Resolution No. 2012-12, Approving a One-Year Extension of the Master Professional Services Agreement with MCR Engineering, Inc., for On-Call City Engineer Services and Authorizing the City Manager to Sign the Agreement.
- 3.7: Approval of Part-Time Administrative Services Director Employment Agreement between the City of Hughson and Linda Abid-Cummings, Interim Administrative Services Director.
- 3.8: Approval of a First Amendment to Employment Contract between the City of Hughson and Bryan Whitemyer, City Manager.

#### **4. UNFINISHED BUSINESS:**

- 4.1: Consider adopting Resolution No. 2012-11, Approving Adjustments to the Operating Budget for Fiscal Year 2011-12.
- 4.2: Accept the 2010-11 City of Hughson Financial Audit.
- 4.3: Status update on the progress of the City's grants writing services with California Consulting, LLC.

#### **5. PUBLIC HEARINGS:**

- 5.1: Consider the adoption of Resolution No. 2012-08, amending the 2011-2012 Supplemental Law Enforcement Services (SLESF) Funding Allocation and Expenditure Plan.

**6. NEW BUSINESS:**

- 6.1:** Consider the Appointment of Applicants Karen Minyard and Jared Costa to the two (2) vacancies on the Planning Commission.

**7. CORRESPONDENCE: None.****8. COMMENTS:**

- 8.1:** Staff Reports and Comments: (Information Only – No Action)

**City Manager:**

**City Clerk:**

**Community Development Director:**

**Director of Finance:**

**Police Services:**

**City Attorney:**

- 8.2:** Council Comments: (Information Only – No Action)

- 8.3:** Mayor's Comments: (Information Only – No Action)

**9. CLOSED SESSION:**

- 9.1: CONFERENCE WITH LEGAL COUNSEL - - ANTICIPATED LITIGATION**  
**Initiation of litigation pursuant to subdivision (c) of Section 54956.9:**

One (1) potential case

**10. REPORT FROM CLOSED SESSION:****ADJOURNMENT:****WAIVER WARNING**

If you challenge a decision/direction of the City Council/Redevelopment Agency in court, you may be limited to raising only those issues you or someone else raised at a public hearing(s) described in this Agenda, or in written correspondence delivered to the City of Hughson at or prior to, the public hearing(s).

**UPCOMING EVENTS:**

<b>February 20</b>	▪ <b>President’s Day – City Hall will be Closed</b>
<b>February 21</b>	▪ <b>Planning Commission Meeting, City Hall Council Chamber, 6:00pm</b>
<b>February 27</b>	▪ <b>Economic Development Committee, City Hall Council Chamber, 5:30 pm</b>
<b>February 27</b>	▪ <b>City Council Meeting, City Hall Council Chamber, 7:00 pm</b>
<b>March 3</b>	▪ <b>Hughson Ag Boosters Annual Crab Feed, St. Anthony’s Church, 6:00 pm</b>
<b>March 10</b>	▪ <b>Danielle’s Gift St. Patrick’s Celebration, Turlock Country Club, 6-12 am</b>

**RULES FOR ADDRESSING CITY COUNCIL**

Members of the audience who wish to address the City Council are requested to complete one of the forms located on the table at the entrance of the Council Chambers and submit it to the City Clerk. **Filling out the card is voluntary.**

**AMERICANS WITH DISABILITIES ACT/CALIFORNIA BROWN ACT  
NOTIFICATION FOR THE CITY OF HUGHSON**

This agenda shall be made available upon request in alternative formats to persons with a disability; as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132) and the Ralph M. Brown Act (California Government Code Section 54954.2).

**Disabled or Special needs Accommodation:** In compliance with the Americans with Disabilities Act, persons requesting a disability related modification or accommodation in order to participate in the meeting and/or if you need assistance to attend or participate in a City Council meeting, please contact the City Clerk’s office at (209) 883-4054. Notification at least 48-hours prior to the meeting will assist the City Clerk in assuring that reasonable accommodations are made to provide accessibility to the meeting.

**AFFIDAVIT OF POSTING**

**DATE:** February 10, 2012 **TIME:** 5:00pm  
**NAME:** Dominique Spinale  **TITLE:** Deputy City Clerk

**Notice Regarding Non-English Speakers:**

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Riverbank City Council shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

**General Information:** The Hughson City Council meets in the Council Chambers on the second and fourth Mondays of each month at 7:00 p.m., unless otherwise noticed.

**Council Agendas:** The City Council agenda is now available for public review at the City's website at [www.hughson.org](http://www.hughson.org) and City Clerk's Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk's Office.

**Questions:** Contact the City Clerk at (209) 883-4054



CITY OF HUGHSON  
**CITY COUNCIL MEETING**  
 City Hall Council Chambers  
 7018 Pine Street, Hughson, CA

**MINUTES**  
**MONDAY, JANUARY 23, 2012 – 7:00 P.M.**

**CALL TO ORDER:** Mayor Ramon Bawan

**ROLL CALL:** Mayor Ramon Bawan  
 Mayor Pro Tem Matt Beekman  
 Councilmember Jill Silva  
 Councilmember George Carr  
 Councilmember Jeramy Young

Staff Present: Bryan Whitemyer, City Manager  
 Dan Schroeder, City Attorney  
 Darin Gharat, Chief of Police Services  
 Thom Clark, Community Development Director  
 Margaret Souza, Interim Finance Director  
 Lisa Whiteside, Acting Finance Manager  
 Dominique Spinale, Mgmt. Analyst/Deputy City Clerk  
 Sam Rush, Public Works Superintendent

**FLAG SALUTE:** Mayor Ramon Bawan

**INVOCATION:** Mayor Ramon Bawan

**1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):**

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**PUBLIC COMMENTS:**

Mr. Bud Hill spoke to the Council about the inconsistency of the DFA whistle that is blown throughout the day. A representative from DFA was present and explained to Mr. Hill that the whistle is currently being repaired.

**2. PRESENTATIONS:** None.

**3. CONSENT CALENDAR:**

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

- 3.1: Approval of the January 9, 2012, Regular City Council Minutes.
- 3.2: Approval of the Warrants for the Months of December 2011 and January 2012.
- 3.3: Approval of Resolution No. 2012-06, authorizing Staff to dispose of surplus vehicles.

**Silva/Carr 5-0-0-0 motion passes to adopt Consent Calendar Items 3.1, 3.2, and 3.3.**

**4. UNFINISHED BUSINESS:**

- 4.1: Consider Resolution No. 2012-07, a Resolution of the City, in its capacity as the successor agency to the City of Hughson Redevelopment Agency, adopting the Enforceable Obligations Payment Schedule required by AB 1X26; and the City of Hughson's election to retain the housing assets and functions of the former Redevelopment Agency, contingent upon the adoption of SB 654 or similar legislation.

**Council discussed this Item with the City Manager and the City Attorney.**

**Silva/Young 5-0-0-0 motion passes to adopt Resolution No. 2012-07, a Resolution of the City, in its capacity as the successor agency to the City of Hughson Redevelopment Agency, adopting the Enforceable Obligations Payment Schedule required by AB 1X26; and the City of Hughson's election to retain the housing assets and functions of the former Redevelopment Agency, contingent upon the adoption of SB 654 or similar legislation.**

**5. PUBLIC HEARINGS:** None.

**6. NEW BUSINESS:**

- 6.1:** Consider Resolution No. 2012-05, approving the Industrial Wastewater Discharge Permit for the Dairy Farmers of America Milk Processing Facility Located at 2331 Tully Road and Authorizing the City Manager to Sign the Permit.

**Council discussed the Discharge Permit Requirements for DFA with the City Manager and asked for clarifications when needed.**

**Beekman/Young 5-0-0-0 motion passes to adopt Resolution No. 2012-05, approving the Industrial Wastewater Discharge Permit for the Dairy Farmers of America Milk Processing Facility Located at 2331 Tully Road and Authorizing the City Manager to Sign the Permit.**

- 6.2:** Review and Approve the Law Enforcement Action Plan and schedule a Public Hearing for the SLESF.

**Chief Gharat and the City Manager discussed this Item with the Council. Councilmember Young requested that Staff approach the School District about funding for a School Resource Officer (SRO).**

**Councilmember Young also requested that Police Services provide a status report to the Council after week 10 of the 20 weeks, as listed in the Law Enforcement Action Plan.**

**Silva/Carr 5-0-0-0 motion passes to approve the Law Enforcement Action Plan and schedule a Public Hearing for the SLESF for February 14.**

**7. CORRESPONDENCE: None.**

**8. COMMENTS:**

- 8.1:** Staff Reports and Comments: (Information Only – No Action)

**City Manager:** Provided an update on the WWTP.

**City Clerk:** Advised that the Form 700s will be distributed at the next meeting.

**Community Development Director:** Superintendent Rush advised the Council on the citywide construction taking place throughout town.

**Director of Finance:** None.

**Police Services:** None.

**City Attorney:** None.

**8.2: Council Comments: (Information Only – No Action)**

**Councilmember Carr advised of a dinner by the Hughson Ag Boosters scheduled for February 4.**

**Councilmember Silva thanked Staff for their work and requested a status update on the grant writing services.**

**Councilmember Beekman updated the Council on his attendance at the StanCOG meeting and the Economic Development Meeting.**

**Councilmember Young thanked Police Services for the Enforcement Plan that was provided and updated the Council on his attendance at the Economic Development Committee meeting and the Alliance Meeting. He also advised of a Hughson Harvest Festival Meeting scheduled for January 30 at City Hall.**

**8.3: Mayor's Comments: (Information Only – No Action)**

**The Mayor updated the Council on his attendance at the Mayor's Meeting and that he met Stanislaus County's new CEO, Monica Nino. He also thanked Staff for their work, reminded the Council and public that the next Council Meeting will be moved to Tuesday February 14, as City Hall will be closed on February 13 for President Lincoln's Birthday.**

**There is also a 2+2 Fire District Meeting scheduled for January 24.**

**9. CLOSED SESSION: Council entered into Closed Session at 8:10 pm.****9.1: CONFERENCE WITH LEGAL COUNSEL - - ANTICIPATED LITIGATION  
Initiation of litigation pursuant to subdivision (c) of Section 54956.9:**

One (1) potential case

**9.2: CONFERENCE WITH LABOR NEGOTIATORS**

City Designated Representative: Ramon Bawanan, Mayor

Unrepresented Employee: City Manager

**10. REPORT FROM CLOSED SESSION:**

Council returned from Closed Session at 10:42 pm. All Council Members were present and no reportable action was taken.

**ADJOURNMENT:** Mayor Bawanan adjourned the meeting at 10:42 pm.

**WAIVER WARNING**

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**UPCOMING EVENTS:**

January 23	▪ <b>Economic Development Committee Meeting - 5:30pm City Council Meeting - 7:00pm</b>
January 24	▪ <b>2+2 Fire Committee Meeting, 6:00pm, Fire District.</b>
January 28	▪ <b>HHS Celebrity Waiter Dinner and Auction, 6:00pm, St. Anthony's Church</b>
February 4	▪ <b>Hughson Ag Boosters Dinner Auction Fundraiser, 5-10pm, 7<sup>th</sup> Street.</b>
February 6	▪ <b>Budget &amp; Finance Subcommittee Meeting, 5:30pm, City Chambers</b>

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**AFFIDAVIT OF POSTING**

**DATE:** January 20, 2012 **TIME:** 4:30p.m.  
**NAME:** Dominique Spinale **TITLE:** Deputy City Clerk

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**Questions:** Contact the City Clerk at (209) 883-4054

APPROVED:

ATTEST:

\_\_\_\_\_  
Ramon Bawanan, Mayor

\_\_\_\_\_  
Dominique Spinale, Deputy City Clerk



*fw*

REPORT.: Feb 01 12 Wednesday  
 RUN....: Feb 01 12 Time: 09:11  
 Run By.: KATHY DAHLIN

City of Hughson  
 Cash Disbursement Detail Report  
 Check Listing for 01-12 Bank Account.: 0100

PAGE: 001  
 ID #: PY-DP  
 CTL.: HUG

Check Number	Check Date	Vendor Number	Name	Net Amount	Payment Information Invoice #	Description
42001	1/25/2012	CAN01	MARY JANE CANTRELL	\$ 932.59	B20125	MEDICAL BANK REIMB
42002	1/25/2012	CSJ03	CSJVRMA	\$ 21,000.00	20120190	LIABILITY & WORKER'S COMP 3RD QTR
42003	1/25/2012	DOJ00	DEPT OF JUSTICE-STATE OF	\$ 32.00	888096	FINGERPRINT COST
42004	1/27/2012	AFL01	AFLAC	\$ 824.10	670774	AFLAC
42005	1/27/2012	RIV01	RIVERBANK, CITY OF	\$ 60.00	B20126	2012 PLANNING COMM WORKSHOP
42006	1/27/2012	TAS00	TASC/TOTAL ADMINISTRATIVE	\$ 2,183.56	320004540	MEDICAL CLAMIS REIMB 12/11
42007	1/31/2012	EMP01	STATE OF CALIFORNIA	\$ 3,245.42	B20131	PAYROLL TAXES
42008	1/31/2012	HAR02	THE HARTFORD	\$ 604.63	B20131	DEFERRED COMPENSATION
42009	1/31/2012	MEN05	DARIO MENDOZA	\$ 99.90	B20131	SS MEDICAL REIMB 1/12
42010	1/31/2012	PER01	P.E.R.S.	\$ 7,592.20	B20131	RETIREMENT
42011	1/31/2012	STA23	CitiStreet	\$ 20.00	B20131	DEFERRED COMPENSATION
42012	1/31/2012	UNI07	UNITED WAY OF STANISLAUS	\$ 9.00	B20131	UNITED WAY
Cash Account Total:				\$ 36,603.40		
Total Disbursements:				\$ 36,603.40		

REPORT.: Feb 10 12 Friday  
 RUN....: Feb 10 12 Time: 15:17  
 Run By.: KATHY DAHLIN

City of Hughson  
 Cash Disbursement Detail Report  
 Check Listing for 02-12 Bank Account.: 0100

PAGE: 001  
 ID #: PY-DP  
 CTL.: HUG

Check Number	Check Date	Vendor Number	Name	Net Amount	-----Payment Information-----	
					Invoice #	Description
41412	2/6/2012	ENV01	ENVIRONMENTAL MANAGEMENT	\$ (3,424.50)	875u	Ck# 041412 Reversed
42013	2/1/2012	SPI00	SPINALE, DOMINIQUE	\$ 134.34	B20201	REIMB FOR MEETING EXPENSES
42014	2/2/2012	CSU01	CSU STANISLAUS PUBLIC SA	\$ 57.00	B20202	LIVE SCAN FINGERRINTING
42015	2/10/2012	ABS00	ABS PRESORT	\$ 1,465.30	79747	STATEMENT 1/12 & ARSENIC INSERT
42016	2/10/2012	ALL05	ALLIED ADMINISTRATORS	\$ 2,209.56	B20206	DELTA DENTAL 3/12
42017	2/10/2012	ARA00	ARAMARK UNIFORM SERVICE	\$ 1,109.93	B20206	UNIFORM SVC
42018	2/10/2012	ATT03	AT&T	\$ 14.87	2986898	PHONE
42019	2/10/2012	AZE01	AZEVEDO'S AUTO SERVICE	\$ 248.75 \$ 713.71	50701 50892	SMOG INSPECTION REPAIR OF PD-1
Check Total:				\$ 962.46		
42020	2/10/2012	BAR02	BARTLE WELLS ASSOCIATES,I	\$ 8,930.00	BWA443J10	CONSULTING SVCS WWTP 12/11
42021	2/10/2012	BAY02	BAY ALARM CO	\$ 343.13	225634212	ALARM MONITORING
42022	2/10/2012	CAL44	CALIFORNIA CONTRACTORS SU	\$ 325.60	79620	FLASHLIGHTS
42023	2/10/2012	CAL47	CALIFORNIA CONSULTING	\$ 2,750.00	B20206	CONSULTING SVCS 2/12
42024	2/10/2012	CAR08	CAROLLO ENGINEERS	\$ 9,584.39	120013	WWTP UPGRADES & EXP RPOJ. 12/11 #7554F.20
42025	2/10/2012	CEN14	CENTRAL JANITOR'S SUPPLY	\$ 31.76	I1075147	TRASH BAGS
42026	2/10/2012	CHA01	CHARTER COMMUNICATION	\$ 84.99	B20203	IP ADDRESS 2/12
42027	2/10/2012	CIT07	CITY SIGNS	\$ 131.66	22058	VINYL DECALS
42028	2/10/2012	CIT18	CITY NATIONAL BANK	\$ 251,099.22	B20203	INSTALLMENT AGREEMENT WWTP #08-001
42029	2/10/2012	CLA03	CLARK'S PEST CONTROL	\$ 102.00 \$ 57.00	12420331 12453398	PEST CONTROL PEST CONTROL
Check Total:				\$ 159.00		
42030	2/10/2012	CON14	CONDOR EARTH TECHNOLOGIES	\$ 4,879.25 \$ 4,727.37	63028 63093	WWTP GROUNDWATER SAMPLING WWTP GROUNDWATER SAMPLING
Check Total:				\$ 9,606.62		
42031	2/10/2012	DAV02	DAVIDSON'S TRAINING	\$ 250.00	B20203	WWTP TRAINING CLASS J.VELAZQUEZ
42032	2/10/2012	ENV01	ENVIRONMENTAL MANAGEMENT	\$ 3,424.50	875A	WATER & WASTE WATER SYSTEM
42033	2/10/2012	ENV02	ENVIRONMENTAL SYSTEMS	\$ 1,788.93	23060	STREET SWEEPING 1/12
42034	2/10/2012	EXP00	EXPRESS PERSONNEL SERVICE	\$ 216.00 \$ 216.00 \$ 216.00	105771356 105955355 106283872	EXTRA HELP WWTP 1/15 WWTP EXTRA HELP 1/25 WWTP EXTRA HELP WEEK ENDING 1/15, 1/22, 1/29
Check Total:				\$ 648.00		

42035	2/10/2012	EZN00	EZ NETWORK SOLUTIONS	\$	2,158.70	TS24295	IT SVCS 2/2012
42036	2/10/2012	FED02	FED EX	\$	71.84	776454833	SHIPPING
42037	2/10/2012	FIR06	FIRE2WIRE	\$	54.95	1768522	WEB HOSTING 2/10-3/10/12
42038	2/10/2012	GRA01	GRAND FLOW	\$	163.91	116605	W-S'S AND 1099'S
42039	2/10/2012	HDL00	HDL SOFTWARE, LLC	\$	450.00	18991IN	CONTRACT SVCS SALES TAX 1 ST QTR
42040	2/10/2012	HOM01	THE HOME DEPOT CRC	\$	131.97	20045	PAINT & SUPPLIES
				\$	73.11	66601	MISC. MAINTENANCE SUPPLIES
				\$	27.90	5024796	STREET LIGHT PHOTO EYE
			Check Total:	\$	232.98		
42041	2/10/2012	HUG03	HUGHSON CHRONICLE	\$	283.58	99002	LEGAL #5976 DRINKING WATER NOTICE
				\$	79.60	99067	LEGAL #6005-NOTICE TO ADOPT RESO #2012-08
			Check Total:	\$	363.18		
42042	2/10/2012	HUG11	HUGHSON FARM SUPPLY	\$	8.55	0362393IN	REPLACEMENT KEYS
				\$	156.74	0365224IN	REPAIR WEED EATER
				\$	19.14	0365401IN	FUEL PUMP
				\$	5.78	0365736IN	FUEL OSE
				\$	34.63	0367107IN	PIPE INSULATION
				\$	119.17	0367419IN	PARTS FOR RIDING MOWER
				\$	991.26	0367628IN	CUT OFF SAW
			Check Total:	\$	1,335.27		
42043	2/10/2012	HUG28	HUGHSON TIRE	\$	25.00	318190	FLAT REPAIR
42044	2/10/2012	HUG34	HUGHSON AUTO & TRUCK SUPP	\$	0.82	46090	SCREWS
				\$	2.58	48238	MOWER PARTS
42044	2/10/2012	HUG34	HUGHSON AUTO & TRUCK SUPP	\$	4.82	48342	PROPANE CYLINDER
				\$	4.28	48350	CONNECTOR
				\$	33.53	48791	OIL FILTER
				\$	45.03	48883	TURN ROTORS
				\$	3.75	49734	PAINT
			Check Total:	\$	94.81		
42045	2/10/2012	LEG01	LEGAL SHIELD	\$	77.70	B20203	LEGAL SVCS
42046	2/10/2012	PGE01	PG & E	\$	955.19	B20203	UTILITIES
42047	2/10/2012	QUI03	QUICK N SAVE	\$	127.93	1-5661	DIESEL
42048	2/10/2012	SAM01	SAMARITAN VILLAGE	\$	176.60	B20203	MEETING EXPENSE
42049	2/10/2012	SAN05	SAN JOAQUIN VALLEY	\$	479.00	N90446	12/13 ANNUAL PERMITS TO OPERATE #N7449 WATER TANK
42050	2/10/2012	SEE01	SEEGER'S	\$	194.35	0105956IN	ENVELOPES
42051	2/10/2012	SPR00	SPRINT/NEXTEL	\$	317.13	B20206	WIRELESS PHONE
42052	2/10/2012	STA42	STANISLAUS COUNTY	\$	128.00	R11251711	10/11 OPERATIONAL COST TRUE-UP
42053	2/10/2012	STA47	STANISLAUS COUNTY SHERIFF	\$	3,528.99	1112-201	VEHICLE CHARGES 12/11
				\$	74,140.50	1112-205	LAW ENFORCEMENT 1/11
				\$	74,140.50	1112-207	LAW ENFORCEMENT 12/11
			Check Total:	\$	151,809.99		

42054	2/10/2012	TAS00	TASC/TOTAL ADMINISTRATIVE	\$ 248.70	320003268	MO SERVICE FEE
				\$ 522.40	320004502	MO SERVICE FEE
			Check Total:	\$ 771.10		
42055	2/10/2012	UNU01	UNUM LIFE INSURANCE CO.	\$ 1,881.45	B20210	LIFE INSURANCE 3 MOS
42056	2/10/2012	URB00	URBAN FUTURES INCORP	\$ 1,350.00	0112-026	HCD ANNUAL REPORT
42057	2/10/2012	USA02	USA MOBILITY	\$ 11.64	V0190776B	PAGER SERVICE
42058	2/10/2012	WAR00	WARDEN'S OFFICE	\$ 489.75	1735922-0	OFFICE SUPPLIES
42059	2/10/2012	WILO5	WILLE ELECTRIC	\$ 255.57	S14233851	LIGHTING SUPPLIES FOR LLD'S
				\$ (250.10)	S14241451C	RETURN
				\$ 362.21	S14241471	LIGHTING SUPPLIES FOR LLD'S
			Check Total:	\$ 367.68		
42060	2/10/2012	\B006	BLUE MOUNTAIN AIR,	\$ 21.12	000B20201	MQ CUSTOMER REFUND FOR BLU0002
42061	2/10/2012	\C009	COLSTON, CHRIS	\$ 24.80	000B20201	MQ CUSTOMER REFUND FOR COL0031
42062	2/10/2012	\C010	CULLUM, JOSH	\$ 83.31	000B20201	MQ CUSTOMER REFUND FOR CUL0001
42063	2/10/2012	\F006	FAS-LITTON UTILITY, LLC,	\$ 51.04	000B20201	MQ CUSTOMER REFUND FOR FAS0003
42064	2/10/2012	\F007	FREDEKING, SINDE	\$ 41.25	000B20201	MQ CUSTOMER REFUND FOR FRE0003
42065	2/10/2012	\H001	HEDRICK, LORI & ROBERT	\$ 159.76	000B20201	MQ CUSTOMER REFUND FOR HED0002
42066	2/10/2012	\M010	MADRIGAL, GABRIEL	\$ 12.22	000B20201	MQ CUSTOMER REFUND FOR MAD0041
42067	2/10/2012	\M011	MICHALEC, JANICE	\$ 44.58	000B20201	MQ CUSTOMER REFUND FOR MIC0002
42068	2/10/2012	\N003	NIELSON, E M	\$ 60.09	000B20201	MQ CUSTOMER REFUND FOR NIE0001
42069	2/10/2012	\P002	PMZ REAL ESTATE,	\$ 62.36	000B20201	MQ CUSTOMER REFUND FOR PMZ0004
42070	2/10/2012	\P006	PADILLA, ERIKA	\$ 73.15	000B20201	MQ CUSTOMER REFUND FOR PAD0011
42071	2/10/2012	\P007	PARRA JR, ARTHUR	\$ 22.81	000B20201	MQ CUSTOMER REFUND FOR PAR0016
42072	2/10/2012	\S002	SPEARS, ALTA	\$ 24.80	000B20201	MQ CUSTOMER REFUND FOR SPE0019
42073	2/10/2012	\T004	TORRES, ESPERANZA	\$ 22.42	000B20201	MQ CUSTOMER REFUND FOR TOR0010
42074	2/10/2012	ATT01	AT&T	\$ 20.45	B20210	PHONE
42075	2/10/2012	CAL32	CSMFO	\$ 110.00	B20210	MEMBERSHIP RENEWAL L.WHITESIDE
42076	2/10/2012	CAR08	CAROLLO ENGINEERS	\$ 4,947.25	120012	WWTP UPGRADES & EXP PROJ. #7554F.10
42077	2/10/2012	CEN14	CENTRAL JANITOR'S SUPPLY	\$ 292.26	1078590	3RD ST. SANITARY SUPPLIES
42078	2/10/2012	EZNO0	EZ NETWORK SOLUTIONS	\$ 681.60	24372	CHARGES FOR WEB SITE SET-UP
				\$ 20.00	24373	WEB DESIGN
			Check Total:	\$ 701.60		
42079	2/10/2012	FAR03	FARMERS BROTHERS COFFEE	\$ 54.97	56056717	COFFEE
42080	2/10/2012	FIR06	FIRE2WIRE	\$ 35.00	1790985	DOMAIN HOSTING 2/27/12-2/27/13
42081	2/10/2012	FRA03	FRANTZ WHOLESALE NURSERY	\$ 161.06	515823	TREE
42082	2/10/2012	MCR01	MCR ENGINEERING, INC	\$ 2,610.00	9068	CITY ENGINEER SVCS 1/12
42083	2/10/2012	OPE01	OPERATING ENGINEERS LOCAL	\$ 389.00	B20210	LOCAL UNION #3 DUES
42084	2/10/2012	TEL00	TELEPACIFIC	\$ 113.17	345556890	PHONE
			Cash Account Total:	\$ 465,913.38		
			Total Disbursements:	\$ 465,913.38		



## CITY OF HUGHSON AGENDA ITEM NO. 3.3

### SECTION 3: CONSENT CALENDAR

**Date:** February 14, 2012  
**Subject:** Treasurer's Report – October & November 2011  
**Presented By:** Lisa Whiteside, Finance Manager

**Approved By:** \_\_\_\_\_

Enclosed you will find the City of Hughson Treasurer's Report for October & November 2011. After review and evaluation of the report, I have researched the following Fund's with a deficit balance. After discussion with other management staff personnel, I submit the following detailed explanation:

**General Fund:**

The General Fund currently reflects a negative balance of (\$300,134.64). The City is currently waiting to receive our allocation of property tax revenue from the County of Stanislaus. City expenditures and revenues are currently performing as projected, and consistent with our fiscal plan. The current deficit is merely a cash flow condition, which will be resolved upon receipt of revenues from the County.

**Public Facilities Development Streets Fund:**

The Public Facilities Development Streets Fund currently reflects a negative balance of (\$982,373.33). The deficit is a result of the Euclid Bridge Project, which was constructed in Fiscal Year 2006/2007, for approximately \$1.3 million. The project was completed in anticipation of funding from Developer Impact Fees collected from new development. Unfortunately, the housing market declined significantly and the new development never materialized. Once the economy strengthens and new building starts again, we can recognize additional Developer Impact Fees and reduce the deficit more quickly.

**Water Developer Impact Fee Fund:**

The Water Developer Impact Fee Fund currently reflects a negative balance of (\$675,596.25). The City is in the process of submitting additional claims for reimbursement of our expenditures to the State of California Water Board.

**Transportation Capital Project Fund:**

The Transportation Capital Project Fund currently reflects a negative balance of (\$277,647.68). The City has submitted additional claims for reimbursement of our

expenditures to the State of California. Additional entries may be necessary to cover the "Match" portion of expenditures.

**Recommendation:**

Staff recommends the City Council review and receives the enclosed City of Hughson Treasurer's Report for October & November 2011.

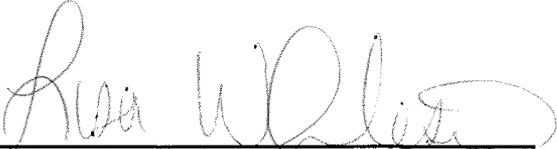
**City of Hughson  
Treasurer's Report  
NOVEMBER 2011**

	<b>MONEY MARKET</b>	<b>GENERAL</b>	<b>REDEVELOPMENT**</b>	<b>TOTAL</b>
Bank Statement Totals	\$ 5,410,827.80	\$ 868,792.91	\$ 206,380.00	\$ 6,486,000.71
Adjustment-Direct Deposit Payroll	\$ -		\$ -	\$ -
Outstanding Deposits +	\$ -		\$ -	\$ -
Outstanding Checks/transfers -	\$ 3,299.76	\$ (308,322.90)	\$ -	\$ (305,023.14)
<b>ADJUSTED TOTAL</b>	<b>\$ 5,414,127.56</b>	<b>\$ 560,470.01</b>	<b>\$ 206,380.00</b>	<b>\$ 6,180,977.57</b>
Investments: Various				\$ 965,435.63
California Bank Trust				\$ 355,068.45
Multi-Bank WWTP				\$ 1,362,298.88
Investments: L.A.I.F.		\$ 38,901.26	\$ 39,025.35	\$ 77,926.61
<b>TOTAL CASH &amp; INVESTMENTS</b>				<b>\$ 8,941,707.14</b>

<b>Books - All Funds</b>	<b>October 2010</b>	<b>November 2011</b>
Water/Sewer Deposit	25,456.87	25,726.30
Sale of Vehicle	25,682.17	0.00
AB939 Source Reduction	17,848.62	5,000.00
Public Safety Augmentation	17,548.47	0.00
Vehicle Abatement	-24,498.69	1,097.86
Storm Drain	-14,312.38	43,285.27
Traffic Congestion Fund	68,048.83	102,596.65
Redevelopment - Debt Service	110,560.26	259,341.35
Redevelopment - Housing	740,488.91	778,299.59
Redevelopment - Capital Projects	-116,685.22	-316,175.00
Federal Officer Grant	6,620.00	6,620.00
Asset Forfeiture	1,663.85	1,660.43
Community Enhancement	72,587.38	101,943.10
Gas Tax 2106	58,648.38	48,535.80
Gas Tax 2107	47,806.97	24,530.73
Gas Tax 2105	100,032.45	106,409.83
Gas Tax 2107.5	9,660.04	12,672.14
General Fund	-247,865.79	-300,134.64
General Fund Contingency Reserve	667,686.83	668,836.09
Public Facilities Development	2,102,877.12	2,167,322.89
Public Facilities Development-Streets	-1,067,305.43	-982,373.33
Senior Community Center	-14,893.55	-5,330.53
IT Reserve	0.00	7,500.00
U.S.F. Resource Com. Center	16,816.45	4,572.22
Self-Insurance	124,439.08	107,847.52
CLEEP(California Law Enforcement Equipmen	201.20	0.00
SLESF (Supplemental Law Enforcement Serv	163,939.56	200,124.43
Park Project	283,199.37	329,542.81
Parks DIF	124,957.24	134,089.25
Sewer O & M	-656,893.95	50,552.77
Sewer Fixed Asset Replacement	609,661.45	1,054,954.31
Sewer Developer Impact Fees	800,545.72	890,110.35
WWTP Expansion 2008	2,843,613.92	3,684,253.26
Local Transportation	-35,615.97	39,686.03
Transportation	-477,617.89	-277,647.68
LLD's and BAD's	148,470.57	75,762.29
Water O & M	60,616.05	220,726.04
Water Developer Impact Fees	-2,527,863.26	-675,596.25
Water Fixed Asset Replacement	-63,222.42	-13,036.86
Water Reserve-USDA GRANT	21,524.50	21,524.50
Garbage/Refuse	-38,780.84	73,992.53
Misc. Grants	-66,451.45	-36,898.02
98-EDBG-605 Small Bus. Loans	93,519.96	93,585.12
96-EDBG-438 Grant	404.27	403.43
94-STBG-799 Grant	151,235.49	155,862.56
HOME Program Grant (FTHB)	37,785.43	37,810.91
96-STBG-1013 Grant	5,582.61	13,205.80
HOME Rehabilitation Fund	-1,084.71	-1,084.71
<b>TOTAL ALL FUNDS:</b>	<b><u>4,206,638.47</u></b>	<b><u>8,941,707.14</u></b>

I hereby certify that the investment activity for this reporting period conforms with the Investment Policy adopted by the Hughson City Council, and the California Government Code Section 53601. I also certify that there are adequate funds available to meet the City of Hughson's budgeted and actual expenditures for the next six months.

\*\*Cash Held by Fiscal Agent-2006 Bond Issue

  
Lisa Whiteside, Treasurer

Date 1-18-12

**City of Hughson  
Treasurer's Report  
OCTOBER 2011**

	<b>MONEY MARKET</b>	<b>GENERAL</b>	<b>REDEVELOPMENT**</b>	<b>TOTAL</b>
Bank Statement Totals	\$ 4,609,670.88	\$ 1,228,152.69	\$ 206,380.00	\$ 6,044,203.57
Adjustment-Direct Deposit Payroll	\$ -	\$ 177.02	\$ -	\$ 177.02
Outstanding Deposits +	\$ -	\$ 437.24	\$ -	\$ 437.24
Outstanding Checks/transfers -	\$ 3,698.94	\$ (178,327.33)	\$ -	\$ (174,628.39)
<b>ADJUSTED TOTAL</b>	<b>\$ 4,613,369.82</b>	<b>\$ 1,050,439.62</b>	<b>\$ 206,380.00</b>	<b>\$ 5,870,189.44</b>
Investments: Various				\$ 959,213.37
California Bank Trust				\$ 355,068.45
Multi-Bank WWTP				\$ 1,359,309.07
Investments: L.A.I.F.		\$ 38,901.26	\$ 39,025.35	\$ 77,926.61
<b>TOTAL CASH &amp; INVESTMENTS</b>				<b>\$ 8,621,706.94</b>

<u>Books - All Funds</u>	<u>October 2010</u>	<u>October 2011</u>
Water/Sewer Deposit	25,105.15	26,259.81
Sale of Vehicle	25,682.17	0.00
AB939 Source Reduction	17,837.79	5,000.00
Public Safety Augmentation	17,106.22	0.00
Vehicle Abatement	-19,397.52	1,097.86
Storm Drain	-19,940.38	37,657.27
Traffic Congestion Fund	63,816.34	89,313.65
Redevelopment - Debt Service	110,479.37	259,184.26
Redevelopment - Housing	747,635.14	779,163.26
Redevelopment - Capital Projects	-104,211.50	-308,120.49
Federal Officer Grant	6,620.00	6,620.00
Asset Forfeiture	1,662.84	1,660.43
Community Enhancement	70,527.34	99,865.35
Gas Tax 2106	56,699.01	44,353.09
Gas Tax 2107	44,910.41	20,174.03
Gas Tax 2105	93,391.72	101,132.16
Gas Tax 2107.5	9,654.18	12,672.14
General Fund	-125,193.45	-36,186.66
General Fund Contingency Reserve	667,281.80	668,430.95
Public Facilities Development	2,095,501.45	2,159,910.07
Public Facilities Development-Streets	-1,075,507.43	-990,575.33
Senior Community Center	-12,206.53	-1,243.67
IT Reserve	0.00	7,500.00
U.S.F. Resource Com. Center	16,571.70	3,950.71
Self-Insurance	124,439.08	107,847.52
CLEEP(California Law Enforcement Equipmen	201.08	0.00
SLESF (Supplemental Law Enforcement Servi	147,389.25	201,444.19
Park Project	283,027.58	329,343.20
Parks DIF	123,118.85	132,245.45
Sewer O & M	-752,253.86	-97,242.47
Sewer Fixed Asset Replacement	609,291.62	1,054,315.29
Sewer Developer Impact Fees	793,978.90	883,489.60
WWTP Expansion 2008	3,522,961.35	3,391,071.76
Local Transportation	-35,510.97	39,686.03
Transportation	-476,737.89	-276,987.68
LLD's and BAD's	158,338.51	93,284.73
Water O & M	-9,984.82	147,494.97
Water Developer Impact Fees	-1,758,643.63	-679,398.25
Water Fixed Asset Replacement	-50,823.00	-13,036.86
Water Reserve-USDA GRANT	21,524.50	21,524.50
Garbage/Refuse	-73,962.65	36,946.66
Misc. Grants	-66,451.45	-36,898.02
98-EDBG-605 Small Bus. Loans	93,463.23	93,585.12
96-EDBG-438 Grant	404.03	403.43
94-STBG-799 Grant	150,810.90	155,360.12
HOME Program Grant (FTHB)	37,762.51	37,810.91
96-STBG-1013 Grant	4,881.36	12,682.56
HOME Rehabilitation Fund	-1,084.71	-1,084.71
<b>TOTAL ALL FUNDS:</b>	<b><u>5,560,165.59</u></b>	<b><u>8,621,706.94</u></b>

I hereby certify that the investment activity for this reporting period conforms with the Investment Policy adopted by the Hughson City Council, and the California Government Code Section 53601. I also certify that there are adequate funds available to meet the City of Hughson's budgeted and actual expenditures for the next six months.

\*\*Cash Held by Fiscal Agent-2006 Bond Issue

  
Lisa Whiteside, Treasurer

Date

1-18-12



## CITY OF HUGHSON AGENDA ITEM NO. 3.4

### SECTION 3: CONSENT CALENDAR

**Date:** February 14, 2012  
**Presented By:** Lisa Whiteside, Finance Manager  
**Subject:** 2011/2012 Local Transportation Fund Claim

**Approved By:** \_\_\_\_\_

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#### **Summary:**

The City Council of the City of Hughson is required to pass resolutions in order to approve Local Transportation Fund Claims. The LTF funds are distributed through the Stanislaus Council of Governments. These Funds can be used to improve streets, sidewalk, and bicycle facilities.

The item before the City Council is a request for approval to submit the Local Transportation Fund Claim. Once the Hughson City Council approves the claim it will be submitted to the StanCOG Policy Board for approval. This process will obtain the City's allocation of Local Transportation Funding. The claim for **\$41,729** is for the Hatch Road Project.

#### **Staff Recommendation:**

Approval of Resolution authorizing the City Manager to execute and submit the City's Local Transportation Fund Claim for Fiscal year 2011/2012, in the amount of **\$41,729**, to the Stanislaus Council of Governments Claim as attached on behalf of the City of Hughson to the Stanislaus Council of Governments.

**CITY OF HUGHSON**  
**CITY COUNCIL**  
**RESOLUTION NO. 2012-09**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON APPROVING  
AND AUTHORIZING THE SUBMISSION OF THE 2011/12 TRANSPORTATION FUND  
(LTF) CLAIM , AUTHORIZING THE CITY MANAGER TO EXECUTE AND SUBMIT  
THE CLAIM ON BEHALF OF THE CITY.**

**WHEREAS**, the Hughson City Council is considering and has established priorities for Capital Improvement Projects and the City Manager has prepared for filing with the Stanislaus Council of Governments (StanCOG) the City's annual Transportation Development Act claim in accordance with applicable rules and regulations, in the amount of **\$41,729** for the fiscal year 2011/2012 to be drawn from the Local Transportation Fund; and

**NOW THEREFORE, BE IT RESOLVED** that the City Council of the City of Hughson hereby approves the 2011-2012 LTF Claim, and authorizes the City Manager to execute and submit the Claim as attached on behalf of the City of Hughson to the Stanislaus Council of Governments.

**PASSED AND ADOPTED** by the City of Hughson City Council at a regular meeting thereof held on February 14, 2012 by the following vote: ()

AYES:

NOES:

ABSTENTIONS:

ABSENT:

RAMON BAWANAN, Mayor

ATTEST:

DOMINIQUE SPINALE, City Clerk

CLAIMANT: City of Hughson

**LOCAL TRANSPORTATION FUND  
CLAIM FOR OTHER PURPOSES  
FY 2011/12**

TABLE 1

1.	Planning, Local --PUC 99262/99402	\$ -
2.	Transit _____ *	\$ -
3.	Streets and Roads --PUC 99400 (a)	\$ 37,851
4.	Nonmotorized - 2% LTF funds --PUC 99233.2/99234	\$ 3,878
5.	Nonmotorized - Other LTF funds --PUC 99233.2/99234	\$ -
<b>6.</b>	<b>TOTAL CLAIM</b>	<b>\$ 41,729</b>

*This table is to be filled out by StanCOG staff*

**City of Hughson****Total LTF available to be claimed for other purposes:**

FY 2011/12 Nonmotorized apportionment	\$ 3,225
FY 2010/11 Nonmotorized supplemental	\$ 653
Total 2% Nonmotorized	\$ 3,878
FY 2010/11 Other Purposes supplemental	\$ 37,851
	\$ 37,851
<b>Total available to be claimed at this time</b>	<b>\$ 41,729</b>

\* If you have proposed transit expenditures, please fill in the appropriate PUC Code.



## **CITY OF HUGHSON AGENDA ITEM NO. 3.5**

### **SECTION 3: CONSENT CALENDAR**

**Date:** February 14, 2012  
**Presented By:** Lisa Whiteside, Finance Manager  
**Subject:** In its capacity as the Successor Agency to the Hughson Redevelopment Agency which adds Mayor Ramon Bawanan, Mayor Pro Tem Matthew Beekman, City Manager Bryan Whitemyer, and Finance Manager Lisa Whiteside as authorizing agent to deposit and /or transfer monies from the Local Agency Investment Fund RDA bank accounts.

**Approved By:** \_\_\_\_\_

#### **Summary:**

Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer, the City of Hughson Redevelopment Agency currently has deposited \$38,901.26 in the Local Agency Investment Fund, since the City of Hughson elected to serve as the Successor Agency to the Hughson Redevelopment Agency, it is necessary to provide a new resolution to add Mayor Ramon Bawanan, Mayor Pro Tem Matthew Beekman, City Manager Bryan Whitemyer, and Finance Manager Lisa Whiteside to the new Successor Agency signatory cards. The Local Agency Investment Fund requires that the City of Hughson provides the Agency with certified copies of the resolution.

#### **Recommendation:**

Staff requests that the City Council adopts a resolution adding Mayor Ramon Bawanan, Mayor Pro Tem Matthew Beekman, City Manager Bryan Whitemyer, and Finance Manager Lisa Whiteside to the new Successor Agency signatory cards.

**CITY OF HUGHSON**  
**CITY COUNCIL**  
**RESOLUTION NO. 2012-10**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON TO CITY OF HUGHSON ELECTED TO SERVE AS THE SUCCESSOR AGENCY TO THE HUGHSON REDEVELOPMENT AGENCY, IT IS NECESSARY TO PROVIDE A NEW RESOLUTION TO AUTHORIZED MAYOR RAMON BAWANAN, MAYOR PRO TEM MATTHEW BEEKMAN, CITY MANAGER BRYAN WHITEMYER, AND FINANCE MANAGER LISA WHITESIDE SHALL BE AUTHORIZED TO ORDER THE DEPOSIT OR WITHDRAWAL OF MONIES IN THE LOCAL INVESTMENT FUND**

**WHEREAS**, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

**WHEREAS**, the City Council does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the interest to the City of Hughson.

**WHEREAS**, the City of Hughson As Successor Agency to the Hughson Redevelopment Agency authorized Mayor Ramon Bawanana, Mayor Pro Tem Matthew Beekman, City Manager Bryan Whitemyer, and Finance Manager Lisa Whiteside shall be authorized to order the deposit or withdrawal of monies in the Local Investment Fund; and

**WHEREAS**, the City of Hughson does hereby find that the deposit and withdrawal of money in the Local Agency investment fund in accordance with the provision of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interest of the City of Hughson; and

**NOW THEREFORE, BE IT RESOLVED** that the City Council hereby does hereby authorize the deposit and withdrawal of City of Hughson as the Successor Agency to the Hughson Redevelopment Agency monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in the regard; and

**BE IT FURTHER RESOLVED** that the following of City of Hughson as the Successor Agency to the Hughson Redevelopment Agency officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund.

**PASSED AND ADOPTED** by the City of Hughson City Council at a regular meeting thereof held on February 14, 2012 by the following vote: ()

AYES:

NOES:

ABSTENTIONS:

ABSENT:

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RAMON BAWANAN, Mayor

ATTEST:

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DOMINIQUE SPINALE, City Clerk

## CITY OF HUGHSON AGENDA ITEM NO. 3.6

### SECTION 3: CONSENT CALENDAR



**Date:** February 14, 2012  
**Presented By:** Thom Clark, Community Development Director  
**Subject:** Consideration of Resolution No. 2012-12, Approving a One-Year Extension of the Master Professional Services Agreement with MCR Engineering, Inc., for On-Call City Engineer Services and Authorizing the City Manager to Sign the Agreement.

**Approval:** \_\_\_\_\_

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#### **Background:**

At its regularly scheduled meeting of November 23, 2009, the Hughson City Council adopted Resolution No. 09-81, approving a professional services agreement with MCR Engineering, Inc. for on-call City Engineer services. That agreement has expired.

The City Council had previously eliminated the full-time City Engineer position, in a budget cutting decision to save approximately \$100,000 a year. We have realized these savings as anticipated.

#### **Discussion:**

Staff is requesting a one-year extension to the current professional services agreement with MCR. The extension will take us up to December 31, 2012. Prior to the expiration of this extension staff will develop and circulate a Request For Proposals from qualified engineering firms to perform the City Engineer services.

In 2009 staff received five proposals for engineering services and chose to recommend MCR for a number of different reasons, not the least of which was that Tony Marshall, the principle of MCR had almost 15 years experience as the City Engineer for the City of Waterford. This is important because it is essential that our City Engineer be able to navigate through the morass of paperwork and requirements from Caltrans and StanCOG to ensure we receive the maximum amount of funding for road projects.

MCR Engineering has been outstanding in that regard since they began work with us. Using a concept of designing road projects in front of the funding, MCR has positioned us to receive hundreds of thousands of dollars through StanCOG that we would otherwise not been able to access.

Additionally, they have shown themselves not only competent engineers and surveyors, but also efficient and cost effective in their work. MCR had to re-design the Locust Street Sidewalk Infill Project, while the project was under construction, to eliminate errors and omissions made by the former consulting firm who originally designed the project. The cost for this work was miniscule compared to the original design work, which in addition to being flawed was extremely expensive.

MCR is currently working on multiple projects for us that will be completed before the end of the fiscal year. These projects include an asphalt overlay of Hatch Road, a sidewalk infill project on Pine Street between Fourth and Seventh, a sidewalk infill project on Fourth Street from Whitmore to Fifth, and the Hatch Road Bridge Lighting Project.

MCR consistently tries to keep their costs inside of funding limits for specific projects, so that the general City Engineer work, which is paid by the General Fund, is impacted minimally. Mr. Marshall has been very successful in this regard. It should be noted that the current rate schedule (attached) has not changed since the original agreement was signed in 2009.

Staff is very pleased with MCR Engineering and would be recommending a longer contract at this time but we are precluded from doing so by Caltrans rules.

**Recommendation:**

Adopt Resolution No. 2012-12, a resolution of the City Council of the City of Hughson approving a one-year extension of the master professional services agreement with MCR Engineering, Inc. for on-call City Engineer services and authorizing the City Manager to sign the agreement.

**MASTER  
PROFESSIONAL SERVICE AGREEMENT**  
(City of Hughson/MCR Engineering, Inc.)

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the City of Hughson, a California municipal corporation (“City”) and MCR Engineering, Inc., a corporation (“Consultant”).

**RECITALS**

City has determined that it requires the following professional services from a consultant: on-call City Engineer services.

This Agreement is for the provision of those services by Consultant to City, from time to time during the term of this Agreement, set forth in task orders as specified in section 3.1 of this Agreement, below.

Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and professional ability of its principals and employees.

Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

1. **DEFINITIONS**

1.1. “Scope of Services”: Such professional services as are generally set forth in Consultant’s proposal to City attached hereto as Exhibit A and incorporated herein by this reference. Assignment specific task orders will be issued.

1.2. “Approved Fee Schedule”: Such compensation rates as are set forth in Consultant’s fee schedule to City attached hereto also as Exhibit A and incorporated herein by this reference.

1.3. “Commencement Date”: November 24, 2009

1.4. “Expiration Date”: December 31, 2011.

**ONE YEAR EXTENSION                      Expiration: December 31, 2012**

Approved 2/14/2012 by Resolution No. 2012-12

## 2. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Expiration Date unless extended by written agreement of the parties or terminated earlier in accordance with Section 15 (“Termination”) below.

## 3. CONSULTANT’S SERVICES

3.1. Consultant shall perform the services identified in the Scope of Services and in any and all individual Task Orders specifying the fees and the services for each Task Order under this Master Professional Services Agreement. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement. In no event shall the total compensation and costs payable to Consultant under this Agreement exceed the sums specified by each subsequent Task Order unless specifically approved in advance and in writing by City.

3.2. Consultant shall perform all work to the currently prevailing professional standards of Consultant’s profession and in a manner reasonably satisfactory to City. Consultant shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 et seq.).

3.3. Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. The Public Works Director or his /her designee shall be Consultant’s project administrator and shall have direct responsibility for management of Consultant’s performance under this Agreement. No change shall be made in Consultant’s project administrator without City’s prior written consent.

## 4. COMPENSATION

4.1. City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept in full satisfaction for such services, payment in accordance with the Approved Fee Schedule.

4.2. Consultant shall submit to City an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within ten business days of receipt of each invoice, City shall notify Consultant in writing of any disputed amounts included on the invoice. Within forty-five (45) calendar days of receipt of each invoice, City shall pay all undisputed amounts

included on the invoice. City shall not withhold applicable taxes or other authorized deductions from payments made to Consultant.

4.3. Payments for any services requested by City and not included in the Scope of Services shall be made to Consultant by City on a time-and-materials basis using Consultant's standard fee schedule.

## 5. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material ("written products") developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

## 6. RELATIONSHIP OF PARTIES

Consultant is, and shall at all times remain as to City, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.

## 7. CONFIDENTIALITY

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without prior written consent by City. City shall grant such consent if disclosure is legally required. Upon request, all City data shall be returned to City upon the termination or expiration of this Agreement.

## 8. INDEMNIFICATION

8.1. Consultant hereby agrees to defend, indemnify, and save harmless the City of Hughson, its officers, agents, employees, and volunteers, from and against any and all claims, suits, actions, liability, loss, damage, expense, and cost, of every nature, kind or description, which may be brought against, or suffered or sustained by, the City of Hughson, its officers, agents, volunteers and employees, caused by the negligence, omission or willful misconduct of Consultant, its officers, agents, and employees in the performance of any services of work pursuant to the agreement. The duty of Consultant to indemnify and save harmless, as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code; provided, however, that nothing herein contained shall be construed to require Consultant to indemnify the City of Hughson, its officers, and employees against any responsibility or liability in contravention of Section 2782 of the California Civil Code.

8.2. The City of Hughson hereby agrees to defend, indemnify and save harmless Consultant, its officers, agents, volunteers and employees, from and against any and all claims, suits, actions, liability, loss, damage, expense, and cost, of every nature, kind or description which may be brought against, or suffered or sustained by Consultant, its officers, agents, and employees to the extent caused by the negligence, omission or willful misconduct of the City of Hughson, its officers, agents, employees, and volunteers, in the performance of any services or work pursuant to the Agreement.

8.3. City shall have the right to offset against the amount of any compensation due Consultant under this Agreement any amount due City from Consultant as a result of Consultant's failure to pay City promptly any indemnification arising under this Section 8 and related to Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

8.4. The obligations of Consultant under this Section 8 will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives any statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.

8.5. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 8 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims, suits, actions, liability, loss, damage, expense and cost, of every nature, kind or description for any damage due to death or injury to any person and injury to any property resulting from the negligence, omission, or willful misconduct of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement.

8.6. City does not, and shall not, waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

## 9. INSURANCE

9.1. During the term of this Agreement, Consultant shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with Consultant's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

9.1.1. Comprehensive or Commercial General Liability Insurance with coverage limits of not less than One Million Dollars (\$1,000,000), per occurrence and in the aggregate, including products and operations hazard, contractual insurance, broad form property damage, independent consultants, personal injury, underground hazard, and explosion and collapse hazard where applicable.

**\*\*ALTERNATE LANGUAGE:**

Comprehensive General Liability Insurance with minimum limits of One Million Dollars (\$1,000,000) for each occurrence and in the aggregate for any personal injury, death, loss or damage. [If consultant is a limited liability company, insert "General Liability coverage shall be amended so that Consultant and its managers, affiliates, employees, agents, and other persons necessary or incidental to its operation are insureds."]

9.1.2. Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per claimant and One Million dollars (\$1,000,000) per incident.

**\*\*ALTERNATE LANGUAGE**

Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

9.1.3. Worker's Compensation insurance as required by the laws of the State of California.

9.1.4. Professional Errors and Omissions Insurance with coverage limits of not less than One Million Dollars (\$1,000,000).

**\*\*ALTERNATE LANGUAGE**

Professional Liability Insurance with a minimum limit of One Million Dollars (\$1,000,000) per occurrence.

9.2. Consultant shall require each of its subcontractors to maintain insurance coverage that meets all of the requirements of this Agreement.

9.3. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.

9.4. Consultant agrees that if it does not keep the aforesaid insurance in full force and effect, City may either (i) immediately terminate this Agreement; or (ii) take out the necessary insurance and pay, at Consultant's expense, the premium thereon.

9.5. At all times during the term of this Agreement, Consultant shall maintain on file with City a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the City and its officers, employees, agents and volunteers as additional insureds to the general and automobile liability policies. Consultant shall, prior to commencement of work under this Agreement, file with City such certificate(s).

9.6. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

9.7. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming City and its officers, employees, agents and volunteers as additional insureds. The Certificate of Insurance required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to City. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

9.8. The insurance provided by Consultant shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.

9.9. All insurance coverage provided pursuant to this Agreement shall not prohibit Consultant, and Consultant's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the City.

9.10. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond guaranteeing payment of losses and expenses.

9.11. Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duties to indemnify, hold harmless and defend under Section 8 of this Agreement.

10. MUTUAL COOPERATION

10.1. City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.

10.2. In the event any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require.

11. RECORDS AND INSPECTIONS

Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

12. PERMITS AND APPROVALS

Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary in the performance of its services under this Agreement.

13. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City:

City of Hughson  
P.O. Box 9  
Hughson, CA 95326  
Telephone: (209) 883-4055  
Facsimile: (209) 883-2638

With courtesy copy to:

Dan Schroeder, City Attorney  
Neumiller & Beardslee  
P.O. Box 20  
509 W. Weber Avenue, Fifth Floor  
Stockton, CA 95202  
Telephone: (209) 948-8200  
Facsimile: (209) 948-4910

If to Consultant:

MCR Engineering, Inc.  
1242 Dupont Court  
Manteca, CA 95336  
Telephone: (209) 239-6229  
Facsimile: (209) 239-8839

14. SURVIVING COVENANTS

The parties agree that the covenants contained in Section 7, Section 8, Paragraph 10.2 and Section 11 of this Agreement shall survive the expiration or termination of this Agreement.

15. TERMINATION

15.1. City shall have the right to terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant shall have the right to terminate this Agreement for any reason on thirty calendar days' written notice to City. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.

15.2. If City terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

16. GENERAL PROVISIONS

16.1. Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Consultant.

16.2. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability or medical condition.

16.3. Consultant agrees to comply with the regulations of City's "Conflict of Interest Code." Said Code is in accordance with the requirements of the Political Reform Act of 1974.

16.4. In accomplishing the scope of services of this Agreement, Consultant(s) may be performing a specialized or general service for the City, and there is a substantial likelihood that the consultant's work product will be presented, either written or orally, for the purpose of influencing a governmental decision. As a result, employees of the Consultant or the Consultant itself may be subject to a Category "1" disclosure of the City's Conflict of Interest Code. If in fact this applies to the Consultant a form 700 must be filed.

16.5. The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

16.6. The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.

16.7. Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.

16.8. Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies. In the event legal action shall be necessary to enforce any term, covenant or condition herein contained, the party prevailing in such action,

whether reduced to judgment or not, shall be entitled to its reasonable court costs, including accountants' fees, if any, and attorneys' fees expended in such action. The venue for any litigation shall be Stanislaus County, California.

16.9. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

16.10. This Agreement shall be governed and construed in accordance with the laws of the State of California.

16.11. Any controversy, dispute or failure to agree on appropriate actions arising out of or related to this Agreement (collectively, a Dispute) shall be subject to negotiations between the parties as described in Section 16.11.1, and if then not resolved shall be subject to mediation as described in Section 16.11.2 below.

16.11.1. If a Dispute arises, the parties agree to negotiate in good faith to resolve the dispute. Within thirty (30) days of receipt of notice from either party, a representative of Consultant, designated by Consultant, and a representative of City, designated by the City Manager, shall meet in person to resolve the Dispute. If the Consultant's representative and the City Manager's representative are unable to resolve the Dispute, then the Dispute shall be subject to mediation pursuant to Section 16.11.2 below.

16.11.2. In the event the Dispute is not resolved, it shall be submitted to mediation before JAMS in Sacramento, California. The mediation shall be conducted in accordance with JAMS rules and procedures. Each party shall bear its own costs of mediation. In the event that the Dispute is not resolved by mediation, then Section 16.12 shall apply.

16.12. If either party initiates an action to enforce the terms hereof or declare rights hereunder, the parties agree that the venue thereof shall be the County of Stanislaus, State of California. Consultant hereby waives any rights it might have to remove any such action pursuant to California Code of Civil Procedure Section 394.

16.13. All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy

between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed by City and Consultant.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“City”  
City of Hughson  
By \_\_\_\_\_  
Ramon Bawanana, Mayor

“Consultant”  
MCR Engineering, Inc.  
By: \_\_\_\_\_  
Tony P. Marshall, Principle

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
Dominique Spinale, Deputy City Clerk

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Dan Schroeder, City Attorney

Date: \_\_\_\_\_

EXHIBIT C  
INSURANCE

**CITY COUNCIL**  
**CITY OF HUGHSON**  
**RESOLUTION NO. 2012-12**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON  
APPROVING A ONE-YEAR EXTENSION OF A PROFESSIONAL  
SERVICES AGREEMENT FOR ON-CALL CITY ENGINEER SERVICES  
WITH MCR ENGINEERING, INC AND AUTHORIZING THE CITY  
MANAGER TO SIGN THE AGREEMENT**

**WHEREAS**, the City of Hughson executed a Master Professional Service Agreement with MCR Engineering for City Engineer services on November 24, 2009, and approved by Hughson City Council Resolution 09-81 after an open and competitive selection process; and

**WHEREAS**, said contract expired on December 31, 2011; and

**WHEREAS**, it is the intent of the City and MCR Engineering for said agreement to remain in effect through December 31, 2012; and

**NOW THEREFORE, BE IT RESOLVED** that the City Council of the City of Hughson does hereby extend the Master Professional Services Agreement with MCR Engineering for City Engineer Services through December 31, 2012.

**PASSED AND ADOPTED** by the Hughson City Council at a regular meeting thereof held on February 14, 2012, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

\_\_\_\_\_  
RAMON BAWANAN, Mayor

ATTEST:

\_\_\_\_\_  
DOMINIQUE SPINALE, Deputy City Clerk

## EXHIBIT "A" ON-CALL CONTRACT CITY ENGINEER

MCR Engineering will provide on-call consulting City Engineer services to the City of Hughson to include (but not limited to) the following:

1. Review correspondence from state and federal permitting agencies that require response or action from city engineer or public works staff.
2. Assist city staff as needed on current projects under construction in response to change order requests, shop drawing and submittal review, requests for payment, inspection requests, final acceptance and Notice of Completion, etc.
3. Assist city staff in processing paperwork with StanCOG and Caltrans Local Assistance regarding state and federal grant programs such as CMAQ, RSTP, SR2S, TEA, HSIP, EEMP etc.
4. Provide input to City Staff and City Council regarding the city's master plans, capital improvement program, and maintenance needs.
5. Prepare Plans, Specifications and Estimates for capital improvement projects.
6. Provide Bid Administration, Construction Management, and Inspection services to the city as needed.
7. Provide plan review and approval of all proposed private development projects within the city. This shall include reviewing and proposing conditions of approval for all entitlement projects (tentative maps, site plans, etc) and reviewing and approving all encroachment permits, parcel maps, final maps, improvement plans etc.
8. Attend City Council and/or Planning Commission meetings as needed.
9. Provide all other city engineer functions as requested by city staff and council.

The services above will be provided on an "as needed" basis, as directed by the City Manager, and billed monthly at Time & Materials (per MCR Engineering's Current Rate Schedule, attached). There will be no monthly retainer fees for our services.

At a minimum, the following individuals will be made available to provide on-going services to the city:

City Engineer:	Tony B. Marshall, P.E.	Professional Engineer No. C51015
Public Works Inspector:	Dan Eavenson, P.E.	Professional Engineer No. C54088
City Surveyor:	Doug Banks, L.S.	Licensed Land Surveyor No. L8159

In addition to the individuals above, the city will have access to our entire support staff and company resources, when called upon to meet the city's engineering needs.



**RATE SCHEDULE**

*Valid through December 31, 2012*

1242 DUPONT COURT • MANTECA, CALIFORNIA 95336 • TEL: 209.239.6229 • FAX: 209.239.8839

**JOB DESCRIPTION**

**HOURLY RATE**

**Planning:**

PLANNER ..... \$ 100.00

**Engineering:**

PRINCIPAL ..... \$ 125.00  
 CIVIL ENGINEER ..... \$ 110.00  
 PROJECT MANAGER ..... \$ 100.00  
 DESIGNER ..... \$ 90.00  
 SENIOR DRAFTER / CADD ..... \$ 80.00  
 DRAFTER / CADD ..... \$ 60.00  
 EXPERT WITNESS ..... \$ 200.00

**Administration:**

CLERICAL ..... \$ 45.00  
 ADMINISTRATIVE ASSISTANT ..... \$ 55.00  
 OFFICE MANAGER ..... \$ 60.00

**Construction Management:**

CONSTRUCTION MANAGER ..... \$ 110.00  
 CONSTRUCTION INSPECTOR ..... \$ 90.00

**Surveying:**

OFFICE SURVEYOR ..... \$ 110.00  
 ASSISTANT OFFICE SURVEYOR ..... \$ 80.00  
 TWO-MAN SURVEY CREW ..... \$ 180.00  
 PUBLIC WORKS SURVEY CREW ..... \$ 220.00

**Materials:**

The following services are billed at our cost plus 10%

- Sub-consultant fees
- Commercial delivery services (Fed Ex, California Overnight, messenger services etc)
- Copies and blue prints of plans beyond those required by city or county for plan review. We encourage client to arrange for blue-printing and copying with an outside blueprinting company, but if our services are used, the client will be charged \$1.00 per sheet.



## CITY OF HUGHSON AGENDA ITEM NO. 3.7

### SECTION 3: CONSENT CALENDAR

**Meeting Date:** February 14, 2012  
**Subject:** Agreement for Part-Time Interim Administrative Director Services  
**Presented By:** Bryan Whitemyer, City Manager

**Approved By:** \_\_\_\_\_

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#### **RECOMMENDATION:**

Review and approve agreement for part-time interim Administrative Director Services and authorize the City Manager to execute said agreement. The hourly rate for the Interim Administrative Services Director shall be \$45.00 an hour and no more than 1,000 hours can be worked during any one fiscal year.

#### **BACKGROUND:**

The City continues to work hard to respond to the effects of a down economy. As revenues have decreased the City has looked for ways to reduce costs but still maintain core services. When the FY 2011-2012 Budget was approved the plan was to hire a part-time Administrative Services Director instead of a full-time benefited position.

Due to the complexity of city government operations and regulation from the State of California it is prudent for the City to hire an individual who has demonstrated a thorough knowledge and understanding of local government operations. Linda Abid-Cummings possesses over thirty years of municipal services experience. Ms. Abid-Cummings has served as the Administrative Services Director for the City of Riverbank for the last several years until her retirement last year.

#### **Fiscal Impacts:**

The approved hourly pay rate for the Administrative Services Director position is between \$31.24 and \$37.97. The annual salary at these rates (without benefits) would be between \$64,972.56 and \$78,974.52 respectively. For a full time position the cost of health benefits and retirement contributions would need to be added to that amount.

In previous positions Ms. Abid-Cummings has held she has received hourly compensation above \$50 an hour. She is willing to drop that rate to \$45 an hour for the work she does for the City of Hughson. Council approval is needed to compensate any position above the established salary range for that position.

Ms. Abid-Cummings would be filling in on a part-time basis so she would not be able to work more than 1,000 hours during any fiscal year. At the rate of \$45.00 an hour the maximum cost would be \$45,000 (\$45.00 an hour X 1,000 hours).

It is important to note that this move does not increase the amount of funding needed to pay for the Administrative Services Director position for fiscal year 2011-2012. Funding has been included for this purpose in the approved FY 2011-2012 budget.

**PART-TIME ADMINISTRATIVE SERVICES DIRECTOR EMPLOYMENT  
AGREEMENT**

THIS IS A PART-TIME EMPLOYMENT AGREEMENT, dated as of February 15, 2012 (the "Agreement") between THE CITY OF HUGHSON, a California municipal corporation (the "City") and LINDA ABID-CUMMINGS ("Employee"), a part-time interim Administrative Services Director of the City.

THE PARTIES AGREE AS FOLLOWS:

1. The City hereby agrees to employ Employee, and Employee hereby agrees to serve as a part-time interim Administrative Services Director for the City and to perform all services appropriate to that position, as well as such other service as may be assigned by the City and have such duties, responsibilities and authority as set forth herein and as determined from time to time by the City.

2. The City and Employee understand and agree that the employment relationship between them is employment at-will which may be terminated by either party at any time with or without notice and with or without cause. Nothing in this Agreement nor any subsequent modification or variation hereto shall confer upon Employee any right to continue in her employment with the City or shall interfere with or restrain in any way the right hereby expressly reserved by the City to terminate Employee's employment at any time for any reason whatsoever, with or without cause, and with or without advance notice.

3. Employee agrees to accept and the City agrees to pay for Employee's services at the rate of Forty-Five Dollars (\$45.00) per hour for up to 1000 hours of work during any fiscal year. Employee's salary shall be payable in installments at the same time as other Employees of the City are paid. As a part-time employee, unless otherwise set forth in this Agreement, Employee shall not be entitled to any benefits, including, but not limited to, vacation time, sick leave, medical or dental benefits, or participation in the City's retirement plans.

4. To the extent Employee necessarily issues expenses in the performance of her duties, Employee will receive reimbursement therefor. Employee shall submit a claim form to Employer in the form and manner required of any employee.

5. Upon termination of Employee's employment, Employee agrees to immediately return to the City all property of the City in as good condition as when received by Employee (normal wear and tear excepted) including, but not limited to, all files, records, documents, drawings, lists, equipment and supplies, locks, keys, magnetic cards, and similar items relating to the business of the City.

\_\_\_\_\_  
Employee Initials

6. Employee hereby expressly agrees to repay to the City any and all sums owed by Employee to the City immediately upon termination of Employee's employment and expressly agrees that such sums may be deducted from Employee's final paycheck.

7. Unless otherwise specifically provided herein, all provisions of the Municipal Code and regulations and rules of City relating to vacation and sick leave, retirement system contributions, holidays and other fringe benefits and working conditions as they now exist or hereafter may be amended, also shall apply to Employee as they would to other employees of the City.

8. The text herein shall constitute the entire Agreement between the parties.

9. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.

10. This Agreement shall become effective on the date first written above.

11. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

\_\_\_\_\_  
Employee Initials

IN WITNESS WHEREOF, the City of Hughson has caused this Agreement to be signed and executed in its behalf by its Mayor and duly attested by its City Clerk, and the Employee has signed and executed this Agreement, both in duplicate, the day and year first above written.

"CITY"

CITY OF HUGHSON

By: \_\_\_\_\_  
BRYAN WHITEMYER  
City Manager

ATTEST:

\_\_\_\_\_  
DOMINIQUE SPINALE, Deputy City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
DANIEL J. SCHROEDER, City Attorney

"EMPLOYEE"

\_\_\_\_\_  
LINDA ABID-CUMMINGS



## CITY OF HUGHSON AGENDA ITEM NO. 3.8

### SECTION 3: CONSENT CALENDAR

**Meeting Date:** February 14, 2012  
**Subject:** Review and Approve First Amendment to the Employment Contract for the City Manager and Authorize the Mayor Execute the Amendment  
**Presented By:** Daniel J. Schroeder, City Attorney

**Approved By:** \_\_\_\_\_

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#### **RECOMMENDATION:**

Review and approve the First Amendment to the Employment Contract for the City Manager and authorize the Mayor to execute the amendment.

#### **BACKGROUND AND OVERVIEW:**

On November 14, 2011 the City Manager completed his first year of employment with the City of Hughson. On January 24, 2012, negotiations were held pursuant to Government Code Section 54957.6 between a representative of the Council and the City Manager to amend his employment contract to the benefit of the City and the City Manager. The results of those negotiations are memorialized in the First Amendment to the Employment Contract for the City Manager which makes the following changes to the original contract.

- 1) The City of Hughson Personnel Manual indicates that all City employees may be considered for an increase to the next higher salary step upon the satisfactory completion of at least twelve months of service. The amendment follows this process and amends the City Manager salary from Range 171, Step D to Range 171, Step E. This step adjustment equates to a five percent increase.
- 2) The original term of the contract is being extended by one year and now expires on November 14, 2014.
- 3) A monthly technology allowance of \$85 is added to cover the out-of-pocket cost incurred by the City Manager for cell phone and data plan.
- 4) Amends Severance Pay section in accordance with Government Code Section 53260.
- 5) Authorizes the City Manager to cash out up to 80 hours of accrued vacation leave or administration leave each year starting on November 14, 2012.

## **FIRST AMENDMENT TO EMPLOYMENT CONTRACT**

This First Amendment to Employment Contract ("Amended Contract") amending the Employment Contract dated September 30, 2010 (the "Original Contract") by and between the City of Hughson, a general law city organized under the laws of the State of California, hereinafter called "Employer," and Bryan Whitemyer, hereinafter called "Employee" is made and entered into on February 14, 2012.

Both Employer and Employee desire to amend the Original Contract by execution of this Amended Contract and hereby agree as follows:

### **RECITALS**

A. On November 15, 2010 Employee began his employment with Employer in accordance with the terms set forth in the Original Contract.

B. The Original Contract set forth the terms for compensating the Employee, including establishing his salary in accordance with the Employer's Salary Schedule for its employees (Range 171, Step D of City Salary Schedule as of November 15, 2010). As of the date of this Amended Contract, pursuant to the Original Contract Employee base salary based on his current qualification for Range 171, Step E of Salary Schedule.

C. Whereas Employee and Employer desire to enter into this Amended Contract to extend the term of the Original Contract one year, amend the Employee's eligibility for severance pay, provide Employee with a technology allowance for his smart phone and ability to cash out leave time.

D. This Amended Contract shall take effect retroactively to November 15, 2011.

NOW THEREFORE, it is agreed that the Original Contract is amended to read as follows:

1. Section 2.A of the Original Contract is hereby amended to read in full as follows:

#### SECTION 2. TERM.

- A. The term of this Contract shall commence of the Effective date and expire on November 14, 2014.

2. Section 6 of the Original Contract is hereby amended to read in full as follows:

#### SECTION 6. AUTOMOBILE AND TECHNOLOGY ALLOWANCE

Employee shall receive an automobile allowance of \$300.00 per month for the general business use of his personal vehicle, however, Employer shall also reimburse Employee at the IRS standard mileage rate for any business use of his personal vehicle for any single business trip totaling more than 100 miles. Employee may, at his discretion, use a City vehicle for business purposes.

Employee shall receive a technology allowance of \$85.00 per month for the business use of Employee's cell phone.

- 3. Section 8 of the Original Contract is hereby amended to read in full as follows:

**SECTION 8. SEVERANCE PAY**

If this contract is terminated because of the reasons specified in Section 7.D., 7.E., 7.F., 7.G., or an uncured breach by Employer pursuant to 7.H., Employer shall pay severance pay to Employee in an amount equal to Six (6) months' salary. In the event the termination for reasons specified in the previous sentence occurs at any time during the last Six (6) months of the term of the contract, Employee's severance pay shall be Employee's monthly salary multiplied by the number of months left on the unexpired term of contract in accordance with Government Code Section 53260. Employee shall also be entitled to unused accrued management leave.

- 4. Section 9 of the Original Contract is hereby amended to read in full as follows:

Employee shall accrue vacation, sick, or other Employer-authorized, leave, in the same manner as other Employees of City. For the 12 months ending on November 14, 2012, Employee may cash out up to a total of 80 hours of accrued administrative leave and vacation time. Thereafter, Employee shall be entitled to cash out up to 80 hours of accrued administrative leave on November 14 of 2013 and 2014.

IN WITNESS WHEREOF, the City of Hughson has caused this Amended Contract to be signed and executed on its behalf by its Mayor and duly attested by its City Clerk, and the Employee has signed and executed this Amended Contract, both in duplicate, the day and year first written above.

|

"EMPLOYER"

CITY OF HUGHSON

By: \_\_\_\_\_  
RAMON BAWANAN, Mayor

ATTEST:

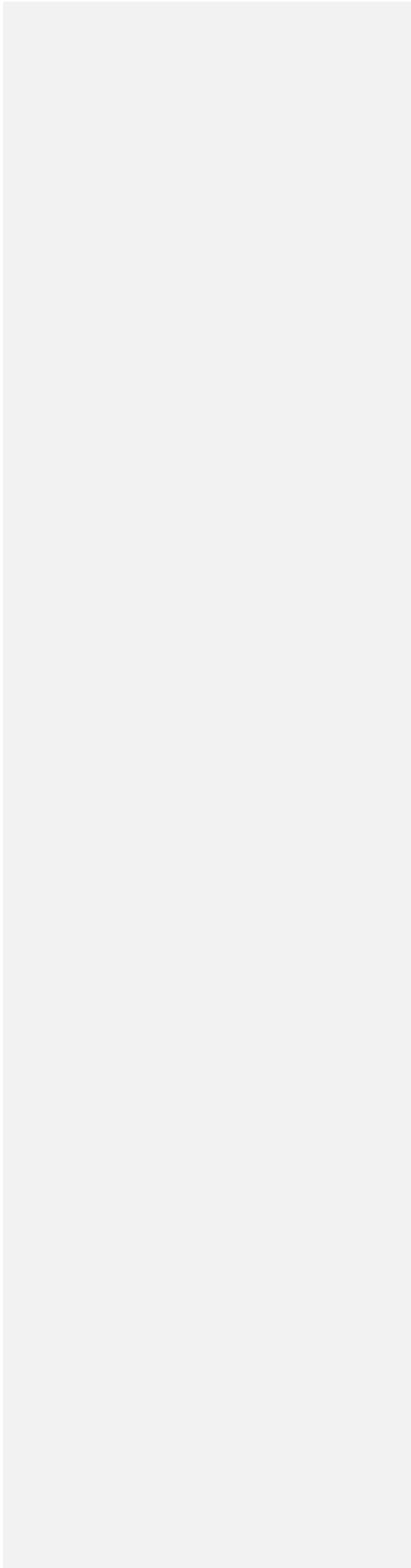
\_\_\_\_\_  
DOMINIQUE SPINALE, Interim City Clerk

|  
APPROVED AS TO FORM:

\_\_\_\_\_  
DANIEL J. SCHROEDER, City Attorney

"EMPLOYEE"

|  
\_\_\_\_\_  
BRYAN WHITEMYER





## CITY OF HUGHSON AGENDA ITEM NO. 4.1

### SECTION 4: UNFINISHED BUSINESS

**Meeting Date:** February 14, 2012  
**Presented By:** Margaret Souza, Interim Finance Director  
**Subject:** Mid Year Budget Review

**Approved:** \_\_\_\_\_

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#### **Background:**

In September 2011, the Council adopted the 2011-12 City of Hughson Budget. During the course of the first half of the year things have changed and need to be revalued to ensure that the budgeted figures are correct. Staff is asking Council to approve \$921,944 in budget adjustments. Exhibit A lists the line item accounts to which the adjustments are to be made.

There are adjustments to the General Fund but the a net difference is zero. Major adjustments occurred in the Parks Department to cover additional water charges as a result of metering.

A summary of the substantial adjustments for the other funds are:

1. \$538,794 - Ground Water Plant Reimbursement - TID
2. 173,938 - Reimbursement for Developer Fees
3. 140,100 - Rebudget for SCADA (from prior year)
4. 80,000 - Additional Funds - SLESF

Review of the attached worksheets will assist in understanding the adjustments.

**Recommendation:** Adopt Resolution No. 2012-11 Approving Adjustments to the Operating Budget for Fiscal Year 2011-12.

**CITY OF HUGHSON  
CITY COUNCIL  
RESOLUTION NO. 2012- 11**

**A RESOLUTION APPROVING ADJUSTMENTS TO THE OPERATING BUDGET  
FOR FISCAL YEAR 2011-2012**

**WHEREAS**, on September 26, 2011, the City Council and the Board of Directors approved the operating budget, adopting Joint Resolution 2011-077/RDA 2011-009; and

**WHEREAS**, City Staff have reviewed the funds and accounts of the City and Redevelopment Agency Adopted Budgets, during a midyear examination; and

**WHEREAS**, after conducting an extensive review and analysis of the entire operational budget, of the City of Hughson and Redevelopment Agency, staff recommend budget adjustments and fund transfers that increase the budget by \$921,944 as shown in Attachment "A"; and

**THEREFORE, BE IT RESOLVED**, that the City Council of the City of Hughson and the Board of Directors of the Hughson Redevelopment Agency hereby amends resolution 2011-77/RDA 2011-009; approves the budget adjustments and fund transfers that increase the budget by \$921,944; are hereby approved and incorporated and made a part of this resolution as Attachment "A"; and

**PASSED AND ADOPTED PASSED AND ADOPTED** by the City of Hughson City Council at a regular meeting thereof held on February 14, 2012 by the following vote: ()

AYES:

NOES:

ABSTENTIONS:

ABSENT:

\_\_\_\_\_  
RAMON BAWANAN, Mayor

ATTEST:

\_\_\_\_\_  
DOMINIQUE SPINALE, City Clerk

## City of Hughson - Exhibit A

## Mid Year Budget Adjustments 2011-12

1/31/2012

FUND	ACCT	DEPT	Description	Actual	Budget	Bud-Act	Act/Bud % Spent	Adj	Mid Year Budget	
40	5001	130	REG. SALARIES	2,663	18,750	16,087	14.20%	-6,750	12,000	Will be lower
40	6202	160	CONTRACT SRVCS	34,416	105,000	70,584	32.78%	-18,015	86,985	
40	6106	170	UTILITIES	5,152	13,000	7,848	39.63%	-1,500	11,500	
40	5003	180	OVERTIME	17	5,000	4,983	0.34%	-4,000	1,000	
40	6106	180	UTILITIES	14,670	14,500	-170	101.17%	14,500	29,000	Prks metered for Water use
40	6202	190	CONTRACT SRVCS	20,236	30,000	9,764	67.45%	10,000	40,000	More Planning Work
40	6407	310	ENCROACHMENT	916	500	-416	183.20%	1,000	1,500	More Refunded Permits
40	6004	320	DUES/PUBLICATNS	4,852	4,100	-752	118.34%	1,000	5,100	Stormwater Permit Incr
40	6101	320	DEPT SUPPLIES	3,532	6,000	2,468	58.87%	-1,000	5,000	
40	6107	320	RENTS/LEASES	2,072	2,000	-72	103.60%	2,000	4,000	Correct Copier Cost Dist
40	6109	320	MAINT VEHICLES	377	2,000	1,623	18.85%	-1,500	500	
40	6202	320	CONTRACT SRVCS	4,504	2,035	-2,469	221.33%	4,265	6,300	Sidewalk Repair
40	5003	325	OVERTIME	1,008	0	-1,008		2,000	2,000	Overtime Use
40	6109	325	MAINT VEHICLES	819	4,000	3,181	20.48%	-2,000	2,000	
<b>Total Adjustments - General Fund</b>								<b>0</b>		
10	6120	800	PROP OWNER REF	24,008	0	-24,008		24,000	24,000	Madsen Reim
41	6120	800	PROP OWNER REF	55,620	0	-55,620		55,500	55,500	Reim Madsen Dev Agr
41	6122	800	RIEM SURFACE WA	538,794	0	-538,794		538,000	538,000	TID Agreement
42	6120		PROP OWNER REF	33,997	0	-33,997		33,500	33,500	Reim Madsen Dev Agr
53	6202	215	CONTRACT SRVCS	9,964	100,000	90,036	9.96%	80,000	180,000	Law Enforcement Action
60	6001	330	OFFICE SUPPLIES	1,568	900	-668	174.22%	2,100	3,000	Recalculate UT Billing
60	6004	350	DUES/PUBLICATNS	13,272	9,600	-3,672	138.25%	3,400	13,000	Permit Fees
60	6113	350	INS/SURETIES	9,875	6,974	-2,901	141.60%	5,000	11,974	Correct RMA Ins Bill
62	6120	800	PROP OWNER REF	33,151	0	-33,151		33,000	33,000	Reim Madsen Dev Agr
80	6001	340	OFFICE SUPPLIES	1,756	1,000	-756	175.60%	2,500	3,500	Recalculate UT Billing
80	6113	340	INS/SURETIES	16,458	11,111	-5,347	148.12%	8,700	19,811	Correct RMA Ins Bill
80	7003	340	IMP OTHR TN BLD	5,846	500	-5,346	1169.20%	5,000	5,500	Well #7 Motor Pump Rep
81	6120	800	PROP OWNER REF	27,163	0	-27,163		27,000	27,000	Reim Madsen Dev Agr
82	7003	800	IMP OTHR TN BLD	31,259	10,000	-21,259	312.59%	140,000	150,000	Complete SCADA Project
82	8021	800	REPLACE WELL #2	0	50,000	50,000	0.00%	-50,000	0	
90	6202	380	CONTRACT SRVCS	0	325,000	325,000	0.00%	6,500	331,500	Rate increase - 6 Mons
100	6450	100	SANTA FE 1 UT	2,316	1,256	-1,060	184.39%	2,744	4,000	Metered Water
100	6451	100	SANTA FE 1 OTH	5,407	3,591	-1,816	150.57%	4,000	7,591	Damage to Pole
100	6453	100	SANTA FE 2 UT	1,077	529	-548	203.59%	1,000	1,529	Metered Water
<b>Total Adjustments - Other Funds</b>								<b>921,944</b>		
<b>Total Adjustments - All</b>								<b>921,944</b>		

Adjustments with Credit Entry (-) is a transfer of Budgeted Funds to make up for another account's shortage.

**MID YEAR BUDGET  
REVIEW  
2011-12**

## Using Mid Year Budget Review Documents

Page 1 - Budget Summary - This sheet uses ending cash balance of 6/30/11, adds adjusted projected revenue and revenue transfer - subtracts adjusted budgeted expenses and expense transfers - to obtain projected cash balance as of 6/30/12.

Page 2 - Summary of Revenue minus Expenses – This sheet uses adjusted revenue and adjusted expenses numbers to obtain the difference between the two. Budgeted expense exceeds budgeted revenue by \$2,356,604.

Page 3 - Budget Summary - This sheet takes the projected adjusted revenue and compares that to the actual amount received as of 12/31/11. Then it computes the ratio that has been received. The same is done for the expenses. The ratio is not to be confused with the ratio presented in the Detail Worksheet. That ratio is based on original budget amount.

Page 4 - Original Budget Summary for reference.

Page 5 – on Expense Worksheet. Sorted by fund, then department, this sheet lists all line item numbers. First column is the actual amount spent as of 12/31/11. The second column is the 2011-12 Budgeted amount. The next column is the difference between the Budgeted amount minus the Actual spent. The next column is the ratio of what has been spent. The next column shows any necessary adjustment, followed by the Mid Year Adjusted Budget.

The last few sheets list the Revenue activity. We do not enter actual adjustments, but the numbers need to be reviewed to ensure that the revenue stream was projected correctly.

**Budget Summary - by Fund**  
**Mid Year Review 2011-12**

58

	Projected Balance 7/1/2011	Adjusted Projected Revenue	Transfers In	Adjusted Projected Expenditures	Transfers Out	Projected Balance 6/30/2012
40 General Fund	121,000	1,770,615	201,597	1,943,164	24,000	126,048
401 General Fund Reserve	668,147	1,500	0	0	0	669,647
<b>General Fund</b>	<b>789,147</b>	<b>1,772,115</b>	<b>201,597</b>	<b>1,943,164</b>	<b>24,000</b>	<b>795,695</b>
4 Sale of Vehicle	0	0	0	0	0	0
5 AB939	0	0	0	0	0	0
7 Public Safety Augment	0	0	0	0	0	0
8 Vehicle Abatement	0	15,000	0	15,000	0	0
11 Traffic Congestion - Prop 42	72,307	50,000	0	47,307	11,600	63,400
19 Asset Forfeiture	1,660	0	0	0	0	1,660
25 Gas Tax 2106	51,723	25,932	0	35,000	5,000	37,655
30 Gas Tax 2107	32,185	44,269	0	26,000	50,000	454
31 Gas Tax 2105	113,805	33,280	0	62,768	80,000	4,317
35 Gas Tax 2107.5	10,672	2,050	0	0	0	12,722
49 IT Reserve	0	0	30,000	0	0	30,000
51 Self Insurance	107,847	0	0	15,000	0	92,847
52 CLEEP	0	0	0	0	0	0
53 SLESF	168,995	100,700	0	180,000	0	89,695
90 Garbage/Refuse	-81,425	429,420	0	395,080	0	-47,085
91 Miscellaneous Grants	-36,898	0	0	0	0	-36,898
100 LLD	121,075	119,420	0	156,851	26,129	57,515
200 BAD	49,500	67,436	0	54,018	14,368	48,550
92 Small Business Loan Grant	93,585	250	0	0	0	93,835
94 96-EDBG-738 Grant	403	0	0	0	0	403
95 1994 CDBG Housing Rehab STBG-799	154,003	3,800	0	0	0	157,803
96 Home Grant - FTHB	37,811	100	0	0	0	37,911
97 1996 CDBG Housing Rehab	9,919	9,100	0	400	0	18,619
98 Home Rehab - CalHome	-1,085	1,100	0	0	0	15
<b>Special Revenue</b>	<b>906,082</b>	<b>901,857</b>	<b>30,000</b>	<b>987,424</b>	<b>187,097</b>	<b>663,418</b>
48 Community Senior Center	-2,153	12,800	16,000	20,500	0	6,147
50 United Samaritans Community Center	6,769	17,600	0	12,868	4,500	7,001
60 Sewer O & M	-427,615	2,150,894	0	1,127,708	455,836	139,735
80 Water	86,350	1,240,800	0	822,561	196,482	308,107
<b>Enterprise Funds</b>	<b>-336,649</b>	<b>3,422,094</b>	<b>16,000</b>	<b>1,983,637</b>	<b>656,818</b>	<b>460,990</b>
10 Storm Drain	25,084	70,850	0	24,000	0	71,934
20 Community Enhancement	86,760	25,700	0	77,000	0	35,460
41 Public Facility Development	2,141,984	88,250	0	593,500	0	1,636,734
42 Public Facility - Streets	-1,009,891	102,525	0	33,500	0	-940,866
54 Park Project	309,297	51,875	0	0	0	361,172
55 Park Development Impact Fees	102,886	67,175	0	0	0	170,061
61 Sewer Fixed Asset Replacement	942,766	1,300	444,836	0	0	1,388,902
62 Sewer Developer Impact Fee	843,826	348,875	0	33,000	0	1,159,701
66 WWTP Expansion	3,603,914	6,144,000	0	9,730,151	0	17,763
69 Local Transportation Fund - Non Mot	0	3,255	0	0	0	3,255
70 Local Transportation Fund	39,686	5,000	0	42,298	0	2,388
71 Transportation	-270,000	709,850	0	645,000	0	-205,150
81 Water Development Fee	-757,700	1,095,375	0	114,812	0	222,863
82 Water Fixed Asst Replacement	-20,148	0	185,482	150,000	0	15,334
88 Public Works Street Projects	0	100,000	0	100,000	0	0
<b>Capital Projects</b>	<b>6,038,464</b>	<b>8,814,030</b>	<b>630,318</b>	<b>11,543,261</b>	<b>0</b>	<b>3,939,551</b>
13 RDA - Debt Service	351,794	306,755	0	246,265	0	412,284
14 RDA - Housing	805,883	82,100	0	865,811	0	22,172
15 RDA	-273,722	300	0	86,293	10,000	-369,715
<b>RDA</b>	<b>883,955</b>	<b>389,155</b>	<b>0</b>	<b>1,198,369</b>	<b>10,000</b>	<b>64,741</b>
<b>GRAND TOTAL</b>	<b>8,280,999</b>	<b>15,299,251</b>	<b>877,915</b>	<b>17,655,855</b>	<b>877,915</b>	<b>5,924,395</b>
		<b>Total Revenue</b>	<b>16,177,166</b>	<b>Expenses</b>	<b>18,533,770</b>	

**City of Hughson**  
**Budget Summary - by Fund**  
**Mid Year Review 2011-12**  
**Revenue versus Expenses**

2/9/2012

	Adjusted Projected Revenue	Adjusted Budgeted Expenditures	Difference Rev - Exp
40 General Fund	1,972,212	1,967,164	5,048
401 General Fund Reserve	1,500	0	1,500
<b>General Fund</b>	<b>1,973,712</b>	<b>1,967,164</b>	<b>6,548</b>
4 Sale of Vehicle	0	0	0
5 AB939	0	0	0
7 Public Safety Augment	0	0	0
8 Vehicle Abatement	15,000	15,000	0
11 Traffic Congestion - Prop 42	50,000	58,907	-8,907
19 Asset Forfeiture	0	0	0
25 Gas Tax 2106	25,932	40,000	-14,068
30 Gas Tax 2107	44,269	76,000	-31,731
31 Gas Tax 2105	33,280	142,768	-109,488
35 Gas Tax 2107.5	2,050	0	2,050
49 IT Reserve	30,000	0	30,000
51 Self Insurance	0	15,000	-15,000
52 CLEEP	0	0	0
53 SLESF	100,700	180,000	-79,300
90 Garbage/Refuse	429,420	395,080	34,340
91 Miscellaneous Grants	0	0	0
100 LLD	119,420	182,980	-63,560
200 BAD	67,436	68,386	-950
92 Small Business Loan Grant	250	0	250
94 96-EDBG-738 Grant	0	0	0
95 1994 CDBG Housing Rehab STBG-799	3,800	0	3,800
96 Home Grant - FTHB	100	0	100
97 1996 CDBG Housing Rehab	9,100	400	8,700
98 Home Rehab - CalHome	1,100	0	1,100
<b>Special Revenue</b>	<b>931,857</b>	<b>1,174,521</b>	<b>-242,664</b>
48 Community Senior Center	28,800	20,500	8,300
50 United Samaritans Community Center	17,600	17,368	232
60 Sewer O & M	2,150,894	1,583,544	567,350
80 Water	1,240,800	1,019,043	221,757
<b>Enterprise Funds</b>	<b>3,438,094</b>	<b>2,640,455</b>	<b>797,639</b>
10 Storm Drain	70,850	24,000	46,850
20 Community Enhancement	25,700	77,000	-51,300
41 Public Facility Development	88,250	593,500	-505,250
42 Public Facility - Streets	102,525	33,500	69,025
54 Park Project	51,875	0	51,875
55 Park Development Impact Fees	67,175	0	67,175
61 Sewer Fixed Asset Replacement	446,136	0	446,136
62 Sewer Developer Impact Fee	348,875	33,000	315,875
66 WWTP Expansion	6,144,000	9,730,151	-3,586,151
69 Local Transportation Fund - Non Mot	3,255	0	3,255
70 Local Transportation Fund	5,000	42,298	-37,298
71 Transportation	709,850	645,000	64,850
81 Water Development Fee	1,095,375	114,812	980,563
82 Water Fixed Asst Replacement	185,482	150,000	35,482
88 Public Works Street Projects	100,000	100,000	0
<b>Capital Projects</b>	<b>9,444,348</b>	<b>11,543,261</b>	<b>-2,098,913</b>
13 RDA - Debt Service	306,755	246,265	60,490
14 RDA - Housing	82,100	865,811	-783,711
15 RDA	300	96,293	-95,993
<b>RDA</b>	<b>389,155</b>	<b>1,208,369</b>	<b>-819,214</b>
<b>GRAND TOTAL - Adjusted Budget</b>	<b>16,177,166</b>	<b>18,533,770</b>	<b>-2,356,604</b>
<b>Original Budget</b>	<b>16,034,407</b>	<b>17,611,826</b>	<b>-1,577,419</b>
<b>Difference</b>	<b>142,759</b>	<b>921,944</b>	<b>-779,185</b>

2/1/2012

**Budget Summary - by Fund**  
**Mid Year Review 2011-12**  
**Projection & Actual**

	Adjusted Projected Revenue	Actual 12/31/2011	Act/Bud % Rec	Adjusted Projected Expenditures	Actual 12/31/2011	Act/Bud % Spent
40 General Fund	1,972,212	503,222	25.52%	1,967,164	872,328	44.34%
401 General Fund Reserve	1,500	279	18.60%	0	0	0.00%
<b>General Fund</b>	<b>1,973,712</b>	<b>503,501</b>	<b>25.51%</b>	<b>1,967,164</b>	<b>872,328</b>	<b>44.34%</b>
4 Sale of Vehicle	0	0	0.00%	0	0	0.00%
5 AB939	0	0	0.00%	0	0	0.00%
7 Public Safety Augment	0	0	0.00%	0	0	0.00%
8 Vehicle Abatement	15,000	1,067	7.11%	15,000	0	0.00%
11 Traffic Congestion - Prop 42	50,000	23,257	46.51%	58,907	5,800	9.85%
19 Asset Forfeiture	0	0	0.00%	0	0	0.00%
25 Gas Tax 2106	25,932	8,401	32.40%	40,000	18,122	45.31%
30 Gas Tax 2107	44,269	16,162	36.51%	76,000	36,165	47.59%
31 Gas Tax 2105	33,280	10,535	31.66%	142,768	42,916	30.06%
35 Gas Tax 2107.5	2,050	0	0.00%	0	0	0.00%
49 IT Reserve	30,000	15,000	50.00%	0	0	0.00%
51 Self Insurance	0	0	0.00%	15,000	0	0.00%
52 CLEEP	0	0	0.00%	0	0	0.00%
53 SLESF	100,700	26,185	26.00%	180,000	9,964	5.54%
90 Garbage/Refuse	429,420	212,970	49.59%	395,080	4,030	1.02%
91 Miscellaneous Grants	0	0	0.00%	0	0	0.00%
100 LLD	119,420	0	0.00%	182,980	83,823	45.81%
200 BAD	67,436	0	0.00%	68,386	33,410	48.86%
92 Small Business Loan Grant	250	0	0.00%	0	0	0.00%
94 96-EDBG-738 Grant	0	0	0.00%	0	0	0.00%
95 1994 CDBG Housing Rehab STBG-799	3,800	1,765	46.45%	0	0	0.00%
96 Home Grant - FTHB	100	0	0.00%	0	0	0.00%
97 1996 CDBG Housing Rehab	9,100	3,828	42.07%	400	0	0.00%
98 Home Rehab - CalHome	1,100	0	0.00%	0	0	0.00%
<b>Special Revenue</b>	<b>931,857</b>	<b>319,170</b>	<b>34.25%</b>	<b>1,174,521</b>	<b>234,230</b>	<b>19.94%</b>
48 Community Senior Center	28,800	11,660	40.49%	20,500	8,415	41.05%
50 United Samaritans Community Center	17,600	6,895	39.18%	17,368	8,674	49.94%
60 Sewer O & M	2,150,894	1,231,914	57.27%	1,583,544	697,180	44.03%
80 Water	1,240,800	635,113	51.19%	1,019,043	470,186	46.14%
<b>Enterprise Funds</b>	<b>3,438,094</b>	<b>1,885,582</b>	<b>54.84%</b>	<b>2,640,455</b>	<b>1,184,455</b>	<b>44.86%</b>
10 Storm Drain	70,850	45,024	63.55%	24,000	24,008	100.03%
20 Community Enhancement	25,700	16,128	62.75%	77,000	0	0.00%
41 Public Facility Development	88,250	49,682	56.30%	593,500	594,414	100.15%
42 Public Facility - Streets	102,525	65,616	64.00%	33,500	33,997	101.48%
54 Park Project	51,875	22,033	42.47%	0	0	0.00%
55 Park Development Impact Fees	67,175	33,789	50.30%	0	0	0.00%
61 Sewer Fixed Asset Replacement	446,136	222,807	49.94%	0	0	0.00%
62 Sewer Developer Impact Fee	348,875	49,007	14.05%	33,000	33,151	100.46%
66 WWTP Expansion	6,144,000	1,353,397	22.03%	9,730,151	1,019,458	10.48%
69 Local Transportation Fund - Non Mot	3,255	0	0.00%	0	0	0.00%
70 Local Transportation Fund	5,000	0	0.00%	42,298	0	0.00%
71 Transportation	709,850	23,496	3.31%	645,000	13,070	2.03%
81 Water Development Fee	1,095,375	891,377	81.38%	114,812	50,281	43.79%
82 Water Fixed Asst Replacement	185,482	92,741	50.00%	150,000	31,259	20.84%
88 Public Works Street Projects	100,000	0	0.00%	100,000	0	0.00%
<b>Capital Projects</b>	<b>9,444,348</b>	<b>2,865,097</b>	<b>30.34%</b>	<b>11,543,261</b>	<b>1,799,638</b>	<b>15.59%</b>
13 RDA - Debt Service	306,755	4,226	1.38%	246,265	105,653	42.90%
14 RDA - Housing	82,100	1,372	1.67%	865,811	35,076	4.05%
15 RDA	300	0	0.00%	96,293	46,749	48.55%
<b>RDA</b>	<b>389,155</b>	<b>5,598</b>	<b>1.44%</b>	<b>1,208,369</b>	<b>187,478</b>	<b>15.51%</b>
<b>GRAND TOTAL</b>	<b>16,177,166</b>	<b>5,578,948</b>	<b>34.49%</b>	<b>18,533,770</b>	<b>4,278,129</b>	<b>23.08%</b>

ADPOTED BUDGET

	Projected Balance 7/1/2011	Projected Revenue	Transfers In	Projected Expenditures	Transfers Out	Projected Balance 6/30/2012
40 General Fund	121,000	1,777,415	201,597	1,943,164	24,000	132,848
401 General Fund Reserve	668,147	1,500	0	0	0	669,647
<b>General Fund</b>	<b>789,147</b>	<b>1,778,915</b>	<b>201,597</b>	<b>1,943,164</b>	<b>24,000</b>	<b>802,495</b>
4 Sale of Vehicle	0	0	0	0	0	0
5 AB939	0	0	0	0	0	0
7 Public Safety Augment	0	0	0	0	0	0
8 Vehicle Abatement	0	15,000	0	15,000	0	0
11 Traffic Congestion - Prop 42	72,307	50,000	0	47,307	11,600	63,400
19 Asset Forfeiture	1,660	0	0	0	0	1,660
25 Gas Tax 2106	51,723	25,932	0	35,000	5,000	37,655
30 Gas Tax 2107	32,185	44,269	0	26,000	50,000	454
31 Gas Tax 2105	113,805	33,280	0	62,768	80,000	4,317
35 Gas Tax 2107.5	10,672	2,050	0	0	0	12,722
49 IT Reserve	0	0	30,000	0	0	30,000
51 Self Insurance	107,847	0	0	15,000	0	92,847
52 CLEEP	0	0	0	0	0	0
53 SLESF	168,995	100,700	0	100,000	0	169,695
90 Garbage/Refuse	-81,425	421,000	0	388,580	0	-49,005
91 Miscellaneous Grants	-36,898	0	0	0	0	-36,898
100 LLD	121,075	119,420	0	149,107	26,129	65,259
200 BAD	49,500	67,436	0	54,018	14,368	48,550
92 Small Business Loan Grant	93,585	250	0	0	0	93,835
94 96-EDBG-738 Grant	403	0	0	0	0	403
95 1994 CDBG Housing Rehab STBG-799	154,003	3,800	0	0	0	157,803
96 Home Grant - FTHB	37,811	100	0	0	0	37,911
97 1996 CDBG Housing Rehab	9,919	9,100	0	400	0	18,619
98 Home Rehab - CallHome	-1,085	1,100	0	0	0	15
<b>Special Revenue</b>	<b>906,082</b>	<b>893,437</b>	<b>30,000</b>	<b>893,180</b>	<b>187,097</b>	<b>749,242</b>
48 Community Senior Center	-2,153	12,800	16,000	20,500	0	6,147
50 United Samaritans Community Center	6,769	17,600	0	12,868	4,500	7,001
60 Sewer O & M	-427,615	2,150,894	0	1,117,208	455,836	150,235
80 Water	86,350	1,240,800	0	806,361	196,482	324,307
<b>Enterprise Funds</b>	<b>-336,649</b>	<b>3,422,094</b>	<b>16,000</b>	<b>1,956,937</b>	<b>656,818</b>	<b>487,690</b>
10 Storm Drain	25,084	48,338	0	0	0	73,422
20 Community Enhancement	86,760	17,636	0	77,000	0	27,396
41 Public Facility Development	2,141,984	63,850	0	0	0	2,205,834
42 Public Facility - Streets	-1,009,891	69,717	0	0	0	-940,174
54 Park Project	309,297	35,947	0	0	0	345,244
55 Park Development Impact Fees	102,886	45,839	0	0	0	148,725
61 Sewer Fixed Asset Replacement	942,766	1,300	444,836	0	0	1,388,902
62 Sewer Developer Impact Fee	843,826	238,835	0	0	0	1,082,661
66 WWTP Expansion	3,603,914	6,144,000	0	9,730,151	0	17,763
69 Local Transportation Fund - Non Mot	0	3,255	0	0	0	3,255
70 Local Transportation Fund	39,686	5,000	0	42,298	0	2,388
71 Transportation	-270,000	709,850	0	645,000	0	-205,150
81 Water Development Fee	-757,700	1,064,951	0	87,812	0	219,439
82 Water Fixed Asst Replacement	-20,148	0	185,482	60,000	0	105,334
88 Public Works Street Projects	0	100,000	0	100,000	0	0
<b>Capital Projects</b>	<b>6,038,464</b>	<b>8,548,518</b>	<b>630,318</b>	<b>10,742,261</b>	<b>0</b>	<b>4,475,039</b>
13 RDA - Debt Service	351,794	391,352	0	246,265	0	496,881
14 RDA - Housing	805,883	119,376	0	865,811	0	59,448
15 RDA	-273,722	2,800	0	86,293	10,000	-367,215
<b>RDA</b>	<b>883,955</b>	<b>513,528</b>	<b>0</b>	<b>1,198,369</b>	<b>10,000</b>	<b>189,114</b>
<b>GRAND TOTAL</b>	<b>8,280,999</b>	<b>15,156,492</b>	<b>877,915</b>	<b>16,733,911</b>	<b>877,915</b>	<b>6,703,580</b>
	<b>Total Revenue</b>		<b>16,034,407</b>	<b>Expenses</b>	<b>17,611,826</b>	

# **EXPENSE**

# **WORKSHEET**

## GENERAL FUND (40) EXPENSES - As of 12/31/11

1/31/2012

FUND	ACCT	DEPT	Description	Actual	Budget	Bud-Act	Act/Bud % Spent	Adj	Mid Year Budget
40	5001	110	REG. SALARIES	7,800	15,600	7,800	50.00%		15,600
40	5170	110	MEDICARE TAX	597	1,195	598	49.96%		1,195
40	6001	110	OFFICE SUPPLIES	99	500	401	19.80%		500
40	6003	110	POSTAGE	0	100	100	0.00%		100
40	6004	110	DUES/PUBLICATNS	1,590	6,000	4,410	26.50%		6,000
40	6005	110	TRAVEL/MEETINGS	664	1,000	336	66.40%		1,000
40	6101	110	DEPT SUPPLIES	0	500	500	0.00%		500
40	6105	110	PHONE/RADIO	618	1,000	382	61.80%		1,000
40	6202	110	CONTRACT SRVCS	0	2,000	2,000	0.00%		2,000
<b>LEGISLATIVE</b>				<b>11,368</b>	<b>27,895</b>	<b>16,527</b>	<b>40.75%</b>		<b>27,895</b>
40	5001	120	REG. SALARIES	42,545	87,655	45,110	48.54%		87,655
40	5009	120	VEHICLE ALLOWAN	1,650	3,600	1,950	45.83%		3,600
40	5110	120	P.E.R.S.	10,478	21,876	11,398	47.90%		21,876
40	5120	120	MEDICAL INS.	6,090	9,681	3,591	62.91%		9,681
40	5130	120	UNEMPLOYMNT INS	93	5,435	5,342	1.71%		5,435
40	5140	120	WORKER'S COMP	2,808	5,641	2,833	49.78%		5,641
40	5150	120	LIFE INS	301	722	421	41.69%		722
40	5160	120	DENTAL INS	606	1,720	1,114	35.23%		1,720
40	5170	120	MEDICARE TAX	619	1,271	652	48.70%		1,271
40	5175	120	DEF COMP	206	225	19	91.56%		225
40	6001	120	OFFICE SUPPLIES	131	500	369	26.20%		500
40	6003	120	POSTAGE	8	100	92	8.00%		100
40	6004	120	DUES/PUBLICATNS	979	1,250	271	78.32%		1,250
40	6005	120	TRAVEL/MEETINGS	467	1,000	533	46.70%		1,000
40	6101	120	DEPT SUPPLIES	125	1,000	875	12.50%		1,000
40	6105	120	PHONE/RADIO	618	1,000	382	61.80%		1,000
40	6107	120	RENTS/LEASES	414	900	486	46.00%		900
40	6110	120	PETROLEUM PROD	488	700	212	69.71%		700
40	6202	120	CONTRACT SRVCS	56	1,000	944	5.60%		1,000
<b>CITY MANAGER</b>				<b>68,682</b>	<b>145,276</b>	<b>76,594</b>	<b>47.28%</b>		<b>145,276</b>
40	5001	130	REG. SALARIES	2,663	18,750	16,087	14.20%	-6,750	12,000 Will be lower
40	5170	130	MEDICARE TAX	204	1,435	1,231	14.22%		1,435
40	6001	130	OFFICE SUPPLIES	279	2,000	1,721	13.95%		2,000
40	6003	130	POSTAGE	41	200	159	20.50%		200
40	6004	130	DUES/PUBLICATNS	341	700	359	48.71%		700
40	6005	130	TRAVEL/MEETINGS	74	300	226	24.67%		300
40	6101	130	DEPT SUPPLIES	0	700	700	0.00%		700
40	6104	130	ADVERTISING	784	3,000	2,216	26.13%		3,000
40	6105	130	PHONE/RADIO	907	1,200	293	75.58%		1,200
40	6107	130	RENTS/LEASES	326	700	374	46.57%		700
40	6202	130	CONTRACT SRVCS	14,756	28,500	13,744	51.78%		28,500
<b>ADMIN SER/C.C.</b>				<b>20,375</b>	<b>57,485</b>	<b>37,110</b>	<b>35.44%</b>	<b>-6,750</b>	<b>50,735</b>
40	5001	140	REG. SALARIES	29,518	70,542	41,024	41.84%		70,542
40	5110	140	P.E.R.S.	3,878	7,622	3,744	50.88%		7,622
40	5120	140	MEDICAL INS.	4,866	9,600	4,734	50.69%		9,600
40	5130	140	UNEMPLOYMNT INS	0	1,893	1,893	0.00%		1,893
40	5140	140	WORKER'S COMP	505	1,015	510	49.75%		1,015
40	5150	140	LIFE INS	166	335	169	49.55%		335
40	5160	140	DENTAL INS	533	1,512	979	35.25%		1,512
40	5170	140	MEDICARE TAX	1,256	3,502	2,246	35.87%		3,502
40	5175	140	DEF COMP	136	100	-36	136.00%		100
40	6001	140	OFFICE SUPPLIES	436	1,300	864	33.54%		1,300

FUND	ACCT	DEPT	Description	Actual	Budget	Bud-Act	Act/Bud % Spent	Adj	Mid Year Budget
40	6003	140	POSTAGE	24	300	276	8.00%		300
40	6004	140	DUES/PUBLICATNS	0	300	300	0.00%		300
40	6005	140	TRAVEL/MEETINGS	0	200	200	0.00%		200
40	6101	140	DEPT SUPPLIES	0	200	200	0.00%		200
40	6105	140	PHONE/RADIO	291	500	209	58.20%		500
40	6107	140	RENTS/LEASES	562	1,200	638	46.83%		1,200
40	6110	140	PETROLEUM PROD	488	700	212	69.71%		700
40	6202	140	CONTRACT SRVCS	10,079	15,000	4,921	67.19%		15,000
40	6351	140	Misc.Bank Chgs	604	3,000	2,396	20.13%		3,000
<b>FINANCE</b>				<b>53,342</b>	<b>118,821</b>	<b>65,479</b>	<b>44.89%</b>		<b>118,821</b>
40	6113	145	INS/SURETIES	29,871	35,759	5,888	83.53%		35,759
40	6119	145	PROP TAX ADMIN	0	13,950	13,950	0.00%		13,950
40	6202	145	CONTRACT SRVCS	2,526	5,000	2,474	50.52%		5,000
40	8505	145	TRANSFERS-OUT	8,000	16,000	8,000	50.00%		16,000
40	8506	145	IT REPLACEMENT	4,000	8,000	4,000	50.00%		8,000
<b>NON DEPARTMENTA</b>				<b>44,397</b>	<b>78,709</b>	<b>34,312</b>	<b>56.41%</b>		<b>78,709</b>
40	5001	150	REG. SALARIES	600	1,200	600	50.00%		1,200
40	5170	150	MEDICARE TAX	46	92	46	50.00%		92
<b>CITY TREASURER</b>				<b>646</b>	<b>1,292</b>	<b>646</b>	<b>50.00%</b>		<b>1,292</b>
40	6202	160	CONTRACT SRVCS	34,416	105,000	70,584	32.78%	-18,015	86,985
<b>LEGAL SERVICES</b>				<b>34,416</b>	<b>105,000</b>	<b>70,584</b>	<b>32.78%</b>	<b>-18,015</b>	<b>86,985</b>
40	5001	170	REG. SALARIES	1,271	2,541	1,270	50.02%		2,541
40	5003	170	OVERTIME	5	5,000	4,995	0.10%		5,000
40	5110	170	P.E.R.S.	314	634	320	49.53%		634
40	5120	170	MEDICAL INS.	1,054	2,096	1,042	50.29%		2,096
40	5130	170	UNEMPLOYMNT INS	0	157	157	0.00%		157
40	5140	170	WORKER'S COMP	126	253	127	49.80%		253
40	5150	170	LIFE INS	13	27	14	48.15%		27
40	5160	170	DENTAL INS	38	97	59	39.18%		97
40	5170	170	MEDICARE TAX	18	36	18	50.00%		36
40	5175	170	DEF COMP	0	8	8	0.00%		8
40	6001	170	OFFICE SUPPLIES	49	100	51	49.00%		100
40	6004	170	DUES/PUBLICATNS	0	400	400	0.00%		400
40	6101	170	DEPT SUPPLIES	2,378	5,000	2,622	47.56%		5,000
40	6103	170	UNIFRM/CLTH EXP	547	700	153	78.14%		700
40	6105	170	PHONE/RADIO	306	500	194	61.20%		500
40	6106	170	UTILITIES	5,152	13,000	7,848	39.63%	-1,500	11,500
40	6108	170	MAINT BLDGS/GRD	1,030	3,500	2,470	29.43%		3,500
40	6110	170	PETROLEUM PROD	423	800	377	52.88%		800
40	6111	170	MAINT OF EQUIP	227	500	273	45.40%		500
40	6202	170	CONTRACT SRVCS	1,280	3,000	1,720	42.67%		3,000
40	7006	170	OTHER EQUIPMENT	900	900	0	100.00%		900
<b>BLDGS &amp; GRNDS</b>				<b>15,131</b>	<b>39,249</b>	<b>24,118</b>	<b>38.55%</b>	<b>-1,500</b>	<b>37,749</b>
40	5001	180	REG. SALARIES	8,294	15,524	7,230	53.43%		15,524
40	5003	180	OVERTIME	17	5,000	4,983	0.34%	-4,000	1,000
40	5110	180	P.E.R.S.	1,918	3,874	1,956	49.51%		3,874
40	5120	180	MEDICAL INS.	4,526	8,975	4,449	50.43%		8,975
40	5130	180	UNEMPLOYMNT INS	0	963	963	0.00%		963
40	5140	180	WORKER'S COMP	771	1,549	778	49.77%		1,549
40	5150	180	LIFE INS	82	171	89	47.95%		171
40	5160	180	DENTAL INS	240	616	376	38.96%		616
40	5170	180	MEDICARE TAX	121	225	104	53.78%		225
40	5175	180	DEF COMP	21	58	37	36.21%		58

FUND	ACCT	DEPT	Description	Actual	Budget	Bud-Act	Act/Bud % Spent	Adj	Mid Year Budget
40	6001	180	OFFICE SUPPLIES	34	150	116	22.67%		150
40	6003	180	POSTAGE	4	50	46	8.00%		50
40	6004	180	DUES/PUBLICATNS	155	350	195	44.29%		350
40	6005	180	TRAVEL/MEETINGS	40	100	60	40.00%		100
40	6101	180	DEPT SUPPLIES	1,230	3,000	1,770	41.00%		3,000
40	6102	180	SMALL TOOLS	0	100	100	0.00%		100
40	6105	180	PHONE/RADIO	306	500	194	61.20%		500
40	6106	180	UTILITIES	14,670	14,500	-170	101.17%	14,500	29,000 Metered Water
40	6107	180	RENTS/LEASES	1,184	2,700	1,516	43.85%		2,700
40	6108	180	MAINT BLDGS/GRD	0	250	250	0.00%		250
40	6111	180	MAINT OF EQUIP	488	1,500	1,012	32.53%		1,500
40	6202	180	CONTRACT SRVCS	56	500	444	11.20%		500
40	7006	180	OTHER EQUIPMENT	539	1,100	561	49.00%		1,100
<b>PARKS &amp; REC.</b>				<b>34,696</b>	<b>61,755</b>	<b>27,059</b>	<b>56.18%</b>	<b>10,500</b>	<b>72,255</b>
40	5001	190	REG. SALARIES	20,360	41,481	21,121	49.08%		41,481
40	5110	190	P.E.R.S.	4,704	9,604	4,900	48.98%		9,604
40	5120	190	MEDICAL INS.	4,209	8,327	4,118	50.55%		8,327
40	5130	190	UNEMPLOYMNT INS	0	2,386	2,386	0.00%		2,386
40	5140	190	WORKER'S COMP	997	2,003	1,006	49.78%		2,003
40	5150	190	LIFE INS	164	330	166	49.70%		330
40	5160	190	DENTAL INS	289	1,053	764	27.45%		1,053
40	5170	190	MEDICARE TAX	348	788	440	44.16%		788
40	5175	190	DEF COMP	151	165	14	91.52%		165
40	6001	190	OFFICE SUPPLIES	631	1,800	1,169	35.06%		1,800
40	6003	190	POSTAGE	32	400	368	8.00%		400
40	6004	190	DUES/PUBLICATNS	2,698	5,600	2,902	48.18%		5,600
40	6005	190	TRAVEL/MEETINGS	0	500	500	0.00%		500
40	6101	190	DEPT SUPPLIES	0	400	400	0.00%		400
40	6105	190	PHONE/RADIO	96	150	54	64.00%		150
40	6107	190	RENTS/LEASES	177	400	223	44.25%		400
40	6111	190	MAINT OF EQUIP	100	100	0	100.00%		100
40	6202	190	CONTRACT SRVCS	20,236	30,000	9,764	67.45%	10,000	40,000 More Planning Work
<b>PLANNING/BLDG</b>				<b>55,192</b>	<b>105,487</b>	<b>50,295</b>	<b>52.32%</b>	<b>10,000</b>	<b>115,487</b>
40	6125	210	VEHICLE REIM	4703	40,000	35,297	11.76%		40,000
40	6202	210	CONTRACT SRVCS	373,002	890,000	516,998	41.91%		890,000
<b>POLICE DEPT</b>				<b>377,705</b>	<b>930,000</b>	<b>552,295</b>	<b>40.61%</b>		<b>930,000</b>
40	6202	211	CONTRACT SRVCS	19,179	25,571	6,392	75.00%		25,571
40	6205	211	Loan Debt Serv	3,573	4,761	1,188	75.05%		4,761
<b>ANIMAL CONTROL</b>				<b>22,752</b>	<b>30,332</b>	<b>7,580</b>	<b>75.01%</b>		<b>30,332</b>
40	5001	310	REG. SALARIES	18,829	38,462	19,633	48.95%		38,462
40	5110	310	P.E.R.S.	4,611	9,599	4,988	48.04%		9,599
40	5120	310	MEDICAL INS.	5,788	11,465	5,677	50.48%		11,465
40	5130	310	UNEMPLOYMNT INS	0	2,385	2,385	0.00%		2,385
40	5140	310	WORKER'S COMP	1,486	2,986	1,500	49.77%		2,986
40	5150	310	LIFE INS	156	313	157	49.84%		313
40	5160	310	DENTAL INS	391	1,290	899	30.31%		1,290
40	5170	310	MEDICARE TAX	258	557	299	46.32%		557
40	5175	310	DEF COMP	151	165	14	91.52%		165
40	6001	310	OFFICE SUPPLIES	283	750	467	37.73%		750
40	6003	310	POSTAGE	48	250	202	19.20%		250
40	6004	310	DUES/PUBLICATNS	0	600	600	0.00%		600
40	6005	310	TRAVEL/MEETINGS	0	400	400	0.00%		400
40	6101	310	DEPT SUPPLIES	0	100	100	0.00%		100
40	6105	310	PHONE/RADIO	1,103	1,750	647	63.03%		1,750

FUND	ACCT	DEPT	Description	Actual	Budget	Bud-Act	Act/Bud % Spent	Adj	Mid Year Budget
40	6110	310	PETROLEUM PROD	423	600	177	70.50%		600
40	6202	310	CONTRACT SRVCS	656	5,000	4,344	13.12%		5,000
40	6210	310	AB939 GRANT	0	5,000	5,000	0.00%		5,000
40	6407	310	ENCROACHMENT	916	500	-416	183.20%	1,000	1,500
<b>P.W. ADM.</b>				<b>35,099</b>	<b>82,172</b>	<b>47,073</b>	<b>42.71%</b>	<b>1,000</b>	<b>83,172</b>
40	5001	320	REG. SALARIES	26,386	51,863	25,477	50.88%		51,863
40	5003	320	OVERTIME	3,981	5,000	1,019	79.62%		5,000
40	5110	320	P.E.R.S.	6,406	12,944	6,538	49.49%		12,944
40	5120	320	MEDICAL INS.	9,830	19,410	9,580	50.64%		19,410
40	5130	320	UNEMPLOYMNT INS	0	3,216	3,216	0.00%		3,216
40	5140	320	WORKER'S COMP	2,574	5,172	2,598	49.77%		5,172
40	5150	320	LIFE INS	290	585	295	49.57%		585
40	5160	320	DENTAL INS	1,010	2,893	1,883	34.91%		2,893
40	5170	320	MEDICARE TAX	412	753	341	54.71%		753
40	5175	320	DEF COMP	172	188	16	91.49%		188
40	6001	320	OFFICE SUPPLIES	147	600	453	24.50%		600
40	6003	320	POSTAGE	14	175	161	8.00%		175
40	6004	320	DUES/PUBLICATNS	4,852	4,100	-752	118.34%	1,000	5,100
40	6005	320	TRAVEL/MEETINGS	40	150	110	26.67%		150
40	6101	320	DEPT SUPPLIES	3,532	6,000	2,468	58.87%	-1,000	5,000
40	6102	320	SMALL TOOLS	395	400	5	98.75%		400
40	6103	320	UNIFRM/CLTH EXP	1,243	2,600	1,357	47.81%		2,600
40	6105	320	PHONE/RADIO	942	1,750	808	53.83%		1,750
40	6107	320	RENTS/LEASES	2,072	2,000	-72	103.60%	2,000	4,000
40	6108	320	MAINT BLDGS/GRD	257	300	43	85.67%		300
40	6109	320	MAINT VEHICLES	377	2,000	1,623	18.85%	-1,500	500
40	6110	320	PETROLEUM PROD	2,370	3,600	1,230	65.83%		3,600
40	6111	320	MAINT OF EQUIP	918	1,000	82	91.80%		1,000
40	6202	320	CONTRACT SRVCS	4,504	2,035	-2,469	221.33%	4,265	6,300
40	6211	320	CLEANUP DAY	0	1,250	1,250	0.00%		1,250
<b>STREET MAINT</b>				<b>72,724</b>	<b>129,984</b>	<b>57,260</b>	<b>55.95%</b>	<b>4,765</b>	<b>134,749</b>
40	5001	325	REG. SALARIES	11,809	23,051	11,242	51.23%		23,051
40	5003	325	OVERTIME	1,008	0	-1,008		2,000	2,000
40	5110	325	P.E.R.S.	2,847	5,753	2,906	49.49%		5,753
40	5120	325	MEDICAL INS.	4,234	8,368	4,134	50.60%		8,368
40	5130	325	UNEMPLOYMNT INS	0	1,429	1,429	0.00%		1,429
40	5140	325	WORKER'S COMP	1,144	2,299	1,155	49.76%		2,299
40	5150	325	LIFE INS	125	251	126	49.80%		251
40	5160	325	DENTAL INS	404	1,147	743	35.22%		1,147
40	5170	325	MEDICARE TAX	186	334	148	55.69%		334
40	5175	325	DEF COMP	69	75	6	92.00%		75
40	6001	325	OFFICE SUPPLIES	22	50	28	44.00%		50
40	6101	325	DEPT SUPPLIES	17	1,000	983	1.70%		1,000
40	6102	325	SMALL TOOLS	0	250	250	0.00%		250
40	6103	325	UNIFRM/CLTH EXP	310	350	40	88.57%		350
40	6105	325	PHONE/RADIO	1,702	2,850	1,148	59.72%		2,850
40	6109	325	MAINT VEHICLES	819	4,000	3,181	20.48%	-2,000	2,000
40	6110	325	PETROLEUM PROD	488	700	212	69.71%		700
40	6111	325	MAINT OF EQUIP	49	300	251	16.33%		300
40	6202	325	CONTRACT SRVCS	570	1,500	930	38.00%		1,500
<b>FLEET MAINT.</b>				<b>25,803</b>	<b>53,707</b>	<b>27,904</b>	<b>48.04%</b>	<b>0</b>	<b>53,707</b>
<b>Grand Total - General Fund</b>				<b>872,328</b>	<b>1,967,164</b>	<b>1,094,836</b>	<b>44.34%</b>	<b>0</b>	<b>1,967,164</b>

## FUNDS 1 -39 AS OF 12/31/11

1/28/2012

FUND	ACCT	DEPT	Description	Actual	Budget	Bud-Act	Act/Bud % Spent	Adj	Mid Year Budget
08	6202	212	CONTRACT SRVCS	0	15,000	15,000	0.00%		15,000
			<b>VEH. ABATEMENT</b>	<b>0</b>	<b>15,000</b>	<b>15,000</b>	<b>0.00%</b>		<b>15,000</b>
10	6120	800	PROP OWNER REF	24,008	0	-24,008		24,000	24,000
			<b>STORM DRAIN</b>	<b>24,008</b>	<b>0</b>	<b>-24,008</b>		<b>24,000</b>	<b>24,000</b>
11	8003	105	STREETSCAPE	0	47,307	47,307	0.00%		47,307
11	8505	105	TRANSFERS-OUT	5,800	11,600	5,800	50.00%		11,600
			<b>TRAFFIC</b>	<b>5,800</b>	<b>58,907</b>	<b>53,107</b>	<b>9.85%</b>		<b>58,907</b>
13	6202	610	CONTRACT SRVCS	0	2,000	2,000	0.00%		2,000
13	6350	610	INTEREST EXPENS	57,653	116,265	58,612	49.59%		116,265
13	6600	610	PASS THRU EXPS.	0	80,000	80,000	0.00%		80,000
13	6801	610	RETIRE PRINCIPL	48,000	48,000	0	100.00%		48,000
			<b>DEBT SERVICE</b>	<b>105,653</b>	<b>246,265</b>	<b>140,612</b>	<b>42.90%</b>		<b>246,265</b>
14	5001	620	REG. SALARIES	5,793	10,884	5,091	53.22%		10,884
14	5110	620	P.E.R.S.	1,312	2,716	1,404	48.31%		2,716
14	5120	620	MEDICAL INS.	666	1,305	639	51.03%		1,305
14	5130	620	UNEMPLOYMNT INS	8	675	667	1.19%		675
14	5140	620	WORKER'S COMP	176	353	177	49.86%		353
14	5150	620	LIFE INS	52	105	53	49.52%		105
14	5160	620	DENTAL INS	58	311	253	18.65%		311
14	5170	620	MEDICARE TAX	100	158	58	63.29%		158
14	5175	620	DEF COMP	55	60	5	91.67%		60
14	6001	620	OFFICE SUPPLIES	39	150	111	26.00%		150
14	6003	620	POSTAGE	4	50	46	8.00%		50
14	6005	620	TRAVEL/MEETINGS	0	100	100	0.00%		100
14	6113	620	INS/SURETIES	0	878	878	0.00%		878
14	6201	620	PROF SERVICES	0	3,500	3,500	0.00%		3,500
14	6202	620	CONTRACT SRVCS	400	3,500	3,100	11.43%		3,500
14	6350	620	INTEREST EXPENS	14,413	29,066	14,653	49.59%		29,066
14	6801	620	RETIRE PRINCIPL	12,000	12,000	0	100.00%		12,000
14	8014	620	AFFORDABLE HOUS	0	800,000	800,000	0.00%		800,000
			<b>HOUSING - REDEV</b>	<b>35,076</b>	<b>865,811</b>	<b>830,735</b>	<b>4.05%</b>		<b>865,811</b>
15	5001	630	REG. SALARIES	17,925	40,910	22,985	43.82%		40,910
15	5110	630	P.E.R.S.	4,149	8,650	4,501	47.97%		8,650
15	5120	630	MEDICAL INS.	1,972	3,880	1,908	50.82%		3,880
15	5130	630	UNEMPLOYMNT INS	34	2,148	2,114	1.58%		2,148
15	5140	630	WORKER'S COMP	1,024	2,057	1,033	49.78%		2,057
15	5150	630	LIFE INS	126	294	168	42.86%		294
15	5160	630	DENTAL INS	231	729	498	31.69%		729
15	5170	630	MEDICARE TAX	321	981	660	32.72%		981
15	5175	630	DEF COMP	96	105	9	91.43%		105

Madsen Reim

FUND	ACCT	DEPT	Description	Actual	Budget	Bud-Act	Act/Bud % Spent	Adj	Mid Year Budget
15	6001	630	OFFICE SUPPLIES	39	150	111	26.00%		150
15	6003	630	POSTAGE	12	150	138	8.00%		150
15	6004	630	DUES/PUBLICATNS	0	1,800	1,800	0.00%		1,800
15	6005	630	TRAVEL/MEETINGS	0	100	100	0.00%		100
15	6007	630	Commtty Enhance.	0	100	100	0.00%		100
15	6113	630	INS/SURETIES	0	4,239	4,239	0.00%		4,239
15	6202	630	CONTRACT SRVCS	15,820	20,000	4,180	79.10%		20,000
15	8505	630	TRANSFERS-OUT	5,000	10,000	5,000	50.00%		10,000
<b>REDEVELOP O &amp; M</b>				<b>46,749</b>	<b>96,293</b>	<b>49,544</b>	<b>48.55%</b>		<b>96,293</b>
20	7010	800	PARK FIELD IMP	0	25,000	25,000	0.00%		25,000
20	7011	800	WATER TANK REH	0	30,000	30,000	0.00%		30,000
20	7012	800	LIGHTING IMPR	0	22,000	22,000	0.00%		22,000
<b>COMMUNITY ENHAN</b>				<b>0</b>	<b>77,000</b>	<b>77,000</b>	<b>0.00%</b>		<b>77,000</b>
25	6106	700	UTILITIES	15,622	35,000	19,378	44.63%		35,000
25	8505	700	TRANSFERS-OUT	2,500	5,000	2,500	50.00%		5,000
<b>GAS TAX 2106</b>				<b>18,122</b>	<b>40,000</b>	<b>21,878</b>	<b>45.31%</b>		<b>40,000</b>
30	6202	700	CONTRACT SRVCS	11,165	26,000	14,835	42.94%		26,000
30	8505	700	TRANSFERS-OUT	25,000	50,000	25,000	50.00%		50,000
<b>GAS TAX 2107</b>				<b>36,165</b>	<b>76,000</b>	<b>39,835</b>	<b>47.59%</b>		<b>76,000</b>
31	6101	700	DEPT SUPPLIES	1,094	15,000	13,906	7.29%		15,000
31	6202	700	CONTRACT SRVCS	0	6,900	6,900	0.00%		6,900
31	7007	700	MISC. STREETS	1,822	2,000	178	91.10%		2,000
31	8010	700	Hatch Road Impr	0	38,868	38,868	0.00%		38,868
31	8505	700	TRANSFERS-OUT	40,000	80,000	40,000	50.00%		80,000
<b>2105 HWY USR TX</b>				<b>42,916</b>	<b>142,768</b>	<b>99,852</b>	<b>30.06%</b>		<b>142,768</b>
<b>GRAND TOTAL Funds 1-39</b>				<b>314,489</b>	<b>1,618,044</b>	<b>1,303,555</b>	<b>19.44%</b>	<b>24,000</b>	<b>1,642,044</b>

Audit Complete

Project done

1/30/12

## FUNDS 41 - 999 EXPENSES As of 12/31/11

FUND	ACCT	DEPT	Description	Actual	Budget	Bud - Act	Act/Bud % Spent	Adj	Mid Year Budget	
41	6120	800	PROP OWNER REF	55,620	0	-55,620		55,500	55,500	Reim Madsen Dev Agr
41	6122	800	RIEM SURFACE WA	538,794	0	-538,794		538,000	538,000	TID Agreement
	<b>PUB FAC DEV</b>			<b>594,414</b>	<b>0</b>	<b>-594,414</b>		<b>593,500</b>	<b>593,500</b>	
42	6120		PROP OWNER REF	33,997	0	-33,997		33,500	33,500	Reim Madsen Dev Agr
	<b>PF - STREETS</b>			<b>33,997</b>	<b>0</b>	<b>-33,997</b>		<b>33,500</b>	<b>33,500</b>	
48	6101	360	DEPT SUPPLIES	455	600	145	75.83%		600	
48	6106	360	UTILITIES	2,794	4,500	1,706	62.09%		4,500	
48	6108	360	MAINT BLDGS/GRD	77	2,000	1,923	3.85%		2,000	
48	6111	360	MAINT OF EQUIP	365	2,600	2,235	14.04%		2,600	
48	6202	360	CONTRACT SRVCS	4,724	10,800	6,076	43.74%		10,800	
	<b>COMM CTR O &amp; M</b>			<b>8,415</b>	<b>20,500</b>	<b>12,085</b>	<b>41.05%</b>		<b>20,500</b>	
50	5001	365	REG. SALARIES	1,348	2,361	1,013	57.09%		2,361	
50	5110	365	P.E.R.S.	292	589	297	49.58%		589	
50	5120	365	MEDICAL INS.	375	738	363	50.81%		738	
50	5130	365	UNEMPLOYMNT INS	0	146	146	0.00%		146	
50	5140	365	WORKER'S COMP	117	235	118	49.79%		235	
50	5150	365	LIFE INS	13	26	13	50.00%		26	
50	5160	365	DENTAL INS	38	97	59	39.18%		97	
50	5170	365	MEDICARE TAX	20	34	14	58.82%		34	
50	5175	365	DEF COMP	7	8	1	87.50%		8	
50	6001	365	OFFICE SUPPLIES	54	200	146	27.00%		200	
50	6101	365	DEPT SUPPLIES	229	900	671	25.44%		900	
50	6106	365	UTILITIES	2,109	5,100	2,991	41.35%		5,100	
50	6108	365	MAINT BLDGS/GRD	0	100	100	0.00%		100	
50	6111	365	MAINT OF EQUIP	0	100	100	0.00%		100	
50	6113	365	INS/SURETIES	0	234	234	0.00%		234	
50	7007	365	MISC. STREETS	1,822	2,000	178	91.10%		2,000	ok - Proj done
50	8505	365	TRANSFERS-OUT	2,250	4,500	2,250	50.00%		4,500	
	<b>USF COM. CENTER</b>			<b>8,674</b>	<b>17,368</b>	<b>8,694</b>	<b>49.94%</b>		<b>17,368</b>	
51	6375		MISC	0	15,000	15,000	0.00%		15,000	
	<b>SELF-INSURANCE</b>			<b>0</b>	<b>15,000</b>	<b>15,000</b>	<b>0.00%</b>		<b>15,000</b>	
53	6202	215	CONTRACT SRVCS	9,964	100,000	90,036	9.96%	80,000	180,000	Law Enforcement Action
	<b>SLESF</b>			<b>9,964</b>	<b>100,000</b>	<b>90,036</b>	<b>9.96%</b>	<b>80,000</b>	<b>180,000</b>	Plan
60	5001	330	REG. SALARIES	72,840	142,515	69,675	51.11%		142,515	
60	5003	330	OVERTIME	2,729	5,000	2,271	54.58%		5,000	
60	5110	330	P.E.R.S.	17,539	35,567	18,028	49.31%		35,567	
60	5120	330	MEDICAL INS.	22,866	45,157	22,291	50.64%		45,157	
60	5130	330	UNEMPLOYMNT INS	17	8,836	8,819	0.19%		8,836	
60	5140	330	WORKER'S COMP	4,594	9,229	4,635	49.78%		9,229	
60	5150	330	LIFE INS	723	1,458	735	49.59%		1,458	
60	5160	330	DENTAL INS	2,210	6,613	4,403	33.42%		6,613	
60	5170	330	MEDICARE TAX	1,069	2,066	997	51.74%		2,066	
60	5175	330	DEF COMP	553	552	-1	100.18%		552	
60	6001	330	OFFICE SUPPLIES	1,568	900	-668	174.22%	2,100	3,000	Recalculate UT Billing
60	6003	330	POSTAGE	138	1,700	1,562	8.12%		1,700	
60	6004	330	DUES/PUBLICATNS	1,647	1,700	53	96.88%		1,700	ok
60	6005	330	TRAVEL/MEETINGS	0	150	150	0.00%		150	
60	6101	330	DEPT SUPPLIES	137	1,400	1,263	9.79%		1,400	
60	6103	330	UNIFRM/CLTH EXP	704	1,300	596	54.15%		1,300	
60	6105	330	PHONE/RADIO	1,064	2,000	936	53.20%		2,000	

FUND	ACCT	DEPT	Description	Actual	Budget	Bud - Act	Act/Bud % Spent	Adj	Mid Year Budget
60	6107	330	RENTS/LEASES	1,302	2,800	1,498	46.50%		2,800
60	6109	330	MAINT VEHICLES	99	1,000	901	9.90%		1,000
60	6110	330	PETROLEUM PROD	1,462	2,200	738	66.45%		2,200
60	6111	330	MAINT OF EQUIP	660	3,100	2,440	21.29%		3,100
60	6113	330	INS/SURETIES	9,875	13,725	3,850	71.95%		13,725
60	6202	330	CONTRACT SRVCS	16,803	77,000	60,197	21.82%		77,000
60	6203	330	ADMIN SRVCS	113,043	226,086	113,043	50.00%		226,086
60	6350	330	INTEREST EXPENS	0	2,629	2,629	0.00%		2,629
60	8505	330	TRANSFERS-OUT	227,918	444,836	216,918	51.24%		444,836
60	8506	330	IT REPLACEMENT	0	11,000	11,000	0.00%		11,000
<b>SEWER O &amp; M</b>				<b>501,560</b>	<b>1,050,519</b>	<b>548,959</b>	<b>47.74%</b>	<b>2,100</b>	<b>1,052,619</b>
60	5001	350	REG. SALARIES	20,017	53,975	33,958	37.09%		53,975
60	5003	350	OVERTIME	11,464	5,000	-6,464	229.28%		5,000
60	5110	350	P.E.R.S.	4,445	13,470	9,025	33.00%		13,470
60	5120	350	MEDICAL INS.	3,663	13,338	9,675	27.46%		13,338
60	5130	350	UNEMPLOYMNT INS	0	3,346	3,346	0.00%		3,346
60	5140	350	WORKER'S COMP	3,572	7,176	3,604	49.78%		7,176
60	5150	350	LIFE INS	193	585	392	32.99%		585
60	5160	350	DENTAL INS	290	2,703	2,413	10.73%		2,703
60	5170	350	MEDICARE TAX	458	783	325	58.49%		783
60	5175	350	DEF COMP	138	225	87	61.33%		225
60	6001	350	OFFICE SUPPLIES	265	800	535	33.13%		800
60	6003	350	POSTAGE	101	1,250	1,149	8.08%		1,250
60	6004	350	DUES/PUBLICATNS	13,272	9,600	-3,672	138.25%	3,400	13,000
60	6005	350	TRAVEL/MEETINGS	176	1,000	824	17.60%		1,000
60	6101	350	DEPT SUPPLIES	15,893	57,000	41,107	27.88%		57,000
60	6102	350	SMALL TOOLS	74	1,000	926	7.40%		1,000
60	6103	350	UNIFRM/CLTH EXP	1,077	2,200	1,123	48.95%		2,200
60	6105	350	PHONE/RADIO	1,565	2,500	935	62.60%		2,500
60	6106	350	UTILITIES	34,163	125,000	90,837	27.33%		125,000
60	6107	350	RENTS/LEASES	1,480	3,200	1,720	46.25%		3,200
60	6109	350	MAINT VEHICLES	0	1,500	1,500	0.00%		1,500
60	6110	350	PETROLEUM PROD	2,111	3,200	1,089	65.97%		3,200
60	6111	350	MAINT OF EQUIP	930	8,200	7,270	11.34%		8,200
60	6113	350	INS/SURETIES	9,875	6,974	-2,901	141.60%	5,000	11,974
60	6117	350	SLUDGE REMOVAL	17,935	50,000	32,065	35.87%		50,000
60	6118	350	Enviro Monitor	35,329	85,000	49,671	41.56%		85,000
60	6202	350	CONTRACT SRVCS	14,643	51,000	36,357	28.71%		51,000
60	7003	350	IMP OTHR TN BLD	0	2,500	2,500	0.00%		2,500
60	7006	350	OTHER EQUIPMENT	2,491	10,000	7,509	24.91%		10,000
<b>SEWER O &amp; M</b>				<b>195,620</b>	<b>522,525</b>	<b>326,905</b>	<b>37.44%</b>	<b>8,400</b>	<b>530,925</b>
62	6120	800	PROP OWNER REF	33,151	0	-33,151		33,000	33,000
<b>SEWER DIF</b>				<b>33,151</b>	<b>0</b>	<b>-33,151</b>		<b>33,000</b>	<b>33,000</b>
66	6350	800	INTEREST EXPENS	127,228	240,151	112,923	52.98%		240,151
66	8066	800	WWTP EXPAN 2008	892,230	9,490,000	8,597,770	9.40%		9,490,000
<b>WWTP EXPANSION</b>				<b>1,019,458</b>	<b>9,730,151</b>	<b>8,710,693</b>	<b>10.48%</b>		<b>9,730,151</b>
70	6201	800	PROF SERVICES	0	38,868	38,868	0.00%		38,868
70	6202	800	CONTRACT SRVCS	0	3,430	3,430	0.00%		3,430
<b>LOCAL TRANSPRT</b>				<b>0</b>	<b>42,298</b>	<b>42,298</b>	<b>0.00%</b>		<b>42,298</b>
71	8010	800	Hatch Road Impr	660	300,000	299,340	0.22%		300,000
71	8027	800	INFILL SIDEWALK	0	5,000	5,000	0.00%		5,000
71	8031	800	PINE STREET PRO	12,410	340,000	327,590	3.65%		340,000
<b>TRANSPORTATION</b>				<b>13,070</b>	<b>645,000</b>	<b>631,930</b>	<b>2.03%</b>		<b>645,000</b>

FUND	ACCT	DEPT	Description	Actual	Budget	Bud - Act	Act/Bud % Spent	Adj	Mid Year Budget	
80	5001	340	REG. SALARIES	77,830	153,748	75,918	50.62%		153,748	
80	5003	340	OVERTIME	2,905	5,000	2,095	58.10%		5,000	
80	5110	340	P.E.R.S.	18,923	38,372	19,449	49.31%		38,372	
80	5120	340	MEDICAL INS.	22,858	45,098	22,240	50.69%		45,098	
80	5130	340	UNEMPLOYMNT INS	17	9,530	9,513	0.18%		9,530	
80	5140	340	WORKER'S COMP	5,182	10,408	5,226	49.79%		10,408	
80	5150	340	LIFE INS	762	1,536	774	49.61%		1,536	
80	5160	340	DENTAL INS	2,396	7,140	4,744	33.56%		7,140	
80	5170	340	MEDICARE TAX	1,114	2,231	1,117	49.93%		2,231	
80	5175	340	DEF COMP	583	585	2	99.66%		585	
80	6001	340	OFFICE SUPPLIES	1,756	1,000	-756	175.60%	2,500	3,500	Recalculate UT Billing
80	6003	340	POSTAGE	325	4,000	3,675	8.13%		4,000	
80	6004	340	DUES/PUBLICATNS	13,308	21,000	7,692	63.37%		21,000	
80	6005	340	TRAVEL/MEETINGS	500	1,500	1,000	33.33%		1,500	
80	6101	340	DEPT SUPPLIES	6,224	15,000	8,776	41.49%		15,000	ok
80	6102	340	SMALL TOOLS	0	100	100	0.00%		100	
80	6103	340	UNIFRM/CLTH EXP	1,284	2,700	1,416	47.56%		2,700	
80	6105	340	PHONE/RADIO	994	1,600	606	62.13%		1,600	
80	6106	340	UTILITIES	53,633	89,000	35,367	60.26%		89,000	
80	6107	340	RENTS/LEASES	1,480	3,100	1,620	47.74%		3,100	
80	6109	340	MAINT VEHICLES	90	1,500	1,410	6.00%		1,500	
80	6110	340	PETROLEUM PROD	1,592	2,400	808	66.33%		2,400	
80	6111	340	MAINT OF EQUIP	570	10,000	9,430	5.70%		10,000	
80	6113	340	INS/SURETIES	16,458	11,111	-5,347	148.12%	8,700	19,811	Correct RMA Ins Bill
80	6202	340	CONTRACT SRVCS	34,432	164,500	130,068	20.93%		164,500	
80	6203	340	ADMIN SRVCS	68,180	136,360	68,180	50.00%		136,360	
80	6350	340	INTEREST EXPENS	32,703	67,342	34,639	48.56%		67,342	
80	7003	340	IMP OTHR TN BLD	5,846	500	-5,346	1169.20%	5,000	5,500	Well #7 Motor Pump Rep
80	8505	340	TRANSFERS-OUT	98,241	185,482	87,241	52.97%		185,482	
80	8506	340	IT REPLACEMENT	0	11,000	11,000	0.00%		11,000	
<b>WATER</b>				<b>470,186</b>	<b>1,002,843</b>	<b>532,657</b>	<b>46.89%</b>	<b>16,200</b>	<b>1,019,043</b>	
81	6120	800	PROP OWNER REF	27,163	0	-27,163		27,000	27,000	Reim Madsen Dev Agr
81	6202	800	CONTRACT SRVCS	0	20,000	20,000	0.00%		20,000	
81	6350	800	INTEREST EXPENS	23,118	47,812	24,694	48.35%		47,812	
81	8034	800	WELL #8	0	20,000	20,000	0.00%		20,000	
<b>WATER DIF</b>				<b>50,281</b>	<b>87,812</b>	<b>37,531</b>	<b>57.26%</b>	<b>27,000</b>	<b>114,812</b>	
82	7003	800	IMP OTHR TN BLD	31,259	10,000	-21,259	312.59%	140,000	150,000	Complete SCADA Project
82	8021	800	REPLACE WELL #2	0	50,000	50,000	0.00%	-50,000	0	
<b>WATER F A REPL</b>				<b>31,259</b>	<b>60,000</b>	<b>28,741</b>	<b>52.10%</b>	<b>90,000</b>	<b>150,000</b>	
88	8033	800	FOURTH STREET	0	100,000	100,000	0.00%		100,000	
<b>PW STREET PROJ</b>				<b>0</b>	<b>100,000</b>	<b>100,000</b>	<b>0.00%</b>		<b>100,000</b>	
90	6001	380	OFFICE SUPPLIES	916	14,500	13,584	6.32%		14,500	
90	6003	380	POSTAGE	3,114	15,200	12,086	20.49%		15,200	
90	6101	380	DEPT SUPPLIES	0	200	200	0.00%		200	
90	6116	380	FRANCHISE FEE	0	33,680	33,680	0.00%		33,680	
90	6202	380	CONTRACT SRVCS	0	325,000	325,000	0.00%	6,500	331,500	Rate Increase - 6 Mons
<b>GARBAGE REFUSE</b>				<b>4,030</b>	<b>388,580</b>	<b>384,550</b>	<b>1.04%</b>	<b>6,500</b>	<b>395,080</b>	
97	6104	900	ADVERTISING	0	400	400	0.00%		400	
<b>96-STBG-1013</b>				<b>0</b>	<b>400</b>	<b>400</b>	<b>0.00%</b>		<b>400</b>	
<b>GRAND TOTAL Funds 41-999</b>				<b>2,974,079</b>	<b>13,782,996</b>	<b>10,808,917</b>	<b>21.58%</b>	<b>890,200</b>	<b>14,673,196</b>	

## FUNDS 100-200 AS OF 12/31/11

1/28/2012

FUND	ACCT	DEPT	Description	Actual	Budget	Bud - Act	Act/Bud % Spent	Adj	Mid Year Budget
100	5001	100	REG. SALARIES	23,116	43,573	20,457	53.05%		43,573
100	5003	100	OVERTIME	46	0	-46			0
100	5110	100	P.E.R.S.	5,359	10,875	5,516	49.28%		10,875
100	5120	100	MEDICAL INS.	12,340	24,470	12,130	50.43%		24,470
100	5130	100	UNEMPLOYMNT INS	0	2,702	2,702	0.00%		2,702
100	5140	100	WORKER'S COMP	2,153	4,326	2,173	49.77%		4,326
100	5150	100	LIFE INS	228	474	246	48.10%		474
100	5160	100	DENTAL INS	663	1,737	1,074	38.17%		1,737
100	5170	100	MEDICARE TAX	336	632	296	53.16%		632
100	5175	100	DEF COMP	69	165	96	41.82%		165
100	6420	100	BRITT WOODS UT	1,185	1,589	404	74.58%		1,589
100	6421	100	BRIT WOODS OTH	572	2,374	1,802	24.09%		2,374
100	6426	100	CEN HUGHSON2 UT	39	60	21	65.00%		60
100	6427	100	CN HUGHSON2 OTH	869	2,434	1,565	35.70%		2,434
100	6435	100	FEATHERS GLE UT	435	243	-192	179.01%		243
100	6436	100	FEATHERS GL OTH	572	1,628	1,056	35.14%		1,628
100	6438	100	FONTANA RAN UT	1,964	5,685	3,721	34.55%		5,685
100	6439	100	FONTANA RAN OTH	572	2,398	1,826	23.85%		2,398
100	6441	100	FONTANA RH S UT	2,731	5,797	3,066	47.11%		5,797
100	6442	100	FONT RAN S OTH	827	2,354	1,527	35.13%		2,354
100	6444	100	RHAPSODY 1 UT	504	1,232	728	40.91%		1,232
100	6445	100	RHAPSODY 1 OTH	1,090	2,372	1,282	45.95%		2,372
100	6447	100	RHAPSODY 2 UT	558	1,525	967	36.59%		1,525
100	6448	100	RHAPSODY 2 OTH	55	2,400	2,345	2.29%		2,400
100	6450	100	SANTA FE 1 UT	2,316	1,256	-1,060	184.39%	2,744	4,000 Metering Water
100	6451	100	SANTA FE 1 OTH	5,407	3,591	-1,816	150.57%	4,000	7,591 Damage to Pole
100	6453	100	SANTA FE 2 UT	1,077	529	-548	203.59%	1,000	1,529 Metering Water
100	6454	100	SANTA FE 2 OTH	785	2,477	1,692	31.69%		2,477
100	6456	100	STARN EST UT	371	974	603	38.09%		974
100	6457	100	STARN EST OTH	572	2,295	1,723	24.92%		2,295
100	6459	100	STERLING 3 UT	1,477	4,849	3,372	30.46%		4,849
100	6460	100	STERLING 3 OTH	572	5,359	4,787	10.67%		5,359
100	6462	100	SUNGLOW UT	297	1,019	722	29.15%		1,019
100	6463	100	SUNGLOW OTH	573	2,636	2,063	21.74%		2,636
100	6465	100	WALNUT HAV 3 UT	456	747	291	61.04%		747
100	6466	100	WALNUT HAV3 OTH	572	2,330	1,758	24.55%		2,330
100	8505	100	TRANSFERS-OUT	13,065	26,129	13,064	50.00%		26,129
		LLD		<b>83,823</b>	<b>175,236</b>	<b>91,413</b>	<b>47.83%</b>	<b>7,744</b>	<b>182,980</b>
200	5001	200	REG. SALARIES	12,204	23,146	10,942	52.73%		23,146
200	5003	200	OVERTIME	23	0	-23			0
200	5110	200	P.E.R.S.	2,836	5,777	2,941	49.09%		5,777
200	5120	200	MEDICAL INS.	6,385	12,659	6,274	50.44%		12,659
200	5130	200	UNEMPLOYMNT INS	0	1,436	1,436	0.00%		1,436
200	5140	200	WORKER'S COMP	1,139	2,289	1,150	49.76%		2,289
200	5150	200	LIFE INS	120	250	130	48.00%		250
200	5160	200	DENTAL INS	347	927	580	37.43%		927
200	5170	200	MEDICARE TAX	177	336	159	52.68%		336
200	5175	200	DEF COMP	41	91	50	45.05%		91

FUND	ACCT	DEPT	Description	Actual	Budget	Bud - Act	Act/Bud % Spent	Adj	Mid Year Budget
200	6427	200	CN HUGHSON2 OTH	882	1,712	830	51.52%		1,712
200	6436	200	FEATHERS GL OTH	518	1,465	947	35.36%		1,465
200	6439	200	FONTANA RAN OTH	518	743	225	69.72%		743
200	6442	200	FONT RAN S OTH	518	1,500	982	34.53%		1,500
200	6460	200	STERLING 3 OTH	518	1,687	1,169	30.71%		1,687
200	8505	200	TRANSFERS-OUT	7,184	14,368	7,184	50.00%		14,368
		<b>BAD</b>		<b>33,410</b>	<b>68,386</b>	<b>34,976</b>	<b>48.86%</b>	<b>0</b>	<b>68,386</b>
		<b>GRAND TOTAL Funds 100-200</b>		<b>117,233</b>	<b>243,622</b>	<b>126,389</b>	<b>48.12%</b>	<b>7,744</b>	<b>251,366</b>

**SUMMARY OF ALL EXPENSES 2011-2012**

FUND	ACCT	DEPT	Description	Actual	Budget	Bud - Act	Act/Bud % Spent	Adj	Mid Year Budget
			General Fund - 40	872,328	1,967,164	1,094,836	44.34%	0	1,967,164
			Funds 1 -39	314,489	1,618,044	1,303,555	19.44%	24,000	1,642,044
			Funds 41-999	2,974,079	13,782,996	10,808,917	21.58%	890,200	14,673,196
			Funds 100-200	117,233	243,622	126,389	48.12%	7,744	251,366
			<b>GRAND TOTAL</b>	<b>4,278,129</b>	<b>17,611,826</b>	<b>13,333,697</b>	<b>24.29%</b>	<b>921,944</b>	<b>18,533,770</b>

**FYI**

**REVENUE**

## REVENUE - AS OF 12/31/11

1/28/2012

FUND	ACCT	Description	Actual	Budget	Bud - Act	Act / Bud % Received	Adj	Projected Mid-Year Budget
8	4831	ABAND VEHICLE ABATEMENT	-1,067	-15,000	-13,933	7.11%		-15,000
		<b>VEH. ABATEMENT</b>	<b>-1,067</b>	<b>-15,000</b>	<b>-13,933</b>	<b>7.11%</b>		<b>-15,000</b>
10	4601	INTEREST EARNED	0	-500	-500	0.00%		-500
10	4603	STORM DRAIN FEE	-45,024	-47,838	-2,814	94.12%	-22,512	-70,350
		<b>STORM DRAIN</b>	<b>-45,024</b>	<b>-48,338</b>	<b>-3,314</b>	<b>93.14%</b>	<b>-22,512</b>	<b>-70,850</b>
								0
100	4150	BRITTANY WOODS	0	-8,060	-8,060	0.00%		-8,060
100	4152	CENTRAL HUGHSON 2	0	-11,572	-11,572	0.00%		-11,572
100	4155	FEATHERS GLEN	0	-11,713	-11,713	0.00%		-11,713
100	4156	FONTANA RANCH NORTH	0	-15,105	-15,105	0.00%		-15,105
100	4157	FONTANA RANCH SOUTH	0	-9,158	-9,158	0.00%		-9,158
100	4158	RHAPSODY 1	0	-6,622	-6,622	0.00%		-6,622
100	4159	RHAPSODY 2	0	-6,490	-6,490	0.00%		-6,490
100	4160	SANTA FE ESTATES 1	0	-7,260	-7,260	0.00%		-7,260
100	4161	SANTA FE ESTATES 2	0	-6,630	-6,630	0.00%		-6,630
100	4162	STARN ESTATES	0	-7,956	-7,956	0.00%		-7,956
100	4163	STERLING GLEN III	0	-13,919	-13,919	0.00%		-13,919
100	4164	SUNGLOW	0	-8,940	-8,940	0.00%		-8,940
100	4165	WALNUT HAVEN III	0	-5,995	-5,995	0.00%		-5,995
		<b>LLD</b>	<b>0</b>	<b>-119,420</b>	<b>-119,420</b>	<b>0.00%</b>		<b>-119,420</b>
11	4746	TRAFFIC CONGESTION RELIEF	-23,257	-50,000	-26,743	46.51%		-50,000
		<b>TRAFFIC</b>	<b>-23,257</b>	<b>-50,000</b>	<b>-26,743</b>	<b>46.51%</b>		<b>-50,000</b>
13	4002	TAX INCREMENT	-98	-381,102	-381,004	0.03%	89,597	-291,505
13	4003	PRIOR YEAR	-113	-200	-87	56.50%		-200
13	4601	INTEREST EARNED	-4,015	-50	3,965	8030.00%	-5,000	-5,050
13	4725	SB813 SUPPLEMENTAL TAXES	0	-10,000	-10,000	0.00%		-10,000
		<b>DEBT SERVICE</b>	<b>-4,226</b>	<b>-391,352</b>	<b>-387,126</b>	<b>1.08%</b>	<b>84,597</b>	<b>-306,755</b>
14	4002	TAX INCREMENT	-24	-95,276	-95,252	0.03%	22,276	-73,000
14	4003	PRIOR YEAR	-28	-100	-72	28.00%		-100
14	4601	INTEREST EARNED	-1,320	-21,500	-20,180	6.14%	15,000	-6,500
14	4725	SB813 SUPPLEMENTAL TAXES	0	-2,500	-2,500	0.00%		-2,500
		<b>HOUSING - REDEV</b>	<b>-1,372</b>	<b>-119,376</b>	<b>-118,004</b>	<b>1.15%</b>	<b>37,276</b>	<b>-82,100</b>
15	4601	INTEREST EARNED	0	-2,800	-2,800	0.00%	2,500	-300
		<b>REDEVELOP O &amp; M</b>	<b>0</b>	<b>-2,800</b>	<b>-2,800</b>	<b>0.00%</b>	<b>2,500</b>	<b>-300</b>
20	4601	INTEREST EARNED	0	-500	-500	0.00%		-500
20	4604	DEVELOPMENT IMPACT FEES	-16,128	-17,136	-1,008	94.12%	-8,064	-25,200
		<b>COMMUNITY ENHAN</b>	<b>-16,128</b>	<b>-17,636</b>	<b>-1,508</b>	<b>91.45%</b>	<b>-8,064</b>	<b>-25,700</b>
200	4152	CENTRAL HUGHSON 2	0	-29,079	-29,079	0.00%		-29,079
200	4155	FEATHERS GLEN	0	-7,240	-7,240	0.00%		-7,240
200	4156	FONTANA RANCH NORTH	0	-15,787	-15,787	0.00%		-15,787
200	4157	FONTANA RANCH SOUTH	0	-5,865	-5,865	0.00%		-5,865
200	4163	STERLING GLEN III	0	-9,465	-9,465	0.00%		-9,465
		<b>BAD</b>	<b>0</b>	<b>-67,436</b>	<b>-67,436</b>	<b>0.00%</b>		<b>-67,436</b>

FUND	ACCT	Description	Actual	Budget	Bud - Act	Act / Bud % Received	Adj	Budget	
25	4601	INTEREST EARNED	0	-510	-510	0.00%		-510	
25	4707	2106 ALLOCATION	-8,401	-25,422	-17,021	33.05%		-25,422	
		<b>GAS TAX 2106</b>	<b>-8,401</b>	<b>-25,932</b>	<b>-17,531</b>	<b>32.40%</b>		<b>-25,932</b>	
30	4601	INTEREST EARNED	0	-520	-520	0.00%		-520	
30	4708	2107 ALLOCATION	-16,162	-43,749	-27,587	36.94%		-43,749	
		<b>GAS TAX 2107</b>	<b>-16,162</b>	<b>-44,269</b>	<b>-28,107</b>	<b>36.51%</b>		<b>-44,269</b>	
31	4601	INTEREST EARNED	-35	-440	-405	7.95%		-440	
31	4704	2105 HWY USERS TAX	-10,500	-32,840	-22,340	31.97%		-32,840	
		<b>2105 HWY USR TX</b>	<b>-10,535</b>	<b>-33,280</b>	<b>-22,745</b>	<b>31.66%</b>		<b>-33,280</b>	
35	4601	INTEREST EARNED	0	-50	-50	0.00%		-50	
35	4709	2107.5 ALLOCATION	0	-2,000	-2,000	0.00%		-2,000	
		<b>GAS TAX 2107.5</b>	<b>0</b>	<b>-2,050</b>	<b>-2,050</b>	<b>0.00%</b>		<b>-2,050</b>	
40	4001	CURRENT PROPERTY	-38	-175,000	-174,962	0.02%	-21,200	-196,200	Higher Revenue, per Audit
40	4003	PRIOR YEAR	-154	-8,000	-7,846	1.93%		-8,000	
40	4004	PROPERTY TAX - OTHER	0	-15,000	-15,000	0.00%		-15,000	
40	4101	SALES TAX	-92,899	-320,000	-227,101	29.03%	20,000	-300,000	Lower Sales Tax Revenue
40	4102	IN LIEU SALES TAX	0	-110,824	-110,824	0.00%		-110,824	
40	4103	PROPERTY TRANSFER TAX	-4,149	-12,000	-7,851	34.58%		-12,000	
40	4201	GAS UTILITY	-981	-16,000	-15,019	6.13%		-16,000	Payment in April
40	4202	GARBAGE FRANCHISE	-6,946	-67,500	-60,554	10.29%		-67,500	Transfer not made
40	4203	CABLE T.V.	-5,963	-17,000	-11,037	35.08%		-17,000	
40	4301	BUSINESS LICENSES	-3,635	-25,000	-21,365	14.54%		-25,000	Payments in January
40	4401	BUILDING PERMITS	-35,967	-65,000	-29,033	55.33%	-10,000	-75,000	25 Homes projected
40	4405	YARD SALE PERMITS	-295	-740	-445	39.86%		-740	
40	4407	ENCROACHMENT PERMITS	-3,160	-12,000	-8,840	26.33%		-12,000	
40	4408	ORDINANCE UPDATE	-96	-200	-104	48.00%		-200	
40	4409	OTHER PERMITS	-350	-500	-150	70.00%		-500	
40	4501	TRAFFIC FINES	-5,177	-18,000	-12,823	28.76%		-18,000	Collection for 5 months
40	4601	INTEREST EARNED	-78	-2,000	-1,922	3.90%		-2,000	
40	4602	RENTS, LEASERIGHTS, & ROYALTYS	-1,264	-3,000	-1,736	42.13%		-3,000	
40	4706	GRANTS	-496	-5,000	-4,504	9.92%		-5,000	
40	4710	MOTOR VEHICLE IN LIEU TAX	-3,318	-415,000	-411,682	0.80%	22,000	-393,000	New Bill - State Rob
40	4720	HOMEOWNER'S PROP. TAX RELIEF	0	-7,000	-7,000	0.00%		-7,000	
40	4725	SB813 SUPPLEMENTAL TAXES	0	-1,000	-1,000	0.00%		-1,000	
40	4728	STANISLAUS COUNTY FEES	-643	-700	-57	91.86%	-1,000	-1,700	
40	4735	PLANNING APPLICATION	0	-1,000	-1,000	0.00%		-1,000	
40	4737	PUBLIC SAFETY AUGMENTATION	-1,630	-6,000	-4,370	27.17%		-6,000	
40	4803	UTILITY PENALTIES	-30,991	-60,000	-29,009	51.65%		-60,000	
40	4813	PLAN CHECK FEES	-7,619	-15,000	-7,381	50.79%		-15,000	
40	4815	ENGINEERING PLAN REVIEW	0	-1,500	-1,500	0.00%		-1,500	
40	4821	BLDG CODE VIOLATIONS	-404	-5,000	-4,596	8.08%		-5,000	
40	4827	VEHICLE RELEASE FEES	-1,126	-10,080	-8,954	11.17%		-10,080	
40	4829	MISC. FEES & CHARGES	-9	-500	-491	1.80%		-500	
40	4830	RETURNED CHECK CHARGES	-800	-2,000	-1,200	40.00%		-2,000	
40	4833	BOOKING FEES	-80	-475	-395	16.84%		-475	
40	4902	SALE OF DOCUMENTS	-27	-50	-23	54.00%		-50	
40	4915	REFUND	-4,359	-5,000	-641	87.18%	-3,000	-8,000	
40	4919	SUNDRY REVENUES	-437	-900	-463	48.56%		-900	
40	4920	QUASI-EXTERNAL TRANSACTION	-181,223	-362,446	-181,223	50.00%		-362,446	

FUND	ACCT	Description	Actual	Budget	Bud - Act	Act / Bud % Received	Adj	Budget
40	4931	RENTAL FEE	-2,746	-6,000	-3,254	45.77%		-6,000
40	4935	AB939 SOURCE REDUCTION	-5,363	-5,000	363	107.26%		-5,000
40	4999	TRANSFER IN	-100,799	-201,597	-100,798	50.00%		-201,597
<b>GENERAL FUND</b>			<b>-503,222</b>	<b>-1,979,012</b>	<b>-1,475,790</b>	<b>25.43%</b>	<b>6,800</b>	<b>-1,972,212</b>
401	4601	INTEREST EARNED	-279	-1,500	-1,221	18.60%		-1,500
<b>GF CONT RESERVE</b>			<b>-279</b>	<b>-1,500</b>	<b>-1,221</b>	<b>18.60%</b>		<b>-1,500</b>
41	4601	INTEREST EARNED	-882	-12,000	-11,118	7.35%		-12,000
41	4604	DEVELOPMENT IMPACT FEES	-48,800	-51,850	-3,050	94.12%	-24,400	-76,250 <sup>25 x 3,050</sup>
<b>PUB FAC DEV</b>			<b>-49,682</b>	<b>-63,850</b>	<b>-14,168</b>	<b>77.81%</b>	<b>-24,400</b>	<b>-88,250</b>
42	4604	DEVELOPMENT IMPACT FEES	-65,616	-69,717	-4,101	94.12%	-32,808	-102,525 <sup>25 x 4,101</sup>
<b>PF - STREETS</b>			<b>-65,616</b>	<b>-69,717</b>	<b>-4,101</b>	<b>94.12%</b>	<b>-32,808</b>	<b>-102,525</b>
48	4931	RENTAL FEE	-4,050	-11,000	-6,950	36.82%		-11,000
48	4936	CLEANING FEES	390	-1,800	-2,190	-21.67%		-1,800
48	4999	TRANSFER IN	-8,000	-16,000	-8,000	50.00%		-16,000
<b>COMM CTR O &amp; M</b>			<b>-11,660</b>	<b>-28,800</b>	<b>-17,140</b>	<b>40.49%</b>		<b>-28,800</b>
49	4999	TRANSFER IN	-15,000	-30,000	-15,000	50.00%		-30,000
<b>IT RESERVE</b>			<b>-15,000</b>	<b>-30,000</b>	<b>-15,000</b>	<b>50.00%</b>		<b>-30,000</b>
50	4601	INTEREST EARNED	0	-100	-100	0.00%		-100
50	4931	RENTAL FEE	-6,895	-17,500	-10,605	39.40%		-17,500
<b>USF COM. CENTER</b>			<b>-6,895</b>	<b>-17,600</b>	<b>-10,705</b>	<b>39.18%</b>		<b>-17,600</b>
53	4601	INTEREST EARNED	-80	-700	-620	11.43%		-700
53	4740	SUPLMTL LAW ENFORCEMENT SERV	-26,105	-100,000	-73,895	26.11%		-100,000
<b>SLESF</b>			<b>-26,185</b>	<b>-100,700</b>	<b>-74,515</b>	<b>26.00%</b>		<b>-100,700</b>
54	4601	INTEREST EARNED	-132	-2,100	-1,968	6.29%		-2,100
54	4911	PARK IN LIEU FEES	-21,901	-33,847	-11,946	64.71%	-15,928	-49,775 <sup>25 x 1,991</sup>
<b>PARK PROJECT</b>			<b>-22,033</b>	<b>-35,947</b>	<b>-13,914</b>	<b>61.29%</b>	<b>-15,928</b>	<b>-51,875</b>
55	4601	INTEREST EARNED	-46	-500	-454	9.20%		-500
55	4605	Development Fee	-33,743	-45,339	-11,596	74.42%	-21,336	-66,675 <sup>25 x 2,667</sup>
<b>PARKS DIF</b>			<b>-33,789</b>	<b>-45,839</b>	<b>-12,050</b>	<b>73.71%</b>	<b>-21,336</b>	<b>-67,175</b>
60	4808	SEWER SERVICE	-50	-2,150,794	-2,150,744	0.00%		-2,150,794
60	4808	SEWER SERVICE - SINGLE FAMILY	-706,607	0	706,607			0
60	4808	SEWER SERVICE - DUPLEXES	-11,629	0	11,629			0
60	4808	SEWER SERVICE - TRIPLEXES	-1,246	0	1,246			0
60	4808	SEWER SERVICE-HOUSING AUTHOR	-15,472	0	15,472			0
60	4808	SEWER SERVICE - APARTMENTS	-97,793	0	97,793			0
60	4808	SEWER SERVICE-MOB. HOME PARK	-19,462	0	19,462			0
60	4808	SEWER SERVICE-PERS HEALTH SVCS	-1,887	0	1,887			0
60	4808	SEWER SERVICE-PHARMACY & BAN	-831	0	831			0
60	4808	SEWER SERVICE - INST/CIVIC	-4,116	0	4,116			0
60	4808	SEWER SERVICE-PROF. SERVICES	-5,201	0	5,201			0
60	4808	SEWER SERVICE - RETAIL VENDORS	-6,091	0	6,091			0
60	4808	SEWER SERVICE - COMM/INDUST	-314,915	0	314,915			0
60	4808	SEWER SERVICE - BARS	-2,409	0	2,409			0
60	4808	SEWER SERVICE - RESTAURANTS	-2,951	0	2,951			0
60	4808	SEWER SERVICE-DRIVE-IN/FSTFD	-1,134	0	1,134			0

FUND	ACCT	Description	Actual	Budget	Bud - Act	Act / Bud % Received	Adj	Budget
60	4808	SEWER SERVICE - CONV. MARKET	-1,246	0	1,246			0
60	4808	SEWER SERVICE-MAJOR FOOD MKT	-4,131	0	4,131			0
60	4808	SEWER SERVICE - COM'L LAUNDRY	-2,318	0	2,318			0
60	4808	SEWER SERVICE-GAS STATIONS	-415	0	415			0
60	4808	SEWER SERVICE-AUTO SERVICE 39	-831	0	831			0
60	4808	SEWER SERVICE-CHURCHES	-5,316	0	5,316			0
60	4808	SEWER SERVICE-SCHOOLS	-25,327	0	25,327			0
60	4808	SEWER SERVICE - DAYCARE	-415	0	415			0
60	4810	SEWER MISC. INCOME	-121	-100	21	121.00%		-100
<b>SEWER O &amp; M</b>			<b>-1,231,914</b>	<b>-2,150,894</b>	<b>-918,980</b>	<b>57.27%</b>		<b>-2,150,894</b>
61	4601	INTEREST EARNED	-389	-1,300	-911	29.92%		-1,300
61	4999	TRANSFER IN	-222,418	-444,836	-222,418	50.00%		-444,836
<b>SEWER F A REPL</b>			<b>-222,807</b>	<b>-446,136</b>	<b>-223,329</b>	<b>49.94%</b>		<b>-446,136</b>
62	4601	INTEREST EARNED	-356	-5,000	-4,644	7.12%		-5,000
62	4604	DEVELOPMENT IMPACT FEES	-48,651	-233,835	-185,184	20.81%	-110,040	-343,875
<b>SEWER DIF</b>			<b>-49,007</b>	<b>-238,835</b>	<b>-189,828</b>	<b>20.52%</b>	<b>-110,040</b>	<b>-348,875</b>
66	4601	INTEREST EARNED	-5,718	-40,000	-34,282	14.30%		-40,000
66	4751	State Revolving Loan Fund	-1,347,679	-6,100,000	-4,752,321	22.09%		-6,100,000
66	4829	MISC. FEES & CHARGES	0	-4,000	-4,000	0.00%		-4,000
<b>WWTP EXPANSION</b>			<b>-1,353,397</b>	<b>-6,144,000</b>	<b>-4,790,603</b>	<b>22.03%</b>		<b>-6,144,000</b>
69	4716	NONMOTORIZED ALLOCATION	0	-3,255	-3,255	0.00%		-3,255
<b>LTF NON MOTORIZ</b>			<b>0</b>	<b>-3,255</b>	<b>-3,255</b>	<b>0.00%</b>		<b>-3,255</b>
70	4104	LTF ALLOCATION	0	-5,000	-5,000	0.00%		-5,000
<b>LOCAL TRANSPRT</b>			<b>0</b>	<b>-5,000</b>	<b>-5,000</b>	<b>0.00%</b>		<b>-5,000</b>
71	4601	INTEREST EARNED	0	-150	-150	0.00%		-150
71	4706	GRANTS	0	-69,700	-69,700	0.00%		-69,700
71	4747	CMAQ FUNDING #5411(003)	-23,496	-640,000	-616,504	3.67%		-640,000
<b>TRANPORTATION</b>			<b>-23,496</b>	<b>-709,850</b>	<b>-686,354</b>	<b>3.31%</b>		<b>-709,850</b>
80	4601	INTEREST EARNED	-44	0	44			0
80	4801	WATER SERVICE	-50	-1,240,800	-1,240,750	0.00%		-1,240,800
80	4801	WATER SVC.- SINGLE FAMILY	-509,206	0	509,206			0
80	4801	WATER SVC.- DUPLEXES	-5,044	0	5,044			0
80	4801	WATER SVC.- TRIPLEXES	-10,895	0	10,895			0
80	4801	WATER SVC.- HOUSING AUTHORITY	-15,278	0	15,278			0
80	4801	WATER SVC.- APARTMENTS	-7,913	0	7,913			0
80	4801	WATER SVC.- MOBILE HOME PARKS	-4,512	0	4,512			0
80	4801	WATER SVC.- PERS. HEALTH SVCS.	-945	0	945			0
80	4801	WATER SVC.- PHARMACY & BANK	-841	0	841			0
80	4801	WATER SVC.- INST. & CIVIC	-1,492	0	1,492			0
80	4801	WATER SVC.- PROFESSIONAL SVCS.	-5,128	0	5,128			0
80	4801	WATER SVC.- RETAIL VENDORS	-2,691	0	2,691			0
80	4801	WATER SVC.- COMMERCIAL/INDUS'	-14,932	0	14,932			0
80	4801	WATER SVC.- RESTAURANTS	-2,271	0	2,271			0
80	4801	WATER SVC.- DRIVE-IN/QUICKFOOD	-400	0	400			0
80	4801	WATER SVC.- CONVENIENCE MART	-922	0	922			0
80	4801	WATER SVC.- MAJOR FOOD MARKE'	-619	0	619			0
80	4801	WATER SVC.- COMMERCIAL LAUND	-1,116	0	1,116			0
80	4801	WATER SVC.- CHURCHES	-5,989	0	5,989			0

FUND	ACCT	Description	Actual	Budget	Bud - Act	Act / Bud % Received	Adj	Budget
80	4801	WATER SVC.- SCHOOLS	-33,429	0	33,429			0
80	4801	WATER SVC.- METERED SERVICE	-838	0	838			0
80	4801	WATER SVC.- AUTO SERVICE	-317	0	317			0
80	4801	WATER SVC.- CONSTR. WATER	-2,501	0	2,501			0
80	4805	WATER MISC INCOME	-7,740	0	7,740			0
	<b>WATER</b>		<b>-635,113</b>	<b>-1,240,800</b>	<b>-605,687</b>	<b>51.19%</b>		<b>-1,240,800</b>
81	4601	INTEREST EARNED	0	-300	-300	0.00%		-300
81	4604	DEVELOPMENT IMPACT FEES	-51,338	-64,651	-13,313	79.41%	-30,424	-95,075
81	4805	WATER GRANT	-840,039	-1,000,000	-159,961	84.00%		-1,000,000
	<b>WATER DIF</b>		<b>-891,377</b>	<b>-1,064,951</b>	<b>-173,574</b>	<b>83.70%</b>	<b>-30,424</b>	<b>-1,095,375</b>
82	4999	TRANSFER IN	-92,741	-185,482	-92,741	50.00%		-185,482
	<b>WATER F A REPL</b>		<b>-92,741</b>	<b>-185,482</b>	<b>-92,741</b>	<b>50.00%</b>		<b>-185,482</b>
88	4706	GRANTS	0	-100,000	-100,000	0.00%		-100,000
	<b>PW STREET PROJ</b>		<b>0</b>	<b>-100,000</b>	<b>-100,000</b>	<b>0.00%</b>		<b>-100,000</b>
								0
90	4812	GARBAGE SERVICE	-212,970	-421,000	-208,030	50.59%	-8,420	-429,420
	<b>GARBAGE REFUSE</b>		<b>-212,970</b>	<b>-421,000</b>	<b>-208,030</b>	<b>50.59%</b>	<b>-8,420</b>	<b>-429,420</b>
								Rates Increased
92	4601	INTEREST EARNED	0	-250	-250	0.00%		-250
	<b>98-EDBG-605</b>		<b>0</b>	<b>-250</b>	<b>-250</b>	<b>0.00%</b>		<b>-250</b>
95	4601	INTEREST EARNED	-53	-100	-47	53.00%		-100
95	4739	PROGRAM INCOME-CDBG LOAN RE	-1,712	-3,700	-1,988	46.27%		-3,700
	<b>94-STBG-799</b>		<b>-1,765</b>	<b>-3,800</b>	<b>-2,035</b>	<b>46.45%</b>		<b>-3,800</b>
96	4601	INTEREST EARNED	0	-100	-100	0.00%		-100
	<b>HOME PROG.GRANT</b>		<b>0</b>	<b>-100</b>	<b>-100</b>	<b>0.00%</b>		<b>-100</b>
97	4601	INTEREST EARNED	-10	-100	-90	10.00%		-100
97	4739	PROGRAM INCOME-CDBG LOAN RE	-3,818	-9,000	-5,182	42.42%		-9,000
	<b>96-STBG-1013</b>		<b>-3,828</b>	<b>-9,100</b>	<b>-5,272</b>	<b>42.07%</b>		<b>-9,100</b>
98	4706	GRANTS	0	-1,100	-1,100	0.00%		-1,100
	<b>CalHOME REHAB</b>		<b>0</b>	<b>-1,100</b>	<b>-1,100</b>	<b>0.00%</b>		<b>-1,100</b>
	<b>GRAND TOTAL</b>		<b>-5,578,948</b>	<b>-16,034,407</b>	<b>-10,455,459</b>	<b>34.79%</b>	<b>-142,759</b>	<b>-16,177,166</b>



## CITY OF HUGHSON AGENDA ITEM NO. 4.2

### SECTION 4: UNFINISHED BUSINESS

**Date:** February 14, 2012  
**Presented By:** Margaret Souza, Finance Director  
**Subject:** 2010-11 City of Hughson Financial Audit

**Approval:** \_\_\_\_\_

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#### **Background:**

The City's Auditors, Moss, Levy & Hartzheim, recently completed the 2010-12 Financial Statements. All in all, the process went very well. There are a few highlights that should be mentioned.

1. The opinion given was "Unqualified", the highest opinion that the auditors can give on the financial statements.
2. On the government-wide statements, the assets exceeded the liabilities by \$32,311,620. That was an increase of \$171,949 over last year, a good sign. (see page 3)
3. For Business Type (Enterprise Funds) assets exceed the liabilities by \$32,942,742, an increase of \$891,611 over last year. (see page 3)
4. GASB 54 was implemented. It clarifies funds available for use.
5. The number of findings has dropped from a total 11 to 3. The one material weakness deals with the recording of capital assets. This matter is being addressed (in the process of working with CBIZ to update and review the files). The other two items deal with the limited staffing in Finance and its affect on separation of duties.
6. General Fund reserve ratio has increased to 49%. Last year it was 46%. Anything of 40 is very good.
7. Fewer funds are in the deficit and few funds have greater expenditures than the budgeted amount.

The City's financial picture and recording keeping has improved over the past year. We are continuing to improve the process.

**Recommendation:** Accept 2010-12 City's Audit.



**CITY OF HUGHSON**  
**Annual Financial Report**  
**Fiscal Year Ended June 30, 2011**

CITY OF HUGHSON  
ANNUAL FINANCIAL REPORT  
Fiscal Year Ended June 30, 2011

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CITY OF HUGHSON  
ANNUAL FINANCIAL REPORT  
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CITY OF HUGHSON  
ANNUAL FINANCIAL REPORT  
Fiscal Year Ended June 30, 2011

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**FINANCIAL SECTION**




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**MOSS, LEVY & HARTZHEIM LLP**


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CERTIFIED PUBLIC ACCOUNTANTS

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### INDEPENDENT AUDITOR'S REPORT

The Members of the City Council of the  
 City of Hughson  
 Hughson, California

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 Hughson, California (City) as of and for the fiscal 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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, based on our audit, 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 Hughson, California, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable thereof, for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 1 of the notes to basic financial statements effective July 1, 2009, The City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition*, and Statement No. 59, *Financial Instruments Omnibus*, effective July 1, 2010.

In accordance with Government Auditing Standards, we have also issued a report dated December 31, 2011, 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.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – General Fund, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Home Loan Special Revenue Fund, and the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Refuse Special Revenue Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The combining nonmajor fund financial statements, major capital projects fund budgetary comparison schedule, major debt service fund budgetary comparison schedule, nonmajor funds budgetary comparison schedules, combining nonmajor proprietary fund financial statements, and agency fund statement of changes in assets and liabilities are presented for purposes of additional analysis and are not required parts of the basic financial statements. The combining nonmajor fund financial statements, major capital projects fund budgetary comparison schedule, major debt service fund budgetary comparison schedule, nonmajor funds budgetary comparison schedules, combining nonmajor proprietary fund financial statements, and agency fund statement of changes in assets and liabilities 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Moss, Levy & Hartzheim*

Moss, Levy & Hartzheim, LLP  
Culver City, California  
December 31, 2011

**CITY OF HUGHSON**  
**Statement of Net Assets**  
June 30, 2011

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Cash and Investments	\$ 3,748,206	\$ 3,765,540	\$ 7,513,746
Cash and Investments with Fiscal Agent	339,799		339,799
Accounts Receivable	170,400	127,339	297,739
Notes Receivable	1,721,021		1,721,021
Deposits Receivable	71,160		71,160
Interest Receivable	138,474		138,474
Deferred charges - net	159,719		159,719
Capital Assets Not Being Depreciated	12,616,773	41,309,823	53,926,596
Capital Assets, Net of Accumulated Depreciation	16,496,466	15,803,440	32,299,906
Total Assets	<u>35,462,018</u>	<u>61,006,142</u>	<u>96,468,160</u>
<b>Liabilities:</b>			
Accounts Payable	150,242	1,382,960	1,533,202
Interest Payable	35,442	107,601	143,043
Deposits Payable		11,470	11,470
Noncurrent Liabilities:			
Due Within One Year	60,000	957,247	1,017,247
Due in More Than One Year	2,904,714	25,604,122	28,508,836
Total Liabilities	<u>3,150,398</u>	<u>28,063,400</u>	<u>31,213,798</u>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	26,178,239	30,585,602	56,763,841
Restricted for:			
Housing	2,446,333		2,446,333
Debt Service	180,140		180,140
Streets	298,982		298,982
Public Safety	174,666		174,666
Parks	347,639		347,639
Assessment Districts	220,856		220,856
Unrestricted	2,464,765	2,357,140	4,821,905
Total Net Assets	<u>\$ 32,311,620</u>	<u>\$ 32,942,742</u>	<u>\$ 65,254,362</u>

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

**CITY OF HUGHSON**  
**Statement of Activities**  
For the Fiscal Year Ended June 30, 2011

<u>Functions</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government:</b>				
Governmental Activities:				
General Government	\$ 1,375,680	\$ 16,642	\$ -	\$ 540,863
Public Safety	1,073,531	91,346		145,322
Community Development	338,316	303,946		641,189
Public Works	814,376	320,699		32,188
Parks and Recreation	95,596	4,877		
Interest on Long-Term Liabilities	151,066			
Total Governmental Activities	<u>3,848,565</u>	<u>737,510</u>	<u>-</u>	<u>1,359,562</u>
Business-type Activities:				
Water	983,435	1,106,400		611,095
Sewer	1,974,215	2,095,247		
Community Facilities	83,898	32,257		
Total Business-Type Activities	<u>3,041,548</u>	<u>3,233,904</u>		<u>611,095</u>
Total Primary Government	<u>\$ 6,890,113</u>	<u>\$ 3,971,414</u>	<u>\$ -</u>	<u>\$ 1,970,657</u>

**General Revenues:**

## Taxes:

Property Taxes  
Sales and Use Taxes  
Business License Taxes  
Other Taxes

Investment Earnings

Other Revenue

**Transfers**

Total General Revenues and Transfers

Change in Net Assets

**Net Assets - Beginning of Fiscal Year****Net Assets - End of Fiscal Year**

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

**Net (Expenses) Revenues and Changes in Net Assets**

<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
\$ (818,175)	\$ -	\$ (818,175)
(836,863)		(836,863)
606,819		606,819
(461,489)		(461,489)
(90,719)		(90,719)
(151,066)		(151,066)
<u>(1,751,493)</u>		<u>(1,751,493)</u>
	734,060	734,060
	121,032	121,032
	(51,641)	(51,641)
	<u>803,451</u>	<u>803,451</u>
<u>(1,751,493)</u>	<u>803,451</u>	<u>(948,042)</u>
664,205		664,205
408,658		408,658
23,932		23,932
71,387		71,387
33,372	60,660	94,032
749,388		749,388
(27,500)	27,500	
<u>1,923,442</u>	<u>88,160</u>	<u>2,011,602</u>
<u>171,949</u>	<u>891,611</u>	<u>1,063,560</u>
32,139,671	32,051,131	64,190,802
<u>\$ 32,311,620</u>	<u>\$ 32,942,742</u>	<u>\$ 65,254,362</u>

**CITY OF HUGHSON**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2011**

	<u>Special Revenue</u>		
	<u>General</u>	<u>Home Loan</u>	<u>Refuse Fund</u>
<b>Assets:</b>			
Cash and Investments	\$ 190,167	\$ 36,726	\$ -
Cash and Investments with Fiscal Agent			
Accounts Receivable	76,521		19,535
Loans Receivable		1,423,710	
Due from Other Funds	611,138		
Deposits	71,160		
Total Assets	<u>\$ 948,986</u>	<u>\$ 1,460,436</u>	<u>\$ 19,535</u>
<b>Liabilities and Fund Balances:</b>			
Liabilities:			
Accounts Payable	\$ 43,722	\$ -	\$ 91,446
Deferred Revenue		1,423,710	
Due to Other Funds			6,425
Total Liabilities	<u>43,722</u>	<u>1,423,710</u>	<u>97,871</u>
Fund Balances:			
Restricted		36,726	
Unassigned	905,264		(78,336)
Total Fund Balances	<u>905,264</u>	<u>36,726</u>	<u>(78,336)</u>
Total Liabilities and Fund Balances	<u>\$ 948,986</u>	<u>\$ 1,460,436</u>	<u>\$ 19,535</u>

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

<u>Debt Service</u>	<u>Capital Projects</u>		
<u>Redevelopment</u>	<u>Redevelopment</u>	<u>Nonmajor</u>	<u>Total</u>
<u>Agency</u>	<u>Agency</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Capital Projects</u>	<u>Funds</u>	<u>Funds</u>
\$ -	\$ -	\$ 3,413,466	\$ 3,640,359
339,799			339,799
20,846		53,498	170,400
		297,311	1,721,021
			611,138
			71,160
<u>\$ 360,645</u>	<u>\$ -</u>	<u>\$ 3,764,275</u>	<u>\$ 6,553,877</u>
\$ -	\$ -	\$ 15,074	\$ 150,242
		297,311	1,721,021
	279,741	324,972	611,138
	<u>279,741</u>	<u>637,357</u>	<u>2,482,401</u>
360,645		3,451,890	3,849,261
	(279,741)	(324,972)	222,215
<u>360,645</u>	<u>(279,741)</u>	<u>3,126,918</u>	<u>4,034,578</u>
<u>\$ 360,645</u>	<u>\$ -</u>	<u>\$ 3,764,275</u>	<u>\$ 6,553,877</u>

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**CITY OF HUGHSON**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Assets**  
June 30, 2011

**Total fund balances - governmental funds** \$ 4,071,476

In governmental funds, only current assets are reported. In the statement of net assets, all assets are reported, including capital assets and accumulated depreciation.

Capital assets at historical cost	\$ 36,279,245	
Accumulated depreciation	<u>(7,166,006)</u>	29,113,239

In governmental funds, certain receivables are not available to pay for current period expenditures and, therefore, are offset by deferred revenue. 1,721,021

In governmental funds, only current liabilities are reported. In the statement of net assets, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Tax allocation bonds payable	\$ 2,935,000	
Compensated absences payable	<u>29,714</u>	(2,964,714)

Accrued interest payable from the current portion of interest due on long-term debt has not been reported in the governmental funds. (35,442)

Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The assets and liabilities of the internal service fund must be added to the statement of net assets. 107,847

The assets and liabilities below are not due and payable in the current period and, therefore, are not reported in the funds:

Deferred charges, net		131,232
Discount on obtaining bonds, net		28,487

In governmental funds, certain accrued interest receivables on notes receivable are not available to pay for current period expenditures and, therefore, are not reported in the governmental funds. 138,474

**Total net assets - governmental activities** \$ 32,311,620

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

**CITY OF HUGHSON**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2011**

	Special Revenue		
	General	Home Loan Fund	Refuse Fund
<b>Revenues</b>			
Property Taxes	\$ 177,073	\$ -	\$ -
Sales and Use Taxes	408,658		
Business License Taxes	23,932		
Other Taxes	71,387		
Licenses and Permits	76,567		
Fines and Forfeitures	145,176		
Interest	3,197	103	-
Charges for Services	38,718		421,871
Intergovernmental	493,962	770	
Special Assessments			
Other	367,737		
Total Revenues	<u>1,806,407</u>	<u>873</u>	<u>421,871</u>
<b>Expenditures</b>			
Current			
General Government	488,440		405,118
Public Safety	825,121		
Public Works	454,584		
Parks and Recreation	84,142		
Community Development		770	
Capital Outlay			
Debt Service			
Principal			
Interest and Fiscal Charges			
Total Expenditures	<u>1,852,287</u>	<u>770</u>	<u>405,118</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(45,880)</u>	<u>103</u>	<u>16,753</u>
<b>Other Financing Sources (Uses):</b>			
Transfers In	217,365		
Transfers Out	(167,280)		
Total Other Financing Sources (Uses)	<u>50,085</u>		
Net Change in Fund Balances	<u>4,205</u>	<u>103</u>	<u>16,753</u>
<b>Fund Balances (Deficits) - July 1, 2010</b>	901,059	36,623	(95,089)
<b>Fund Balances (Deficits) - June 30, 2011</b>	<u>\$ 905,264</u>	<u>\$ 36,726</u>	<u>\$ (78,336)</u>

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

<u>Debt Service</u>	<u>Capital Projects</u>		
<u>Redevelopment Agency</u>	<u>Redevelopment Agency Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 389,704	\$ -	\$ 97,428	\$ 664,205
			408,658
			23,932
			71,387
			76,567
			145,176
1,498	7	14,126	18,931
		273,353	733,942
		864,830	1,359,562
		147,418	147,418
		12,490	380,227
<u>391,202</u>	<u>7</u>	<u>1,409,645</u>	<u>4,030,005</u>
82,463	35,900	95,690	1,107,611
		134,671	959,792
		246,052	700,636
			84,142
	225,759		226,529
	-	488,739	488,739
48,000		12,000	60,000
116,265		29,066	145,331
<u>246,728</u>	<u>261,659</u>	<u>1,006,218</u>	<u>3,772,780</u>
<u>144,474</u>	<u>(261,652)</u>	<u>403,427</u>	<u>257,225</u>
		374,234	591,599
	(26,625)	(425,194)	(619,099)
	(26,625)	(50,960)	(27,500)
<u>144,474</u>	<u>(288,277)</u>	<u>352,467</u>	<u>229,725</u>
216,171	8,536	2,774,451	3,841,751
<u>\$ 360,645</u>	<u>\$ (279,741)</u>	<u>\$ 3,126,918</u>	<u>\$ 4,071,476</u>

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**CITY OF HUGHSON**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances of Governmental Funds to the Statement of Activities**  
For the Fiscal Year Ended June 30, 2011

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

**Net change in fund balance-total governmental funds** \$ 229,725

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital outlay	\$	413,978	
Depreciation expense		<u>(538,498)</u>	(124,520)

Certain notes receivable are reported in the governmental funds as expenditures and then offset by a deferred revenue as they are not available to pay current expenditures. Likewise, when the note is collected it is reflected in revenue. This is the net change between notes receivable collected and issued. (48,481)

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Issuance of bond principal is an other financing source and repayment of bond principal is an expenditure in governmental funds, but the issuance increases long-term liabilities and the repayment reduces long-term liabilities in the statement of net assets.

Tax allocation bonds - principal payment		60,000
------------------------------------------	--	--------

Compensated absence expenditures reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in a governmental fund. This is the net change in compensated absences for the current period. 62,950

Accrued interest is interest due on long-term debt payable. This is the net change in accrued interest for the current period. 590

Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The net revenues (expenses) of the internal service funds are reported with governmental activities. (16,431)

The amounts below, included in the Statement of Activities do not provide or require the use of current financial resources and, therefore, are not reported as revenue or expenditures in the governmental funds (net change):

Amortization - deferred charges		(5,197)
Amortization - discount on bonds		(1,128)

Certain accrued interest revenue of notes receivable reported in the statement of activities are not available to pay for current period expenditures, and therefore, are not reported as revenues in a governmental fund. This is the net change in interest receivable for the current period. 14,441

**Change in net assets of governmental activities** \$ 171,949

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

**CITY OF HUGHSON**  
**Statement of Net Assets**  
**Proprietary Funds**  
June 30, 2011

	Business-type Activities-Enterprise Funds				Governmental Activities
	Sewer Fund	Water Fund	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>Assets</b>					
Current Assets:					
Cash and Investments	\$ 3,760,914	\$ -	\$ 4,626	\$ 3,765,540	\$ 107,847
Accounts Receivable	51,844	75,495		127,339	
Due From Other Funds	1,449,724		2,143	1,451,867	
Total Current Assets	<u>5,262,482</u>	<u>75,495</u>	<u>6,769</u>	<u>5,344,746</u>	<u>107,847</u>
Noncurrent Assets:					
Capital Assets:					
Land	14,970,464	2,928,159	105,073	18,003,696	
Buildings	560,581	2,127,666	725,283	3,413,530	
Machinery and Equipment	525,610	21,510		547,120	
Improvements Other Than Buildings	17,344,111	9,955,861		27,299,972	
Construction In Progress	19,694,995	3,611,132		23,306,127	
Less:					
Accumulated Depreciation	(10,181,300)	(4,973,680)	(302,202)	(15,457,182)	
Total Noncurrent Assets	<u>42,914,461</u>	<u>13,670,648</u>	<u>528,154</u>	<u>57,113,263</u>	
Total Assets	<u>48,176,943</u>	<u>13,746,143</u>	<u>534,923</u>	<u>62,458,009</u>	<u>107,847</u>
<b>Liabilities</b>					
Current Liabilities:					
Accounts Payable	1,360,897	19,391	2,672	1,382,960	
Interest Payable	79,518	28,083		107,601	
Due to Other Funds		1,449,724	2,143	1,451,867	
Deposits Payable			11,470	11,470	
Total Current Liabilities	<u>1,440,415</u>	<u>1,497,198</u>	<u>16,285</u>	<u>2,953,898</u>	
Noncurrent Liabilities:					
Compensated Absences	22,293	11,415		33,708	
Due within one year	353,575			353,575	
Due in more than one year	23,759,418	2,414,668		26,174,086	
Total Noncurrent Liabilities	<u>24,135,286</u>	<u>2,426,083</u>		<u>26,561,369</u>	
Total Liabilities	<u>25,575,701</u>	<u>3,923,281</u>	<u>16,285</u>	<u>29,515,267</u>	
<b>Net Assets (Deficit)</b>					
Invested in Capital Assets, Net of Related Debt	18,801,468	11,255,980	528,154	30,585,602	
Unrestricted	3,799,774	(1,433,118)	(9,516)	2,357,140	107,847
Total Net Assets	<u>\$ 22,601,242</u>	<u>\$ 9,822,862</u>	<u>\$ 518,638</u>	<u>\$ 32,942,742</u>	<u>\$ 107,847</u>

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

**CITY OF HUGHSON**  
**Statement of Revenues, Expenses, and Changes in Net Assets**  
**Proprietary Funds**  
For the Fiscal Year Ended June 30, 2011

	<b>Business-type Activities - Enterprise funds</b>			<b>Governmental Activities</b>	
	<b>Sewer Fund</b>	<b>Water Fund</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Fund</b>
<b>Operating Revenues:</b>					
Charges for Services	\$ 2,095,247	\$ 1,106,400	\$ 32,257	\$ 3,233,904	\$ 3,569
Total Operating Revenues	<u>2,095,247</u>	<u>1,106,400</u>	<u>32,257</u>	<u>3,233,904</u>	<u>3,569</u>
<b>Operating Expenses:</b>					
Personnel	459,831	271,802	23,884	755,517	
Administrative	244,888	159,975	29,571	434,434	20,000
Materials and Supplies	195,284	101,296		296,580	
Maintenance	264,924	150,872	6,267	422,063	
Depreciation	444,836	185,482	24,176	654,494	
Total Operating Expenses	<u>1,609,763</u>	<u>869,427</u>	<u>83,898</u>	<u>2,563,088</u>	<u>20,000</u>
Operating Income (loss)	<u>485,484</u>	<u>236,973</u>	<u>(51,641)</u>	<u>670,816</u>	<u>(16,431)</u>
<b>Non-operating Revenues (Expenses):</b>					
Interest Revenue	60,490	125	45	60,660	
Interest Expense	(364,452)	(114,008)		(478,460)	
Intergovernmental Revenue		611,095		611,095	
Total Non-Operating Revenue (Expenses)	<u>(303,962)</u>	<u>497,212</u>	<u>45</u>	<u>193,295</u>	
Income (Loss) before transfers	181,522	734,185	(51,596)	864,111	(16,431)
Transfers					
Transfer In	444,836	185,482	30,000	660,318	
Transfer Out	(444,836)	(185,482)	(2,500)	(632,818)	
<b>Change in Net Assets</b>	<u>181,522</u>	<u>734,185</u>	<u>(24,096)</u>	<u>891,611</u>	<u>(16,431)</u>
Net Assets - Beginning of Fiscal Year	22,419,720	9,088,677	542,734	32,051,131	124,278
Net Assets - End of Fiscal Year	<u>\$ 22,601,242</u>	<u>\$ 9,822,862</u>	<u>\$ 518,638</u>	<u>\$ 32,942,742</u>	<u>\$ 107,847</u>

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

**CITY OF HUGHSON**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the Fiscal Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds			Totals	Governmental
	Sewer Fund	Water Fund	Nonmajor Enterprise Funds		Activities Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash Received from Users	\$ 2,717,358	\$ 2,315,618	\$ 30,245	\$ 5,063,221	\$ 3,568
Cash Payments to Suppliers and Contractors	(930,633)	(1,187,654)	(34,029)	(2,152,316)	(40,658)
Cash Payments to Employees	(478,426)	(280,298)	(27,801)	(786,525)	
Net Cash Provided (Used) By Operating Activities	<u>1,308,299</u>	<u>847,666</u>	<u>(31,585)</u>	<u>2,124,380</u>	<u>(37,090)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Transfers in Intergovernmental			27,500	27,500	
Interfund Borrowing	(382,947)	382,947			
Net Cash Provided (Used) By Noncapital Financing Activities	<u>(382,947)</u>	<u>382,947</u>	<u>27,500</u>	<u>27,500</u>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest Received	60,490	125	45	60,660	
Net Cash Provided (Used) in Investing Activities	<u>60,490</u>	<u>125</u>	<u>45</u>	<u>60,660</u>	
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Intergovernmental		611,095		611,095	
Proceeds from Debt Borrowings	10,982,593			10,982,593	
Principal Payments on Debt Borrowings	(289,747)	(97,998)		(387,745)	
Interest Paid	(381,408)	(115,154)		(496,562)	
Acquisition of Property, Plant, and Equipment	(10,553,104)	(1,628,681)		(12,181,785)	
Net Cash Provided (Used) In Capital and Related Financing Activities	<u>(241,666)</u>	<u>(1,230,738)</u>		<u>(1,472,404)</u>	
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>744,176</u>		<u>(4,040)</u>	<u>740,136</u>	<u>(37,090)</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL YEAR</b>	<u>3,016,738</u>		<u>8,666</u>	<u>3,025,404</u>	<u>144,937</u>
<b>CASH AND CASH EQUIVALENTS, END OF FISCAL YEAR</b>	<u>\$ 3,760,914</u>	<u>\$ -</u>	<u>\$ 4,626</u>	<u>\$ 3,765,540</u>	<u>\$ 107,847</u>
<b>Reconciliation to Statement of Net Assets:</b>					
Cash and Investments	\$ 3,760,914	\$ -	\$ 4,626	\$ 3,765,540	\$ 107,847
	<u>\$ 3,760,914</u>	<u>\$ -</u>	<u>\$ 4,626</u>	<u>\$ 3,765,540</u>	<u>\$ 107,847</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Operating Income (Loss)	\$ 485,484	\$ 236,973	\$ (51,641)	\$ 670,816	\$ (16,431)
<b>Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Depreciation Expense	444,836	185,482	24,176	654,494	
<b>Changes in Assets and Liabilities:</b>					
(Increase) Decrease in Accounts Receivable	622,111	1,209,218		1,831,329	(1)
Increase (Decrease) in Accounts Payable	(225,537)	(775,511)	1,808	(999,240)	(20,658)
Increase (Decrease) in Deposits Payable			(2,012)	(2,012)	
Increase (Decrease) in Compensated Absences	(18,595)	(8,496)	(3,916)	(31,007)	
Total Adjustments	<u>822,815</u>	<u>610,693</u>	<u>20,056</u>	<u>1,453,564</u>	<u>(20,659)</u>
Net Cash Provided (Used) By Operating Activities	<u>\$ 1,308,299</u>	<u>\$ 847,666</u>	<u>\$ (31,585)</u>	<u>\$ 2,124,380</u>	<u>\$ (37,090)</u>

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

**CITY OF HUGHSON**  
**Statement of Fiduciary Assets and Liabilities**  
**Fiduciary Fund**  
June 30, 2011

	Agency Fund
<b>Assets:</b>	
Cash and Investments	\$ 26,560
Total Assets	\$ 26,560
 <b>Liabilities:</b>	
Deposits Payable	\$ 26,560
Total Liabilities	\$ 26,560

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

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**NOTES TO BASIC FINANCIAL STATEMENTS**

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Hughson was incorporated in December 1972. The City is a general law city operating under the Council-Manager form of government, with a five member City Council elected for four-year overlapping terms. The City Manager is appointed by the City Council to serve as administrator of the staff and to carry out the Council's policies.

As required by accounting principles generally accepted in the United States of America, the financial statements present the government and its component units for which the government is considered financially accountable. The component unit, although a legally separate entity, is in substance part of the government's operations and so data from this unit is combined with the data of the primary government. The financial statements of the City of Hughson include the financial activities of the City as well as the Hughson Redevelopment Agency, which is controlled by and dependent on the City.

**Blended Component Unit**

The Hughson Redevelopment Agency (Agency) was activated by the City in January 2002, by Ordinance No. 01-11 pursuant to Community Redevelopment Law of the State of California to conduct economic development and other redevelopment activities in order to eliminate blight in the project area designated by its Board. 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 aggregated and merged (termed "blending") with those of the City. Complete financial statements of the Hughson Redevelopment Agency can be obtained from: City of Hughson, 7018 Pine Street, P.O. Box 9, Hughson, CA 95326.

**B. Basis of Presentation**

**Government-wide Financial Statements**

The statement of net assets and statement of activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City and between the City and its blended component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees charged to external parties.

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 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation (Continued)**

When both restricted and unrestricted net assets are available, unrestricted resources are used only after the restricted resources are depleted.

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 governmental and enterprise funds; each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

Proprietary funds distinguish *operating* revenues, such as charges for services, and result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports five major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes activities such as public protection, public works and facilities, parks and recreation, and community development.
- The *Home Loan Special Revenue Fund* was established to account for all proceeds of grant revenues from the federal government under the First Time Home Buyer federal grant program and from the State of California's CalHome grant program. The expenditures relate to payments made to eligible recipients for buying homes subject to fulfillment of conditions.
- The *Refuse Special Revenue Fund* was established to account for monies collected on behalf of a franchise garbage collection company.
- The *Redevelopment Agency Debt Service Fund* was established to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.
- The *Redevelopment Agency Capital Projects Fund* was established to undertake projects aimed at eliminating blight within the redevelopment project area. The Agency Board has identified a particular geographic area within the City of Hughson as comprising the project area. In addition to tax increment financing, the City also advances funds for certain capital projects within the project area.

The City reports the following two major enterprise funds:

- The *Sewer Fund* was established to account for the financial activity for the purpose of operation and maintenance of the City's sewer system including the wastewater treatment plant. The costs of providing these services to the general public are financed or recovered through user charges.
- The *Water Fund* was established to account for the financial activity for the purpose of operation and maintenance of City's water utility. The costs of providing these services to the general public are financed or recovered through user charges.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation (Continued)**

The City reports the following additional fund types:

*Internal Service Fund* account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis for insurance.

*Fiduciary Funds* are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other government units, and/or other funds.

**C. Basis of Accounting and Measurement Focus**

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after fiscal year-end. Expenditures are recorded when the related fund liability is incurred, except for debt service expenditures which are recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and capital leases are reported as other financing sources.

Property taxes, transient occupancy taxes, and interest are susceptible to accrual. Sales taxes collected and held by the state at fiscal year-end on behalf of the City are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time.

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

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting and Measurement Focus (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 GASB periodically updates its codification of existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes (GAAP) for government units.

**D. Assets, Liabilities, and Equity**

**1. Deposits and Investments**

In order to maximize the flexibility of its investment program and to aid in cash budgeting, the City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the City's cash and investment pool. As the City places no restrictions on the deposit or withdrawal of a particular fund's equity in the pool, the pool operates like a demand deposit account for the participating funds.

Interest income earned on pooled cash and investments is allocated monthly to the various funds based on month-end balances and is adjusted at fiscal year-end. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund.

In accordance with the State of California Government Code, the City adopts an investment policy annually that, among other things, authorizes types and concentrations of investments and maximum investment terms.

The City's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. LAIF determines the fair value of its portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost to fair value. Changes in fair value are allocated to each participating fund.

For purposes of the statement of cash flows, the City has defined cash and cash equivalents to be change and petty cash funds, equity in the City's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

Investments are stated at fair value in accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Short-term investments are reported at cost, which approximates fair value. The fair values are based on quoted market prices, if available, or estimated using quoted market prices for similar securities. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Interest, dividends, and realized and unrealized gains and losses, based on the specific identification method, are included in interest revenue when earned.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities, and Equity (Continued)**

**2. Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

The City's property taxes are levied on the first day of January by the County assessor, and are payable to the County tax collector in two installments. The first installment is due November 1<sup>st</sup>, and is delinquent after December 10<sup>th</sup>; the second installment is due February 1<sup>st</sup> and is delinquent after April 10<sup>th</sup>. Taxes become a lien on the property on January 1<sup>st</sup>, and on the date of the transfer of the title, and the date of new construction. Article 13A of the California Constitution states: "The maximum amount of any ad valorem tax on real property shall not exceed one percent (1%) of the full cash value of such property. The one percent tax is to be collected by the Counties and apportioned according to law to the districts within the counties." The City has elected under State law (TEETER) to receive all of the annual property assessments in three installments as follows: 55% in December, 40% in April and 5% in June.

**3. Inventories and Prepaid Items**

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**4. Restricted Assets**

Certain assets of special revenue grant funds are classified as restricted assets because their use is restricted by grant agreements.

**5. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. As a phase 3 government under GASB Statement 34, the City has elected to restate its capital assets as of July 1, 2008, to report infrastructure assets acquired prior to June 30, 2003. The City has determined that it is preferable to report all City infrastructure to provide for more accurate reporting. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are valued at the fair value of the assets on the date on which they were contributed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. The City utilizes a capitalization threshold of \$5,000.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities, and Equity (Continued)**

**5. Capital Assets (Continued)**

Depreciation is charged to operations using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	30 years
Vehicles	5 years
Machinery and equipment	5 to 15 years
Infrastructure	50 to 80 years

**6. Compensated Absences**

Depending upon length of employment, City employees earn vacation leave, sick leave, accrued holiday and compensated time which may be either used or accumulated until paid upon termination or retirement. Upon termination, the City is obligated to compensate employees for all earned but unused vacation days. Unused sick leave may be accumulated to 125 days. The earned but unused sick leave benefits are not payable in the event of employee termination but 25% of the unused accumulated sick leave is paid upon retirement of employees with more than twenty years of continued service.

A liability is accrued for all earned but unused leave benefits in the government-wide and enterprise fund statements. This liability will be liquidated as either additional cash payments in the event of employee termination or as part of budgeted salary expenditures if used by employees as compensated leave time while still employed by the City. In the fund financial statements governmental funds accrue current liabilities for material vacation leave benefits due on demand to governmental fund employees that have terminated prior to year-end. Non-current amounts will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees.

**7. Long-term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Debt premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the indebtedness using the straight line method. Notes payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities, and Equity (Continued)**

**8. Net Assets**

In the Government-wide financial statements and proprietary fund financial statements, net assets are reported in three categories: net assets invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Restricted net assets represent net assets restricted by parties outside of the City (such as creditors, grantors, contributors, laws, etc.) and include unspent proceeds of bonds issued to acquire or construct capital assets. The City's other restricted net assets are temporarily restricted (ultimately expendable assets). All other net assets are considered unrestricted.

**9. Use of Estimates**

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

**10. New Accounting Pronouncements**

The Agency has implemented the requirements of GASB Statement No. 54 and No. 59 during the fiscal year ended June 30, 2011.

*Governmental Accounting Standards Board Statement No. 54*

For the fiscal year ended June 30, 2011, the Agency implemented Governmental Accounting Standards Board Statement No. 54 (GASB 54), "*Fund Balance Reporting and Governmental Fund Type Definitions*,". The requirements of this statement are effective for financial statement periods beginning after June 15, 2010. GASB 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied, and is clarifies the existing governmental fund type definitions. It establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. These classifications are described in the Fund Equity section of this footnote.

*Governmental Accounting Standards Board Statement No. 59*

For the fiscal year ended June 30, 2011, the Agency implemented GASB Statement No. 59, "*Financial Instrument Omnibus*". This Statement establishes standards to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. The implementation of this Statement did not have an effect on these financial statements.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities, and Equity (Continued)**

**11. Fund Balance**

In the fund financial statements, governmental funds report fund balance 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.

- Nonspendable fund balance – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- Restricted fund balance – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance – amounts that can only be used for specific purposes determined by formal action of the City’s highest level of decision-making authority (the City Council) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- Assigned fund balance – amounts that are constrained by the City’s intent to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for that purpose.
- Unassigned fund balance – the residual classification for the City’s funds that include amounts not contained in the other classifications.

The City Council establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution.

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

The City Council adopts an Annual Budget no later than the second meeting of June of each year for the fiscal year commencing the following July 1. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. During May of each year, the City Manager submits to the City Council a proposed operating budget for the next following fiscal year. The operating budget includes proposed revenues and expenditures.
2. After a review by the City Council, a public hearing is conducted and further comment is received from the City Council and the general public.
3. Upon completion of the hearings and modifications, if any, to the proposed budget, it is adopted by the City Council through passage of an appropriate resolution.
4. Generally, the budget is amended in the middle of the year and at the end of the year. All approved additional appropriations are added to the adopted budget and an amended budget is presented to the City Council, which adopts it after due review expenditure categories within departments as deemed necessary in order to meet the City’s needs.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information (Continued)**

5. The City Manager is authorized to transfer from time to time budget amounts of operational.
6. City Council approval is required for all fund to fund transfers, department to department transfers, fund reserve to appropriations transfers, transfers for new revenue sources with offsetting appropriations, and for transfer to/from the capital expenditure category.
7. The City does not budget for the Equipment Replacement Special Revenue Fund.

**B. Budget/USGAAP Reconciliation**

No funds adopted project-length or budgetary basis budgets and, therefore, no schedule reconciling the amounts on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget to Actual to the amounts on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances has been prepared.

**C. Excess of Expenditures over Appropriations**

For the fiscal year ended June 30, 2011, expenditures exceeded appropriations in the following funds:

Fund	Final Appropriation	Expenditures	Excess
<u>Major Funds:</u>			
Home Loan Special Revenue Fund	\$ -	\$ 700	\$ 700
Refuse Special Revenue Fund	338,580	405,118	66,538
RDA Debt Service Fund	166,265	246,728	80,463
<u>Nonmajor Funds:</u>			
CLEEP Special Revenue Fund		201	201
Transportation Capital Projects Fund	88,104	226,964	138,860

**D. Deficit Fund Equity**

At June 30, 2011, the following funds had an accumulated deficit:

Fund	Amount
<u>Major Fund:</u>	
Refuse Special Revenue Fund	\$ 78,336
RDA Capital Projects Fund	279,741
<u>Nonmajor Funds:</u>	
Misc. Grants Special Revenue Fund	36,898
Transportation Capital Projects Fund	288,074

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 3 – CASH AND INVESTMENTS**

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

Statement of net assets:		
Cash and investments	\$	7,513,746
Cash and investments with fiscal agents		339,799
Fiduciary fund:		
Cash and investments		<u>26,560</u>
Total cash and investments	<u>\$</u>	<u>7,880,105</u>

Cash and investments as of June 30, 2011 consist of the following:

Cash on hand	\$	300
Deposits with financial institutions		426,599
Investments		<u>7,453,206</u>
Total cash and investments	<u>\$</u>	<u>7,880,105</u>

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

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

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Bonds issued by the City	N/A	None	None
US Treasury bills	5 years	None	None
US Treasury Notes	5 years	None	None
Federal Agency Issues	5 years	None	None
Negotiable Certificate of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Bankers' Acceptances	180 days	40%	30%
Medium Term Notes	5 years	30%	None
Money Market Mutual Funds	N/A	None	10%
Commercial Paper	270 days	25%	None
County Pool Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Collateralized Bank Deposits	N/A	None	None
Mortgage Pass-through Security	5 years	20%	None
Shares of Beneficial Interest by a JPA	N/A	None	None

The investment policy allows for the above investments which have equal safety and liquidity as all other allowed investments. Maturity depends on the cash needs of the City.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

**B. Investments Authorized by Debt Agreements**

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

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	N/A	None	None
U.S. Treasury Obligations	N/A	None	None
State Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Money Market Mutual Fund	N/A	None	None
Bankers Acceptances	N/A	None	None
Commercial Paper	270 days	None	None
Certificates of Deposit	N/A	None	None
Repurchase Agreements	N/A	None	None
Investment Agreements	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

The investment policy allows for the above investments which have equal safety and liquidity as all other allowed investments. Maturity depends on the cash needs of the City.

**C. Disclosures Relating to Interest Rate Risk**

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

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

<u>Investment Type</u>	<u>Totals</u>	<u>Remaining maturity (in Months)</u>			
		<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25-60 Months</u>	<u>More Than 60 Months</u>
State Investment Pool (LAIF)	\$ 77,882	\$ 77,882	\$ -	\$ -	\$ -
Money Market Funds	4,179,830	4,179,830			
Certificates of Deposit	2,855,695	2,855,695			
Held by Bond Trustees:					
Money Market Funds	339,799	339,799			
	<u>\$ 7,453,206</u>	<u>\$ 7,453,206</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

D. Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City has no investments (including investments held by bond trustees) that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

E. Disclosures Relating to Credit Risk

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

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End			
				AAA	AA	A	Not Rated
State Investment Pool	\$ 77,882	N/A	\$ -	\$ -	\$ -	\$ -	\$ 77,882
Money Market Funds	4,179,830	N/A					4,179,830
Certificates of Deposit	2,855,695	N/A					2,855,695
Held by Bond Trustee:							
Money Market Funds	339,799	A		339,799			
<b>Total</b>	<b>\$ 7,453,206</b>		<b>\$ -</b>	<b>\$ 339,799</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,113,407</b>

F. Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer (other than investment pools) that represent 5% or more of total City's investments.

G. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair market 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.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 3 – CASH AND INVESTMENTS (Continued)****H. Investment in State Investment Pool**

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

**NOTE 4 – INTERFUND TRANSACTIONS****A. Interfund Receivables and Payables**

During the course of normal operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds". The following presents a summary of current interfund balances at June 30, 2011.

Receivable Fund	Amount	Payable Fund	Amount
Major Governmental Fund:		Major Enterprise Fund:	
General	\$ 611,138	Water	\$ 1,449,724
Major Enterprise Fund:		Major Governmental Funds:	
Sewer	1,449,724	Refuse Special Revenue Fund	6,425
Nonmajor Enterprise Fund:		RDA Capital Projects Fund	279,741
USF Community Center Fund	2,143	Nonmajor Governmental Funds:	
Totals	<u>\$ 2,063,005</u>	Misc. Grants Special Revenue Fund	36,898
		Transportation Capital Projects Fund	288,074
		Nonmajor Enterprise Fund:	
		Community Center Operations Fund	2,143
		Totals	<u>\$ 2,063,005</u>

**B. Transfers between Funds**

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations, re-allocations of special revenues, and debt service transfers to pay principal and interest payments on bonds. All inter-fund transfers between individual government funds have been eliminated on the government-wide statements. The following schedule briefly summarizes the City's transfer activity for the fiscal year ended June 30, 2011:

Fund	Transfers-in	Transfers-out
Major Governmental Funds:		
General	\$ 217,365	\$ 167,280
Redevelopment Agency Capital Projects		26,625
Major Enterprise Funds:		
Water	185,482	185,482
Sewer	444,836	444,836
Nonmajor Governmental Funds:		
Solid Waste Special Revenue Fund		19,095
Parks Development Impact Fees Capital Projects Fund	232,000	
Public Facilities Capital Projects Fund	37,200	
Public Safety Augmentation Special Revenue Fund		22,718
Equipment Replacement Special Revenue Fund		25,682
Benefit Assessment Special Revenue Fund		17,594
Lighting and Landscaping Special Revenue Fund		23,843
Misc. Grants Special Revenue Fund		269,200
RDA Housing Special Revenue Fund	37,250	4,438
Traffic Special Revenue Fund		11,600
SLESF Special Revenue Fund		1,024
Vehicle Abatement Special Revenue Fund	67,784	
Gas Tax Special Revenue Fund		30,000
Nonmajor Enterprise Funds:		
Community Center Operations Fund	30,000	
USF Community Center Fund		2,500
Totals	<u>\$ 1,251,917</u>	<u>\$ 1,251,917</u>

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 5 – CAPITAL ASSETS**

Capital Assets activity for the fiscal year ended June 30, 2011 was as follows:

	Balance at July 1, 2010	Additions	Deletions	Prior Period Adjustment	Balance at June 30, 2011
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 9,678,610	\$ -	\$ -	\$ -	\$ 9,678,610
Right of way	2,777,617				2,777,617
Construction in progress	160,546				160,546
Total capital assets, not being depreciated	<u>12,616,773</u>				<u>12,616,773</u>
Capital assets, being depreciated:					
Buildings	1,000,677	220,119			1,220,796
Improvements	8,190,222				8,190,222
Equipment	321,726				321,726
Machinery	241,902				241,902
Rolling stock	530,299				530,299
Infrastructure	12,963,668	193,859			13,157,527
Total capital assets being depreciated	<u>23,248,493</u>	<u>413,978</u>			<u>23,662,472</u>
Less accumulated depreciation for:					
Buildings	(487,778)	(24,747)			(512,525)
Improvements	(2,937,276)	(185,022)			(3,122,298)
Equipment	(298,894)	(49,292)			(348,186)
Machinery	(140,752)	(20,934)			(161,686)
Rolling stock	(450,640)	(56,908)			(507,548)
Infrastructure	(2,312,168)	(201,595)			(2,513,763)
Total accumulated depreciation	<u>(6,627,508)</u>	<u>(538,498)</u>			<u>(7,166,006)</u>
Total capital assets, being depreciated, net	16,620,985	(124,520)			16,496,466
Governmental activities capital assets, net	<u>\$ 29,237,758</u>	<u>\$ (124,520)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,113,239</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 18,003,696	\$ -	\$ -	\$ -	\$ 18,003,696
Construction in progress	11,124,342	12,181,785			23,306,127
Total capital assets, not being depreciated	<u>29,128,038</u>	<u>12,181,785</u>			<u>41,309,823</u>
Capital assets, being depreciated:					
Buildings	3,413,530				3,413,530
Improvements	27,321,481				27,321,481
Equipment	157,040				157,040
Machinery	235,695				235,695
Rolling stock	132,876				132,876
Total capital assets, being depreciated	<u>31,260,622</u>				<u>31,260,622</u>
Less accumulated depreciation for:					
Buildings	(948,628)	(103,785)			(1,052,413)
Improvements	(13,474,762)	(502,808)			(13,977,570)
Equipment	(111,473)	(13,805)			(125,278)
Machinery	(189,986)	(9,564)			(199,550)
Rolling stock	(77,839)	(24,532)			(102,371)
Total accumulated depreciation	<u>(14,802,688)</u>	<u>(654,494)</u>			<u>(15,457,182)</u>
Total capital assets, being depreciated, net	16,457,934	(654,494)			15,803,440
Business-type activities capital assets, net	<u>\$ 45,585,972</u>	<u>\$ 11,527,291</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,113,263</u>

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 5 – CAPITAL ASSETS (Continued)****Depreciation**

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 311,019
Public Safety	113,739
Public Works	<u>113,740</u>
Total depreciation expense – governmental functions	<u>\$ 538,498</u>

Depreciation expense was charged to business-type functions as follows:

Sewer	\$ 444,836
Water	185,482
Community Facilities	<u>24,176</u>
Total depreciation expense – business-type functions	<u>\$ 654,494</u>

**NOTE 6 – NOTES RECEIVABLE**

The City has established a number of housing assistance loan programs using HOME Investment Partnerships Program grant funds. These loans consist of several loans for first-time home buyers assistance and home rehabilitation assistance loans for qualified persons. The City also utilizes Community Development Block Grant (CDBG) funds to provide business assistance loans and home rehabilitation loans to qualified persons.

**NOTE 7 – LONG-TERM LIABILITIES**

The following is a schedule of long-term liabilities for Governmental Activities and Business-type Activities for the fiscal year ended June 30, 2011:

	Balance at July 1, 2010	Additions	Repayments	Balance at June 30, 2011	Due Within One Year
<b>Governmental Activities:</b>					
Compensated absences	\$ 92,664	\$ -	\$ (62,950)	\$ 29,714	\$ -
Tax allocation bonds payable	2,995,000		(60,000)	2,935,000	60,000
Total	<u>\$ 3,087,664</u>	<u>\$ -</u>	<u>\$ (122,950)</u>	<u>\$ 2,964,714</u>	<u>\$ 60,000</u>
<b>Business-type Activities:</b>					
Compensated absences	\$ 64,716	\$ -	\$ (31,008)	\$ 33,708	\$ -
USDA Promissory Note	434,000		(8,000)	426,000	8,000
Installment note payable - Water	2,078,666		(89,998)	1,988,668	94,231
Installment note payable - Sewer	6,298,631		(240,151)	6,058,480	250,344
Capital Lease	49,596		(49,596)		
CSWRCB Revolving Loan	7,071,920	10,982,593		18,054,513	604,672
Total	<u>\$ 15,997,529</u>	<u>\$ 10,982,593</u>	<u>\$ (418,753)</u>	<u>\$ 26,561,369</u>	<u>\$ 957,247</u>

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 7 – LONG-TERM LIABILITIES (Continued)**

**1. Governmental Activities – 2006 Tax Allocation Bonds Payable**

\$3,200,000 tax allocation refunding bonds were issued on February 1, 2006. The bonds were issued to (i) currently refund all of the outstanding Hughson Redevelopment Project Tax Allocation Notes Series 2003 and (ii) finance additional redevelopment activities of the Agency (\$858,351). Principal payments ranging from \$45,000 to \$195,000 are due annually, starting October 1, 2006 through 2037. Interest is due semi-annually on October 1 and April 1, at rates ranging from 3.5% to 5.1%.

The bonds are secured by a pledge of the tax increment revenues, other than those deposited in the low and moderate income set-aside fund, for the Agency's project area. These revenues have been pledged until the year 2037. Interest and principal paid on the bonds for the fiscal year ended June 30, 2011, was \$147,631 and \$60,000 respectively. The principal balance outstanding at June 30, 2011 was \$2,935,000.

The remaining annual debt service requirements on the bond as of June 30, 2011 are as follows:

Fiscal Year Ended June 30,	2006 Tax Allocation Bond		
	Principal	Interest	Total
2012	\$ 60,000	\$ 142,930	\$ 202,930
2013	60,000	140,456	200,456
2014	65,000	137,760	202,760
2015	70,000	134,763	204,763
2016	70,000	131,613	201,613
2017-2021	405,000	604,743	1,009,743
2022-2026	520,000	493,079	1,013,079
2027-2031	655,000	346,775	1,001,775
2032-2036	835,000	160,448	995,448
2037	195,000	4,972	199,972
	<u>\$ 2,935,000</u>	<u>\$ 2,297,539</u>	<u>\$ 5,232,539</u>

**2. Business -type Activities - USDA Rural Development Promissory Note**

In 1998, the City executed a promissory note with the United States Department of Agriculture with the proceeds to be used for water system development. The note bears interest at 4.5%, with interest and principal (varying from \$4,500 to \$28,000) payable semi-annually beginning April 1, 1998 and continuing until April 1, 2037, Annual debt service requirements for the USDA Rural Development Promissory Note are shown below:

Fiscal Year Ended June 30,	USDA Rural Development Promissory Note		
	Principal	Interest	Total
2012	\$ 8,000	\$ 19,170	\$ 27,170
2013	9,000	18,810	27,810
2014	9,000	18,406	27,406
2015	10,000	18,000	28,000
2016	10,000	17,550	27,550
2017-2021	59,000	80,416	139,416
2022-2026	75,000	65,748	140,748
2027-2031	95,000	47,252	142,252
2032-2036	123,000	23,094	146,094
2037	28,000	1,660	29,660
	<u>\$ 426,000</u>	<u>\$ 310,106</u>	<u>\$ 736,106</u>

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 7 – LONG-TERM LIABILITIES (Continued)**

**3. Business -type Activities – Installment Notes Payable**

On February 27, 2006 the City executed an installment note agreement with Municipal Finance Corporation for the acquisition and construction of a 750,000 gallon water storage tank to meet fire flow requirements. The note bears interest at 4.7%, with principal payments varying from \$37,010 to \$90,702, payable semi-annually beginning September 29, 2006, and continuing until March 29, 2026. The balance outstanding at June 30, 2011 is \$1,988,668.

On March 7, 2008, the City executed an installment note agreement with Municipal Finance Corporation for the acquisition and construction for a wastewater treatment plant in the amount of \$6,750,000. The note bears interest at 4.2%, with principal payments varying from \$126,472 to \$245,934, payable semi-annually beginning September 7, 2008, and continuing until March 7, 2028. The balance outstanding at June 30, 2011 is \$6,058,480.

Annual debt service requirements for the Installment Notes Payable are shown below:

Fiscal Year Ended June 30,	Installment Notes Payable - Water		
	Principal	Interest	Total
2012	\$ 94,231	\$ 91,390	\$ 185,621
2013	98,664	86,957	185,621
2014	103,305	82,317	185,622
2015	108,165	77,457	185,622
2016	113,253	72,369	185,622
2017-2021	651,370	276,737	928,107
2022-2026	819,680	108,429	928,109
	<u>\$ 1,988,668</u>	<u>\$ 795,656</u>	<u>\$ 2,784,324</u>

Fiscal Year Ended June 30,	Installment Notes Payable - Sewer		
	Principal	Interest	Total
2012	\$ 250,344	\$ 251,855	\$ 502,199
2013	260,968	241,230	502,198
2014	272,045	230,155	502,200
2015	283,590	218,609	502,199
2016	295,626	206,572	502,198
2017-2021	1,677,324	833,668	2,510,992
2022-2026	2,064,782	446,210	2,510,992
2027-2028	953,801	50,595	1,004,396
	<u>\$ 6,058,480</u>	<u>\$ 2,478,894</u>	<u>\$ 8,537,374</u>

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 7 – LONG-TERM LIABILITIES (Continued)**

**4. Business -type Activities – Capital Lease**

In 2007, the City entered into a capital lease agreement with Vactor Manufacturing, Inc. to purchase a sewer vacuum truck. The capital lease bears interest at 5.3%, with interest and principal, payable annually beginning July 1, 2006 and continuing until July 1, 2010. This capital lease has been paid off as of June 30, 2011.

**5. Business -type Activities – California State Water Resources Control Board Revolving Loan**

On September 10, 2009, the City entered into a project finance agreement with the California State Water Resource Control Board (Water Control Board). Through the use of ARRA funds, the Water Control Board provided funding assistance in the amount of \$23,100,000 for the rehabilitation and upgrade of the wastewater treatment plant. The City must repay the project funds at an interest rate of 1% per annum. The term of the agreement is June 16, 2009, to June 7, 2031. To date, \$18,054,513 of the loan has been drawn down.

**6. Compensated Absences**

The City's policy relating to compensated absences is described in Note (1). Compensated absences are liquidated primarily by the general fund and proprietary funds. The total amount outstanding at June 30, 2011, was \$29,714 for governmental activities and \$33,708 for business-type activities.

**NOTE 8 – RISK MANAGEMENT**

*Central San Joaquin Valley Risk Management Authority*

The City participates with other public entities in a joint exercise of powers agreement which establishes the Central San Joaquin Valley Risk Management Authority (CSJVRMA). The relationship between the City and CSJVRMA is such that CSJVRMA is not a component unit of the City for financial reporting purposes.

The City is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each workers' compensation claim through the CSJVRMA. The City has the right to receive dividends or the obligation to pay assessments based on a formula which, among other expenses, charges the City's account for liability losses under \$10,000 and worker's compensation losses under \$10,000. The CSJVRMA participates in an excess pool which provides general liability coverage from \$1,000,000 to \$10,000,000. The CSJVRMA participates in an excess pool which provides workers' compensation coverage from \$350,000 to \$500,000 and purchases excess insurance above the \$500,000 to the statutory limit.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 8 – RISK MANAGEMENT (Continued)**

*Central San Joaquin Valley Risk Management Authority (Continued)*

The CSJVRMA is a consortium of fifty-five (55) cities in the San Joaquin Valley of California. It was established under the provisions of California Government Code Section 6500 et seq. The CSJVRMA is governed by a Board of Directors, which meets 3-4 times per year, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by the CSJVRMA.

**NOTE 9 – PROPRIETARY FUNDS INFORMATION**

The City maintains four enterprise funds. The Water and Sewer funds account for the provision of basic utility services to all citizens. The Community Center Operations fund and USF Community Center fund are utilized to maintain the operations and maintenance of the City's community center.

**NOTE 10 – CONTINGENT LIABILITIES**

The City is subject to litigation arising in the normal course of business. In the opinion of the City's management, there is no pending litigation that is likely to have a material adverse effect on the financial position of the City.

**SERAF Contingency**

During the fiscal year 2008-2009, the State of California experienced a severe budgetary crisis. Various "budget trailer bills" were passed by the state legislature to balance the state's budget, including bills that required California redevelopment agencies to transfer funds to the Educational Revenue Augmentation Fund (ERAF) and Supplemental Educational Revenue Augmentation Fund (SERAF) administered by the various county auditor-controllers. Noted below is a general explanation of the ERAF and SERAF legislation, together with the effect of this legislation on the City and the Hughson Redevelopment Agency (Agency).

**ERAF Contribution**

Pursuant to AB 1389, a budget trailer bill, California redevelopment agencies were required to make ERAF contributions totaling \$350 million. In response to AB 1389, the California Redevelopment Association (CRA) filed a lawsuit against the State of California (California Redevelopment Association et al v. Genest), challenging the constitutionality of the required ERAF contributions. On April 30, 2009, the Sacramento Superior Court held in favor of CRA, ruling that AB 1389 was unconstitutional. On September 28, 2009, the State of California announced its decision not to appeal the decision in "Genest". Accordingly, the Superior Court's decision is now final and binding, and California redevelopment agencies will not be required to make the ERAF contributions pursuant to AB 1389.

SERAF Contributions

Pursuant to AB 26x4, a budget trailer bill, California redevelopment agencies were required to make SERAF contributions totaling \$1.7 billion for the fiscal year 2009-2010 and \$350 million for the fiscal year 2010-2011. Under AB 26x4, agencies may borrow a portion of the required contributions from their low and moderate income housing fund. Alternatively, sponsoring governmental agencies (the cities or counties) may elect to pay the SERAF contributions on behalf of their redevelopment agencies. On October 20, 2009, the (CRA) filed a class action lawsuit on behalf of all California redevelopment agencies challenging the SERAF obligations as unconstitutional.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 10 – CONTINGENT LIABILITIES (CONTINUED)**

**ERAF Contribution (Continued)**

The Agency's SERAF contributions are \$35,900 for the fiscal year 2010-2011 and estimated to be \$220,771 for 2011-2012. It is the position of Agency officials that the SERAF contributions required by AB 26x4 are unconstitutional, and that the Agency is not obligated to make these contributions, however, the Agency has made the contribution for 2010-2011.

**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS**

The City does not offer any other post employment benefits.

**NOTE 12 – DEFINED BENEFIT PENSION PLANS**

**Public Employees Retirement System (PERS)**

**Plan Description and Funding Policy**

Substantially all full-time City employees are eligible to participate in pension plans offered by California Public Employee Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. The City's employees participate in the separate Safety (police and fire) and Miscellaneous (all other) Employee Plans. There are currently no active employees enrolled in the Safety Plan. Benefit provisions under both plans are established by State statute and City resolution. Benefits are based on years of credited service, equal to one year of full time employment. Funding contributions for both plans are determined annually on an actuarial basis as of June 30 by CalPERS; the City must contribute these amounts. The current required contribution rate is 13.932% for the miscellaneous plan.

The City's labor contracts require it to pay employee contributions for miscellaneous plan members as well as the employer required contributions. The employee contribution is 8% of their annual covered salary.

**Annual Pension Cost**

For the fiscal year 2010/2011, the City's annual pension cost of \$129,564 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) overall payroll growth of 3.25% compounded annually; and (c) an inflation rate of 3.0% compounded annually. The actuarial value of PERS was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period (smoothed market value). PERS 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, 2009, was 21 year for miscellaneous.

**CITY OF HUGHSON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2011**

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Annual Pension Cost (Continued)**

**Three-Year Trend Information for Miscellaneous Plan**

Fiscal Year <u>Ending</u>	Annual Pension Cost <u>(APC)</u>	Percentage of APC <u>Contributed</u>	<u>Net Pension Obligation</u>
06/30/09	\$ 169,338	100%	\$ -
06/30/10	157,966	100%	-
06/30/11	129,564	100%	-

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**REQUIRED SUPPLEMENTAL INFORMATION**

**CITY OF HUGHSON**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 304,100	\$ 304,100	\$ 177,073	\$ (127,027)
Sales and Use Taxes	394,000	394,000	408,658	14,658
Business License Taxes	23,000	23,000	23,932	932
Other Taxes	123,000	123,000	71,387	(51,613)
Licenses and Permits	54,500	54,500	76,567	22,067
Fines and Forfeitures	103,700	103,700	145,176	41,476
Interest	4,000	4,000	3,197	(803)
Charges for Services	48,800	48,800	38,718	(10,082)
Intergovernmental	468,000	468,000	493,962	25,962
Other	362,000	362,000	367,737	5,737
Total Revenues	<u>1,885,100</u>	<u>1,885,100</u>	<u>1,806,407</u>	<u>(78,693)</u>
<b>Expenditures</b>				
Current				
General Government	586,435	586,435	488,440	97,995
Public Safety	899,557	899,557	825,121	74,436
Public Works	406,854	406,854	454,584	(47,730)
Parks and Recreation	64,585	64,585	84,142	(19,557)
Total Expenditures	<u>1,957,431</u>	<u>1,957,431</u>	<u>1,852,287</u>	<u>105,144</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(72,331)</u>	<u>(72,331)</u>	<u>(45,880)</u>	<u>26,451</u>
<b>Other Financing Sources (uses):</b>				
Transfers In	166,674	166,674	217,365	50,691
Transfers Out	<u>(30,000)</u>	<u>(30,000)</u>	<u>(167,280)</u>	<u>(137,280)</u>
Total Other Financing Sources (Uses)	<u>136,674</u>	<u>136,674</u>	<u>50,085</u>	<u>(86,589)</u>
Net Change in Fund Balance	64,343	64,343	4,205	(60,138)
<b>Fund Balance - July 1, 2010</b>	<u>901,059</u>	<u>901,059</u>	<u>901,059</u>	
<b>Fund Balance - June 30, 2011</b>	<u>\$ 965,402</u>	<u>\$ 965,402</u>	<u>\$ 905,264</u>	<u>\$ (60,138)</u>

**CITY OF HUGHSON**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**HOME LOAN SPECIAL REVENUE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Interest	\$ 250	\$ 250	\$ 103	\$ (147)
Intergovernmental			770	770
Total Revenues	250	250	873	623
<b>Expenditures</b>				
Current:				
Community Development			770	(770)
Total Expenditures			770	(770)
Net Change in Fund Balance	250	250	103	(147)
<b>Fund Balance - July 1, 2010</b>	36,623	36,623	36,623	
<b>Fund Balance - June 30, 2011</b>	<u>\$ 36,873</u>	<u>\$ 36,873</u>	<u>\$ 36,726</u>	<u>\$ (147)</u>

**CITY OF HUGHSON**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**REFUSE SPECIAL REVENUE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$ 421,000	\$ 421,000	\$ 421,871	\$ 871
Total Revenues	421,000	421,000	421,871	871
<b>Expenditures</b>				
Current:				
General Government	338,580	338,580	405,118	(66,538)
Total Expenditures	338,580	338,580	405,118	(66,538)
Net Change in Fund Balance	82,420	82,420	16,753	(65,667)
<b>Fund Balance (Deficit) - July 1, 2010</b>	(95,089)	(95,089)	(95,089)	
<b>Fund Balance (Deficit) - June 30, 2011</b>	<u>\$ (12,669)</u>	<u>\$ (12,669)</u>	<u>\$ (78,336)</u>	<u>\$ (65,667)</u>

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**OTHER SUPPLEMENTAL INFORMATION**

**CITY OF HUGHSON**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**REDEVELOPMENT AGENCY DEBT SERVICE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues</b>			
Property Taxes	\$ 391,302	\$ 389,704	\$ (1,598)
Interest	18,500	1,498	(17,002)
	<u>409,802</u>	<u>391,202</u>	<u>(18,600)</u>
<b>Total Revenues</b>			
<b>Expenditures</b>			
Current:			
General Government	2,000	82,463	(80,463)
Debt Service:			
Principal	48,000	48,000	
Interest and Fiscal Charges	116,265	116,265	
	<u>166,265</u>	<u>246,728</u>	<u>(80,463)</u>
<b>Total Expenditures</b>			
Net Change in Fund Balance	243,537	144,474	(99,063)
<b>Fund Balance - July 1, 2010</b>	<u>216,171</u>	<u>216,171</u>	
<b>Fund Balance - June 30, 2011</b>	<u>\$ 459,708</u>	<u>\$ 360,645</u>	<u>\$ (99,063)</u>

**CITY OF HUGHSON**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**REDEVELOPMENT AGENCY CAPITAL PROJECTS FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$ 2,800	\$ 7	\$ (2,793)
Total Revenues	<u>2,800</u>	<u>7</u>	<u>(2,793)</u>
<b>Expenditures</b>			
Current:			
General Government		35,900	(35,900)
Community Development	265,370	225,759	39,611
Capital Outlay	<u>52,000</u>		<u>52,000</u>
Total Expenditures	<u>317,370</u>	<u>261,659</u>	<u>55,711</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>(314,570)</u>	<u>(261,652)</u>	<u>52,918</u>
<b>Other Financing Sources (Uses)</b>			
Transfers out	<u>(52,000)</u>	<u>(26,625)</u>	<u>25,375</u>
Total Other Financing Sources (Uses)	<u>(52,000)</u>	<u>(26,625)</u>	<u>25,375</u>
Net Change in Fund Balance	(366,570)	(288,277)	78,293
<b>Fund Balance - July 1, 2010</b>	<u>8,536</u>	<u>8,536</u>	
<b>Fund Balance - June 30, 2011</b>	<u>\$ (358,034)</u>	<u>\$ (279,741)</u>	<u>\$ 78,293</u>

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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**Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.**

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**The Asset Forfeiture Fund** was established to account for monies received from asset seizures in the City's jurisdiction. The monies are to be spent on police protection and enforcement.

**The Gas Tax Fund** was established to account for state gas tax revenues based on population. The revenues may be expended only for street and road repair, maintenance, design, construction, and traffic signal design and installation.

**The Vehicle Abatement Fund** was established to account for vehicle abatement fees, revenues, and expenditures.

**The CDBG Rehab Fund** was established to account for federal grants under the Housing and Community Development Act, to assist low and moderate income groups in obtaining loans to rehabilitate or revitalize their homes.

**The CDBG Grants Fund** was established to account for federal planning grants under the Housing and Community Development Act.

**The Public Safety Augmentation Fund** was established to account for monies received through a special sales tax to be spent to sustain the public safety department.

**The Equipment Replacement Fund** was established to reserve for future replacement of equipment.

**The Solid Waste Management Fund** was established to account for AB939 revenues received from county for solid waste recycling efforts.

**The Storm Drain Fund** was established to account for storm drain revenues.

**The Traffic Fund** was established to account for revenues received and expenditures made for traffic improvements.

**The SLESF Fund** established to account for revenues received and expenditures made for Special Law Enforcement Services.

**The CLEEP Fund** was established to account for state grant money disbursed to local law enforcement, assist local agencies in acquiring high technology equipment and training.

**The Redevelopment Housing Fund** was established to account for increase in property taxes within the Redevelopment Agency area to be used exclusively for development of low and moderate income housing.

**The Lighting and Landscaping Fund** was established to account for the lighting and landscaping of specified zones in the City.

**The Benefit Assessment Fund** was established to account for assessments applied to certain districts within the City.

**The Miscellaneous Grants Fund** was established to account for different grant revenues and expenditures.

**The Community Enhancement Fund** was established to bridge the gap between old development and new development where Landscaping and Lighting Districts are set up.

**The Local Transportation Authority Fund** is used to account for the revenue and expenditure of funds generated by a one-half cent voter approved sales tax earmarked for street improvements.

#### **CAPITAL PROJECTS FUNDS**

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

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**The Public Facilities Fund** was established to account for all proceeds from traffic mitigation fees, whose purpose is to defray the actual costs of constructing improvements to mitigate traffic and circulation impacts resulting from proposed new development.

**The Transportation Fund** was established to account for the 6" Street reconstruction.

**The Municipal Park Fund** was established to account for future expansion of City parks.

**The Parks Development Impact Fees Fund** was established to account for developer assessments on new home construction, with the monies to be used for construction of parks.

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**CITY OF HUGHSON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2011**

**Special Revenue Funds**

	Asset Forfeiture	Gas Tax	Vehicle Abatement	CDBG Rehab	CDBG Grants
<b>Assets</b>					
Cash and Investments	\$ 1,660	\$ 208,385	\$ 31	\$ 163,922	\$ 93,988
Accounts Receivable		11,546		55	
Loans Receivable				230,283	
<b>Total Assets</b>	<u>\$ 1,660</u>	<u>\$ 219,931</u>	<u>\$ 31</u>	<u>\$ 394,260</u>	<u>\$ 93,988</u>
<b>Liabilities</b>					
Accounts Payable and Accrued Liabilities	\$ -	\$ 4,357	\$ -	\$ -	\$ -
Deferred Revenue				230,283	
Due To Other Funds					
<b>Total Liabilities</b>		<u>4,357</u>		<u>230,283</u>	
<b>Fund Balances (Deficits)</b>					
Restricted	1,660	215,574	31	163,977	93,988
Unassigned					
<b>Total Fund Balances (Deficits)</b>	<u>1,660</u>	<u>215,574</u>	<u>31</u>	<u>163,977</u>	<u>93,988</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,660</u>	<u>\$ 219,931</u>	<u>\$ 31</u>	<u>\$ 394,260</u>	<u>\$ 93,988</u>

**Special Revenue Funds**

Public Safety Augmentation	Equipment Replacement	Solid Waste Management	Storm Drain	Traffic	SLESF
\$ -	\$ -	\$ -	\$ 25,084	\$ 72,307 9,871	\$ 168,995 25,504
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,084</u>	<u>\$ 82,178</u>	<u>\$ 194,499</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,717
					<u>10,717</u>
			25,084	82,178	183,782
			<u>25,084</u>	<u>82,178</u>	<u>183,782</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,084</u>	<u>\$ 82,178</u>	<u>\$ 194,499</u>

Continued

**CITY OF HUGHSON**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2011**  
**(CONTINUED)**

	<b>Special Revenue Funds</b>				
	CLEEP	Redevelopment Housing	Lighting and Landscaping	Benefit Assessment	Misc. Grants
<b>Assets</b>					
Cash and Investments	\$ -	\$ 804,767	\$ 121,075	\$ 49,511	\$ -
Accounts Receivable		5,211	729	582	
Loans Receivable		67,028			
Total Assets	<u>\$ -</u>	<u>\$ 877,006</u>	<u>\$ 121,804</u>	<u>\$ 50,093</u>	<u>\$ -</u>
<b>Liabilities</b>					
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred Revenue		67,028			
Due To Other Funds					36,898
Total Liabilities		<u>67,028</u>			<u>36,898</u>
<b>Fund Balances (Deficits)</b>					
Restricted		809,978	121,804	50,093	
Unassigned					(36,898)
Total Fund Balances (Deficits)		<u>809,978</u>	<u>121,804</u>	<u>50,093</u>	<u>(36,898)</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 877,006</u>	<u>\$ 121,804</u>	<u>\$ 50,093</u>	<u>\$ -</u>

<b>Special Revenue Funds</b>		<b>Capital Projects Funds</b>				<b>Total Nonmajor Governmental Funds</b>
<b>Community Enhancement</b>	<b>Local Transportation Fund</b>	<b>Public Facilities</b>	<b>Transportation</b>	<b>Municipal Park</b>	<b>Parks Development Impact Fees</b>	
\$ 86,761	\$ 39,686	\$ 1,165,107	\$ -	\$ 309,301	\$ 102,886	\$ 3,413,466
						53,498
						297,311
<u>\$ 86,761</u>	<u>\$ 39,686</u>	<u>\$ 1,165,107</u>	<u>\$ -</u>	<u>\$ 309,301</u>	<u>\$ 102,886</u>	<u>\$ 3,764,275</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,074
						297,311
			288,074			324,972
			288,074			637,357
86,761	39,686	1,165,107		309,301	102,886	3,451,890
			(288,074)			(324,972)
<u>86,761</u>	<u>39,686</u>	<u>1,165,107</u>	<u>(288,074)</u>	<u>309,301</u>	<u>102,886</u>	<u>3,126,918</u>
<u>\$ 86,761</u>	<u>\$ 39,686</u>	<u>\$ 1,165,107</u>	<u>\$ -</u>	<u>\$ 309,301</u>	<u>\$ 102,886</u>	<u>\$ 3,764,275</u>

**CITY OF HUGHSON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2011**

	<b>Special Revenue Funds</b>				
	Asset Forfeiture	Gas Tax	Vehicle Abatement	CDBG Rehab	CDBG Grants
Revenues:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Interest		566		436	257
Charges for Services			7,239		
Intergovernmental		102,872			
Special Assessments				12,490	
Other					
Total Revenues	<u>\$ -</u>	<u>\$ 103,438</u>	<u>\$ 7,239</u>	<u>\$ 12,926</u>	<u>\$ 257</u>
Expenditures:					
Current:					
General Government					
Public Safety			59,168	328	
Public Works		91,112			
Capital Outlay					
Debt Service:					
Principal					
Interest and Fiscal Charges					
Total Expenditures		<u>91,112</u>	<u>59,168</u>	<u>328</u>	
Excess (Deficiency) of Revenues over (Under) Expenditures		<u>12,326</u>	<u>(51,929)</u>	<u>12,598</u>	<u>257</u>
Other Financing Sources (Uses):					
Transfers In			67,784		
Transfers Out		(30,000)			
Total Other Financing Sources (Uses)		<u>(30,000)</u>	<u>67,784</u>		
Net Change in Fund Balances		<u>(17,674)</u>	<u>15,855</u>	<u>12,598</u>	<u>257</u>
Fund Balances (Deficits) - July 1, 2010	1,660	233,248	(15,824)	151,379	93,731
Fund Balances (Deficits) - June 30, 2011	<u>\$ 1,660</u>	<u>\$ 215,574</u>	<u>\$ 31</u>	<u>\$ 163,977</u>	<u>\$ 93,988</u>

<b>Special Revenue Funds</b>					
Public Safety Augmentation	Equipment Replacement	Solid Waste Management	Storm Drain	Traffic	SLESF
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		35		190	450
5,038		837	49,408		
				60,705	101,555
<u>5,038</u>		<u>872</u>	<u>49,408</u>	<u>60,895</u>	<u>102,005</u>
				2,851	72,324
				30,000	
				<u>32,851</u>	<u>72,324</u>
5,038		872	49,408	28,044	29,681
<u>(22,718)</u>	<u>(25,682)</u>	<u>(19,095)</u>		<u>(11,600)</u>	<u>(1,024)</u>
<u>(22,718)</u>	<u>(25,682)</u>	<u>(19,095)</u>		<u>(11,600)</u>	<u>(1,024)</u>
<u>(17,680)</u>	<u>(25,682)</u>	<u>(18,223)</u>	49,408	16,444	28,657
17,680	25,682	18,223	(24,324)	65,734	155,125
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,084</u>	<u>\$ 82,178</u>	<u>\$ 183,782</u>

Continued

**CITY OF HUGHSON**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2011**  
**(CONTINUED)**

	<b>Special Revenue Funds</b>				
	CLEEP	Redevelopment Housing	Lighting and Landscaping	Benefit Assessment	Misc. Grants
Revenues:					
Property Taxes	\$ -	\$ 97,428	\$ -	\$ -	\$ -
Interest		5,248			
Charges for Services					
Intergovernmental					231,454
Special Assessments			76,658	70,760	
Other					
Total Revenues	<u>201</u>	<u>102,676</u>	<u>76,658</u>	<u>70,760</u>	<u>231,454</u>
Expenditures:					
Current:					
General Government		95,690			
Public Safety					
Public Works			76,178	78,762	
Capital Outlay	201				
Debt Service:					
Principal		12,000			
Interest and Fiscal Charges		29,066			
Total Expenditures	<u>201</u>	<u>136,756</u>	<u>76,178</u>	<u>78,762</u>	
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>(201)</u>	<u>(34,080)</u>	<u>480</u>	<u>(8,002)</u>	<u>231,454</u>
Other Financing Sources (Uses):					
Transfers In		37,250			
Transfers Out		(4,438)	(23,843)	(17,594)	(269,200)
Total Other Financing Sources (Uses)		<u>32,812</u>	<u>(23,843)</u>	<u>(17,594)</u>	<u>(269,200)</u>
Net Change in Fund Balances	<u>(201)</u>	<u>(1,268)</u>	<u>(23,363)</u>	<u>(25,596)</u>	<u>(37,746)</u>
Fund Balances (Deficits) - July 1, 2010	201	811,246	145,167	75,689	848
Fund Balances (Deficits) - June 30, 2011	<u>\$ -</u>	<u>\$ 809,978</u>	<u>\$ 121,804</u>	<u>\$ 50,093</u>	<u>\$ (36,898)</u>

Special Revenue Funds		Capital Project Funds				Total
Community Enhancement	Local Transportation Fund	Public Facilities	Transportation	Municipal Park	Parks Development Impact Fees	Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,428
208		5,812		802	122	14,126
16,128		131,505		25,883	37,315	273,353
	75,197		293,047			864,830
						147,418
						12,490
<u>16,336</u>	<u>75,197</u>	<u>137,317</u>	<u>293,047</u>	<u>26,685</u>	<u>37,437</u>	<u>1,409,645</u>
						95,690
						134,671
						246,052
			226,964		231,574	488,739
						12,000
						29,066
			226,964		231,574	1,006,218
<u>16,336</u>	<u>75,197</u>	<u>137,317</u>	<u>66,083</u>	<u>26,685</u>	<u>(194,137)</u>	<u>403,427</u>
		37,200			232,000	374,234
						(425,194)
		37,200			232,000	(50,960)
<u>16,336</u>	<u>75,197</u>	<u>174,517</u>	<u>66,083</u>	<u>26,685</u>	<u>37,863</u>	<u>352,467</u>
70,425	(35,511)	990,590	(354,157)	282,616	65,023	2,774,451
<u>\$ 86,761</u>	<u>\$ 39,686</u>	<u>\$ 1,165,107</u>	<u>\$ (288,074)</u>	<u>\$ 309,301</u>	<u>\$ 102,886</u>	<u>\$ 3,126,918</u>

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CITY OF HUGHSON  
 ASSET FORFEITURE SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ -	\$ -	\$ -
Total Revenue	<u>          </u>	<u>          </u>	<u>          </u>
Net Change in Fund Balance			
Fund Balance - July 1, 2010	<u>1,660</u>	<u>1,660</u>	<u>          </u>
Fund Balance - June 30, 2011	<u>\$ 1,660</u>	<u>\$ 1,660</u>	<u>\$ -</u>

CITY OF HUGHSON  
 GAS TAX SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 1,520	\$ 566	\$ (954)
Intergovernmental	<u>104,011</u>	<u>102,872</u>	<u>(1,139)</u>
Total Revenue	<u>105,531</u>	<u>103,438</u>	<u>(2,093)</u>
Expenditures:			
Current:			
Public Works	85,393	91,112	(5,719)
Capital Outlay	<u>30,000</u>	<u>          </u>	<u>30,000</u>
Total Expenditures	<u>115,393</u>	<u>91,112</u>	<u>24,281</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,862)</u>	<u>12,326</u>	<u>22,188</u>
Other Financing Sources (Uses):			
Transfers Out	<u>(30,000)</u>	<u>(30,000)</u>	<u>          </u>
Total Other Financing Sources (Uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>          </u>
Net Change in Fund Balance	(39,862)	(17,674)	22,188
Fund Balance - July 1, 2010	<u>233,248</u>	<u>233,248</u>	<u>          </u>
Fund Balance - June 30, 2011	<u>\$ 193,386</u>	<u>\$ 215,574</u>	<u>\$ 22,188</u>

CITY OF HUGHSON  
 VEHICLE ABATEMENT SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Charges For Services	\$ 15,000	\$ 7,239	\$ (7,761)
Total Revenue	<u>15,000</u>	<u>7,239</u>	<u>(7,761)</u>
Expenditures:			
Current:			
Public Safety	<u>71,424</u>	<u>59,168</u>	<u>12,256</u>
Total Expenditures	<u>71,424</u>	<u>59,168</u>	<u>12,256</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(56,424)</u>	<u>(51,929)</u>	<u>4,495</u>
Other Financing Sources (Uses):			
Transfers In	<u>71,000</u>	<u>67,784</u>	<u>(3,216)</u>
Total Other Financing Sources (Uses)	<u>71,000</u>	<u>67,784</u>	<u>(3,216)</u>
Net Change in Fund Balance	14,576	15,855	1,279
Fund Balance (Deficit) - July 1, 2010	<u>(15,824)</u>	<u>(15,824)</u>	
Fund Balance (Deficit) - June 30, 2011	<u>\$ (1,248)</u>	<u>\$ 31</u>	<u>\$ 1,279</u>

CITY OF HUGHSON  
 CDBG REHAB SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 3,036	\$ 436	\$ (2,600)
Other Revenue	<u>10,135</u>	<u>12,490</u>	<u>2,355</u>
Total Revenue	<u>13,171</u>	<u>12,926</u>	<u>(245)</u>
Expenditures:			
Current:			
Public Safety	<u>8,000</u>	<u>328</u>	<u>7,672</u>
Total Expenditures	<u>8,000</u>	<u>328</u>	<u>7,672</u>
Net Change in Fund Balance	<u>5,171</u>	<u>12,598</u>	<u>7,427</u>
Fund Balance - July 1, 2010	151,379	151,379	
Fund Balance - June 30, 2011	<u>\$ 156,550</u>	<u>\$ 163,977</u>	<u>\$ 7,427</u>

CITY OF HUGHSON  
 CDBG GRANTS SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 500	\$ 257	\$ (243)
Total Revenue	<u>500</u>	<u>257</u>	<u>(243)</u>
Net Change in Fund Balance	<u>500</u>	<u>257</u>	<u>(243)</u>
Fund Balance - July 1, 2010	93,731	93,731	
Fund Balance - June 30, 2011	<u>\$ 94,231</u>	<u>\$ 93,988</u>	<u>\$ (243)</u>

CITY OF HUGHSON  
PUBLIC SAFETY AUGMENTATION SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Charges For Services	\$ 6,000	\$ 5,038	\$ (962)
Total Revenue	<u>6,000</u>	<u>5,038</u>	<u>(962)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,000</u>	<u>5,038</u>	<u>(962)</u>
Other Financing Sources (Uses):			
Transfers Out	<u>(10,000)</u>	<u>(22,718)</u>	<u>(12,718)</u>
Total Other Financing Sources (Uses)	<u>(10,000)</u>	<u>(22,718)</u>	<u>(12,718)</u>
Net Change in Fund Balance	(4,000)	(17,680)	(13,680)
Fund Balance - July 1, 2010	<u>17,680</u>	<u>17,680</u>	<u>          </u>
Fund Balance - June 30, 2011	<u>\$ 13,680</u>	<u>\$ -</u>	<u>\$ (13,680)</u>

CITY OF HUGHSON  
 SOLID WASTE MANAGEMENT SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 300	\$ 35	\$ (265)
Charges for Services	<u>5,000</u>	<u>837</u>	<u>(4,163)</u>
Total Revenue	<u>5,300</u>	<u>872</u>	<u>(4,428)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,300</u>	<u>872</u>	<u>(4,428)</u>
Other Financing Sources (Uses):			
Transfers Out	<u>(5,000)</u>	<u>(19,095)</u>	<u>(14,095)</u>
Total Other Financing Sources (Uses)	<u>(5,000)</u>	<u>(19,095)</u>	<u>(14,095)</u>
Net Change in Fund Balance	300	(18,223)	(18,523)
Fund Balance - July 1, 2010	<u>18,223</u>	<u>18,223</u>	<u></u>
Fund Balance - June 30, 2011	<u>\$ 18,523</u>	<u>\$ -</u>	<u>\$ (18,523)</u>

CITY OF HUGHSON  
 STORM DRAIN SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Charges for Services	\$ 7,500	\$ 49,408	\$ 41,908
Total Revenue	<u>7,500</u>	<u>49,408</u>	<u>41,908</u>
Net Change in Fund Balance	7,500	49,408	41,908
Fund Balance (Deficit) - July 1, 2010	<u>(24,324)</u>	<u>(24,324)</u>	<u></u>
Fund Balance (Deficit) - June 30, 2011	<u>\$ (16,824)</u>	<u>\$ 25,084</u>	<u>\$ 41,908</u>

CITY OF HUGHSON  
 TRAFFIC SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 275	\$ 190	\$ (85)
Intergovernmental	64,125	60,705	(3,420)
Total Revenue	<u>64,400</u>	<u>60,895</u>	<u>(3,505)</u>
Expenditures:			
Current:			
Public Safety	4,000	2,851	1,149
Capital Outlay	40,000	30,000	10,000
Total Expenditures	<u>44,000</u>	<u>32,851</u>	<u>11,149</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>20,400</u>	<u>28,044</u>	<u>7,644</u>
Other Financing Sources (Uses):			
Transfers Out	<u>(11,600)</u>	<u>(11,600)</u>	
Total Other Financing Sources (Uses)	<u>(11,600)</u>	<u>(11,600)</u>	
Net Change in Fund Balance	8,800	16,444	7,644
Fund Balance - July 1, 2010	<u>65,734</u>	<u>65,734</u>	
Fund Balance - June 30, 2011	<u>\$ 74,534</u>	<u>\$ 82,178</u>	<u>\$ 7,644</u>

CITY OF HUGHSON  
 SLESF SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 700	\$ 450	\$ (250)
Intergovernmental	<u>100,000</u>	<u>101,555</u>	<u>1,555</u>
Total Revenue	<u>100,700</u>	<u>102,005</u>	<u>1,305</u>
Expenditures:			
Current:			
Public Safety	<u>100,000</u>	<u>72,324</u>	<u>27,676</u>
Total Expenditures	<u>100,000</u>	<u>72,324</u>	<u>27,676</u>
Excess (Deficiency) of			
Revenues Over (Under)			
Expenditures	<u>700</u>	<u>29,681</u>	<u>28,981</u>
Other Financing Sources (Uses)			
Transfers Out	<u>                    </u>	<u>(1,024)</u>	<u>(1,024)</u>
Total Other financing Sources (Uses)	<u>                    </u>	<u>(1,024)</u>	<u>(1,024)</u>
Net Change in Fund Balance	700	28,657	27,957
Fund Balance - July 1, 2010	<u>155,125</u>	<u>155,125</u>	<u>                    </u>
Fund Balance - June 30, 2011	<u>\$ 155,825</u>	<u>\$ 183,782</u>	<u>\$ 27,957</u>

CITY OF HUGHSON  
 CLEEP SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ -	\$ -	\$ -
Total Revenue	<u>          </u>	<u>          </u>	<u>          </u>
Expenditures:			
Capital Outlay	<u>          </u>	201	(201)
Total Expenditures	<u>          </u>	<u>201</u>	<u>(201)</u>
Net Change in Fund Balance		(201)	(201)
Fund Balance - July 1, 2010	<u>201</u>	<u>201</u>	<u>          </u>
Fund Balance - June 30, 2011	<u>\$ 201</u>	<u>\$ -</u>	<u>\$ (201)</u>

CITY OF HUGHSON  
 REDEVELOPMENT HOUSING SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Property Tax	\$ 97,876	\$ 97,428	\$ (448)
Interest	21,500	5,248	(16,252)
Total Revenue	<u>119,376</u>	<u>102,676</u>	<u>(16,700)</u>
Expenditures:			
Current:			
General Government	1,012,199	95,690	916,509
Debt Service:			
Principal	12,000	12,000	
Interest and Fiscal Charges	29,066	29,066	
Total Expenditures	<u>1,053,265</u>	<u>136,756</u>	<u>916,509</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(933,889)</u>	<u>(34,080)</u>	<u>899,809</u>
Other Financing Sources (Uses)			
Transfers Out	(17,500)	(4,438)	13,062
Transfers In	<u>                    </u>	<u>37,250</u>	<u>37,250</u>
Total Other financing Sources (Uses)	<u>(17,500)</u>	<u>32,812</u>	<u>50,312</u>
Net Change in Fund Balance	(951,389)	(1,268)	950,121
Fund Balance - July 1, 2010	<u>811,246</u>	<u>811,246</u>	<u>                    </u>
Fund Balance - June 30, 2011	<u>\$ (140,143)</u>	<u>\$ 809,978</u>	<u>\$ 950,121</u>

CITY OF HUGHSON  
 LIGHTING AND LANDSCAPING SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Special Assessments	\$ 98,255	\$ 76,658	\$ (21,597)
Total Revenue	<u>98,255</u>	<u>76,658</u>	<u>(21,597)</u>
Expenditures:			
Current:			
Public works	111,184	76,178	35,006
Total Expenditures	<u>111,184</u>	<u>76,178</u>	<u>35,006</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,929)</u>	<u>480</u>	<u>13,409</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(25,257)</u>	<u>(23,843)</u>	<u>1,414</u>
Total Other financing Sources (Uses)	<u>(25,257)</u>	<u>(23,843)</u>	<u>1,414</u>
Net Change in Fund Balance	(38,186)	(23,363)	14,823
Fund Balance - July 1, 2010	<u>145,167</u>	<u>145,167</u>	<u>          </u>
Fund Balance - June 30, 2011	<u>\$ 106,981</u>	<u>\$ 121,804</u>	<u>\$ 14,823</u>

CITY OF HUGHSON  
 BENEFIT ASSESSMENT SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Special Assessments	\$ 86,940	\$ 70,760	\$ (16,180)
Total Revenue	<u>86,940</u>	<u>70,760</u>	<u>(16,180)</u>
Expenditures:			
Current:			
Public Works	<u>90,954</u>	<u>78,762</u>	<u>12,192</u>
Total Expenditures	<u>90,954</u>	<u>78,762</u>	<u>12,192</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,014)</u>	<u>(8,002)</u>	<u>(3,988)</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(19,008)</u>	<u>(17,594)</u>	<u>1,414</u>
Total Other financing Sources (Uses)	<u>(19,008)</u>	<u>(17,594)</u>	<u>1,414</u>
Net Change in Fund Balance	(23,022)	(25,596)	(2,574)
Fund Balance - July 1, 2010	<u>75,689</u>	<u>75,689</u>	<u></u>
Fund Balance - June 30, 2011	<u>\$ 52,667</u>	<u>\$ 50,093</u>	<u>\$ (2,574)</u>

CITY OF HUGHSON  
 MISCELLANEOUS GRANTS SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 269,200	\$ 231,454	\$ (37,746)
Total Revenue	<u>269,200</u>	<u>231,454</u>	<u>(37,746)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>269,200</u>	<u>231,454</u>	<u>(37,746)</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(269,200)</u>	<u>(269,200)</u>	
Total Other financing Sources (Uses)	<u>(269,200)</u>	<u>(269,200)</u>	
Net Change in Fund Balance		(37,746)	(37,746)
Fund Balance (Deficit) - July 1, 2010	<u>848</u>	<u>848</u>	
Fund Balance (Deficit) - June 30, 2011	<u>\$ 848</u>	<u>\$ (36,898)</u>	<u>\$ (37,746)</u>

CITY OF HUGHSON  
 COMMUNITY ENHANCEMENT SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 500	\$ 208	\$ (292)
Charges for Services	<u>7,000</u>	<u>16,128</u>	<u>9,128</u>
Total Revenue	<u>7,500</u>	<u>16,336</u>	<u>8,836</u>
 Net Change in Fund Balance	 7,500	 16,336	 8,836
 Fund Balance - July 1, 2010	 <u>70,425</u>	 <u>70,425</u>	 <u>          </u>
 Fund Balance - June 30, 2011	 <u><u>\$ 77,925</u></u>	 <u><u>\$ 86,761</u></u>	 <u><u>\$ 8,836</u></u>

CITY OF HUGHSON  
 LOCAL TRANSPORTATION SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 30,843	\$ 75,197	\$ 44,354
Total Revenues	<u>30,843</u>	<u>75,197</u>	<u>44,354</u>
Net Change in Fund Balance	30,843	75,197	44,354
Fund Balance (Deficit) - July 1, 2010	<u>(35,511)</u>	<u>(35,511)</u>	<u></u>
Fund Balance (Deficit) - June 30, 2011	<u>\$ (4,668)</u>	<u>\$ 39,686</u>	<u>\$ 44,354</u>

CITY OF HUGHSON  
 PUBLIC FACILITIES CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 12,000	\$ 5,812	\$ (6,188)
Charges for Services	<u>92,000</u>	<u>131,505</u>	<u>39,505</u>
Total Revenue	<u>104,000</u>	<u>137,317</u>	<u>33,317</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>104,000</u>	<u>137,317</u>	<u>33,317</u>
Other Financing Sources (Uses)			
Transfers In	<u>37,200</u>	<u>37,200</u>	<u>          </u>
Total Other financing Sources (Uses)	<u>37,200</u>	<u>37,200</u>	<u>          </u>
Net Change in Fund Balance	141,200	174,517	33,317
Fund Balance - July 1, 2010	<u>990,590</u>	<u>990,590</u>	<u>          </u>
Fund Balance - June 30, 2011	<u>\$ 1,131,790</u>	<u>\$ 1,165,107</u>	<u>\$ 33,317</u>

CITY OF HUGHSON  
 TRANSPORTATION CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 150	\$ -	\$ (150)
Intergovernmental	66,997	293,047	226,050
Total Revenue	<u>67,147</u>	<u>293,047</u>	<u>225,900</u>
Expenditures:			
Capital Outlay	88,104	226,964	(138,860)
Total Expenditures	<u>88,104</u>	<u>226,964</u>	<u>(138,860)</u>
Net Change in Fund Balance	(20,957)	66,083	87,040
Fund Balance (Deficit) - July 1, 2010	<u>(354,157)</u>	<u>(354,157)</u>	<u>          </u>
Fund Balance (Deficit) - June 30, 2011	<u>\$ (375,114)</u>	<u>\$ (288,074)</u>	<u>\$ 87,040</u>

CITY OF HUGHSON  
MUNICIPAL PARK CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 2,100	\$ 802	\$ (1,298)
Charges for Services	4,000	25,883	21,883
Total Revenue	<u>6,100</u>	<u>26,685</u>	<u>20,585</u>
Expenditures:			
Capital Outlay	<u>288,000</u>	<u>          </u>	<u>288,000</u>
Total Expenditures	<u>288,000</u>	<u>          </u>	<u>288,000</u>
Net Change in Fund Balance	(281,900)	26,685	308,585
Fund Balance - July 1, 2010	<u>282,616</u>	<u>282,616</u>	<u>          </u>
Fund Balance - June 30, 2011	<u>\$ 716</u>	<u>\$ 309,301</u>	<u>\$ 308,585</u>

CITY OF HUGHSON  
 PARKS DEVELOPMENT IMPACT FEES CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 500	\$ 122	\$ (378)
Charges for Services	8,900	37,315	28,415
Total Revenue	<u>9,400</u>	<u>37,437</u>	<u>28,037</u>
Expenditures:			
Capital Outlay	232,000	231,574	426
Total Expenditures	<u>232,000</u>	<u>231,574</u>	<u>426</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(222,600)</u>	<u>(194,137)</u>	<u>28,463</u>
Other Financing Sources (Uses)			
Transfers In	<u>232,000</u>	<u>232,000</u>	
Total Other financing Sources (Uses)	<u>232,000</u>	<u>232,000</u>	
Net Change in Fund Balance	9,400	37,863	28,463
Fund Balance - July 1, 2010	<u>65,023</u>	<u>65,023</u>	
Fund Balance - June 30, 2011	<u>\$ 74,423</u>	<u>\$ 102,886</u>	<u>\$ 28,463</u>

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## **NONMAJOR PROPRIETARY FUNDS**

### **PROPRIETARY FUNDS**

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**Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - for these funds, it is the intent of the City Council that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.**

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**Community Center Operations** - This fund is used to account for revenues and expenses associated with the maintenance and operations of the City's Community Centers.

**USF Community Center** - This fund is used to account for funds designated for maintenance and operations of the City's Community Centers.

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**CITY OF HUGHSON**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET ASSETS**  
**June 30, 2011**

	Enterprise Funds		Total Nonmajor Enterprise Funds
	Community Center Operations Fund	USF Community Center Fund	
<b>Assets</b>			
Current Assets:			
Cash and Investments	\$ -	\$ 4,626	\$ 4,626
Due From Other Funds		2,143	2,143
Total Current Assets		6,769	6,769
Noncurrent Assets:			
Capital Assets:			
Land	105,073		105,073
Buildings	725,283		725,283
Less:			
Accumulated Depreciation	(302,202)		(302,202)
Total Noncurrent Assets	528,154		528,154
Total Assets	528,154	6,769	534,923
<b>Liabilities</b>			
Current Liabilities:			
Accounts Payable	2,177	495	2,672
Due to Other Funds	2,143		2,143
Deposits Payable	11,470		11,470
Total Liabilities	15,790	495	16,285
Net Assets (Deficit)			
Invested in Capital Assets	528,154		528,154
Unrestricted	(15,790)	6,274	(9,516)
Net Assets	\$ 512,364	\$ 6,274	\$ 518,638

**CITY OF HUGHSON**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Enterprise Funds		Total Nonmajor Enterprise Funds
	Community Center Operations Fund	USF Community Center Fund	
Operating Revenues			
Charges for Services	\$ 17,384	\$ 14,873	\$ 32,257
Total Operating Revenues	<u>17,384</u>	<u>14,873</u>	<u>32,257</u>
Operating Expenses			
Personnel	17,366	6,518	23,884
Administrative	13,730	15,841	29,571
Maintenance	6,224	43	6,267
Depreciation	24,176		24,176
Total Operating Expenses	<u>61,496</u>	<u>22,402</u>	<u>83,898</u>
Operating Income (Loss)	<u>(44,112)</u>	<u>(7,529)</u>	<u>(51,641)</u>
Non-Operating Revenue (Expenses)			
Interest Revenue		45	45
Total Non-Operating Revenue (Expenses)		<u>45</u>	<u>45</u>
Income (Loss) Before Transfers	(44,112)	(7,484)	(51,596)
Transfers			
Transfers In	30,000		30,000
Transfers Out		(2,500)	(2,500)
Changes in Net Assets	(14,112)	(9,984)	(24,096)
Net Assets - Beginning of Fiscal Year	<u>526,476</u>	<u>16,258</u>	<u>542,734</u>
Net Assets - End of Fiscal Year	<u>\$ 512,364</u>	<u>\$ 6,274</u>	<u>\$ 518,638</u>

**CITY OF HUGHSON**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Enterprise Funds		Total Nonmajor Enterprise Funds
	Community Center Operations Fund	USF Community Center Fund	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash Received from Users	\$ 15,372	\$ 14,873	\$ 30,245
Cash Payments to Suppliers and Contractors	(18,530)	(15,499)	(34,029)
Cash Payments to Employees	(20,662)	(7,139)	(27,801)
Net Cash Provided (Used) By Operating Activities	<u>(23,820)</u>	<u>(7,765)</u>	<u>(31,585)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers	30,000	(2,500)	27,500
Interfund Borrowing	(6,180)	6,180	
Net Cash Provided (Used) By Noncapital Financing Activities	<u>23,820</u>	<u>3,680</u>	<u>27,500</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest Received		45	45
Net Cash Provided (Used) in Investing Activities		<u>45</u>	<u>45</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		(4,040)	(4,040)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL YEAR</b>			
		8,666	8,666
<b>CASH AND CASH EQUIVALENTS, END OF FISCAL YEAR</b>			
	<u>\$ -</u>	<u>\$ 4,626</u>	<u>\$ 4,626</u>
<b>Reconciliation to Statement of Net Assets:</b>			
Cash and Cash Equivalents	<u>\$ -</u>	<u>\$ 4,626</u>	<u>\$ 4,626</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Operating Income (Loss)	<u>\$ (44,112)</u>	<u>\$ (7,529)</u>	<u>\$ (51,641)</u>
<b>Adjustment to Reconcile Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Depreciation Expense	24,176		24,176
<b>Changes in Assets and Liabilities:</b>			
Increase (Decrease) in Accounts Payable	1,423	385	1,808
Increase (Decrease) in Deposits Payable	(2,012)		(2,012)
Increase (Decrease) in Compensated Absences	(3,295)	(621)	(3,916)
Total Adjustments	<u>20,292</u>	<u>(236)</u>	<u>20,056</u>
Net Cash Provided (Used) By Operating Activities	<u>\$ (23,820)</u>	<u>\$ (7,765)</u>	<u>\$ (31,585)</u>

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## FIDUCIARY FUNDS

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**Agency Funds** are used to account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the City, acting in the capacity of an agent for distribution to other governmental units or other organizations. The agency fund maintained by the City is presented below.

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**Water/Sewer Deposits** - This fund collects deposits for water and sewer services.

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**CITY OF HUGHSON**  
**AGENCY FUND**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
For the Fiscal Year Ended June 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>ASSETS</b>				
Cash and Investments	\$ 24,259	\$ 2,301	\$ -	\$ 26,560
Total Assets	<u>\$ 24,259</u>	<u>\$ 2,301</u>	<u>\$ -</u>	<u>\$ 26,560</u>
<b>LIABILITIES</b>				
Deposits Payable	\$ 24,259	\$ 2,301	\$ -	\$ 26,560
Total Liabilities	<u>\$ 24,259</u>	<u>\$ 2,301</u>	<u>\$ -</u>	<u>\$ 26,560</u>

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## **MANAGEMENT FINDINGS**

**MANAGEMENT FINDINGS**




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**MOSS, LEVY & HARTZHEIM LLP**


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 CERTIFIED PUBLIC ACCOUNTANTS
 

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**PARTNERS**
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 CRAIG A HARTZHEIM, CPA  
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 www.mlhcpas.com

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
 AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
 FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
 WITH GOVERNMENT AUDITING STANDARDS**

The Members of the City Council of the  
 City of Hughson  
 Hughson, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hughson (City), California, as of and for the fiscal year ended June 30, 2011, which collectively comprise the City of Hughson's basic financial statements and have issued our report thereon dated December 31, 2011. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

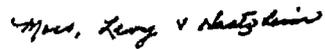
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. These material weaknesses along with other significant deficiencies and other matters have been presented in a separate management report dated December 31, 2011.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain matters that we reported to the management of the City in a separate letter dated December 31, 2011.

This report is intended solely for the information and use of the City Council, Management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Moss, Levy & Hartzheim, LLP  
Culver City, CA  
December 31, 2011

**CITY OF HUGHSON**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Fiscal Year Ended June 30, 2011

**Section II – Findings – Financial Statement Audit****Material Weaknesses**2011-1 Lack of reconciliation of capital assets:

During the review of capital assets, it was noted that the City does not have adequate procedures in place to maintain a list of the City's capital assets. The City does not track additions, deletions, and transfers to the asset list and also does not calculate depreciation expense and total accumulated depreciation of the City's assets.

Effect:

Without adequate procedures in place to maintain a list of capital assets, the government-wide statement of net assets could be materially misstated and the City is not able to properly safeguard its assets.

Recommendation:

We recommend that the City implement procedures to adequately maintain a list of capital assets and to accurately capture fixed asset additions, deletions, depreciation, expenses, and accumulated depreciation in accordance with City policies and procedures as well as accounting principles generally accepted in the United States of America.

Management's Response:

In 2008, the City engaged the services of a consultant (CBIZ) to analyze and quantify the City's capital assets. The base line was established and an Excel spreadsheet was created to track all items, including depreciation. It was staff's intent to update the sheet and bring the revised numbers forward. As the file was reviewed, it was discovered that it was very cumbersome and difficult to navigate. It was recommended that CBIZ be contacted to update the file and review the procedures of maintaining the file. Staff is in the process of doing this.

**Significant Deficiencies**2011-2 Finding – Lack of segregation of duties over cash receipts:

During the review of internal controls, it was noted that one staff member is responsible for both preparing the bank reconciliations and reconciling daily cash receipts to the general ledger.

Effect:

A lack of segregation of duties increases the risk that errors and irregularities may occur and go undetected. It could adversely affect the City's ability to initiate, authorize, record, process or report financial data reliably, which could lead to a misappropriation of funds.

Recommendation:

We recommend that the City ensure that the internal control deficiencies mentioned above are rectified with increased segregation of duties.

Management's response:

The staff for City of Hughson is small. Two employees manage all counter activities (which includes opening the mail). With the help of a supervisor, all things are doubled checked. The supervisor does the bank reconciliations while the two Account Clerks handle cash receipts and deposit preparation. A review of duties is taking place and implementation of a more thorough process will be evaluated.

2011-3 Finding – Lack of segregation of duties over payroll:

During the review of internal controls, it was noted that one staff member is responsible for entering payroll information into the computer system, preparing payroll checks, distributing payroll checks, reconciling the payroll bank account, and entering payroll changes. It was also noted that multiple users have access to change payroll rates and no log is kept of changes made.

Effect:

A lack of segregation of duties increases the risk that errors and irregularities may occur and go undetected. It could adversely affect the City's ability to initiate, authorize, record, process or report financial data reliably, which could lead to a misappropriation of funds.

**CITY OF HUGHSON**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Fiscal Year Ended June 30, 2011

**Section II – Findings – Financial Statement Audit (Continued)**

**Significant Deficiencies (Continued)**

Recommendation:

We recommend that the City ensure that the internal control deficiencies mentioned above are rectified with increased segregation of duties. Also, the City should restrict access to the payroll module and ensure that a log is kept all adjustments to wage rates.

Management's response:

Currently, payroll time slips/sheets are verified and approved by Department Heads and Supervisors. These are keyed in to generate payroll by Finance Personnel. A second employee proofs keying in and any changes made to the record. Further enhancements are being made to proof the payroll process. Additionally, only two Finance employees have access to payroll. Two is necessary to provide adequate coverage to do the process. Others (such as the Manager) have access to "view" payroll files.

**CITY OF HUGHSON**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Fiscal Year Ended June 30, 2011

**Section III – Findings and Questioned Costs – Major Federal Award Programs Audit**

**NONE**

**CITY OF HUGHSON**  
**STATUS OF PRIOR YEAR'S FINDINGS**  
For the Fiscal Year Ended June 30, 2011

**Prior Year's Findings – Financial Statement Audit**

**Material Weaknesses**

2010-1 Lack of reconciliation of capital assets:

During the review of capital assets, it was noted that the City does not have adequate procedures in place to maintain a list of the City's capital assets. The City does not track additions, deletions, and transfers to the asset list and also does not calculate depreciation expense and total accumulated depreciation of the City's assets.

Effect:

Without adequate procedures in place to maintain a list of capital assets, the government-wide statement of net assets could be materially misstated and the City is not able to properly safeguard its assets.

Recommendation:

We recommend that the City implement procedures to adequately maintain a list of capital assets and to accurately capture fixed asset additions, deletions, depreciation expenses and accumulated depreciation in accordance with City policies and procedures as well as accounting principles generally accepted in the United States of America.

Status:

Not implemented. See Finding 2011-1.

2010-2 Lack of reconciliation of financial statements:

During the review of fund balance, it was noted that the City does not have procedures in place to reconcile the audited financial statements with the City's accounting records.

Effect:

Due to the lack of reconciliation of the audited financial statements to the City's accounting records, numerous entries that were reflected on the statements were not posted to the City accounting records, resulting in a misstatement of fund balances with the City's books and records. Audit adjustments were needed to correct these misstatements.

Recommendation:

We recommend that the City ensure that procedures are in place to reconcile the City's accounting records to the audited financial statements.

Status:

Implemented.

2010-3 Lack of proper accruals of year end receivables and liabilities:

During the review of receivables and payables, it was noted that the City does not have adequate procedures in place to properly record year end accruals of receivables and payables. Numerous audit adjustments were necessary to correct year end balances.

Effect:

Due to the lack of procedures to properly record year end accruals of receivables and payables, the City materially misstatements receivable and payable balances as of year-end. Audit adjustments were needed to correct these misstatements.

Recommendation:

We recommend that the City ensure that procedures are in place to properly record all year end accruals of receivable and payables in accordance with City policy and procedures as well as accounting standards generally accepted in the United States of America.

Status:

Implemented.

**CITY OF HUGHSON**  
**STATUS OF PRIOR YEAR'S FINDINGS**  
For the Fiscal Year Ended June 30, 2011

**Significant Deficiencies**2010-4 Finding – Lack of segregation of duties over cash receipts:

During the review of internal controls, it was noted that one staff member is responsible for both preparing the bank reconciliations and reconciling daily cash receipts to the general ledger.

Effect:

A lack of segregation of duties increases the risk that errors and irregularities may occur and go undetected. It could adversely affect the City's ability to initiate, authorize, record, process or report financial data reliably, which could lead to a misappropriation of funds.

Recommendation:

We recommend that the City ensure that the internal control deficiencies mentioned above are rectified with increased segregation of duties.

Status:

Not Implemented. See finding 2011-2.

2010-5 Finding – Lack of segregation of duties over payroll:

During the review of internal controls, it was noted that one staff member is responsible for entering payroll information into the computer system, preparing payroll checks, distributing payroll checks, reconciling the payroll bank account, and entering payroll changes. It was also noted that multiple users have access to change payroll rates and no log is kept of changes made.

Effect:

A lack of segregation of duties increases the risk that errors and irregularities may occur and go undetected. It could adversely affect the City's ability to initiate, authorize, record, process or report financial data reliably, which could lead to a misappropriation of funds.

Recommendation:

We recommend that the City ensure that the internal control deficiencies mentioned above are rectified with increased segregation of duties. Also, the City should restrict access to the payroll module and ensure that a log is kept all adjustments to wage rates.

Status:

Not Implemented. See finding 2011-3.

2010-6 Finding – Water usage not charged due to broken meters:

During the utility cash receipts, it was noted that three out of 25 customers tested were not being charged for water usage due their water meters being damaged and not repaired.

Effect:

Without charging certain customer for water usage due to broken meters, the City is not in compliance with regulations and policies set forth by the City Council regarding residential water usage.

Recommendation:

We recommend that the City repair broken water meters as soon as possible and ensure that all customers are being charged for water usage.

Status:

Implemented.

**CITY OF HUGHSON**  
**STATUS OF PRIOR YEAR'S FINDINGS**  
For the Fiscal Year Ended June 30, 2011

2010-7 Lack of board approval for building permit fees:

During the test of building permit cash receipts, it was noted that certain fees being assessed on permits were not part of the Council approved fee schedule.

Effect:

When fees being assessed by the City are not part of the Council approved fee schedule, the City is not in compliance with the rules and regulations set forth by the City Council.

Recommendation:

We recommend that the City ensure that all fees being assessed are part of the Council approved fee schedule.

Status:

Implemented.

2010-8 Missing personnel files:

During the test of payroll, it was noted that out of the 25 employees tested, eleven I-9 forms, seven W-4 forms and seven employment application were missing in total.

Effect:

When essential personnel information and documentation is not being obtained and/or retained by the City, the City is not in compliance with Federal and State employment regulations.

Recommendation:

We recommend that the City ensure that all employees have I-9 forms, W-4 forms and employment on file with the City

Status:

Implemented.

2010-9 Lack of reconciliation of loans receivable:

During the review of loans receivable, it was noted that the City does not adequately maintain a list of loans given out by the City in various programs. The City also does not correctly record the receipt of loan repayments to loan balances and deferred revenue.

Effect:

Due to the lack of reconciliation of loans receivables, the City was not able to adequately record loan balances which resulted in material misstatements of the City's accounting records. Audit adjustments were made to correct these misstatements.

Recommendation:

We recommend that the City ensure that adequate procedures are in place to reconcile loan balances and also to correctly account for loan repayments and deferred revenue.

Status:

Implemented.

2010-10 RDA Report Filing:

During the compliance audit for the Redevelopment Agency, we noted that for the Fiscal Year Ended June 30, 2009 none of the required reports under the California Health and Safety Code were filed within 6 months of the close of the fiscal year.

Effect:

The Agency was not in compliance with the Health and Safety Code for filing of required reports.

Recommendation:

Complete and close its books in a timely fashion to allow staff and auditors enough time to complete and file the required reports.

Status:

Implemented.

**CITY OF HUGHSON**  
STATUS OF PRIOR YEAR'S FINDINGS  
For the Fiscal Year Ended June 30, 2011

2010-11 RDA Expenditures:

During the compliance audit for the Redevelopment Agency, it was noted that the Agency transferred out \$19,500 from its Low and Moderate Income Housing Fund to the City's Code Enforcement Fund.

Effect:

This transfer may not be for the purpose of low and moderate income housing, as set forth by the Health and Safety Code.

Recommendation:

Any expenditures that are specific to low and moderate income housing and administrative costs (if written and approved) can be paid from this fund.

Questioned Costs:

\$19,500

Status:

Implemented.

**CITY OF HUGHSON**  
**STATUS OF PRIOR YEAR'S FINDINGS**  
For the Fiscal Year Ended June 30, 2011

**Prior Year's Findings and Questioned Costs – Major Federal Award Programs Audit**

**NONE**



## CITY OF HUGHSON AGENDA ITEM NO. 5.1

### SECTION 5: PUBLIC HEARING

**Meeting Date:** February 14, 2012

**Subject:** Resolution to Adopt the Supplemental Law Enforcement Services Funds (SLESF) 2011-2012 Amended Funding Allocation and Expenditure Plan

**Presented By:** Darin Gharat, Chief of Police Services

**Approved By:** \_\_\_\_\_

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#### **RECOMMENDATION:**

Adopt Resolution No. 2012-08 approving the Supplemental Law Enforcement Services Funds 2011-2012 Amended Funding Allocation and Expenditure Plan.

#### **Summary:**

The purpose of this agenda item is to conduct a public hearing required by California Government Code 30061 regarding the planned expenditure of Supplemental Law Enforcement Services Funds (SLESF) for Law Enforcement Services within the City of Hughson.

The City of Hughson receives SLESF funding from the State through the California Citizens Option of Public Safety (COPS) program on an annual basis. Prerequisites for receiving this funding require a public hearing to discuss the proposed use of the funds. The funding must be utilized to enhance front line law enforcement services.

On September 12, 2011 the Council adopted Resolution 2011-068 approving the City of Hughson's allocations of \$100,000.00 in current (2011-2012) SLESF funds be utilized in the 2011-2012 Fiscal Year to fund a Deputy Sheriff-Coroner position to increase law enforcement presence and capacity within the City of Hughson; and to fund part-time enforcement to improve the quality of life within the City of Hughson.

On January 27, 2012 a proposed Law Enforcement Action Plan was presented to the City Council. This proposal included an additional allocation from the SLESF account of \$80,000. The January 27, 2012 staff report stated:

*It is the intent of staff that the Law Enforcement Action Plan focuses on working primarily within our existing resources and staff. With this in mind, we will assign Deputy Jonathan Howard who has worked with our local schools and community in the past, the task of partnering with the community and our local schools in addressing Criminal Activity and Quality of Life issues. This effort along with other enforcement activities will require the use of an additional \$80,000 in SLESF funding for FY 2011-2012. Additional, SLESF funds are currently available and set aside for specifically this type of effort.*

*This supplementary funding will cover the cost of additional patrol coverage on Friday and Saturday nights, deputy vacation and other absences, as well as paying for directed enforcement patrols, parole/probation activities, searches, etc. The additional patrols will provide approximately 700 hours of added patrol on the weekends. The hours budgeted will provide for a two man unit on both Friday and Saturday nights.*

*Deputy Howard will be concentrating his efforts on identifying areas of concern and known problem areas. He will work with other staff and other agencies (Probation, Parole, other police departments, and federal agencies), in collecting intelligence, conducting enforcement stops and conducting field interviews. He will plan operations that utilize probation, parole and other law enforcement agencies. He will work with the schools in identifying law enforcement related problems on their campuses. He will plan directed enforcement which will consist of a two man unit that will be utilized to direct enforcement into identified problem areas.*

**Fiscal Impact:**

The City has accumulated \$183,281.47 in unspent SLESF funds from previous fiscal years. At the end of Fiscal Year 2011-2012 it is anticipated that the City will still have approximately \$100,000 that will be carried over into fiscal year 2012-2013.

There is funding available in the SLESF account for this action.



**CITY OF HUGHSON AGENDA ITEM NO. 6.1**  
**SECTION 6: NEW BUSINESS**

**Meeting Date:** February 14, 2012  
**Subject:** Appointment of Applicants to the Planning Commission  
**Presented By:** Dominique Spinale, Deputy City Clerk

**Approved By:**



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**RECOMMENDATION:**

Staff recommends appointing applicants Karen Minyard and Joshua Costa to the two (2) vacant seats available on the Hughson Planning Commission.

**BACKGROUND AND OVERVIEW:**

The Hughson Planning Commission had two seats become available in January when former Commissioners Jean Henley-Hatfield and Miguel Oseguera Commissioner terms expired on December 31, 2011. Jean and Miguel regretfully could not apply for re-appointment.

At the request of the City Council, Staff advertised the vacant seats available in the Hughson Chronicle and the monthly newsletter that is included with the utility bills.

As of February 9, two applications were reviewed and accepted. The Applicants are both very eager to join the Planning Commission. If Council appoints these applicants to the Planning Commission, the City Clerk will administer the Oath of Office and they will attend their first Planning Commission Meeting on Tuesday, February 21.



CITY OF HUGHSON  
JAN 04 2012  
PAID

**APPLICATION FOR  
PLANNING COMMISSION**

NAME: Karen Minyard  
 HOME ADDRESS: 6748 Metcalf ZIP CODE: 95326  
 EMAIL: KarenNewDestiny@aol.com PHONE NUMBER: 209-  
 LIVE WITHIN CITY LIMITS? YES  NO  REGISTERED VOTER? YES  NO   
 ARE YOU RELATED TO CURRENT CITY EMPLOYEE? no IF YES, PERSON'S NAME AND  
 RELATIONSHIP: N/A  
 LENGTH OF TIME AT: RESIDENCE 19 years IN HUGHSON 8 IN COUNTY 11  
 CURRENT OCCUPATION: Real Estate Broker  
 BUSINESS ADDRESS: Hughson Ave Hughson PHONE: \_\_\_\_\_  
 EDUCATION (Highest level of education, degree(s), etc.): B.S. Food & Nutrition  
AA Real Estate  
 EMPLOYMENT HIGHLIGHTS: Real Estate Broker &  
office manager for Minyard Construction  
for 23 years  
 PRIOR PUBLIC SERVICE (If any): none

PRESENT AND PAST COMMUNITY ACTIVITIES (DO NOT LIST PARTISAN POLITICAL ACTIVITIES):

Past/Present Director Hughson Chamber of Commerce  
VP. of Hughson 20<sup>th</sup> Century Club, Committee member <sup>Hughson</sup> <sub>Food</sub> <sub>Reserve</sub>

WHAT ARE THE MOST IMPORTANT ISSUES FACING HUGHSON? (Relative to the position being sought):

Current land use within the city of  
Hughson.

SIGNATURE: [Handwritten Signature] DATE: 1-4-12

DELIVER TO: CITY CLERK'S OFFICE, CITY HALL, 7018 PINE STREET, HUGHSON  
OR MAIL TO: CITY CLERK, P.O. BOX 9, HUGHSON, CA 95326

**DEADLINE FOR FILING: January 4, 2011**

CANDIDATE'S STATEMENT

As a Candidate for the PLANNING COMMISSION of the City of Hughson, I submit the following statement:

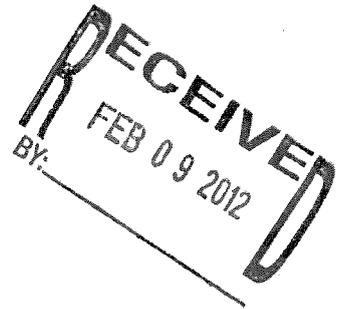
My name is: Karen Minyard

My education and qualifications are: My education is a AA degree in Real Estate. I am a license real estate broker and understand plot maps and laws regarding land use. I have for 23 years assisted my husband with his construction company Minyard Construction. Over the last 23 years we have built residential homes and commercial buildings. I have a full understanding of how to read blueprints and the process of working with the building departments. We have worked on our own building with the planning departments for variances.

SIGNATURE: [Handwritten Signature]

DATE: 1-4-2012

MY REGISTERED VOTER ADDRESS IS: 6748 Metcalf Wy Hughson



APPLICATION FOR PLANNING COMMISSION

NAME: Jared Costa

HOME ADDRESS: 6525 Little Ave ZIP CODE: 95326

EMAIL: PHONE NUMBER: 209

LIVE WITHIN CITY LIMITS? YES [checked] NO REGISTERED VOTER? YES [checked] NO

ARE YOU RELATED TO CURRENT CITY EMPLOYEE? NO IF YES, PERSON'S NAME AND RELATIONSHIP:

LENGTH OF TIME AT: RESIDENCE 1 yr IN HUGHSON 1 yr IN COUNTY 9 yrs

CURRENT OCCUPATION: Security manager

BUSINESS ADDRESS 770 Broadway New York NY 10003 PHONE:

EDUCATION (Highest level of education, degree(s), etc.):

Bachelor science in Criminal Justice

EMPLOYMENT HIGHLIGHTS: Regional manager all States West of Mississippi

PRIOR PUBLIC SERVICE (If any): NO

PRESENT AND PAST COMMUNITY ACTIVITIES (DO NOT LIST PARTISAN POLITICAL ACTIVITIES):

WHAT ARE THE MOST IMPORTANT ISSUES FACING HUGHSON? (Relative to the position being sought): Growth Strategy and revenue generation

SIGNATURE: Jared Costa DATE: 2/8/2012

DELIVER TO: CITY CLERK'S OFFICE, CITY HALL, 7018 PINE STREET, HUGHSON OR MAIL TO: CITY CLERK, P.O. BOX 9, HUGHSON, CA 95326

DEADLINE FOR FILING: January 4, 2011

**CANDIDATE'S STATEMENT**

As a Candidate for the PLANNING COMMISSION of the City of Hughson, I submit the following statement:

My name is: Jared Costa

My education and qualifications are: Bachelor science in Criminal Justice  
From Cal state Sacramento. As well as an Associate  
in Arts in the administration of Justice. I have  
been a retail manager for 16 years and have  
A wide terrain of responsibility

SIGNATURE: Jared Costa

DATE: 2/8/2012

MY REGISTERED VOTER ADDRESS IS: 6525 Little Ave Hughson CA  
95326

# Jared Costa

## Objective

To further my career in retail loss prevention, and train for a regional loss prevention manager position.

## Experience

### **J. Crew** West Coast

*Apr 2006-current*

#### **Regional Loss Prevention Manager**

I lead a high performance region that focuses on controlling addressing inventory shrinkage. By building great partnerships between Regional Director business partners I am able to develop quality training to store teams.

### **Gap Inc Old Navy** Central Valley/SF South Bay

*Apr 2005- Apr 2006*

#### **District Loss Prevention Manager**

I lead a high performance team that focused on Integrity, Investigation, and Safety. My position as DLPM is covering 14 stores in the Central Valley and San Francisco South Bay districts, which represents about fourteen million dollars in sales. While at Gap Inc I was designated as a high potential and scheduled to join the next regional talent assessment process program which will commence in 2006.

### **Target** Tracy, Ca

*May 2003- Apr 2005*

#### **Executive Team Leader Soft Lines**

I lead the team that delivered a Target brand presentation. This is possible by managing payroll as well as labor. I also forecasted sales and managed the in bound freight flow. I was appointed safety captain and elevated the stores safety score card from a yellow to a green. I was asked to accept the position of Remodel Assistant Manager for Target. During my time at Target I raised the Soft Lines score card from an eighty five, to a ninety five point six, which is the equivalent of a significantly above target review score. I was also able to grow the Soft Lines business by three percent raising it to seventeen percent of sales.

### **Lowe's H.I.W.** Modesto, Ca

*Feb 2002- May 2003*

#### **Loss Prevention Manager**

At Lowes I was hired as the Loss Prevention Manager for the Modesto store. My core roles were running the shortage control programs for the store, as well as running the safety team and program for the store. I lowered inventory shrink from two point six five, to a one point seven two beating inventory goal. During my time at Lowes the shrink percentages came in lower than shrink goal at every inventory cycle. My core roles also contained running the internal and external case resolution by managing a staff of two direct reports under the LP umbrella. I also championed the shrink reduction aspect of the business by managing twelve department managers in day to day operations. I was also designated to become a district training mentor for all new Loss Prevention Managers coming into the business.

### **Mervyn's California** Turlock, Ca

*June 2000-Feb 2002*

#### **Asset Protection Team Leader**

While at Mervyn's I was promoted from store investigator to APTL within eight months. My main focuses were internal case resolution as well as shortage reduction, and external apprehensions. I successfully beat all the

previous years' numbers consisting of external and internal apprehensions, as well as shrink percentage reduction. I was also a contributing factor in helping my district to succeed to number one in the company for internal Apprehensions. I was also the district resource for recognition as well as statistical tracking.

### **Education**

- |                                                                                                                      |                           |                |
|----------------------------------------------------------------------------------------------------------------------|---------------------------|----------------|
| 1996-1998                                                                                                            | San Joaquin Delta College | Stockton, Ca   |
| <ul style="list-style-type: none"> <li>• A.A., Administration of Justice</li> <li>• Graduated with Honors</li> </ul> |                           |                |
| 1998-2000                                                                                                            | Cal State Sacramento      | Sacramento, Ca |
| <ul style="list-style-type: none"> <li>• B.A., Criminal Justice</li> <li>• Graduated with Honors</li> </ul>          |                           |                |

### **Qualifications**

I have obtained a four year Bachelors in Science Degree from California State University Sacramento in Criminal justice. I have held Loss Prevention positions ranging from uniformed security to undercover theft detection, to managing a Loss Prevention staff, as well as running three stores as an interim field Asset Protection Manager. I have some Law Enforcement experience in the city of Tracy Police Department as well as the California Highway Patrol. I am a dedicated person who never settles for anything less then the best. I have undertaken many challenges including running stores with sub par performance an elevated those stores to achieve excellence. I am very diligent in what I set out to do and determined to accentuate the positive aspects of Loss Prevention, and address the opportunities head on with unwavering veracity. I have also been Wicklander and Zulawski interview certified, as well as received certification for their sixteen hour course.

### **Activities**

During the course of the last several years I have been active in the Highway Patrol Explorer Program. I donate my time to the big brother program and help sponsor a child every year to attend a week long camping event near pine crest. I am currently finishing up home study courses to obtain my real estate license from the reality board. I always make it a point to give on hundred and ten percent through great execution of company programs and working to the very end to see that all projects and tasks are completed daily. I make it my personal mission to see that today's work is finished today, so that tomorrow you can begin anew.