

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
City of Dinuba, California

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
City of Dinuba, California

Prepared by the Finance Department

CITY OF DINUBA

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REPORT ONAUDITED  
FINANCIAL STATEMENTS  
AND  
ADDITIONAL INFORMATION

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YEAR ENDED JUNE 30, 2010

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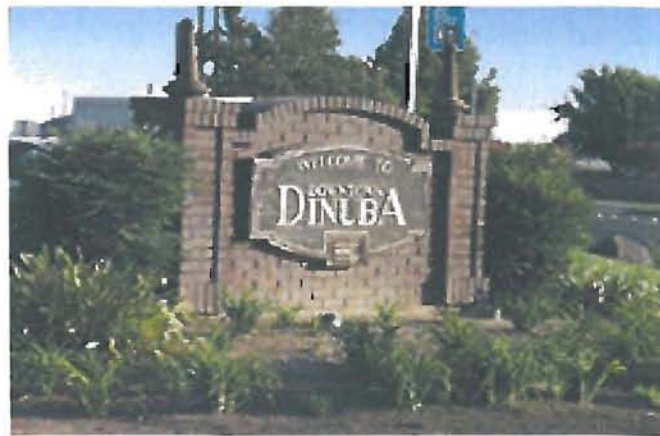


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City Manager  
559/591-5904

City Attorney  
559/437-1770

Administrative Services  
559/591-5900

Development Services  
559/591-5906

Dinuba Vocational Center  
559/596-2170

Fire/Ambulance Services  
559/591-5931

Parks & Community Services  
559/591-5940

Police Services  
559/591-5914

Public Works Services  
559/591-5924

December 14, 2010

To the Honorable Mayor, City Council and Citizens of the City of Dinuba:

The comprehensive annual financial report (CAFR) of the City of Dinuba, for the fiscal year ended June 30, 2010, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City of Dinuba issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants. The accounting firm of Sampson & Sampson, Certified Public Accountants, of Clovis, California, was retained by the City to perform the audit of financial records for the fiscal year ended June 30, 2010. The audit was designed to meet the requirements of the federal Single Audit Act of 1984, as amended and related OMB Circular A-33. The auditors report on the fair presentation of the financial statements, the internal controls, and compliance with legal requirements and have issued an unqualified ("clean") opinion on Dinuba's financial statements.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the City. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

Our Comprehensive Annual Financial Report (CAFR) is divided in the following sections:

*The Introductory Section*, which includes this transmittal letter, gives an overview of the governmental structure, economic activities of the community, and notable financial activities.

*The Financial Section* includes the financial statements, the independent auditor's report, notes and supplementary information, and the management discussion and analysis. Management's discussion and analysis (MD&A) follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

*The Statistical Section* includes tables containing historical data regarding financial trends, revenue capacity, debt capacity, demographic information and data regarding the services provided by the City.

#### **Government Profile**

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City of Dinuba as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable.



Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government; the Dinuba Redevelopment Agency (Agency) qualifies as a blended component unit in this regard. City Council members serve as the governing board of the Agency, and the City Manager also serves as the Executive Director of the Agency.

The Dinuba Financing Authority also qualifies as a blended component unit. Again, City Council members serve as the governing board of the Dinuba Financing Authority, and the City Manager also serves as the Executive Director.

The City of Dinuba is situated in the northern part of Tulare County, near the Fresno County line. Roughly 180 miles north of Los Angeles and 200 miles south of San Francisco, the City lies in the heart of California's agriculturally-rich San Joaquin Valley, near the Sierra Nevada Mountain Range. It is the service center for a large farming area that extends into both Tulare and Fresno Counties.

Dinuba was established in 1888 with the coming of the railroad and was incorporated in 1906. Because of Dinuba's rich agricultural area, it grew quickly into a thriving community as people from outlying areas moved closer to the railroad shipping area. Since its founding, Dinuba has had consistent growth, increasing from 970 persons in 1910 to a 2009 population of 21,237. Among the eight incorporated cities of Tulare County, Dinuba ranks fourth in population.

The City, until 1994, operated under the General Laws of the State of California. A City Charter was adopted by the voters on June 4, 1994, and by the Secretary of State on July 7, 1994. The Charter gives the City government greater latitude in carrying out its operations and enables the City to operate more efficiently.

Springtime in Dinuba is filled with the fragrance of blossoms from the surrounding orchards. Dinuba's warm summer days bring forth the abundance of produce that keeps the packing houses and shippers busy during the summer months. Mild temperatures year-round enhance the dairy industry in the surrounding area as well.

The Dinuba area is one of the San Joaquin Valley's most productive agricultural spots. The variety of crops includes cotton, nuts, vegetables, and fruits, such as grapes, raisins, plums, peaches, nectarines, and citrus. Raisins are a major product in the Dinuba area, where 40 percent of the world's raisins are grown and dried, a total of approximately 300,000 tons annually. Table grapes and wine are also major products. The City of Dinuba is in Tulare County; a table in the Statistical Section lists the major crops raised in Tulare County and the gross value of the crops in the previous calendar year.

Although agriculture is Dinuba's predominant activity, the community has had a modest commercial and industrial base for many years. Dinuba is home to Ruiz Food Products, Incorporated, which prepares frozen Mexican foods and distributes them worldwide. It is also home to the West Coast Distribution Facility for Best Buy, Inc, Patterson Logistics, Inc. and Odwalla Juice Manufacturing. Because of its unparalleled agricultural base and its expanding industrial site, Dinuba is a community with a progressive and diverse economy.

The City has a Council-Manager form of government. There are five Council members who serve overlapping terms of four years and the Council in turn elects one of the Council members to serve as the Mayor for a term of two years. The Council engages a City Manager and a City Attorney. The Manager is the chief executive officer of the City, and it is the City Manager's

responsibility to hire department managers for each of the City functions. Such person also proposes the annual budgets, coordinates and oversees all activities of the organization, and implements the policies, budgets, and laws adopted by the City Council. The Dinuba Redevelopment Agency was created on June 12, 1984, by an Ordinance of the City Council, pursuant to the California Community Redevelopment Law. The Agency is governed by the Dinuba City Council, which acts as the Agency's board.

### **Local Economy**

At the end of June 2009 the unemployment rate in Tulare County was 14.7%. At that time the economists were predicting a recovery from the recession within the next year. Strong economic growth has yet to be realized. In fact the unemployment rate in the County grew another 1% to 15.7% at June 2010.

While the impact of the global recession on Dinuba is sobering, there are signs of improving economic activity within the City. Locally there are signs that give hope for a modicum of optimism. In 2008 there were 81 building permits issued for single family units. In 2009 the number dropped to 49, but in 2010 there were 116 permits issued for single family units. That is an increase of 44% from 2008.

While the City has seen a handful of businesses close their doors, new businesses continue to open within the City. West El Monte Way continues to be attractive for further commercial development. A Big 5 Sporting Goods store and soon to be completed car wash are the newest additions to that area of town.

Ruiz foods is proposing to move its headquarters from its current location in the Industrial Park to downtown Dinuba. This move will facilitate future expansion of their business and bring a substantial economic presence downtown.

Finally, Best Buy as well as Webster Veterinary Supply have made their Dinuba facilities the point of sale for most Internet transactions that take place within California. This has resulted in increased activity at their Dinuba location as well as future increased sales tax dollars for the City.

### **Current Major Initiatives**

Several major projects are underway in the City of Dinuba. An upgrade to the City's wastewater treatment plant is in progress. The improvements will modernize the treatment process, which will increase efficiencies. The upgrade includes the installation of bar screens as well as building sludge drying beds. These and other improvements to the system lay the foundation for the eventual expansion and increased capacity at the treatment plant. Phase 1 of the improvements is partially being funded through \$3.8 million from recently issued lease revenue bonds.

The City and the County are moving forward on the widening of El Monte Way/Avenue 416. The widening runs the length of the City and will be completed in two phases. The first phase of construction on Avenue 416 will begin in the spring of 2011. This first phase runs 3 miles from Road 56 to Alta. The second phase is will run another 1.5 miles west of Alta Avenue. Funding for the widening will be provided from the Measure R funds, which are generated from a county-wide voter approved add-on sales tax.

The City and the County are working in conjunction on the widening of Road 80. The City is assisting with the design work on the portion of the project that is within City Limits. The project

consists of two phases. The first phase includes the redesign and widening of the intersection at El Monte and Alta Avenue. This phase will begin in early 2011 and is funded through Measure R funds as well as federal funds. The second phase is comprised of the widening of road 80 running 5 miles south of El Monte. Funds for the second phase include state transportation funds.

### **Financial Information**

It is recognized that City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. This should provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation costs and benefits require estimates and judgments by management.

As a recipient of federal, state, and local financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

The City maintains budgetary controls with the objective of ensuring compliance with legal provision embodied in the annual appropriated budget approved by the City Council. Activities of most funds are included in the annual appropriated budget and both revenues and expenses are categorized into either recurring or one-time. Project-length financial plans are adopted for long-term capital projects in a five-year Capital Improvement Plan. As a component of capital projects, future operating costs are analyzed and projected, and they are then incorporated into future budget forecasts.

Budgets are prepared for the individual departments within specific funds as management control devices, but the level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) remains at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end. However, encumbrances outstanding at the year end are generally reappropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the City of Dinuba continues to meet its responsibility for sound financial management. For further analysis of the City's financial position, please refer to the Management Discussion and Analysis report in the Financial Section.

### *Relevant Financial Actions*

On the local level, due to the continuing recession and high unemployment we have seen an unprecedented drop in our revenues. In the City's General Fund, since 2007, sales tax alone has dropped by \$700,000 and property taxes have also decreased by \$100,000 because of the decline in property taxes and the method of payment of those property taxes by the County to the City. In other funds, we have seen the illegal raiding of \$1,500,000 from the Dinuba Redevelopment Fund by the State of California to cover their own budget shortfall as well as the postponement of money due to the City from the State for grant reimbursements and gasoline tax receipts.

To counter these declines, last year the City Council approved a budget that included layoffs, furloughs and retirements as well as cuts to non-essential services. We have all begun to feel the impact of the elimination of key positions and the additional work load that remaining employees have been asked to shoulder. Thirty-two full and part-time positions have been eliminated over the past 18 months.

City employees have also felt the personal financial pinch as a result of furloughs and the salary freeze put into effect in April 2009. There is also much uncertainty as to the financial stability of the State and as a result, many revenues previously considered stable sources of income for the City are now at risk.

There is a glimmer of hope that the most difficult times are behind us. As mentioned previously, Webster Veterinary Supply as well as Best Buy warehouse have moved their point of sale for most Internet transactions that take place within California to Dinuba. The City has a significant new source of sales tax revenues as a result. The near future it will be a time of rebuilding. Specifically, a time to build back reserves, pay down debt and strengthen the City's financial position.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dinuba for its comprehensive annual financial report for the fiscal year ended June 30, 2009. This was the seventeenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **Acknowledgements**

The preparation, cooperation, and assistance of the Finance and Community Services Department and the auditing firm of Sampson and Sampson is greatly appreciated in the publication of this document. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire finance staff. We also thank the Dinuba City Council for their dedicated service in guiding and directing the management of the City of Dinuba.

Respectfully Submitted,

A handwritten signature in black ink that reads "Elizabeth Nunes". The signature is written in a cursive, flowing style.

Beth Nunes  
Finance and Community Services Director



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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dinuba  
California

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2009

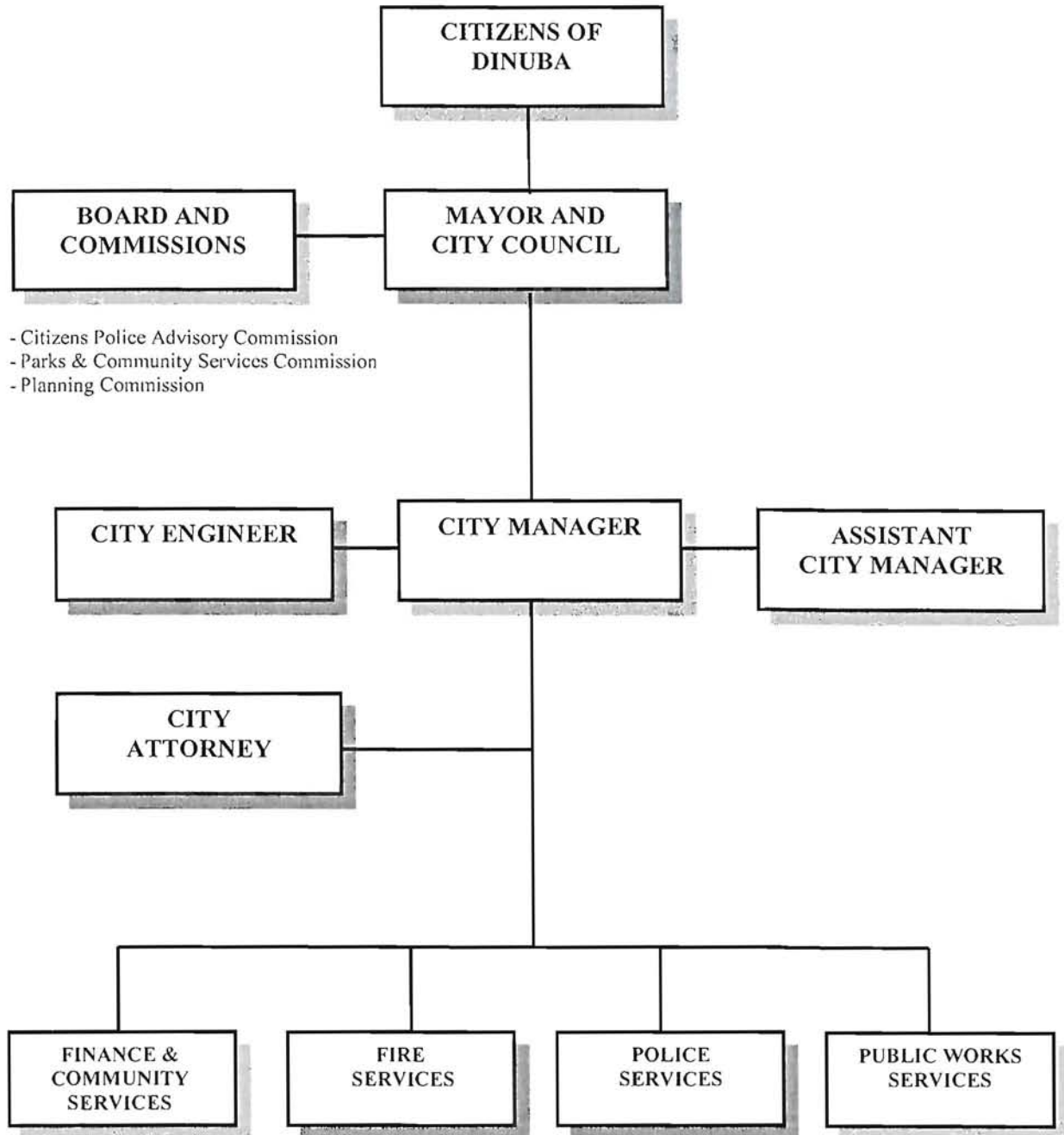
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

# CITY OF DINUBA, CALIFORNIA ORGANIZATIONAL CHART



CITY OF DINUBA  
LIST OF PRINCIPAL OFFICERS  
June 30, 2010

TITLE	NAME
Mayor	Mark Wallace
Vice-Mayor	Emilio "Joey" Morales
Council Member	Terry McKittrick
Council Member	Thomas Payan
Council Member	Mike Smith
City Manager	Edward Todd
Assistant City Manager	Jayne Anderson
City Attorney	Dan McCloskey
City Engineer	Dean Uota
Finance and Community Services Director	Beth Nunes
Fire Chief	Chad Thompson
Police Chief	James Olvera
Public Works Director	Blanca Beltran







December 14, 2010

INDEPENDENT AUDITOR'S REPORT

Members of the Governing Board  
of the City of Dinuba  
Dinuba, 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 Dinuba, California (City) as of and for the fiscal year ended June 30, 2010, 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 Governmental 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 as to 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dinuba, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2010, 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.

City of Dinuba  
December 14, 2010  
Page 2

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 23 and budgetary comparison schedule for the General Fund, the Community Development Block Grant Special Revenue Fund, the Redevelopment Agency Housing special Revenue Fund, and the Schedule of Funding Progress – Public Retirement Systems, be presented to supplement the basic financial statements. Such information, although not a part of 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. The introductory section, combining nonmajor fund financial statements, major debt service and major capital projects budgetary comparison schedules, nonmajor fund budgetary comparison schedules, combining internal service fund financial statements, combining agency fund statements, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements, major debt service and major capital projects budgetary comparison schedules, nonmajor fund budgetary comparison schedules, combining internal service fund financial statements and combining agency fund financial statements, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Sampson, Sampson and Partners, LLP*

***Management's Discussion and Analysis***  
***Fiscal Year Ended June 30, 2010***  
***(Unaudited)***

This management's discussion and analysis provides an overview of financial activities of the City of Dinuba (City) for the fiscal year ended June 30, 2010. Please read this discussion and analysis in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to the basic financial statements.

The financial statements presented herein include all financial activities of the City and its components units in accordance with Governmental Accounting Standards Board Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Government" (GASB 34).

The Government-Wide Financial Statements present the financial position of the City using the economic resources measurement focus and the accrual basis of accounting. These statements present governmental activities and business-type activities separately. Also, these statements include all assets of the City, as well as all liabilities, including long-term debt. Additionally, in accordance with GASB 34, certain eliminations have been made related to interfund activity, payables, and receivables.

The Fund Financial Statements include governmental, proprietary, and fiduciary funds. The governmental funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The proprietary funds are prepared using the economic resources measurement focus and the modified accrual basis of accounting. The fiduciary funds consist of agency funds, which only report a balance sheet and do not have a measurement focus. A reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach under GASB 34.

**REPORTING THE CITY AS A WHOLE**

**The Statement of Net Assets and the Statement of Activities**

The Statement of Net Assets and the Statement of Activities report information about the City as a whole and its activities. These statements include all assets and liabilities of the City using the accrual basis of accounting, which is similar to the accounting used by most private-sector entities. Under the modified accrual basis of accounting, revenues are recognized in the period in which they become measurable, while expenses recorded when incurred with the exception of the principal and the interest on long term debt, which is recorded when due.

These statements report the City's net assets and changes in them. Net assets are the differences between assets and liabilities, which is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the City's property tax base and economic trends, such as expansion and development.



In the Statement of Net Assets and the Statement of Activities, the City's activities have been categorized as follows:

### **Governmental Activities**

Most of the City's basic services are reported in this category including the general government activities, such as Finance, Fire Services, Police Services, Public Works Services, Engineering and Development Services, Community Services, and General Services. Property and sales taxes, user fees, interest income, franchise fees, and other revenues finance these activities.

### **Business-Type Activities**

The City charges a fee to customers to pay for the cost of certain services provided. The City's water system, wastewater system, and solid waste services (sewer and disposal), transit, golf, ambulance and compressed natural gas activities are reported in this category.

## **REPORTING THE CITY'S MOST SIGNIFICANT FUNDS**

### **Fund Financial Statements**

The Fund Financial Statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City establishes many other funds to help control and manage money for a particular purpose or to show that the City is meeting legal responsibilities for using certain taxes, grants, and other funds.

### **Governmental Funds**

Most of the City's basic services are reported in governmental funds. These funds focus on reporting the flow of money into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). "Measurable" means that the amount of the transaction can be determined and "available" means that it is collectible within the current period or soon enough thereafter to be used. The governmental fund financial statements provide a detailed short-term view of the City's general government operations and the basic services provided. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences between the Governmental Fund Financial Statements and the Government-Wide Financial Statements are explained in a reconciliation following the Government-Wide Financial Statements.

### **Proprietary Funds**

When the City charges customers for services - whether to outside customers or to programs of the City - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way in that all activities are reported in the Statement of Net assets and the Statement of Revenues, Expenses, and Changes in Fund Net Assets. The City's enterprise

funds are the same as the business-type activities reported in the Government-Wide Financial Statements, but provide more detail and additional information, such as cash flows for each enterprise fund. The City also uses internal service funds to report activities that provide supplies and services for the City's internal program and activities, such as the City's self-insurance.

### **Fiduciary Funds**

The City is the trustee, or fiduciary, for certain funds established to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, and other governmental units. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets. These activities are excluded from the City's Government-Wide Financial Statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their specified purposes.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

The largest portion of the City's net assets reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings, equipment, infrastructure, and construction in progress); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following schedule summarizes the City's net assets at June 30, 2010 and 2009 for comparative purposes:

Net Assets:	FY 2010	FY 2009	Change
Governmental Activities:			
Invested in capital assets, net of related debt	\$71,460,042	\$78,101,303	(\$6,641,261)
Restricted for:			
Capital projects	0	0	0
Parks	158,694	91,078	67,616
Public Safety	0	0	0
Highway and Streets	649,519	224,345	425,174
Housing	21,684,624	13,353,958	8,330,666
Debt service	3,720,189	4,152,603	(432,414)
Unrestricted	(1,553,334)	(4,713,906)	3,160,572
Total Governmental Net Assets:	96,119,734	91,209,381	4,910,353

Business-type Activities:			
Invested in capital assets, net of related debt	43,840,754	41,646,753	2,194,001
Restricted for:			
Debt service	0	3,471,175	(3,471,175)
Unrestricted	3,305,499	3,262,807	42,692
Total Business-type Net Assets:	<u>47,146,253</u>	<u>48,380,735</u>	<u>(1,234,482)</u>
Total Net Assets	<u>\$143,265,987</u>	<u>\$139,590,116</u>	<u>\$3,675,871</u>

### Governmental Activities

The following schedule summarizes the financial position of the City's governmental activities at June 30, 2010 and 2009 for comparative purposes:

	FY 2010	FY 2009	Change
Assets:			
Current assets	\$ 25,569,518	\$ 18,405,518	\$ 7,164,000
Deferred charges, net of accumulated amortization	3,061,317	3,440,872	(379,555)
Restricted assets:			
Cash and investments with fiscal agents	5,352,063	5,930,813	(578,750)
Capital assets not being depreciated	110,324,123	89,973,008	20,351,115
Capital assets, net of accumulated depreciation	31,777,027	55,840,796	(24,063,769)
Total Assets	<u>\$ 176,084,048</u>	<u>\$ 173,591,007</u>	<u>\$ 2,493,041</u>
Liabilities:			
Current liabilities	\$ 4,065,876	\$ 4,902,284	(\$ 836,408)
Noncurrent liabilities:			
Due within one year	2,544,283	3,200,224	(655,941)
Due in more than one year	73,354,155	74,279,118	(924,963)
Total Liabilities	<u>\$ 79,964,314</u>	<u>\$ 82,381,626</u>	<u>(\$ 2,417,312)</u>
Net Assets:			
Invested in capital assets, net of related debt	71,460,042	78,101,303	(6,641,261)
Restricted for:			
Capital projects	0	0	0
Parks	158,694	91,078	67,616
Public Safety	0	0	0
Highway and Streets	649,519	224,345	425,174
Housing	21,684,624	13,353,958	8,330,666
Debt service	3,720,189	4,152,603	(432,414)
Unrestricted	(1,553,334)	(4,713,906)	3,160,572
Total Net Assets	<u>\$ 96,119,734</u>	<u>\$ 91,209,381</u>	<u>\$ 4,910,353</u>

At the end of Fiscal Year 2010, the current assets were 14.5 percent of the total assets, up from 10.6 percent the preceding year, with the remaining 85.5 percent representing capital assets, net of accumulated depreciation and properties held for resale and other assets. The current liabilities are 5.1 percent of the total liabilities, down from 5.9 percent. The current ratio for governmental activities at the end of the year was \$6.28 of current assets for every \$1.00 of current liabilities, up from \$3.75. This dramatic increase can be attributed to the recording of \$7.1 million of housing and development impact fee loan receivables. These were loans that were funded over 5 years ago, but were not recorded. Capital assets not being depreciated increased from the previous year while capital assets net of depreciation had a significant decrease. These changes were due to reclassifying \$22.8 million of land right of way that was previously categorized as infrastructure. Of the total net assets, 74.3 percent was invested in capital assets.

The cost of all governmental activities during Fiscal Year 2010 was \$23,748,855. The amount that the City's taxpayers ultimately financed, however, was only \$14,901,584. Those who directly benefited from the programs paid \$3,326,049.

Overall, the City generated program revenues from governmental activities amounting to \$8,847,271. From fiscal year 2009 there was a decrease in capital contributions and grants of \$7.0 million. This decline was due to the significant contribution in fiscal year 2009 of development improvements associated with the Muirfield subdivision. The improvements were contributed to the City by the developer's as a part of the development agreement. The remaining source of governmental revenues of \$16,217,746 was paid by the City's sources of general revenue (taxes and other general revenues). Tax revenues increased by 13.4% in fiscal year 2010. The increase can be attributed to the increase in sales tax revenues associated with the Best Buy Internet sales tax.

The City's governmental activities include General Government, Public Safety (Police and Fire services), Public Works, Community Development Services, and Parks and Community services.

During the fiscal year ended June 30, 20010, the City received the following types of tax revenue:

	FY 2010	FY 2009	Change
Source of Taxes:			
Property taxes	\$ 5,248,441	\$ 5,438,046	(\$ 189,605)
Transient occupancy taxes	91,251	96,622	(5,371)
Sales taxes	5,569,620	3,642,808	1,926,812
Franchise taxes	214,722	248,553	(33,831)
Utility users tax	1,522,951	1,462,789	60,162
Motor vehicle tax	1,641,929	1,670,198	(28,269)
Other	611,305	583,716	27,589
Total	<u>\$ 14,900,219</u>	<u>\$ 13,142,732</u>	<u>\$ 1,757,487</u>



The following table presents the changes in net assets for governmental activities for the fiscal years ended June 30, 2010 and 2009.

	FY 2010	FY 2009	Change
Program Revenues:			
Charges for Services	\$ 3,326,049	\$ 2,649,991	\$ 676,058
Operating Contribution and Grants	1,753,052	2,137,570	(384,518)
Capital Contributions and Grants	3,768,170	10,798,269	(7,030,099)
General Revenues:			
Taxes	14,900,219	13,142,732	1,757,487
Use of Money and Property	533,961	534,225	(264)
Gain on Sale of Capital Assets	448,216	259,983	188,233
Other	335,350	508,758	(173,408)
Total Revenues	25,065,017	30,031,528	(4,966,511)
Expenses:			
General Government	3,131,533	2,282,735	848,798
Public Safety	8,171,242	8,287,871	(116,629)
Public Works	2,312,028	4,138,568	(1,826,540)
Community Development	3,417,402	3,158,746	258,656
Parks and Recreation	1,584,698	1,700,474	(115,776)
Interest on long-term debt	4,144,345	4,196,778	(52,433)
Unallocated depreciation	987,607	917,172	70,435
Total Expenses	23,748,855	24,682,344	(933,489)
Excess of Revenues over Expenses	1,316,162	5,349,184	(4,033,022)
Transfers	1,581,736	733,966	847,770
Extraordinary Items	0	0	0
Changes in Net Assets – Governmental Activities	\$ 2,897,898	\$ 6,083,150	(\$3,185,252)

### Business Type Activities

The table on the following page summarizes the financial position of the City's business-type activities at June 30, 2010 and 2009:

	FY 2010	FY 2009	Change
Assets:			
Current assets	\$ 3,795,124	\$ 3,969,270	(\$ 174,146)
Deferred charges, net of accumulated amortization	572,782	600,364	(27,582)
Restricted assets:			
Cash and investments with fiscal agent	2,707,484	3,471,175	(763,691)
Capital assets not being depreciated	10,568,098	10,208,181	359,917
Capital assets, net of accumulated depreciation	51,267,953	52,805,068	(1,537,115)
Total Assets	\$ 68,911,441	\$ 71,054,058	(\$ 2,142,617)

Liabilities:			
Current liabilities	855,323	1,194,241	(338,918)
Noncurrent liabilities:			
Due within one year	991,402	959,516	31,886
Due in more than one year	19,918,463	20,519,566	(601,103)
Total liabilities	<u>\$ 21,765,188</u>	<u>\$ 22,673,323</u>	<u>(\$ 908,135)</u>
Net assets:			
Invested in capital assets, net of related debt	\$ 43,840,754	\$ 41,646,753	\$ 2,194,001
Restricted	0	3,471,175	(3,471,175)
Unrestricted	3,305,499	3,262,807	42,692
Total Net Assets	<u>\$ 47,146,253</u>	<u>\$ 48,380,735</u>	<u>(\$ 1,234,482)</u>

The business-type activities of the City showed a positive current ratio at June 30, 2010: \$4.43 of current assets for every \$1.00 of current liabilities, up from \$3.32 the preceding year. This is due primarily to a decrease in the accounts payable associated with the Sewer and Disposal funds. Of the total net assets, 93.0 percent was invested in capital assets and 7.0 percent was unrestricted, which was available for future operations.

Total expenses for business-type activities for the fiscal year ended June 30, 2010 were \$11,068,850. Program revenues were primarily comprised of charges for services in the amount of \$10,883,895. Other program revenues were generated from grants and contributions of \$517,836. General revenues consisted of Use of Money and Property \$14,373. While the expenses in the business-type activities grew only 0.6% the revenues declined by 10.9%. This decline can be attributed to water and sewer lines that were contributed to the City by the developer in fiscal year 2009 as part of the completion of improvement of the Muirfield subdivision.

The City's business-type activities include: water, sewer, disposal, ambulance, golf, and transit.

The following table presents the changes in net assets for business-type activities for the fiscal years ended June 30, 2010 and 2009:

	FY 2010	FY 2009	Change
Program Revenues:			
Charges for services	\$ 10,883,895	\$ 10,853,734	\$ 30,161
Operating contributions and grants	345,078	635,672	(290,594)
Capital contributions and grants	172,758	1,122,094	(949,336)
General Revenues:			
Gain or loss on sale of assets	14,373	47,626	(33,253)
Other			
Total Revenues	<u>\$ 11,416,104</u>	<u>\$ 12,659,126</u>	<u>(\$ 1,243,022)</u>

Expenses:			
Water	2,047,214	1,923,758	123,456
Sewer	2,007,892	2,087,637	(79,745)
Disposal	1,988,441	1,865,780	122,661
Ambulance	1,069,365	1,011,197	58,168
Transit	531,162	486,482	44,680
Golf	3,338,040	3,625,806	(287,766)
Compressed Natural Gas	86,736		86,736
Total Expenses	<u>\$ 11,068,850</u>	<u>\$ 11,000,660</u>	<u>\$ 68,190</u>
Excess (Deficiency) of Revenues over Expenses	347,254	1,658,466	(1,311,212)
Transfers	(1,581,736)	(733,966)	(847,770)
Changes in Net Assets – Business- Type Activities	<u>(\$ 1,234,482)</u>	<u>\$ 924,500</u>	<u>(\$2,158,982)</u>

Compared to the previous year both the governmental funds and the enterprise funds had a much slower rate of growth in the changes of net assets. The slower rate of growth can be attributed to the significant addition in developer-contributed infrastructure related to the Muirfield development in fiscal year 2009.

#### FINANCIAL ANALYSIS OF CITY'S MAJOR FUNDS

##### General Fund

The General Fund accounts for all financial resources traditionally associated with government activities that are not required legally to be accounted for in another fund.

The General Fund ended the fiscal year with a fund balance of \$3,111,221, which is an increase of \$553,806 from the prior fiscal year. Of the total fund balance \$2,321,648 is undesignated is available for future operation. This fund balance exceeds the 2-month contingency reserve required by the Council. The increase in the fund balance can be attributed to the growth in the revenues. General Fund revenues for the fiscal year ended June 30, 2010, were \$10,775,763. This is an increase of \$1,266,577; the increase is due to the growth in the City's sales tax. Specifically the increase can be attributed to the increase in sales tax revenues associated with the Best Buy Internet sales tax.

	FY 2010	FY 2009	Change
General Fund Revenues:			
Taxes and assessments	\$ 6,066,872	\$ 4,440,431	\$1,626,441
Licenses and permits	574,273	462,653	111,620
Intergovernmental	1,641,944	1,670,205	(28,261)
Charges for services	456,195	531,057	(74,862)
Fines, forfeitures, and penalties	16,140	64,730	(48,590)
Use of money and property	35,096	25,532	9,564
Overhead	1,984,803	2,008,882	(24,079)
Miscellaneous	440	305,696	(305,256)
Total Revenues	<u>\$ 10,775,763</u>	<u>\$ 9,509,186</u>	<u>\$1,266,577</u>
General Fund Expenditures:			
General Government	\$ 2,474,391	\$ 1,765,099	\$ 709,292
Public Safety	5,520,754	5,763,628	(242,874)
Public Works	454,844	700,488	(245,644)
Community Development	126,901	469,792	(342,891)
Parks and Community Services	1,369,056	1,432,706	(63,650)
Transfers	237,027	53,263	183,764
Debt Service	38,984	36,908	2,076
Capital Outlays	0	14,735	(14,735)
Total Expenditures	<u>\$ 10,221,957</u>	<u>\$10,236,619</u>	<u>(\$ 14,662)</u>

#### Other Major Funds

##### ***Community Development Block Grants Fund:***

Grant revenue for this fund totaled \$991,534. Expenditures for the fiscal year totaled \$891,593. Expenditures for local housing and other federal grants are accounted for in this fund. The City actively seeks participants for its Community Development Block Grant funds as evidenced by consistently high usage this fiscal year. The fund balance increased this year by \$122,603.

##### ***Redevelopment Agency Housing Fund:***

The primary expenditures in the fund were for an Industrial Trades Program in conjunction with Dinuba High School in which students build a house using material paid for by the Redevelopment Agency Housing Fund. These houses are later sold to a low income household using the First Time Home Owners CDBG grant funds. The fund balance increased by \$558,730. This increase is due to the sale of property and a transfer from the financing authority in relation to the Avenue 416 widening project.

##### ***Redevelopment Agency Capital Projects Fund:***

The primary expenditure in the fund was for a payment of \$1,580,576 to the State of California. This was Dinuba Redevelopment Agency's share of the ERAF taking as adopted by the Legislature during the State budget process. To make this payment, the Redevelopment Agency required interfund advances. As a result the advances payable in this fund increased to \$9,522,203.

##### ***Redevelopment Agency Debt Service Fund:***

This fund accounts for the debt service on the Redevelopment Agency's Tax Allocation Bonds. The primary activity in this fund was the retirement of \$1,928,914 of principal debt.

***Enterprise Funds:***

The enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, wherein the cost of goods and services to the general public are financed or recovered primarily through user charges. The major enterprise funds include: Water, Sewer, Disposal, Ambulance, Transit, Golf and compressed natural gas. The sewer fund saw a decrease in expenses due to personnel cost savings. The disposal fund experienced an increase in expenses compared to last year due to an increase to the disposal contract. Before transfers the Golf Fund had an operating loss of \$1,378,537. Depreciation made up \$1,069,819 of the Golf operating loss.

**CAPITAL ASSETS**

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2010, amounts to \$203,937,201 (net of accumulated depreciation), a decrease of \$4,889,852 from \$208,827,053 in FY2009. The decrease can be attributed to the reclassifying some street improvements as maintenance and not infrastructure. The decrease is also due to depreciation of the City's assets. The City's capital assets include land, land improvements, buildings, improvements other than buildings, machinery and equipment, and construction in progress.

Major capital assets additions during fiscal year 2010 included the construction in progress on the wastewater treatment plant expansion as well as the Avenue 416 improvements.

More information concerning the City's investment in capital assets is available in Note 7 in the Notes to Basic Financial Statements section later in this document.

**DEBT ADMINISTRATION**

The City uses a variety of tax increment, revenue, and lease indebtedness to finance various capital acquisitions. At June 30, 2010, the City's long-term debt outstanding was \$96,055,126, down from last fiscal year's total of \$97,998,896. The decrease is due to the continued pay down of principal and due to the fact that no new debt was issued in fiscal year 2010. These figures do not include amounts due for compensated absences.

The following table provides a breakdown of the City's outstanding indebtedness as of June 30, 2010:

	FY 2010	FY 2009
Governmental Activities:		
Tax Allocation Bonds	\$ 39,285,000	\$ 40,070,000
Tax Allocation Notes	15,870,000	15,870,000
Revenue Bonds	14,165,000	14,445,000
Capital Leases	976,254	1,157,783
Net OPEB obligation	1,606,286	796,239
Notes and Loans Payable	3,360,920	5,089,617
Total Governmental Activities	<u>\$ 75,263,460</u>	<u>\$ 77,428,639</u>
Business-type Activities		
Capital Leases	\$ 333,219	\$ 518,937
Revenue Bonds	7,045,000	7,095,000
Notes and Loans Payable	8,575,192	8,912,559
Net OPEB obligation	143,255	55,620
Certificates of Participation	4,695,000	4,840,000
Total Business-type Activities	<u>\$ 20,791,666</u>	<u>\$ 21,422,116</u>
Total Government		
Tax Allocation Bonds	\$ 39,285,000	\$ 40,070,000
Tax Allocation Notes	15,870,000	15,870,000
Revenue Bonds	21,210,000	21,540,000
Capital Leases	1,309,473	1,676,720
Notes and Loans Payable	11,936,112	14,002,176
Net OPEB obligation	1,749,541	851,859
Certificates of Participation	4,695,000	4,840,000
Total Outstanding Indebtedness	<u>\$ 96,055,126</u>	<u>\$ 98,850,755</u>

The tax allocation bonds are paid from the receipt of incremental property taxes levied within the City's redevelopment areas. These redevelopment project areas currently are accounted for in the Dinuba Redevelopment Agency funds.

Revenue bonds include issues used to finance projects for streets and roads, the Dinuba Vocational facility, sewer and treatment expansion, and the public works facility. Debt service on these issues is paid from the revenues of the appropriate funds.

The General Fund pays debt service on less than one percent of the City's outstanding debt. The remainder is paid from a variety of other funding sources including property tax increment collections, residential growth fee collection, property owner special taxes, water and sewer utility rates, and property tax increments.

The State of California mandates a limit on general obligation debt of 15 percent of true cash value of all taxable property within the City boundaries. At June 30, 2010, this limit was \$139,454,899. More information on the City's outstanding debt may be found in Note 8 in the Notes to Basic Financial Statements section later in this document, starting on page 62.



## **BUDGETING**

The City's annual budget is the legally adopted expenditure control document of the City. Budgetary comparison statements are required for the General Fund and all major special revenue funds and may be found immediately following the Government-wide financial statements in this Financial Section of the CAFR. These statements compare the original adopted budget, the budget as amended throughout the fiscal year, and the actual expenditures for each fund, prepared on a budgetary basis. Budgets are prepared on the modified accrual basis of accounting consistent with GAAP, except that encumbrances are included in budgeted expenditures.

Appropriations lapse at fiscal year-end. The City Council generally reauthorizes appropriations for continuing projects and activities. The City Council has the legal authority to amend the budget of any fund at any time during the fiscal year. The budgetary legal level of control (the level on which expenditures may not legally exceed appropriations) is generally at the fund level. For budgeting purposes, the General Fund is composed of several departments while all other budgeted funds (special revenue funds included) are considered a single department. Budgeted expenditures may be reallocated within a division and between divisions within a department without City Council approval.

### **General Fund Budgetary Highlights**

The General Fund final revenues exceeded the final budget by \$1,295,396. The accrual of the new Internet sales tax from the Best Buy distribution center accounts for the revenues exceeding the budget. Expenditures came in under the final budget by \$168,825. The savings can primarily be attributed to personnel savings in the police department.

The General Fund budget to actual statements can be found later in the Required Supplementary Information Section of this report.

## **EXTRAORDINARY ITEMS**

There were no extraordinary items in fiscal year 2010.

## **CONTACT THE CITY'S FINANCIAL MANAGEMENT**

This management's discussion and analysis is designed to provide the City's residents, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about this document, separate reports of the City's component unit, or wish any additional financial information, contact:

Budget/Financial Services Manager  
405 East El Monte Way  
Dinuba, California 93618  
Phone (559) 591-5900

## Financial Section



## Basic Financial Statements



**CITY OF DINUBA**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2010**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 3,765,274	\$ 1,334,010	\$ 5,099,284
Restricted assets:			
Cash and investments with fiscal agents	5,352,063	2,707,484	8,059,547
Receivables:			
Accounts	238,372	2,037,138	2,275,510
Intergovernmental	4,037,739		4,037,739
Notes	17,382,586		17,382,586
Interest	5,596	1,073	6,669
Internal balances	(324,366)	324,366	
Inventories		98,537	98,537
Due from other agencies	63,717		63,717
Deferred charges – net of accumulated amortization	3,016,066	511,087	3,527,153
Prepaid items	45,251	61,695	106,946
Assets held for resale	400,600		400,600
Capital assets not being depreciated	110,324,123	10,568,098	120,892,221
Capital assets – net of accumulated depreciation	<u>31,777,027</u>	<u>51,267,953</u>	<u>83,044,980</u>
Total Assets	<u>176,084,048</u>	<u>68,911,441</u>	<u>244,995,489</u>
<b>LIABILITIES</b>			
Accounts payable	1,194,837	385,044	1,579,881
Accrued liabilities	445,970	119,884	565,854
Accrued interest payable	1,264,843	259,374	1,524,217
Unearned revenue	735,226	48,777	784,003
Deposits and other liabilities	425,000	42,244	467,244
Noncurrent liabilities:			
Due in one year	2,544,283	991,402	3,535,685
Due in more than one year	<u>73,354,155</u>	<u>19,918,463</u>	<u>93,272,618</u>
Total Liabilities	<u>79,964,314</u>	<u>21,765,188</u>	<u>101,729,502</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	71,460,042	43,840,754	115,300,796
Restricted for:			
Parks	158,694		158,694
Highways and streets	649,519		649,519
Housing	21,684,624		21,684,624
Debt service	3,720,189		3,720,189
Unrestricted	<u>(1,553,334)</u>	<u>3,305,499</u>	<u>1,752,165</u>
Total Net Assets	<u>\$ 96,119,734</u>	<u>\$47,146,253</u>	<u>\$143,265,987</u>

See accompanying notes to basic financial statements



CITY OF DINUBA  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Charges for Services	Program Revenue	
			Operating Contributions and Grants	Capital Contributions and Grants
Expenses:				
Governmental Activities:				
General government	\$ (3,131,533)	\$ 32,430	\$ 314	\$
Public safety	(8,171,242)	477,189	319,748	
Public works	(2,312,028)	2,566,382		3,768,170
Community development	(3,417,402)	95,741	1,420,440	
Parks and recreation	(1,584,698)	154,307	12,550	
Interest on long-term debt	(4,144,345)			
Unallocated depreciation	(987,607)			
Total Governmental Activities	<u>(23,748,855)</u>	<u>3,326,049</u>	<u>1,753,052</u>	<u>3,768,170</u>
Business-type Activities:				
Water	(2,047,214)	2,410,323		171,418
Sewer	(2,007,892)	2,263,518		
Disposal	(1,988,441)	2,799,914		
Ambulance	(1,069,365)	1,260,263		1,340
Transit	(531,162)	31,189	345,078	
Golf Course	(3,338,040)	1,940,722		
Compressed natural gas	(86,736)	177,966		
Total Business-type Activities	<u>(11,068,850)</u>	<u>10,883,895</u>	<u>345,078</u>	<u>172,758</u>
Total Primary Government	<u>\$(34,817,705)</u>	<u>\$14,209,944</u>	<u>\$2,098,130</u>	<u>\$3,940,928</u>
General Revenues:				
Taxes:				
Property taxes				
Transient occupancy taxes				
Sales taxes				
Franchise tax				
Utility users tax				
Other taxes				
Motor vehicle tax, unrestricted				
Use of money and property				
Other				
Gain on sale of capital assets				
Transfers				
Total General Revenues and Transfers				
Change in Net Assets				
Net Assets – Beginning of Fiscal Year, as previously reported				
Prior Period Adjustments				
Net Assets – Beginning of Fiscal Year, restated				
Net Assets – End of Fiscal Year				

See accompanying notes to basic financial statements

CITY OF DINUBA  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

<u>Net (Expense) Revenue and Changes in Net Assets</u>		
<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (3,098,789)	\$	\$ (3,098,789)
(7,374,305)		(7,374,305)
4,022,524		4,022,524
(1,901,221)		(1,901,221)
(1,417,841)		(1,417,841)
(4,144,345)		(4,144,345)
<u>(987,607)</u>		<u>(987,607)</u>
<u>(14,901,584)</u>		<u>(14,901,584)</u>
	534,527	534,527
	255,626	255,626
	811,473	811,473
	192,238	192,238
	(154,895)	(154,895)
	(1,397,318)	(1,397,318)
	<u>91,230</u>	<u>91,230</u>
	<u>332,881</u>	<u>332,881</u>
<u>\$(14,901,584)</u>	<u>\$ 332,881</u>	<u>\$ (14,568,703)</u>
5,248,441		5,248,441
91,251		91,251
5,569,620		5,569,620
214,722		214,722
1,522,951		1,522,951
611,305		611,305
1,641,929		1,641,929
533,961	14,373	548,334
335,350		335,350
448,216		448,216
<u>1,581,736</u>	<u>(1,581,736)</u>	
17,799,482	(1,567,363)	16,232,119
2,897,898	(1,234,482)	1,663,416
91,209,381	48,380,735	139,590,116
<u>2,012,455</u>		<u>2,012,455</u>
<u>93,221,836</u>	<u>48,380,735</u>	<u>141,602,571</u>
<u>\$ 96,119,734</u>	<u>\$47,146,253</u>	<u>\$143,265,987</u>

CITY OF DINUBA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2010

		Special Revenue Funds	
	General	Community Development Block Grant	Redevelopment Agency Housing
ASSETS			
Cash and investments	\$ 124,666	\$ 92,484	\$ 48,309
Restricted assets:			
Cash and investments with fiscal agent			
Receivables:			
Accounts	233,186		
Intergovernmental	2,225,195	424,869	
Notes		15,520,785	85,050
Interest	1,108	302	188
Prepaid items	20,032		
Assets held for resale			
Due from other funds	270,822		
Interfund advances receivable	<u>769,541</u>		<u>4,334,505</u>
Total Assets	<u>\$3,644,550</u>	<u>\$16,038,440</u>	<u>\$4,468,052</u>
LIABILITIES			
Accounts payable	\$ 110,217	\$ 111,018	\$ 59,065
Accrued liabilities	310,933		
Deferred revenue	9,041	15,520,785	85,050
Deposits and other liabilities			
Due to other funds			
Interfund advances payable	<u>103,138</u>		
Total Liabilities	<u>533,329</u>	<u>15,631,803</u>	<u>144,115</u>
FUND BALANCES			
Reserved:			
Reserved for debt service			
Reserved for long-term receivables	769,541		4,334,505
Reserved for assets held for resale			
Reserved for prepaid items	20,032		
Unreserved reported in:			
General fund	2,321,648		
Special revenue funds		406,637	(10,568)
Capital projects funds			
Total Fund Balances	<u>3,111,221</u>	<u>406,637</u>	<u>4,323,937</u>
Total Liabilities and Fund Balances	<u>\$3,644,550</u>	<u>\$16,038,440</u>	<u>\$4,468,052</u>

See accompanying notes to basic financial statements

CITY OF DINUBA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2010

Capital Projects Funds		Debt Service		Other	Total
Redevelopment Agency Capital Projects	Transportation Construction	Financing Authority	Redevelopment Agency	Governmental Funds	Governmental Funds
\$ 48,650	\$ 704,631	\$ 166,875	\$ 1,926	\$2,549,335	\$ 3,736,876
		2,140,528	3,211,535		5,352,063
375				334	233,895
189,994	95,979			1,101,702	4,037,739
575,304				1,201,447	17,382,586
173	1,366	84		2,325	5,546
990				1,940	22,962
400,600					400,600
					270,822
<u>1,765,634</u>	<u>530,576</u>	<u>643,073</u>	<u>          </u>	<u>3,844,000</u>	<u>11,887,329</u>
<u>\$ 2,981,720</u>	<u>\$1,332,552</u>	<u>\$2,950,560</u>	<u>\$3,213,461</u>	<u>\$8,701,083</u>	<u>\$43,330,418</u>
\$ 238,265	\$ 536,912	\$	\$ 1,925	\$ 74,768	\$ 1,132,170
3,887			187	95,353	410,360
167,639				1,906,761	17,689,276
375,000					375,000
				94,843	94,843
<u>9,522,203</u>	<u>          </u>	<u>          </u>	<u>1,176,877</u>	<u>1,764,339</u>	<u>12,566,557</u>
<u>10,306,994</u>	<u>536,912</u>	<u>          </u>	<u>1,178,989</u>	<u>3,936,064</u>	<u>32,268,206</u>
		2,307,487	2,034,472	2,214	4,344,173
2,340,938	530,576	643,073		3,862,871	12,481,504
400,600					400,600
990				1,940	22,962
					2,321,648
				769,227	1,165,296
<u>(10,067,802)</u>	<u>265,064</u>	<u>          </u>	<u>          </u>	<u>128,767</u>	<u>(9,673,971)</u>
<u>(7,325,274)</u>	<u>795,640</u>	<u>2,950,560</u>	<u>2,034,472</u>	<u>4,765,019</u>	<u>11,062,212</u>
<u>\$ 2,981,720</u>	<u>\$1,332,552</u>	<u>\$2,950,560</u>	<u>\$3,213,461</u>	<u>\$8,701,083</u>	<u>\$43,330,418</u>



CITY OF DINUBA  
RECONCILIATION OF THE BALANCE SHEET OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2010

Fund balances of governmental funds		\$ 11,062,212
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets net of accumulated depreciation have not been included as financial resources in governmental funds		142,089,588
Certain notes receivable are not available to pay for current period expenditures and, therefore are offset by deferred revenue in the governmental funds		16,954,050
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds		
Unfunded OPEB liabilities	\$ (1,606,286)	
Long-term liabilities	(73,657,174)	
Compensated absences	<u>(574,657)</u>	(75,838,117)
Deferred charges, net of accumulated amortization for debt issuance cost on long-term debt have not been reported in the governmental funds		3,016,066
Accrued interest payable from the current portion of interest due on long-term debt has not been reported in the governmental funds		(1,264,843)
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		<u>100,778</u>
Net Assets of Governmental Activities		<u>\$ 96,119,734</u>



CITY OF DINUBA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

		Special Revenue Funds	
	General	Community Development Block Grant	Redevelopment Agency Housing
REVENUES			
Taxes and assessments	\$ 6,066,872	\$	\$
Licenses and permits	574,273		
Intergovernmental	1,641,944	991,534	
Charges for services	456,195		
Use of money and property	35,096	542	7,304
Fines and forfeitures	16,140		
Reimbursements	1,984,803		
Miscellaneous	440	35,647	2,000
Total Revenues	10,775,763	1,027,723	9,304
EXPENDITURES			
Current:			
General government	2,474,391		
Public safety	5,520,754		
Public works	454,844		
Community development	126,901	607,528	50,350
Parks and recreation	1,369,056		
Capital outlay		284,065	166,873
Debt service:			
Principal retirement	37,277		2,512
Interest and fiscal charges	1,707		2,429
Cost of issuance			
Total Expenditures	9,984,930	891,593	222,164
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	790,833	136,130	(212,860)
OTHER FINANCING SOURCES (USES):			
Transfers in	13,527		618,594
Transfers out	(250,554)	(13,527)	
Sale of property			152,996
Total Other Financing Sources (Uses)	(237,027)	(13,527)	771,590
NET CHANGE IN FUND BALANCES	553,806	122,603	558,730
FUND BALANCES – BEGINNING OF FISCAL YEAR	2,557,415	284,034	3,765,207
FUND BALANCES – END OF FISCAL YEAR	\$ 3,111,221	\$ 406,637	\$ 4,323,937

See accompanying notes to basic financial statements

CITY OF DINUBA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Capital Projects Funds		Debt Service Funds		Other Governmental Funds	Total Governmental Funds
Redevelopment Agency Capital Projects	Transportation Construction	Financing Authority	Redevelopment Agency		
\$ 4,682,173	\$	\$	\$	\$ 2,220,828	\$12,969,873
				11,208	585,481
	2,943,906			1,501,184	7,078,568
				1,966,872	2,423,067
15,557	1,646	37,692	52,586	209,889	360,312
				88,181	104,321
				947,236	2,932,039
40,838				30,076	109,001
<u>4,738,568</u>	<u>2,945,552</u>	<u>37,692</u>	<u>52,586</u>	<u>6,975,474</u>	<u>26,562,662</u>
				18,778	2,493,169
				1,776,832	7,297,586
	519			1,655,271	2,110,634
2,063,990				124,168	2,972,937
	2,868,927				1,369,056
				344,152	3,664,017
		280,000	1,928,914	351,523	2,600,226
		736,948	2,966,081	93,741	3,800,906
			2,342		2,342
<u>2,063,990</u>	<u>2,869,446</u>	<u>1,016,948</u>	<u>4,897,337</u>	<u>4,364,465</u>	<u>26,310,873</u>
<u>2,674,578</u>	<u>76,106</u>	<u>(979,256)</u>	<u>(4,844,751)</u>	<u>2,611,009</u>	<u>251,789</u>
	37,200	1,005,999	4,439,568	411,474	6,526,362
(5,019,065)	(75,000)	(618,594)	(131,615)	(1,264,820)	(7,373,175)
<u>156,541</u>					<u>309,537</u>
<u>(4,862,524)</u>	<u>(37,800)</u>	<u>387,405</u>	<u>4,307,953</u>	<u>(853,346)</u>	<u>(537,276)</u>
(2,187,946)	38,306	(591,851)	(536,798)	1,757,663	(285,487)
<u>(5,137,328)</u>	<u>757,334</u>	<u>3,542,411</u>	<u>2,571,270</u>	<u>3,007,356</u>	<u>11,347,699</u>
<u>\$(7,325,274)</u>	<u>\$ 795,640</u>	<u>\$2,950,560</u>	<u>\$2,034,472</u>	<u>\$ 4,765,019</u>	<u>\$11,062,212</u>



CITY OF DINUBA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
JUNE 30, 2010

Net change in fund balances – total governmental funds \$ (285,487)

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

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 outlays exceed depreciation in the current period. 1,132,853

Certain notes receivable are reported in the governmental funds as expenditures and are then offset by 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. 786,918

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. Also, governmental funds report the effect of issuance costs when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. 2,600,226

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

Change in unfunded OPEB liability	\$(810,047)	
Amortization of deferred costs of issuance	(394,259)	
Change in accrued interest payable	53,162	
Change in long-term compensated absences	<u>213,447</u>	(937,697)

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 is reported with governmental activities. (398,915)

Change in Net Assets of Governmental Activities \$2,897,898

CITY OF DINUBA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2010

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Disposal
<b>ASSETS</b>			
Current Assets			
Cash and cash investments	\$ 381,058	\$ 421,604	\$173,272
Restricted cash and investments with fiscal agents	48,093	2,659,391	
Accounts receivable, net	483,864	416,018	277,232
Interest receivable	496	308	156
Inventories			
Due from other agencies			
Prepaid expenses	144		60,000
Deferred charges		511,087	
Total Current Assets	<u>913,655</u>	<u>4,008,408</u>	<u>510,660</u>
Noncurrent Assets:			
Interfund advances receivable	1,490,000	1,165,634	
Capital assets:			
Land	261,806	4,388,142	
Depreciable infrastructure, net	10,133,800	6,998,338	
Depreciable buildings and improvements, net	6,680,040	545,350	
Depreciable equipment, net	93,755	32,170	199,249
Construction in progress		1,782,683	
Total Noncurrent Assets	<u>18,659,401</u>	<u>14,912,317</u>	<u>199,249</u>
Total Assets	<u>19,573,056</u>	<u>18,920,725</u>	<u>709,909</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	74,119	65,767	96,098
Accrued liabilities	43,664	6,607	746
Accrued interest payable		259,374	
Claims payable			
Deferred revenue			
Deposits payable	42,244		
Due to other funds			
Current portion of long-term obligations	<u>357,935</u>	<u>409,157</u>	<u>1,674</u>
Total Current Liabilities	<u>517,962</u>	<u>740,905</u>	<u>98,518</u>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations:			
Interfund advances payable		1,165,634	
Compensated absences	531	5,585	2,476
Net OPEB liability	47,012	40,700	7,746
Capital leases payable		413	
Notes payable	7,689,190	401,922	
Revenue bonds		6,945,000	
Certificate of participation payable		4,540,000	
Total Noncurrent Liabilities	<u>7,736,733</u>	<u>13,099,254</u>	<u>10,222</u>
Total Liabilities	<u>8,254,695</u>	<u>13,840,159</u>	<u>108,740</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	9,137,077	4,121,853	199,249
Unrestricted	<u>2,181,284</u>	<u>958,713</u>	<u>401,920</u>
Total Net Assets	<u>\$11,318,361</u>	<u>\$ 5,080,566</u>	<u>\$601,169</u>

See accompanying notes to basic financial statements

CITY OF DINUBA  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2010

Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
Ambulance	Transit	Golf Course	Compressed Natural Gas	Totals	
\$ 81,516	\$ 16,821	\$ 56,065	\$203,674	\$ 1,334,010	\$ 28,398
				2,707,484	
741,745	46,114	39,820	32,345	2,037,138	4,477
113				1,073	50
		98,537		98,537	
					63,717
151		1,400		61,695	22,289
				511,087	
<u>823,525</u>	<u>62,935</u>	<u>195,822</u>	<u>236,019</u>	<u>6,751,024</u>	<u>118,931</u>
				2,655,634	354,862
		4,135,467		8,785,415	
		6,491,394		23,623,532	
	70,578	19,074,986		26,370,954	
139,116	308,599	500,578		1,273,467	11,562
				1,782,683	
<u>139,116</u>	<u>379,177</u>	<u>30,202,425</u>		<u>64,491,685</u>	<u>366,424</u>
<u>962,641</u>	<u>442,112</u>	<u>30,398,247</u>	<u>236,019</u>	<u>71,242,709</u>	<u>485,355</u>
7,535	32,303	95,389	13,833	385,044	62,667
21,881		46,986		119,884	35,610
				259,374	
		48,777		48,777	50,000
				42,244	
					175,979
<u>33,997</u>		<u>188,011</u>		<u>990,774</u>	
<u>63,413</u>	<u>32,303</u>	<u>379,163</u>	<u>13,833</u>	<u>1,846,097</u>	<u>324,256</u>
		1,165,634		2,331,268	
46,863				55,455	60,321
47,797				143,255	
		143,856		144,269	
				8,091,112	
				6,945,000	
				4,540,000	
<u>94,660</u>		<u>1,309,490</u>		<u>22,250,359</u>	<u>60,321</u>
<u>158,073</u>	<u>32,303</u>	<u>1,688,653</u>	<u>13,833</u>	<u>24,096,456</u>	<u>384,577</u>
139,116	379,177	29,864,282		43,840,754	11,562
<u>665,452</u>	<u>30,632</u>	<u>(1,154,688)</u>	<u>222,186</u>	<u>3,305,499</u>	<u>89,216</u>
<u>\$804,568</u>	<u>\$409,809</u>	<u>\$28,709,594</u>	<u>\$222,186</u>	<u>\$47,146,253</u>	<u>\$100,778</u>

CITY OF DINUBA  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Disposal
OPERATING REVENUES:			
Sales and service charges	\$ 2,377,304	\$2,242,198	\$2,799,889
Interdepartmental charges			
Other	<u>33,019</u>	<u>21,320</u>	<u>25</u>
Total Operating Revenues	<u>2,410,323</u>	<u>2,263,518</u>	<u>2,799,914</u>
OPERATING EXPENSES:			
Cost of goods sold			
Salaries and benefits	411,141	330,521	83,117
Contractual services	70,346	154,495	953,920
Materials and supplies	139,129	67,461	28,245
Repairs and maintenance	54,951	32,309	7,826
Dump fees			698,268
Utilities	369,422	327,116	
Rents and leases			
Insurance	44,176	42,270	
Allocated overhead	1,018,696	810,878	846,326
Depreciation	<u>533,057</u>	<u>196,336</u>	<u>21,423</u>
Total Operating Expenses	<u>2,640,918</u>	<u>1,961,386</u>	<u>2,639,125</u>
Operating Income (loss)	<u>(230,595)</u>	<u>302,132</u>	<u>160,789</u>
NONOPERATING REVENUES (EXPENSES):			
Intergovernmental			
Interest revenue	856	12,881	413
Interest expense	<u>(218,521)</u>	<u>(689,716)</u>	
Total Nonoperating Revenues (expenses)	<u>(217,665)</u>	<u>(676,835)</u>	<u>413</u>
Income (Loss) Before Contributions and Transfers	<u>(448,260)</u>	<u>(374,703)</u>	<u>161,202</u>
Capital contributions	171,418		
Transfers in	66,276	619,025	
Transfers out	<u>(129,822)</u>	<u>(38,519)</u>	<u>(360,600)</u>
Net Contributions and Transfers	<u>107,872</u>	<u>580,506</u>	<u>(360,600)</u>
Changes in Net Assets	(340,388)	205,803	(199,398)
Net Assets – Beginning of Fiscal Year	<u>11,658,749</u>	<u>4,874,763</u>	<u>800,567</u>
Net Assets – End of fiscal year	<u>\$11,318,361</u>	<u>\$5,080,566</u>	<u>\$ 601,169</u>

See accompanying notes to basic financial statements



CITY OF DINUBA  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Business-Type Activities Enterprise Funds					Governmental Activities- Internal Service Funds
Ambulance	Transit	Golf Course	Compressed Natural Gas	Totals	
\$1,257,232	\$ 31,189	\$ 1,930,522	\$177,966	\$10,816,300	\$
3,031		10,200		67,595	3,834,142
<u>1,260,263</u>	<u>31,189</u>	<u>1,940,722</u>	<u>177,966</u>	<u>10,883,895</u>	<u>3,834,142</u>
692,423		362,796	67,448	430,244	
		1,195,880		2,713,082	1,024,603
	366,275	133,649	3,515	1,682,200	32,525
195,383	51,837	339,513	4,251	825,819	246,343
13,515	19,045	23,488	11,522	162,656	889,138
				698,268	
		114,854		811,392	
		79,260		79,260	
55,689				142,135	2,085,935
294,753	22,758			2,993,411	30,683
<u>42,874</u>	<u>90,405</u>	<u>1,069,819</u>		<u>1,953,914</u>	<u>2,002</u>
<u>1,294,637</u>	<u>550,320</u>	<u>3,319,259</u>	<u>86,736</u>	<u>12,492,381</u>	<u>4,311,229</u>
<u>(34,374)</u>	<u>(519,131)</u>	<u>(1,378,537)</u>	<u>91,230</u>	<u>(1,608,486)</u>	<u>(477,087)</u>
	345,078			345,078	
121	102			14,373	172
		(18,781)		(927,018)	
<u>121</u>	<u>345,180</u>	<u>(18,781)</u>		<u>(567,567)</u>	<u>172</u>
<u>(34,253)</u>	<u>(173,951)</u>	<u>(1,397,318)</u>	<u>91,230</u>	<u>(2,176,053)</u>	<u>(476,915)</u>
1,340				172,758	
		529,497	158,156	1,372,954	78,000
(48,000)			(27,200)	(604,141)	
<u>(46,660)</u>		<u>529,497</u>	<u>130,956</u>	<u>941,571</u>	<u>78,000</u>
(80,913)	(173,951)	(867,821)	222,186	(1,234,482)	(398,915)
<u>885,481</u>	<u>583,760</u>	<u>29,577,415</u>		<u>48,380,735</u>	<u>499,693</u>
<u>\$ 804,568</u>	<u>\$ 409,809</u>	<u>\$28,709,594</u>	<u>\$222,186</u>	<u>\$47,146,253</u>	<u>\$ 100,778</u>

CITY OF DINUBA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Disposal
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers and users	\$ 2,481,617	\$ 2,247,691	\$ 2,775,743
Cash paid to suppliers for goods and services	(693,344)	(853,124)	(1,746,429)
Cash paid to employees for services	(389,801)	(306,064)	(81,296)
Cash paid for allocated overhead	<u>(1,018,696)</u>	<u>(810,878)</u>	<u>(846,326)</u>
Net Cash Provided (Used) by Operating Activities	<u>379,776</u>	<u>277,625</u>	<u>101,692</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Intergovernmental revenue			
Transfers to other funds	(129,822)	(38,519)	(360,600)
Transfers from other funds	66,276	619,025	
Due to (from) other funds	344,868	221,859	
Due from other funds repayments	<u>                    </u>	<u>                    </u>	<u>274,411</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>281,322</u>	<u>802,365</u>	<u>(86,189)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital contributions	171,418		
Purchases of capital assets	(175,408)	(594,098)	
Principal paid on long-term debt	(205,752)	(319,153)	
Interest paid on long-term debt	<u>(218,521)</u>	<u>(695,782)</u>	<u>                    </u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(428,263)</u>	<u>(1,609,033)</u>	<u>                    </u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	<u>2,481</u>	<u>14,032</u>	<u>1,291</u>
Net Cash Provided by Investing Activities	<u>2,481</u>	<u>14,032</u>	<u>1,291</u>
Net Increase (Decrease) in Cash and Cash Equivalents	235,316	(515,011)	16,794
CASH AND CASH EQUIVALENTS AT BEGINNING OF FISCAL YEAR	<u>193,835</u>	<u>3,596,006</u>	<u>156,478</u>
CASH AND CASH EQUIVALENTS AT END OF FISCAL YEAR	<u>\$ 429,151</u>	<u>\$ 3,080,995</u>	<u>\$ 173,272</u>
RECONCILIATION TO STATEMENT OF NET ASSETS:			
Cash and investments	\$ 381,058	\$ 421,604	\$ 173,272
Restricted cash and investments with fiscal agent	<u>48,093</u>	<u>2,659,391</u>	<u>                    </u>
	<u>\$ 429,151</u>	<u>\$ 3,080,995</u>	<u>\$ 173,272</u>

See accompanying notes to basic financial statements

CITY OF DINUBA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Business-Type Activities Enterprise Funds					Governmental Activities- Internal Service Funds
Ambulance	Transit	Golf Course	Compressed Natural Gas	Totals	
\$1,356,763	\$ 31,189	\$ 1,941,198	\$145,621	\$10,979,822	\$ 3,889,867
(259,986)	(440,771)	(1,056,062)	(5,455)	(5,055,171)	(3,446,829)
(646,120)		(1,195,880)	(67,448)	(2,686,609)	(435,790)
(294,753)	(22,758)			(2,993,411)	(30,683)
<u>155,904</u>	<u>(432,340)</u>	<u>(310,744)</u>	<u>72,718</u>	<u>244,631</u>	<u>(23,435)</u>
	410,965			410,965	
(48,000)			(27,200)	(604,141)	
		529,497	158,156	1,372,954	78,000
(28,168)		40,939		579,498	(112,296)
				<u>274,411</u>	
<u>(76,168)</u>	<u>410,965</u>	<u>570,436</u>	<u>130,956</u>	<u>2,033,687</u>	<u>(34,296)</u>
1,340				172,758	
	(7,210)			(776,716)	(6,455)
		(184,846)		(709,751)	
		(18,781)		(933,084)	
<u>1,340</u>	<u>(7,210)</u>	<u>(203,627)</u>		<u>(2,246,793)</u>	<u>(6,455)</u>
<u>190</u>	<u>102</u>			<u>18,096</u>	<u>351</u>
<u>190</u>	<u>102</u>			<u>18,096</u>	<u>351</u>
81,266	(28,483)	56,065	203,674	49,621	(63,835)
<u>250</u>	<u>45,304</u>			<u>3,991,873</u>	<u>92,233</u>
<u>\$ 81,516</u>	<u>\$ 16,821</u>	<u>\$ 56,065</u>	<u>\$203,674</u>	<u>\$ 4,041,494</u>	<u>\$ 28,398</u>
\$ 81,516	\$ 16,821	\$ 56,065	\$203,674	\$ 1,334,010	\$ 28,398
				<u>2,707,484</u>	
<u>\$ 81,516</u>	<u>\$ 16,821</u>	<u>\$ 56,065</u>	<u>\$203,674</u>	<u>\$ 4,041,494</u>	<u>\$ 28,398</u>

CITY OF DINUBA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(Continued)

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Disposal
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	<u>\$(230,595)</u>	<u>\$ 302,132</u>	<u>\$160,789</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	533,057	196,336	21,423
Adjustments:			
(Increase) decrease in accounts receivable	70,914	(15,827)	(24,171)
(Increase) decrease in inventories			
(Increase) decrease in due from other agencies			
(Increase) decrease in prepaid expenses	(30)		
Increase (decrease) in accounts payable	(20,293)	(229,473)	(58,104)
Increase (decrease) in accrued liabilities	5,003	675	(66)
Increase (decrease) in compensated absences	271	4,128	(1,924)
Increase (decrease) in deferred revenue			
Increase (decrease) in deposits payable	380		
Increase (decrease) in OPEB liability	<u>21,069</u>	<u>19,654</u>	<u>3,745</u>
Total Adjustments	<u>610,371</u>	<u>(24,507)</u>	<u>(59,097)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 379,776</u>	<u>\$ 277,625</u>	<u>\$101,692</u>
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Contributions of capital assets from developers	<u>\$ 171,418</u>	<u>\$ _____</u>	<u>\$ _____</u>

See accompanying notes to basic financial statements

CITY OF DINUBA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(Continued)

Business-Type Activities Enterprise Funds					Governmental Activities Internal Service Funds
<u>Ambulance</u>	<u>Transit</u>	<u>Golf Course</u>	<u>Compressed Natural Gas</u>	<u>Totals</u>	
<u>\$ (34,374)</u>	<u>\$(519,131)</u>	<u>\$(1,378,537)</u>	<u>\$ 91,230</u>	<u>\$(1,608,486)</u>	<u>\$(477,087)</u>
42,874	90,405	1,069,819		1,953,914	2,002
96,500		(12,929) (18,203)	(32,345)	82,142 (18,203)	55,725
(151)		19,429		19,248	486,774
46	(3,614)	(20,164)	13,833	(317,769)	(10,413)
4,706		16,436		26,754	(89,998)
3,136				5,611	8,079
		13,405		13,405	1,483
				380	
<u>43,167</u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>87,635</u>	<u>          </u>
<u>190,278</u>	<u>86,791</u>	<u>1,067,793</u>	<u>(18,512)</u>	<u>1,853,117</u>	<u>453,652</u>
<u>\$155,904</u>	<u>\$(432,340)</u>	<u>\$ (310,744)</u>	<u>\$ 72,718</u>	<u>\$ 244,631</u>	<u>\$ (23,435)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 171,418</u>	<u>\$</u>

CITY OF DINUBA  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2010

	<u>Agency Funds</u>
ASSETS:	
Cash and investments	\$393,576
Receivables:	
Accounts	<u>2,048</u>
Total Assets	<u>\$395,624</u>
LIABILITIES:	
Accounts payable	\$ 70,372
Deposits payable	<u>325,252</u>
Total Liabilities	<u>\$395,624</u>

See accompanying notes to basic financial statements

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Dinuba (City) have been prepared in conformity with accounting principles generally accepted in the United States of America (USGAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

**A. Reporting Entity**

The City of Dinuba is a political subdivision provided for by the General Law of the State of California and, as such, can exercise the powers specified by the Constitution and laws of the State of California. The City was incorporated in 1906 as a general law city. On June 4, 1994, the voters of the City approved a Charter which gives the City Council greater self-rule, and the Charter was accepted by the Secretary of State on July 7, 1994. The City operates under a council-manager form of government.

The City of Dinuba is a municipal corporation governed by an elected five-member City Council who, in turn, elects one of its members to serve as the Mayor. As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the City. The blended component units have a June 30 fiscal year end to coincide with the City's.

**Blended Component Units.** The Dinuba Redevelopment Agency (Agency) project area is bounded in its entirety within the city limits. The Agency is governed by a Board which is comprised of the City Council, and the City Manager serves as the Executive Director of the Agency. Debt is authorized by the Board and is repaid through tax increment financing; bonded debt is not a liability of the City of Dinuba. The financial activity of the Agency is reported in the Special Revenue, Debt Service, and Capital Projects Funds. In addition, because of legal requirements, the Agency issued an annual financial report under separate cover. A copy of that report may be obtained from: Financial Services Manager, 405 E. El Monte, Dinuba, CA 93618.

In addition, in May 1994, the Dinuba Financing Authority (Authority) was formed in order to provide a funding vehicle for necessary street improvements within the City. The governing board of the Dinuba Financing Authority is the City Council, and the City Manager acts as Executive Director. A separate financial report is not being issued by the Dinuba Financing Authority. The activity of the Authority is reported in the Financing Authority Debt Service Fund of the City.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. 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 and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

In the Fund Financial Statements, fiduciary funds are presented using the accrual basis of accounting. The fiduciary funds do not have a measurement focus.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.



CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

The Community Development Block Grant Special Revenue Fund – This fund accounts for certain designated projects paid for with Community Development Block Grant (CDBG) Federal program monies received from the State, along with repayments of CDBG loans.

The Dinuba Redevelopment Agency Housing Special Revenue Fund – This fund accounts for the capital improvements and operating costs associated with the low and moderate income portion of the Redevelopment Agency.

The Dinuba Redevelopment Agency Capital Projects Fund – This fund accounts for the financing, construction, and administrative activities of the Agency.

Transportation Construction Fund – This fund accounts for major street construction projects.

The Dinuba Financing Authority Debt Service Fund – This fund accounts for the accumulation of resources for, and the retirement of, the Authority's long-term debt issued for capital improvements.

The Dinuba Redevelopment Agency Debt Service Fund – This fund accounts for accumulation of resources for, and the retirement of, the Agency's long-term debt issued for housing and capital improvements.

The City reports the following major proprietary funds:

The Water Enterprise Fund – This fund accounts for the operation and maintenance of the City's water distribution system.

The Sewer Enterprise Fund – This fund accounts for the operation and maintenance of the City's wastewater collection system including operating costs of the wastewater treatment facility.

The Disposal Enterprise Fund – This fund accounts for the collection and disposal of solid waste from industrial, commercial, and residential users throughout the Dinuba area.

The Ambulance Enterprise Fund – This fund accounts for ambulance service fees and all costs associated with providing ambulance service throughout the City.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

The Transit Enterprise Fund – This fund accounts for the operation of the City’s transit system, which is accomplished by a private contractor. The principal source of funding for this activity is SB325 money.

The Golf Course Fund – This fund accounts for the operation and maintenance of the City’s golf course.

The Compressed Natural Gas Fund – This accounts for the sale of compressed natural gas and related costs to outside entities.

Additionally, the City reports the following fund types:

The Internal Service Fund account for financial transactions related to the City’s billing and collections, maintenance and repairs, and self-insurance programs. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

The Fiduciary Funds are used to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. These funds are not included in the government-wide financial statements. These assets include refundable and expendable cash deposits, and retentions withheld pending satisfactory project completion.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). For proprietary fund type activities, the City has elected to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board (FASB), the Accounting Principles Board (APB), or any Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they contradict or conflict with GASB pronouncements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government’s proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

revenues of the Enterprise Funds and of the Internal Service Fund are charges to customers for sales and services. Operating expenses for the Enterprises Funds and the Internal Service Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities, Net Assets or Equity**

**Cash 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-ask 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.

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

All trade and tax receivables are shown net of an allowance for uncollectible accounts if applicable, and estimated refunds due.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**Inventories and Prepaid Items**

All Inventories are valued at cost using the first-in/first-out (FIFO) method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**Property Taxes**

Assessed values for purposes of property taxes are determined on an annual basis for the period July 1 to June 30 by the Tulare County Assessor as of January 1. Taxes are levied annually on July 1 and become a lien on real property at January 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively, at which time applicable penalties and interest are assessed. Unsecured taxes became delinquent if not paid by August 31.

**Prepaid Items**

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

**Restricted Assets**

Certain proceeds of the City's long-term debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

In the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, these bond monies may be invested in accordance with the ordinance; resolutions and indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions, and indentures are generally more restrictive than the City's general investment policy. In no instances have additional types of investments been authorized that are not permitted by the City's general investment policy

**Capital Assets**

Capital assets, which include property, plant, equipment, fine art, and infrastructure assets (e.g., roads, bridges, sidewalks, traffic lights and signals, street lights, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$2,500 or more and an estimated useful life in excess of one year. Such capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the fiscal year ended June 30, 2010.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30
Improvements other than buildings	30
Infrastructure	20-40
Utility systems	40-75
Vehicles	5-15
Computer equipment	7
Other equipment and furnishings	7

The City's art collection is not depreciated. Periodic restoration and maintenance costs on particular items are charged to expense as incurred.

### **Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. All vacation and sick leave benefits are accrued as earned by employees. A portion of unused sick leave benefits, varying by employee bargaining unit, vests and is payable upon retirement. For proprietary funds, a current liability is reported for that portion of the estimated value of vacation and sick leave benefits to be used during the subsequent fiscal year, and the estimated value of vested sick leave benefits of employees approaching or at their respective retirement ages.

### **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. Initial-issue bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method (which approximates the effective interest method). The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the life of the refunding debt or remaining life of the refunded debt. Bond issuance costs, including deferred refunding amounts and underwriters' discount, are reported as deferred bond issuance costs. Amortization of bond premiums or discounts, issuance costs, and deferred amounts on refunding is included in interest expense.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts 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 DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**Net Assets and Fund Equity**

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 the city (such as creditors, grantors, contributors, laws, and regulations of other governments) and including 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.

In the fund financial statements, governmental funds reported reservations of fund balance for the amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**E. Estimates**

The preparation of basic 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**F. Reconciliation of Government-wide and Fund Financial Statements**

Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net assets:

The governmental funds balance sheet includes a reconciliation between fund balances – governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term debt and compensated absences from the general long-term debt account group have not been included in the governmental fund activity.” The detail of the \$75,838,117 long-term debt difference is as follows:

Long-term debt	
Tax allocation notes payable	\$15,870,000
Tax allocation bonds payable	39,285,000
Lease revenue bonds payable	14,165,000
Notes payable	3,360,920
Capital leases payable	976,254
Unfunded OPEB liability	1,606,286
Compensated absences	<u>574,657</u>
Net adjustment to reduce fund balances of total governmental funds to arrive at net assets of governmental activities	<u>\$75,838,117</u>

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

Explanation of certain differences between the governmental funds statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities:

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental Funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.”

Capital outlay	\$ 3,069,697
Depreciation expense	<u>(1,936,844)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 1,132,853</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.” Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this \$2,600,226 difference are as follows:

Principal repayments:	
Tax allocations bonds	\$ 785,000
Revenue bonds	280,000
Notes and loans payable	1,353,697
Capital leases payable	<u>181,529</u>
Net adjustment to decrease net changes in fund balance of total government funds to arrive at changes in net assets of governmental activities	<u>\$ 2,600,226</u>

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. General Budget Policies**

1. The annual budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and the means of financing them.
2. The City approves total budgeted appropriations and any amendments to appropriations throughout the fiscal year. All amendments made during the fiscal year are included in the budgetary amounts reported herein. The “appropriated budget” covers all City expenditures, with the exception of debt service on bond issues and capital improvement projects carried forward from prior fiscal years, which expenditures constitute legally authorized “non-appropriated budget.” Actual expenditures may not exceed budgeted appropriations at the fund level, which is the legal level of control.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

3. Formal budgetary integration is employed as a management control device during the fiscal year. Commitments for materials and services, such as purchase orders and contracts, are recorded as encumbrances to assist in controlling expenditures. Appropriations which are encumbered lapse at fiscal year-end, and then are added to the following fiscal year’s budgeted appropriations.
4. Budgets for the General, Special Revenue, and Debt Service Funds are adopted on a basis substantially consistent with accounting principles generally accepted in the United States of America (USGAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items.

Budget comparisons are not presented for the Proprietary Funds, as the City is not legally required to adopt a budget for these types of funds.

5. Capital projects are budgeted through the Capital Projects Funds. Appropriations for capital projects authorized but not constructed or completed during the year are carried forward as continuing appropriations into the following fiscal year’s budget.
6. Under Article XIII-B of the California constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset by a deficit in the following year. For the fiscal year ended June 30, 2010, based on calculations by City staff, proceeds of taxes did not exceed appropriations. Further, Section 45 of Article XIII-B allows the City to designate a portion of fund balance for general contingencies, to be used for any purpose.



CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**B. Deficit Fund Balances and Net Assets**

The following funds had deficit fund balances/net assets at June 30, 2010:

Major Governmental Fund:	
Redevelopment Agency Capital Projects	\$7,325,274
Nonmajor Governmental Funds:	
City Hall Annex	\$ 996,695
Transportation	\$ 1,502
Business Improvement Area	\$ 717
Public Safety Sales Tax	\$ 291,463
Engineering Services	\$ 3,327
Internal Service Funds:	
Billing and Collection Service Fund	\$ 29,875
Property and Equipment Service Fund	\$ 4,938

The deficit in the Redevelopment Agency Capital Projects fund will be eliminated through future tax revenues. Deficits in the remaining funds will be relieved through future revenues or transfers from other funds.

**C. Excess Expenditures over Appropriations**

The following are funds in which certain expenditures exceeded appropriations for the fiscal year ended June 30, 2010.

<u>Fund/Function</u>	<u>Final Appropriation</u>	<u>Expenditures</u>	<u>Excess</u>
Nonmajor Fund:			
Assessment District			
Special Revenue Fund	\$216,960	\$227,017	\$10,057

**3. CASH AND INVESTMENTS**

Cash and investments as of June 30, 2010 are classified in the accompanying financial statement as follows:

Statement of net assets:	
Cash and investments	\$ 5,099,284
Restricted cash and investments with Fiscal Agents	8,059,547
Fiduciary funds:	
Cash and investments	<u>393,576</u>
Total Cash and Investments	<u>\$13,552,407</u>

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

Cash and investments as of June 30, 2010 consist of the following:

Cash on hand	\$ 7,185
Deposits with financial institutions	645,734
Investments	<u>12,899,488</u>
Total Cash and Investments	<u>\$13,552,407</u>

**A. Investment 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 Dinuba (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.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State Pool)	N/A	None	\$40 million
U.S. Treasury Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	\$100,000
Certificates of Deposit	1 year	None	\$100,000
Bankers Acceptances	N/A	None	None
Commercial Paper	N/A	None	None
Mutual Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Money Market Funds (must be comprised of eligible securities permitted under this policy)	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.

**B. Investment 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**.

**CITY OF DINUBA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**  
**(continued)**

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State Pool)	N/A	None	\$40 million
U.S. Treasury Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	\$100,000
Certificates of Deposit	1 year	None	\$100,000
Bankers Acceptances	N/A	None	None
Commercial Paper	N/A	None	None
Mutual Funds (must be comprised of eligible Securities permitted under this policy)	N/A	None	None
Money Market Funds (must be comprised of eligible securities permitted under this policy)	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:

Investment Type	Totals	Remaining Maturity (in Months)			
		12 Months or Less	13 - 24 Months	25 - 60 Months	More Than 60 Months
State Investment Pool	\$ 4,839,940	\$ 4,839,940	\$	\$	\$
Held by Bond Trustees:					
Money Market Funds	3,950,552	3,950,552			
Negotiable Certificates of Deposits	3,798,176	3,496,594	202,628	98,954	
U.S. Agency Securities	310,820			310,820	
	<u>\$12,899,488</u>	<u>\$12,287,086</u>	<u>\$202,628</u>	<u>\$409,774</u>	<u>\$</u>

**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).

**CITY OF DINUBA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**  
**(continued)**

**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 Not Rated	AAA
State Investment Pool	\$ 4,839,940	N/A	\$4,839,940	\$	\$
Held by Bond Trustee:					
Money Market Funds	3,950,552	N/A		3,950,552	
Negotiable Certificates of Deposits	3,798,176			3,798,176	
U.S. Agency Securities	<u>310,820</u>	N/A			<u>310,820</u>
	<u>\$12,899,488</u>		<u>\$4,839,940</u>	<u>\$7,748,728</u>	<u>\$310,820</u>

**F. Concentration of Credit Risk**

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. As of June 30, 2010, the City did not have investments in any one issuer that represented 5% or more of total 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 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.

As of June 30, 2010, \$437,759 of the City's deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts. As of June 30, 2010, City investments in the following investment types were held by the same broker-dealer (counterparty) that was used by the City to buy the securities.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

<u>Investment Type</u>	<u>Amount</u>
Money Market Funds	\$3,950,552
Negotiable Certificates of Deposits	3,798,176
U.S. Agency Securities	310,820

**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.

**4. NOTES RECEIVABLE**

Notes receivable as of June 30, 2010 were recorded as follows:

Special Revenue Funds	\$16,689,225
Capital Projects Funds	<u>693,361</u>
Total Notes Receivable	<u>\$17,382,586</u>

Notes receivable by type are:

Home Loan Rehabilitation Program loans to assist low income residents to afford safe and sanitary housing, including improvements to the housing; non-interest bearing to 10% interest; principal and interest generally due at maturity or change of home ownership; secured by deeds of trust; proceeds are paid directly to the builder and a receivable is recorded from the home purchaser.	\$ 9,733,623
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Note from Zarmig LLC at 1.5% interest secured by a deed of trust. Due in monthly installments of \$1,407 starting July 15, 2010. A final payment of \$317,208 is due on July 15, 2018. The City carried back the note as part of the sale of the Bowling Alley.	407,665
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Note from S&A Properties dba Dinuba Lumber at 7% interest secured by a deed of trust. Due in monthly installment of \$334 starting February 1, 2007 and maturing January 1, 2017.	20,871
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**CITY OF DINUBA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**  
**(continued)**

Note from Rise Hospitality, Inc. at 3% interest, secured by a deed of trust. The note is payable in two annual installments of \$83,819 plus accrued interest. The first installment is due September 11, 2011. The note is in connection with the sale of real property.	167,639
Promissory notes from two developers for the acquisition and development of property for housing projects within the City; interest rates from 3% to 4.81%; terms of the notes are thirty to forty years; notes secured by deeds of trust.	<u>7,052,788</u>
Totals	<u>\$17,382,586</u>

**5. ACCOUNTS RECEIVABLE**

The following is a list of accounts receivable at June 30, 2010.

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Governmental Activities -			
Due from other governments	\$4,037,739	\$	\$4,037,739
Accounts	<u>233,895</u>	<u></u>	<u>233,895</u>
	<u>\$4,271,634</u>	<u>\$</u>	<u>\$4,271,634</u>
Business-type Activities -			
Accounts	<u>\$3,105,738</u>	<u>\$1,068,600</u>	<u>\$2,037,138</u>
Fiduciary Funds -			
Accounts	<u>\$ 2,048</u>	<u>\$</u>	<u>\$ 2,048</u>

**6. INTERFUND TRANSACTIONS**

**A. Current Interfund Balances**

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. The City's current balances represent loans to cover temporary shortages of cash in individual funds. The following presents a summary of current interfund balances at June 30, 2010.

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
Major Fund:		Internal Service Funds	\$175,979
General	<u>\$270,822</u>	Nonmajor Governmental	<u>94,843</u>
Totals	<u>\$270,822</u>		<u>\$270,822</u>

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**B. Long-term Interfund Advances**

At June 30, 2010, the funds below have made/received advances that were not expected to be repaid within one year.

Receivable Fund	Amount	Payable Fund	Amount
Major Fund:		Major Funds:	
General	\$ 769,541	General	\$ 103,138
Redevelopment Agency Housing	4,334,505	Redevelopment Agency Capital	
Redevelopment Agency Capital		Projects	9,522,203
Projects	1,765,634	Redevelopment Agency Debt Service	1,176,877
Transportation Construction	530,576		
Financing Authority	643,073		
Nonmajor Funds:		Nonmajor Funds:	
Parks Reserve	150,000	City Hall Annex	997,935
System Development Charges	240,000	Parks Reserve	116,904
Assessment Districts	104,000	System Development Charges	77,500
MTBE	3,300,000	Public Safety Sales Tax	382,000
Public Works Management	50,000	MTBE	190,000
Internal Service Fund:			
Insurance	354,862		
Enterprise Fund:		Enterprise Fund	
Water	1,490,000	Sewer	1,165,634
Golf Course	1,165,634	Golf Course	1,165,634
Totals	<u>\$14,897,825</u>	Totals	<u>\$14,897,825</u>

The interfund advances between the Redevelopment Agency Housing Fund and the Redevelopment Agency Capital Projects Fund is payable to the Low and Moderate Housing Fund and is a result of this fund advancing back to the Redevelopment Project Fund its 20% portion of the 2003 Tax Allocation Bond proceeds. This will be paid back over the next 5 years using tax increment income at an interest rate commensurate with the interest payable on the bonds currently 4.70%.

**C. Transfers Between Funds**

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to reimburse a fund that has made an expenditure on behalf of another fund. Transfers totaled \$7,977,316 in the fund financial statements.

Transfers Out	Transfers In							Totals
	General	Redevelopment Housing	Transportation Construction	Financing Authority	Redevelopment Debt Service	Nonmajor Governmental	Proprietary	
General	\$	\$	\$	\$	\$	\$ 229,554	\$ 21,000	\$ 250,554
Community Development Block Grant	13,527							13,527
Redevelopment Capital Projects					4,439,568		579,497	5,019,065
Transportation Construction				75,000				75,000
Financing Authority		618,594						618,594
Redevelopment Debt Service							131,615	131,615
Nonmajor Governmental			17,000	850,068		133,920	263,832	1,264,820
Proprietary			20,200	80,931		48,000	455,010	604,141
Totals	<u>\$13,527</u>	<u>\$618,594</u>	<u>\$37,200</u>	<u>\$1,005,999</u>	<u>\$4,439,568</u>	<u>\$411,474</u>	<u>\$1,450,954</u>	<u>\$7,977,316</u>

**CITY OF DINUBA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**  
**(continued)**

**7. CAPITAL ASSETS**

**A. Governmental Activities**

Capital asset governmental activity for the fiscal year ended June 30, 2010 are as follows:

	Beginning Balance	Additions/ Completions	Retirements/ Adjustments	Ending Balance
<b>Capital Assets, not being depreciated:</b>				
Land	\$ 83,805,002	\$23,032,428	\$ (815,448)	\$106,021,982
Artwork	84,243			84,243
Construction in progress	<u>6,083,763</u>		<u>(1,865,865)</u>	<u>4,217,898</u>
Total capital assets not being depreciated	<u>89,973,008</u>	<u>23,032,428</u>	<u>(2,681,313)</u>	<u>110,324,123</u>
<b>Capital Assets, being depreciated:</b>				
Buildings	12,519,424			12,519,424
Improvements other than buildings	655,093	24,716		679,809
Machinery and equipment	5,995,758	194,483	(278,500)	5,911,741
Infrastructure	<u>60,200,124</u>	<u>131,110</u>	<u>(22,751,473)</u>	<u>37,579,761</u>
Total capital assets being depreciated	<u>79,370,399</u>	<u>350,309</u>	<u>(23,029,973)</u>	<u>56,690,735</u>
Less accumulated depreciation for:				
Buildings	(2,972,460)	(393,576)		(3,366,036)
Improvements other than buildings	(415,509)	(20,303)		(435,812)
Machinery and equipment	(4,104,455)	(462,658)	552,739	(4,014,374)
Infrastructure	<u>(16,037,179)</u>	<u>(1,060,307)</u>		<u>(17,097,486)</u>
Total accumulated depreciation	<u>(23,529,603)</u>	<u>(1,936,844)</u>	<u>552,739</u>	<u>(24,913,708)</u>
Total capital assets being depreciated, net	<u>55,840,796</u>	<u>(1,586,535)</u>	<u>(22,477,234)</u>	<u>31,777,027</u>
Governmental activities capital assets, net	<u>\$145,813,804</u>	<u>\$21,445,893</u>	<u>\$(25,158,547)</u>	<u>\$142,101,150</u>

Depreciation expense was charged to functions/programs of the City's governmental activities as follows:

General government	\$ 307,377
Public safety	417,186
Public works	59,655
Parks and recreation	165,019
Unallocated	<u>987,607</u>
Total	<u>\$1,936,844</u>



**CITY OF DINUBA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**  
**(continued)**

**B. Business-type activities**

**Capital Asset Business-Type Activity**

	Beginning Balance	Additions/ Completions	Retirements/ Adjustments	Ending Balance
<b>Water Fund:</b>				
Capital assets not being depreciated:				
Land	\$ 261,806	\$	\$	\$ 261,806
Construction in progress	<u>261,806</u>	<u></u>	<u></u>	<u>261,806</u>
Total capital assets not being depreciated				
Capital assets being depreciated:				
Infrastructure	13,755,137	171,418		13,926,555
Buildings and improvements	7,885,890			7,885,890
Machinery and equipment	<u>281,298</u>	<u>3,990</u>	<u></u>	<u>285,288</u>
Total capital assets being depreciated	<u>21,922,325</u>	<u>175,408</u>	<u></u>	<u>22,097,733</u>
Less accumulated depreciation for:				
Infrastructure	(3,544,245)	(248,510)		(3,792,755)
Buildings and improvements	(943,413)	(262,437)		(1,205,850)
Machinery and equipment	<u>(169,423)</u>	<u>(22,110)</u>	<u></u>	<u>(191,533)</u>
Total accumulated depreciation	<u>(4,657,081)</u>	<u>(533,057)</u>	<u></u>	<u>(5,190,138)</u>
Total capital assets being depreciated, net	<u>17,265,244</u>	<u>(357,649)</u>	<u></u>	<u>16,907,595</u>
<b>Water Fund Capital Assets, net</b>	<u><b>\$17,527,050</b></u>	<u><b>\$(357,649)</b></u>	<u><b>\$</b></u>	<u><b>\$17,169,401</b></u>
<b>Sewer Fund:</b>				
Capital assets not being depreciated:				
Land	\$ 4,388,142	\$	\$	\$ 4,388,142
Construction in progress	<u>1,202,094</u>	<u>580,589</u>	<u></u>	<u>1,782,683</u>
Total capital assets not being depreciated	<u>5,590,236</u>	<u>580,589</u>	<u></u>	<u>6,170,825</u>
Capital assets being depreciated:				
Infrastructure	9,095,208	39,762	(39,744)	9,095,226
Buildings and improvements	1,942,547			1,942,547
Machinery and equipment	<u>368,291</u>	<u>13,491</u>	<u></u>	<u>381,782</u>
Total capital assets being depreciated	<u>11,406,046</u>	<u>53,253</u>	<u>(39,744)</u>	<u>11,419,555</u>
Less accumulated depreciation for:				
Infrastructure	(1,960,132)	(136,756)		(2,096,888)
Buildings and improvements	(1,354,101)	(43,096)		(1,397,197)
Machinery and equipment	<u>(333,128)</u>	<u>(16,484)</u>	<u></u>	<u>(349,612)</u>
Total accumulated depreciation	<u>(3,647,361)</u>	<u>(196,336)</u>	<u></u>	<u>(3,843,697)</u>
Total capital assets being depreciated, net	<u>7,758,685</u>	<u>(143,083)</u>	<u>(39,744)</u>	<u>7,575,858</u>
<b>Sewer Fund Capital Assets, net</b>	<u><b>\$13,348,921</b></u>	<u><b>\$ 437,506</b></u>	<u><b>\$ (39,744)</b></u>	<u><b>\$13,746,683</b></u>
<b>Disposal Fund:</b>				
Capital assets being depreciated:				
Machinery and equipment	<u>355,920</u>	<u></u>	<u></u>	<u>355,920</u>
Total capital assets being depreciated	<u>355,920</u>	<u></u>	<u></u>	<u>355,920</u>
Less accumulated depreciation for:				
Machinery and equipment	<u>(135,248)</u>	<u>(21,423)</u>	<u></u>	<u>(156,671)</u>
Total accumulated depreciation	<u>(135,248)</u>	<u>(21,423)</u>	<u></u>	<u>(156,671)</u>
Total capital assets being depreciated, net	<u>220,672</u>	<u>(21,423)</u>	<u></u>	<u>199,249</u>
<b>Disposal Fund Capital Assets, net</b>	<u><b>\$ 220,672</b></u>	<u><b>\$ (21,423)</b></u>	<u><b>\$</b></u>	<u><b>\$ 199,249</b></u>

**CITY OF DINUBA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2010**

**(continued)**

	Beginning Balance	Additions/ Completions	Retirements/ Adjustments	Ending Balance
<b>Ambulance Fund:</b>				
Capital assets being depreciated:				
Machinery and equipment	\$ 395,390	\$ _____	\$ _____	\$ 395,390
Total capital assets being depreciated	<u>395,390</u>	<u>_____</u>	<u>_____</u>	<u>395,390</u>
Less accumulated depreciation for:				
Machinery and equipment	(213,400)	(42,874)	_____	(256,274)
Total accumulated depreciation	<u>(213,400)</u>	<u>(42,874)</u>	<u>_____</u>	<u>(256,274)</u>
Total capital assets being depreciated, net	<u>181,990</u>	<u>(42,874)</u>	<u>_____</u>	<u>139,116</u>
<b>Ambulance Fund Capital Assets, net</b>	<u>\$ 181,990</u>	<u>\$ (42,874)</u>	<u>\$ _____</u>	<u>\$ 139,116</u>
<b>Transit Fund:</b>				
Capital assets, being depreciated:				
Buildings and improvements	\$ 88,802	\$ _____	\$ _____	\$ 88,802
Machinery and equipment	<u>573,165</u>	<u>12,210</u>	<u>(5,000)</u>	<u>580,375</u>
Total capital assets being depreciated	<u>661,967</u>	<u>12,210</u>	<u>(5,000)</u>	<u>669,177</u>
Less accumulated depreciation for:				
Buildings and improvements	(14,672)	(3,552)	_____	(18,224)
Machinery and equipment	<u>(184,923)</u>	<u>(86,853)</u>	<u>_____</u>	<u>(271,776)</u>
Total accumulated depreciation	<u>(199,595)</u>	<u>(90,405)</u>	<u>_____</u>	<u>(290,000)</u>
Total capital assets being depreciated, net	<u>462,372</u>	<u>(78,195)</u>	<u>(5,000)</u>	<u>379,177</u>
<b>Transit Fund Capital Assets, net</b>	<u>\$ 462,372</u>	<u>\$ (78,195)</u>	<u>\$ (5,000)</u>	<u>\$ 379,177</u>
<b>Golf Course Fund:</b>				
Capital assets not being depreciated:				
Land	\$ 4,135,467	\$ _____	\$ _____	\$ 4,135,467
Construction in process	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
Total capital assets not being depreciated	<u>4,135,467</u>	<u>_____</u>	<u>_____</u>	<u>4,135,467</u>
Capital assets being depreciated:				
Infrastructure	6,955,065	_____	_____	6,955,065
Buildings and improvements	<u>20,437,486</u>	<u>_____</u>	<u>_____</u>	<u>20,437,486</u>
Machinery and equipment	<u>700,808</u>	<u>_____</u>	<u>_____</u>	<u>700,808</u>
Total capital assets being depreciated	<u>28,093,359</u>	<u>_____</u>	<u>_____</u>	<u>28,093,359</u>
Less accumulated depreciation for:				
Infrastructure	(231,835)	(231,836)	_____	(463,671)
Buildings and improvements	<u>(624,632)</u>	<u>(737,868)</u>	<u>_____</u>	<u>(1,362,500)</u>
Machinery and equipment	<u>(100,115)</u>	<u>(100,115)</u>	<u>_____</u>	<u>(200,230)</u>
	<u>(956,582)</u>	<u>(1,069,819)</u>	<u>_____</u>	<u>(2,026,401)</u>
Total capital assets being depreciated-net	<u>27,136,777</u>	<u>(1,069,819)</u>	<u>_____</u>	<u>26,066,958</u>
<b>Golf Course Fund Capital Assets, net</b>	<u>\$31,272,244</u>	<u>\$(1,069,819)</u>	<u>\$ _____</u>	<u>\$30,202,425</u>
<b>Total Capital Assets-Business Type, Net</b>	<u>\$63,013,249</u>	<u>\$(1,132,454)</u>	<u>\$(44,744)</u>	<u>\$61,836,051</u>

Depreciation expense was charged to functions/programs for the City's business-type activities as follows:

Business-Type Activities	
Water	\$ 533,057
Sewer	196,336
Disposal	21,423
Ambulance	42,874
Transit	90,405
Golf Course	<u>1,069,819</u>
Total	<u>\$1,953,914</u>

**CITY OF DINUBA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2010**  
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**8. LONG-TERM LIABILITIES**

**A. The following is a summary of changes in the City's long-term liabilities for the fiscal year ended June 30, 2010:**

	Balance at July 1, 2009	Additions	Reductions	Balance at June 30, 2010	Due Within One Year
<b>Governmental Activities:</b>					
Capital leases payable	\$ 1,157,783	\$	\$ 181,529	\$ 976,254	\$ 161,715
Compensated absences	846,942	642,123	854,087	634,978	417,380
Net OPEB obligation	796,239	810,047		1,606,286	
Notes payable	5,089,617		1,728,697	3,360,920	855,188
Tax allocation bonds payable	40,070,000		785,000	39,285,000	820,000
Tax allocation notes payable	15,870,000			15,870,000	
Lease revenue bonds payable	14,445,000		280,000	14,165,000	290,000
<b>Total</b>	<b>\$78,275,581</b>	<b>\$1,452,170</b>	<b>\$3,829,313</b>	<b>\$75,898,438</b>	<b>\$2,544,283</b>
<b>Business-type Activities:</b>					
<b>Water Fund:</b>					
Compensated absences	\$ 15,060	\$ 22,772	\$ 22,500	\$ 15,332	\$ 14,801
Net OPEB obligation	25,943	21,069		47,012	
Water loans payable	8,238,076		205,752	8,032,324	343,134
<b>Sewer Fund:</b>					
Compensated absences	13,729	18,880	14,752	17,857	12,272
Net OPEB obligation	21,046	19,654		40,700	
Certificates of participation payable	4,840,000		145,000	4,695,000	155,000
Revenue bonds	7,095,000		50,000	7,045,000	100,000
Notes payable	674,483		131,615	542,868	140,946
Capital leases payable	2,224		872	1,352	939
<b>Disposal Fund:</b>					
Compensated absences	6,074	2,575	4,499	4,150	1,674
Net OPEB obligation	4,001	3,745		7,746	
<b>Ambulance Fund:</b>					
Compensated absences	77,723	52,304	49,167	80,860	33,997
Net OPEB obligation	4,630	43,167		47,797	
<b>Golf Course:</b>					
Capital leases payable	516,713		184,846	331,867	188,011
<b>Total</b>	<b>\$21,534,702</b>	<b>\$ 184,166</b>	<b>\$ 809,003</b>	<b>\$20,909,865</b>	<b>\$ 990,774</b>

**B. Governmental Activities – Tax Allocation Bonds Payable**

**2001 RDA Tax Allocation Refunding Bonds.** On December 1, 2001, the Redevelopment Agency issued \$13,000,000 of Tax Allocation Refunding Bonds bearing interest of 4.875% and 5.0% payable semi-annually on March 1 and September 1 commencing March 1, 2002. The bonds mature annually at various amounts through September 1, 2031 and are subject to optional redemption prior to maturity, in whole or in part, on September 1, 2011. The bonds are payable from and secured by incremental tax revenues (Pledged Tax Revenues). The proceeds were used to refund the 1989 Tax Allocation Bonds which were due September 1, 2019; the 1999A and 1999B Tax Allocation Refunding Notes which were due on December 1, 2004, the 2000 Tax Allocation Refunding Notes, and the 1999A and 1999B Tax Allocation Refunding Notes which were due on December 1, 2004 and to finance a portion of the costs of the Agency. Bonds outstanding at June 30, 2010, were \$10,845,000.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
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The City advance refunded the 1989 Tax Allocation Bonds, the 1999A and 1999B Tax Allocation Refunding Notes, and the 2000 Tax Allocation Notes to reduce its total debt service over the next thirty years by \$4,868,680 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$238,985.

**2003 Tax Allocation Bonds.** On October 23, 2003, the Agency issued \$7,500,000 of Tax Allocation Bonds bearing interest between 2% and 5% and payable semi-annually on March 1 and September 1. The Bonds mature annually at various amounts through September 1, 2033. The bonds are payable from and secured by incremented tax revenues (Pledged Tax Revenues). The Bond proceeds are to be used to finance certain projects within the Agency's project area including 20% benefiting low and moderate income housing. The principal amount of the 2003 tax allocation bonds outstanding at June 30, 2010 was \$6,885,000.

**2005 Tax Allocation Refunding Bonds:** On December 1, 2005, the Dinuba Redevelopment Agency issued \$5,670,000 Tax Allocation Refunding Bonds bearing interest of 3.0% and 5.0%, payable semi-annually on March 1 and September 1 commencing March 1, 2006. The bonds mature annually at various amounts through September 1, 2034 and are subject to optional redemption prior to maturity, in whole or in part, on September 1, 2015. The bonds are payable from and secured by incremental tax revenues (Pledged Tax Revenues). The bond proceeds were used to refund the 1997B Tax Allocation Refunding Bonds which were due on September 1, 2027 and the 1997C Tax Allocation Bonds which were due on September 1, 2027, and to finance a portion of the costs of the Agency. Bonds outstanding at June 30, 2010 were \$5,140,000.

The Agency advance refunded the 1997B and 1999C Tax Allocation Refunding Bonds to reduce its total debt service over the next thirty years by \$465,034 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$399,434.

**2006 Tax Allocation Refunding Bonds:** On October 5, 2006, the Dinuba Redevelopment Agency issued \$17,270,000 of Tax Allocation Refunding Bonds bearing interest of 3.4% to 5.0%, payable semi-annually on March 1 and September 1 commencing March 1, 2007. The bonds mature annually at various amounts through September 1, 2036 and are subject to operational redemption prior to maturity, in whole or in part, on September 1, 2016. The bonds are payable from and secured by incremental tax revenues (Pledged Tax Revenues). The bond proceeds were used to refund the 1997A Tax Allocation Refunding Bonds which were due on September 1, 2027 and to finance a portion of the costs of the Redevelopment Project. Bonds outstanding at June 30, 2010, were \$16,415,000.

The Agency advance refunded the 1997A Tax Allocation Refunding Bonds to reduce its total debt service over the next twenty-one years by \$231,787 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$127,358.

**2006 Tax Allocation Notes:** On October 5, 2006, the Dinuba Redevelopment Agency issued \$7,000,000 of 2006 Tax Allocation Notes. The proceeds from the issue were used to finance a portion of the costs of the Redevelopment Project, to pay costs in connection with the issuance of the Notes, and to make certain other deposits as required by the Indenture. The Notes bear interest at an annual rate of 4.40%. The Notes are payable from and secured by the Pledged Revenues. The outstanding principal balance of the Notes as of June 30, 2010 is \$7,000,000.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**2007 Tax Allocation Notes:** On October 30, 2007, the Dinuba Redevelopment Agency issued \$7,500,000 of 2007 Tax Allocation Notes. The proceeds from the issue were used to finance a portion of the costs of the Redevelopment Project, to pay costs in connection with the issuance of the Notes, and to make certain other deposits as required by the Indenture. The Notes bear interest at an annual rate of 4.45%. The Notes are payable from and secured by the Pledged Revenues. The outstanding principal balance of the Notes as of June 30, 2010 is \$7,500,000.

**2009 Tax Allocation Notes:** On May 22, 2009, the Dinuba Redevelopment Agency issued \$1,370,000 of 2009 School District Subordinate Tax Allocation Notes. The proceeds from the issue were used to finance a portion of the costs of certain improvements to the Dinuba Unified School District, fund a reserve account and pay costs of issuance of the Notes. The Notes bear interest at an annual rate of 5.60%. The Notes are payable from and secured by the Pledged Revenues. The outstanding principal balance of the Notes as of June 30, 2010 is \$1,370,000.

**C. Governmental Activities – Lease Revenue Bonds**

**2002 DFA Lease Revenue Bonds Payable.** On July 1, 2002, the Dinuba Financing Authority issued \$8,000,000 of Lease Revenue Bonds. The proceeds of the bonds were used to refund the remaining portion of the 1994 Lease Revenue Bonds in the amount of 2,465,000, pay issuance costs, and to provide funds for the acquisition and construction of improvements of public facilities. The lease revenues provided for by an installment agreement with the City is to be used for the payment of the bonds.

Interest rates vary between 1.75% and 5.10% and are payable semi-annually on August 1 and February 1. Principal is paid annually on August 1 through 2032. Bonds maturing after 2012 are subject to optional redemption. The principal balance outstanding at June 30, 2010 is \$6,965,000.

**2007 DFA Lease Revenue Bonds Payable.** On September 12, 2007, the Dinuba Financing Authority issued \$7,450,000 of Lease Revenue Bonds. The proceeds of the bonds are being used to finance road improvements in the City, to fund the Reserve Account with respect to the Bonds, and to pay certain costs of issuance. The lease revenues provided for by an installment agreement with the City is to be used for the payment of the bonds.

Interest rates vary between 4.0% and 5.375% and are payable semi-annually on September 1 and March 1. Principal is paid annually on September 1 through 2038. Bonds maturing after 2017 are subject to optional redemption. The principal balance outstanding at June 30, 2010 is \$7,200,000.

**D. Governmental Activities – Notes Payable**

On August 27, 2003, the Agency purchased a parcel of real estate. The Agency issued a note to the seller in the amount of \$45,000. The note is secured by a deed of trust, carries an interest rate of 7%, and is due in annual installments of \$4,941 through 2018. The outstanding principal balance of the note at June 30, 2010 was \$32,190.

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In August 2000, the Agency purchased a parcel of land. Along with an initial payment of \$25,588, the Agency issued a note for \$216,000. The note is subject to annual payments of \$30,754 until August 2010, including interest at 7.00% and is secured by a deed of trust. The balance at June 30, 2010 is \$28,742.

In April 2006, the Agency purchased land with a down payment of \$631,117 and the issuance of a note secured by the real property for \$400,000. The note is secured by a deed of trust and the terms of the note call for annual payments of \$74,225 including interest at 7.00% until April 2013. The balance at June 30, 2010 is \$194,763.

In March 2006, the Agency purchased land with a down payment of \$123,364 and the issuance of a note secured by the real property for \$822,600. The note is secured by a deed of trust and the terms of the note call for annual payments of \$152,636 including interest at 7.00% until March 2013. The balance at June 30, 2010 is \$400,566.

On December 23, 2005, the City entered into an agreement to purchase a Smeal Fire Truck for \$840,000. The City will make seven annual payments of \$138,742 with accrued interest at 4.40% per annum. The principal amount due at June 30, 2010 is \$382,117.

In July 2006, the Agency purchased land with a down payment of \$267,842 and the issuance of a note secured by the real property for \$1,045,440. The note is secured by a deed of trust and the terms of the note call for annual payments of \$214,731 including interest at 10.00% until July 2013. The balance at June 30, 2010 is \$680,722.

In October 2006, the Agency purchased land with a down payment of \$381,200 and the issuance of a note secured by the real property for \$2,612,250. The note is secured by a deed of trust and the terms of the note call for annual payments of \$484,711 including interest at 7.00% until October 2013. The balance at June 30, 2010 is \$1,641,820.

**E. Governmental Activities – Leases Payable**

The City has entered into various lease agreements for photocopiers which qualify as capital leases. The City accounts for capitalized leases in the governmental activities by recording the lease/asset at the present value of the lease obligation (\$168,826). The present value of minimum lease payments at June 30, 2010 is \$8,579.

In fiscal year 2001-02, the City entered into a 15 year lease with the County of Tulare for the Justice Facility, which also qualifies as a capital lease. Terms of the lease call for semi-annual payments of \$104,777 at 6.07%. The present value of minimum lease payments at June 30, 2010 is \$967,675.

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At June 30, 2010, the future minimum lease payments required under the capital leases and the net present value of the future lease payments is as follows:

Ending	Leases	Facility	Total
2011	\$ 8,674	\$ 209,554	\$ 218,228
2012		209,554	209,554
2013		209,554	209,554
2014		209,554	209,554
2015		209,554	209,554
2016		104,506	104,506
Total minimum lease payments	8,674	1,152,276	1,160,950
Less: Amount representing interest	(95)	(184,601)	(184,696)
Present value of future minimum lease payments	<u>\$ 8,579</u>	<u>\$ 967,675</u>	<u>\$ 976,254</u>

**F. Long-Term Debt Amortization - Governmental Activities**

The annual requirements to amortize long-term debt outstanding at June 30, 2010 (other than compensated absences) are as follows:

Fiscal Year Ended June 30,	2001 Tax Allocation Bonds		
	Principal	Interest	Total
2011	\$ 285,000	\$ 526,338	\$ 811,338
2012	290,000	514,978	804,978
2013	315,000	501,428	816,428
2014	325,000	485,828	810,828
2015	340,000	469,619	809,619
2016-2020	1,970,000	2,076,313	4,046,313
2021-2025	1,520,000	1,646,534	3,166,534
2026-2030	3,340,000	1,148,000	4,488,000
2031-2033	2,460,000	124,500	2,584,500
	<u>\$10,845,000</u>	<u>\$7,493,538</u>	<u>\$18,338,538</u>

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS

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(continued)

Fiscal Year Ended June 30,	2003 Tax Allocation Bonds		
	Principal	Interest	Total
2011	\$ 100,000	\$ 331,018	\$ 431,018
2012	105,000	327,811	432,811
2013	105,000	324,268	429,268
2014	110,000	320,423	430,423
2015	115,000	316,200	431,200
2016-2020	670,000	1,497,769	2,167,769
2021-2025	835,000	1,318,588	2,153,588
2026-2030	1,070,000	1,083,000	2,153,000
2031-2034	<u>3,775,000</u>	<u>518,125</u>	<u>4,293,125</u>
	<u>\$6,885,000</u>	<u>\$6,037,202</u>	<u>\$12,922,202</u>

Fiscal Year Ended June 30,	2005 Tax Allocation Bonds		
	Principal	Interest	Total
2011	\$ 125,000	\$ 241,774	\$ 366,774
2012	140,000	236,143	376,143
2013	135,000	230,299	365,299
2014	145,000	224,349	369,349
2015	155,000	217,974	372,974
2016-2020	840,000	986,610	1,826,610
2021-2025	1,070,000	770,400	1,840,400
2026-2030	770,000	499,000	1,269,000
2031-2035	<u>1,760,000</u>	<u>396,000</u>	<u>2,156,000</u>
	<u>\$5,140,000</u>	<u>\$3,802,549</u>	<u>\$8,942,549</u>

Fiscal Year Ended June 30,	2006 Tax Allocation Bonds		
	Principal	Interest	Total
2011	\$ 310,000	\$ 725,751	\$ 1,035,751
2012	315,000	712,470	1,027,470
2013	330,000	698,764	1,028,764
2014	350,000	684,314	1,034,314
2015	360,000	669,226	1,029,226
2016-2020	2,030,000	3,106,614	5,136,614
2021-2025	3,445,000	2,555,338	6,000,338
2026-2030	3,445,000	1,770,028	5,215,028
2031-2035	1,510,000	1,238,719	2,748,719
2036	<u>4,320,000</u>	<u>218,000</u>	<u>4,538,000</u>
	<u>\$16,415,000</u>	<u>\$12,379,224</u>	<u>\$28,794,224</u>



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Fiscal Year Ended June 30,	2006 Tax Allocation Notes		
	Principal	Interest	Total
2011	\$	\$308,000	\$ 308,000
2012	<u>7,000,000</u>	<u>154,000</u>	<u>7,154,000</u>
	<u>\$7,000,000</u>	<u>\$462,000</u>	<u>\$7,462,000</u>

Fiscal Year Ended June 30,	2007 Tax Allocation Notes		
	Principal	Interest	Total
2011	\$	\$333,750	\$ 333,750
2012	<u>7,500,000</u>	<u>166,875</u>	<u>7,666,875</u>
	<u>\$7,500,000</u>	<u>\$500,625</u>	<u>\$8,000,625</u>

Fiscal Year Ended June 30,	2009 Tax Allocation Notes		
	Principal	Interest	Total
2011	\$	\$ 76,720	\$ 76,720
2012		76,720	76,720
2013	<u>1,370,000</u>	<u>38,360</u>	<u>1,408,360</u>
	<u>\$1,370,000</u>	<u>\$191,800</u>	<u>\$1,561,800</u>

Fiscal Year Ended June 30,	2002 Lease Revenue Bonds		
	Principal	Interest	Total
2011	\$ 170,000	\$ 345,845	\$ 515,845
2012	180,000	338,930	518,930
2013	185,000	331,630	516,630
2014	195,000	322,957	517,957
2015	200,000	312,885	512,885
2016-2020	1,180,000	1,394,085	2,574,085
2021-2025	1,510,000	1,053,150	2,563,150
2026-2030	1,930,000	616,590	2,546,590
2031-2033	<u>1,415,000</u>	<u>110,543</u>	<u>1,525,543</u>
	<u>\$6,965,000</u>	<u>\$4,826,615</u>	<u>\$11,791,615</u>

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Fiscal Year Ended June 30,	2007 Lease Revenue Bonds		
	Principal	Interest	Total
2011	\$ 120,000	\$ 368,860	\$ 488,860
2012	125,000	363,898	488,898
2013	130,000	358,605	488,605
2014	135,000	353,006	488,006
2015	140,000	347,075	487,075
2016-2020	795,000	1,632,028	2,427,028
2021-2025	1,020,000	1,410,269	2,430,269
2026-2030	1,310,000	1,103,756	2,413,756
2031-2035	1,700,000	701,706	2,401,706
2036-2039	<u>1,725,000</u>	<u>191,216</u>	<u>1,916,216</u>
	<u>\$7,200,000</u>	<u>\$6,830,419</u>	<u>\$14,030,419</u>

Fiscal Year Ended June 30,	Land Purchases – Notes Payable		
	Principal	Interest	Total
2011	\$ 733,060	\$228,937	\$ 961,997
2012	758,020	173,224	931,244
2013	815,891	115,322	931,213
2014	651,574	52,887	704,461
2015	3,523	1,418	4,941
2016-2019	<u>16,735</u>	<u>3,027</u>	<u>19,762</u>
	<u>\$2,978,803</u>	<u>\$574,815</u>	<u>\$3,553,618</u>

Fiscal Year Ended June 30,	Notes Payable – Fire Trucks		
	Principal	Interest	Total
2011	\$121,929	\$16,813	\$138,742
2012	127,293	11,448	138,741
2013	<u>132,895</u>	<u>5,847</u>	<u>138,742</u>
	<u>\$382,117</u>	<u>\$34,108</u>	<u>\$416,225</u>

Fiscal Year Ended June 30,	Capital Leases Payable		
	Principal	Interest	Total
2011	<u>\$8,579</u>	<u>\$ 95</u>	<u>\$8,674</u>
	<u>\$8,579</u>	<u>\$ 95</u>	<u>\$8,674</u>

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Fiscal Year Ended June 30,	Justice Facility Lease		
	Principal	Interest	Total
2011	\$153,136	\$ 56,148	\$ 209,284
2012	162,567	46,986	209,553
2013	172,579	36,974	209,553
2014	183,208	26,346	209,554
2015	194,492	15,063	209,555
2016	<u>101,693</u>	<u>3,084</u>	<u>104,777</u>
	<u>\$967,675</u>	<u>\$184,601</u>	<u>\$1,152,276</u>

Fiscal Year Ended June 30,	Total Governmental Activities		
	Principal	Interest	Total
2011	\$ 2,126,704	\$ 3,560,049	\$ 5,686,753
2012	16,702,880	3,123,483	19,826,363
2013	3,691,365	2,641,497	6,332,862
2014	2,094,782	2,470,110	4,564,892
2015	1,508,015	2,349,460	3,857,475
2016-2020	7,603,428	10,699,530	18,302,958
2021-2025	9,400,000	8,754,279	18,154,279
2026-2030	11,865,000	6,220,374	18,085,374
2031-2035	12,620,000	3,089,593	15,709,593
2036-2039	<u>6,045,000</u>	<u>409,216</u>	<u>6,454,216</u>
	<u>\$73,657,174</u>	<u>\$43,317,591</u>	<u>\$116,974,765</u>

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**G. Business-type Activities**

**Enterprise Funds – Notes Payable**

The State of California Department of Water Resources granted a loan to the Water Fund of the City for construction of water facilities in the amount of \$2,700,000. Of this amount, \$1,924,399 was drawn down from the State. The note calls for semiannual payments of \$54,710 including interest at 2.955% until January 2024. The balance at June 30, 2010 is \$1,209,801.

The State of California Department of Water Resources granted a loan to the Water Fund of the City for construction for water facilities in the amount of \$7,462,450. Of this amount, \$6,956,217 was drawn down from the State. The note calls for semiannual payments of \$224,125 including interest at 2.60% until January 2029. The balance at June 30, 2010 is \$6,822,523.

The City issued two notes for \$1,245,332 in November, 2003 for the purchase of land for the Wastewater Expansion Project. The notes are subject to annual payments of \$177,250 until November, 2013, including interest at 7%. The balance at June 30, 2010 is \$542,869.

**Enterprise Funds 1998A and B DFA Refunding Certificates of Participation**

On August 1, 1998 the Dinuba Financing Authority issued \$5,500,000 Series A and \$460,000 Series B Refunding Certificates of Participation for a total of \$5,960,000 to finance the construction and acquisition of water capacity storage and transmission facilities in the City and certain other improvements to the municipal water system of the City, to refund the Authority's \$3,655,000 1996 Series A Variable Rate Lease Revenue Bonds, and to refund the Authority's \$430,000 1996 Series B Variable Rate Lease Revenue Bonds. The Certificates bear interest rates of 5% and 6.4% respectively. Interest is payable annually. Principal is repaid at a graduated rate beginning August 1, 1999 and maturing August 1, 2028. The principal amount due at June 30, 2010 is \$4,695,000.

**2007 DFA Wastewater System Revenue Bonds**

On September 12, 2007, the Dinuba Financing Authority issued \$3,150,000 of Revenue bonds. The proceeds of the bonds were issued by the purpose of financing wastewater system improvements within the City. The installment purchase payments are secured by a separate pledge, charge and lien upon the net revenues of the wastewater system.

Interest rates vary between 4.0% and 5.375% and are payable semi-annually on September 1 and March 1. Principal is paid annually on September 1 through 2038. Bonds maturing after 2017 are subject to optional redemption. The principal balance outstanding at June 30, 2010 is \$3,045,000.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**2008 DFA Lease Revenue Bonds**

On December 15, 2008, the Dinuba Financing Authority issued \$4,000,000 of Lease Revenue bonds. The proceeds of the bonds were issued for the purpose of financing wastewater system improvements within the City. The bonds will be payable from lease payments to be made by the City to the Authority as rental for certain assets of the City's water system pursuant to a Lease Agreement between the Authority and the City. The Lease payments are payable from the City's General Fund or, if monies are insufficient, from certain revenues of the City's wastewater system.

Interest rates vary between 4.5% and 8.00% and are payable semi-annually on March 1 and September 1. Principal is paid annually on March 1 through 2038. Bonds maturing after 2017 are subject to optional redemption. The principal balance outstanding at June 30, 2010 is \$4,000,000.

**Leases Payable**

The City has entered into a lease agreement for photocopiers which qualify as capital leases. The City accounts for capitalized leases in the business-type activities by recording the lease/asset at the present value of the lease obligation (\$4,200). The present value of minimum lease payments at June 30, 2010 is \$1,352.

The City has entered into lease agreements for golf course equipment which qualify as capital leases. The City accounts for capital leases in the business-type activities by recording the lease/asset at the present value of the lease obligation \$700,808. The present value of the minimum lease payments at June 30, 2010 is \$331,867.

**H. Enterprise Long-Term Debt Amortization**

The annual requirements to amortize enterprise long-term debt outstanding at June 30, 2010 are as follows:

Fiscal Year Ended June 30,	1998 Water Loan Payable		
	Principal	Interest	Total
2011	\$ 74,008	\$ 35,413	\$ 109,421
2012	76,223	33,198	109,421
2013	78,504	30,916	109,420
2014	80,854	28,566	109,420
2015	83,274	26,146	109,420
2016-2020	455,287	91,817	547,104
2021-2024	<u>361,651</u>	<u>21,064</u>	<u>382,715</u>
	<u>\$1,209,801</u>	<u>\$267,120</u>	<u>\$1,476,921</u>

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

Fiscal Year Ended June 30,	2005 Water Loan Payable		
	Principal	Interest	Total
2011	\$ 272,625	\$ 175,625	\$ 448,250
2012	279,759	168,491	448,250
2013	287,080	161,170	448,250
2014	294,593	153,657	448,250
2015	302,302	145,948	448,250
2016-2020	1,634,398	606,852	2,241,250
2021-2025	1,859,740	381,510	2,241,250
2026-2029	<u>1,892,026</u>	<u>107,989</u>	<u>2,000,015</u>
	<u>\$6,822,523</u>	<u>\$1,901,242</u>	<u>\$8,723,765</u>

Fiscal Year Ended June 30,	Notes Payable - Land		
	Principal	Interest	Total
2011	\$140,946	\$36,221	\$177,167
2012	150,938	26,228	177,166
2013	161,640	15,528	177,168
2014	<u>89,344</u>	<u>4,735</u>	<u>94,079</u>
	<u>\$542,868</u>	<u>\$82,712</u>	<u>\$625,580</u>

Fiscal Year Ended June 30,	1998 Certificates of Participation		
	Principal	Interest	Total
2011	\$ 155,000	\$ 230,875	\$ 385,875
2012	160,000	223,000	383,000
2013	170,000	214,750	384,750
2014	180,000	206,000	386,000
2015	185,000	196,875	381,875
2016-2020	1,080,000	831,750	1,911,750
2021-2025	1,385,000	524,875	1,909,875
2026-2028	<u>1,380,000</u>	<u>142,250</u>	<u>1,522,250</u>
	<u>\$4,695,000</u>	<u>\$2,570,375</u>	<u>\$7,265,375</u>

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2010

(continued)

Fiscal Year Ended June 30,	2007 Revenue Bonds		
	Principal	Interest	Total
2011	\$ 50,000	\$ 155,990	\$ 205,990
2012	55,000	153,863	208,863
2013	55,000	151,580	206,580
2014	55,000	149,256	204,256
2015	60,000	146,775	206,775
2016-2020	340,000	689,788	1,029,788
2021-2025	430,000	595,459	1,025,459
2026-2030	555,000	466,147	1,021,147
2031-2035	720,000	295,625	1,015,625
2036-2039	<u>725,000</u>	<u>80,222</u>	<u>805,222</u>
	<u>\$3,045,000</u>	<u>\$2,884,705</u>	<u>\$5,929,705</u>

Fiscal Year Ended June 30,	2008 Lease Revenue Bonds		
	Principal	Interest	Total
2011	\$ 50,000	\$ 292,458	\$ 342,458
2012	55,000	289,750	344,750
2013	55,000	286,794	341,794
2014	60,000	283,600	343,600
2015	65,000	279,971	344,971
2016-2020	375,000	1,332,920	1,707,920
2021-2025	530,000	1,174,556	1,704,556
2026-2030	760,000	935,220	1,695,220
2031-2035	1,110,000	576,420	1,686,420
2036-2039	<u>940,000</u>	<u>107,640</u>	<u>1,047,640</u>
	<u>\$4,000,000</u>	<u>\$5,559,329</u>	<u>\$9,559,329</u>

Fiscal Year Ended June 30,	Capital Lease Payable		
	Principal	Interest	Total
2011	\$ 939	\$ 69	\$1,008
2012	<u>413</u>	<u>8</u>	<u>421</u>
	<u>\$1,352</u>	<u>\$ 77</u>	<u>\$1,429</u>

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

Fiscal Year Ended June 30,	Golf Course Capital Leases Payable		
	Principal	Interest	Total
2011	\$188,011	\$12,884	\$200,895
2012	139,466	3,191	142,657
2013	<u>4,390</u>	<u>40</u>	<u>4,430</u>
	<u>\$331,867</u>	<u>\$16,115</u>	<u>\$347,982</u>

Fiscal Year Ended June 30,	Total Business-Type Activities		
	Principal	Interest	Total
2011	\$ 931,529	\$ 939,535	\$ 1,871,064
2012	916,799	897,729	1,814,528
2013	811,614	860,778	1,672,392
2014	759,791	825,814	1,585,605
2015	695,576	795,715	1,491,291
2016-2020	3,884,685	3,553,127	7,437,812
2021-2025	4,566,391	2,697,464	7,263,855
2026-2030	4,587,026	1,651,606	6,238,632
2031-2035	1,830,000	872,045	2,702,045
2036-2039	<u>1,665,000</u>	<u>187,862</u>	<u>1,852,862</u>
	<u>\$20,648,411</u>	<u>\$13,281,675</u>	<u>\$33,930,086</u>

**I. Compensated Absences**

Compensated absences in governmental activities have been liquidated in the past fiscal year in the general fund, the gas tax, redevelopment agency, transportation, public safety sales tax and community enhancement grant, (Special Revenue Funds) and the redevelopment agency, general construction, vocational center, and public works management (Capital Projects funds).



CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**9. DEFINED BENEFIT PENSION PLAN**

**Plan Description**

The City of Dinuba contributes to the California Public Employees' Retirement System (PERS), a cost-sharing multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of PERS' annual financial report may be obtained from its Executive Office, 400 "P" Street, Sacramento, CA 95814.

**Funding Policy**

Participants are required to contribute 7% of their annual covered salary. The City makes the contributions required to city employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 10.597% for non-safety employees and 14.154% for safety employees, of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.

**Annual Pension Cost**

For 2010 the City's annual pension cost of \$997,171 for PERS was equal to the City's required and actual contributions.

Three-Year Trend Information for PERS

<u>Year</u>	<u>Cost (APC )</u>	<u>APC Contributed</u>	<u>Obligation</u>
6/30/2008	\$ 927,322	100%	\$ -0-
6/30/2009	1,055,314	100%	-0-
6/30/2010	997,171	100%	-0-

The required contribution was determined as part of the most recent actuarial valuation, available to the City, dated June 30, 2009 using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service, and (c) 0.25% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the fair market value of investments over a four-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 17 years for safety and 18 years for non-safety plans.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**Funded Status and Funding Progress**

As of June 30, 2009, the most recent actuarial valuation date the plan was 88.9% funded for non-safety employees and 85.7% funded for safety employees. The actuarial accrued liability for benefits was \$3.1 billion for non-safety employees and \$73 million for safety employees and the actuarial value of assets was \$2.8 billion for non-safety employees and \$63.1 million for safety employees, resulting in an unfunded actuarial accrued liability (UAAL) of \$346 million for non-safety employees and \$10.5 million for safety employees. The covered payroll (annual payroll of active employees covered by the plan) was \$743 million for non-safety members and \$21.9 million for safety members, and the ratio of UAAL to the covered payroll was 46.6% and 48.1% respectively.

The schedule of funding progress presented as RSI following the notes to financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**10. POST EMPLOYMENT HEALTH CARE BENEFITS**

**Plan Description**

During the fiscal year ended June 30, 2009, the City implemented GASB Statement No. 45, Accounting and Financial Reporting for Post-employment Benefits Other than Pensions. This statement establishes uniform financial reporting standards for employers providing post-employment benefits. The provision of this statement are applied on a prospective basis.

The City provides health insurance benefit plans to eligible retirees and dependents in accordance with various labor agreements and is a single-employer plan. Employees retiring from the City with at least 15 years of continuous full-time service to the City of Dinuba are eligible for retiree health and dental benefits.

**Funding Policy**

The City's policy is to fund these benefits on a pay-as-you-go basis, and paid \$5,337 per retiree for the fiscal year ended June 30, 2010 (a total of \$80,054) to the plan.

**Annual PPEB Cost and Net OPEB Obligation**

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), and amount which was determined as part of the July 1, 2008 actuarial valuation in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The ARC is subject to change with each actuarial valuation date performed no less than every three years.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

The City's OPEB unfunded actuarial accrued liability as of July 1, 2008, the date of the most recent actuarial valuation, was a total of \$851,859. The OPEB obligation has been adjusted by an annual inflation percentage of 3.25 percent based on the assumptions of the actuarial valuation and a general salary increase of 3.25 percent.

The City has calculated and recorded the Net OPEB obligation, representing the difference between the ARC, amortization and contributions, as follows:

Annual required contributions (ARC) and annual OPEB cost	\$ 939,402
Interest on net OPEB obligation	38,334
Adjustment to annual required contribution	<u>          </u>
Annual OPEB cost (expense)	977,736
Less: Employer contribution	<u>(80,054)</u>
Increase in net OPEB obligation	897,682
 Net OPEB obligations, beginning of year	 <u>851,859</u>
 Net OPEB obligations, end of year	 <u>\$1,749,541</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal 2010 and the two preceding years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2008	N/A	N/A	N/A
6/30/2009	\$909,832	6.37%	\$ 851,859
6/30/2010	\$977,736	8.19%	\$1,749,541

Note: Disclosure of annual OPEB cost, percent contributed, and net OPEB obligation, if any, is required for the current fiscal year and each of the two preceding fiscal years. The fiscal year ended June 30, 2010 is the second year of implementation of the City's post-retirement health care plan accounted for and reported in accordance with the requirements of GASB 45. Accordingly, three-year data is not available and will be shown when such data becomes available.

**Funded Status and Funding Progress**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about investment return, future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

The funded status of the plan as of June 30, 2010 was as follows:

Actuarial accrued liability	\$6,201,875
Actuarial value of plan assets	<u>0</u>
Unfunded actuarial accrued liability (UAAL)	6,201,875
 Funded ratio (actuarial value of plan assets/AAL)	 0%
Covered payroll (active plan members)	\$7,306,243
UAAL as a percentage of covered payroll	84.88%

**Actuarial Methods and Assumptions**

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

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit Cost Method. The actuarial assumptions include a 4.5 percent investment rate of return, covered payroll increases of 3.25 percent per year, an inflation rate of 3.25 percent per year, and a medical increase trend rate starting at 10 percent per year, and decreasing gradually over a 10 year period to an ultimate rate of 4.50 percent per year. The unfunded actuarial accrued liability (UAAL) is being amortized as a level percentage of projected payroll over 30 years.

**11. DEFERRED COMPENSATION**

The City has established a Deferred Compensation Plan and Trust as provided in Section 457 of the Internal Revenue Code of 1986, as amended. The City, acting as trustee of this plan, has agreed to perform its services as trustee in accordance with, and as necessary limited to comply with, applicable law. All amounts of compensation deferred pursuant to the plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights shall be held in trust for the exclusive benefit of participants and beneficiaries under the plan.

**12. RISK MANAGEMENT/JOINT VENTURE**

The City's risk management activities are recorded in the internal service fund. The purpose of the fund is to administer the employee life, health, property and liability, and workers' compensation insurance programs of the City.

The City participates with other public entities in a joint venture under a joint 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.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

The City is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each worker's 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 \$50,000 and workers' compensation losses under \$50,000. The CSJVRMA purchases excess liability reinsurance from \$1,000,000 to \$29,000,000. The CSJVRMA participates in an excess pool which provides Workers' Compensation coverage from \$500,000 to \$5,000,000 and purchases excess reinsurance above \$5,000,000 to the statutory limit.

The CSJVRMA is a consortium of fifty-eight (58) cities in San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500 et seq. The CSJVRMA is governed by a Board of Directors, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by the CSJVRMA. The final statements of CSJVRMA can be obtained at 1750 Creekside Oaks Drive, Sacramento, CA 95833.

The financial position and results of operations for the CSJVRMA as of June 30, 2009 (the most recent available), are presented below:

Total Assets	<u>\$63,349,322</u>
Total Liabilities	\$54,045,869
Total Net Assets	<u>9,303,453</u>
 Total Liabilities and Net Assets	 <u>\$63,349,322</u>
 Revenues for Fiscal Year	 \$28,146,623
Expenses for Fiscal Year	<u>28,543,025</u>
 Changes in Net Assets	 <u>\$ (396,402)</u>

At the termination of the joint powers agreement and after all claims have been settled, any excess or deficit will be divided among the cities in accordance with its governing documents.

The City is self-insured for health insurance for its employees. Each department and division is charged an actuarially determined amount for health insurance expenses based on its employees. All claims are administered by an independent insurance processor; the City is responsible for reimbursing the company for all claims up to \$35,000 per covered individual, with any expenses greater than that being covered by the insurance provider.

The claims liability of \$50,000 for health insurance at June 30, 2010 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The claims liability was estimated from the average amount of claims paid per lag reports provided by the administrator. The outstanding liability at June 30, 2010 is expected to be liquidated within the next twelve months. Settlements have not exceeded coverages for each of the past three fiscal years. Changes in health claim liabilities at June 30, 2010 and 2009 were as follows:

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

	<u>2010</u>	<u>2009</u>
Liability – beginning of fiscal year	\$ 50,000	\$ 50,000
Current year claims and changes in estimates	1,430,953	1,037,215
Claim payments	<u>(1,430,953)</u>	<u>(1,037,215)</u>
Liability – End of Fiscal Year	<u>\$ 50,000</u>	<u>\$ 50,000</u>

**13. NET ASSETS – GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES**

The government-wide statement of net assets includes three equity categories entitled net assets invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The invested in capital assets, net of related debt category presents the City's equity interest in capital assets less outstanding principal of related debt. The restricted net assets category is designed to reflect new assets that are subject to restrictions beyond the City's control (externally imposed or imposed by law). The unrestricted net assets category equals any remaining balance and can be subdivided into designated and undesignated portions. Designations reflect the City's self-imposed limitations on the use of otherwise available current financial resources. Details of the three categories is as follows:

**Governmental and Business-Type Activities – Net Assets  
as of June 30, 2010**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
Net Assets			
Invested in capital assets net of related debt:			
Total capital assets, net depreciation	\$142,101,150	\$ 61,836,051	\$203,937,201
Total capital related debt, net of cash held by trustee and deferred charges	<u>(70,641,108)</u>	<u>(17,995,297)</u>	<u>(88,636,405)</u>
Invested in capital assets, net of related debt	<u>\$ 71,460,042</u>	<u>\$ 43,840,754</u>	<u>\$115,300,796</u>
Restricted for:			
Parks	158,694		158,694
Streets and roads	649,519		649,519
Housing	21,684,624		21,684,624
Debt service	<u>3,720,189</u>		<u>3,720,189</u>
Total Restricted	<u>26,213,026</u>		<u>26,213,026</u>
Unrestricted	<u>(1,553,334)</u>	<u>3,305,499</u>	<u>1,752,165</u>
Total Net Assets	<u>\$ 96,119,734</u>	<u>\$ 47,146,253</u>	<u>\$143,265,987</u>

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**14. NET ASSETS AND FUND BALANCES**

GASB Statement No. 34 adds the concept of Net Assets, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

**A. Net Assets**

Net assets are divided into three captions under GASB Statement No. 34. These captions apply only to net assets as determined at the government-wide level, and are described below:

*Invested in Capital Assets, net of related debt* describes the portion of net assets which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

*Restricted* describes the portion of net assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include debt service requirements, and redevelopment funds restricted to low and moderate income housing purposes.

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

**15. CONTINGENT LIABILITIES**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The City is subject to various lawsuits and claims involving public liability and other actions incidental to the ordinary course of City operations. In the aggregate, those claims seek monetary damages in significant amounts. To the extent the outcome of such litigation may be determined to result in financial loss to the City, in the opinion of City management, any potential liability for these actions is adequately provided for in the basic financial statements. The timing of potential payment of such losses cannot presently be determined.

CITY OF DINUBA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2010  
(continued)

**16. PRIOR PERIOD ADJUSTMENTS**

**Government-Wide Financial Statements**

The beginning net assets balance for the governmental activities was adjusted as follows:

	<u>Governmental Activities</u>
Net assets – beginning of year as previously reported	\$91,209,381
Prior period adjustments:	
Capital assets were adjusted to correct the treatment of street maintenance costs in the prior year that were erroneously capitalized	(4,849,960)
Notes receivable balance was adjusted to reflect various promissory notes issued in prior years and related accrued interest through June 30, 2009 that were not recorded on the City's books	<u>6,862,415</u>
Net assets – beginning of year, restated	<u>\$93,221,836</u>

**17. SUBSEQUENT EVENTS**

In September 2010, the City issued tax and revenue anticipation notes in the amount of \$1,170,000. The notes are to provide a source of revenue to help meet the City's fiscal year 2010/2011 General Fund expenditures. The interest rate is 4.5% and the notes mature on June 30, 2011.

In addition the Dinuba Redevelopment Agency issued \$3,825,000 in Lease Revenue Notes, for Wastewater Improvement Projects. The notes mature on October 1, 2015, have interest at 4.00% and are subject to semi interest payments only on April and October 1.

Redevelopment Agency funds have been subject to a two year takeaway by the State starting in 2010 and continuing for fiscal year 2011. The amount payable to the state in 2011 is \$325,000.



## **Required Supplementary Information**



CITY OF DINUBA

SCHEDULE OF FUNDING PROGRESS – PUBLIC RETIREMENT SYSTEMS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

(Dollar Amounts in Thousands)

**Schedule of Funding Progress for PERS – Miscellaneous Plan (Risk Pool)**

Actuarial Valuation Date	Normal Accrued Liability (A)	Actuarial Value of Assets (B)	(Excess Assets) (A-B)	Funded Status (B/A)	Annual Covered Payroll (C)	*UAAL as a % of Covered Payroll (A-B/C)
6/30/2007	\$2,611,747	\$2,391,434	\$220,312	91.6%	\$665,523	33.1%
6/30/2008	2,780,281	2,547,323	232,958	91.6%	688,607	33.8%
6/30/2009	3,104,798	2,758,511	346,287	88.9%	742,981	46.6%

\*UAAL – Unfunded actuarial accrued liability

**Schedule of Funding Progress for PERS – Safety Plan (Risk Pool)**

Actuarial Valuation Date	Entry Age Normal Accrued Liability (A)	Actuarial Value of Assets (B)	Unfunded Liability (Excess Assets) (A-B)	Funded Status (B/A)	Annual Covered Payroll (C)	*UAAL as a % of Covered Payroll (A-B/C)
6/30/2007	\$77,118	\$69,524	\$ 7,594	90.2%	\$22,404	33.9%
6/30/2008	69,011	62,164	6,847	90.1%	21,538	31.8%
6/30/2009	73,625	63,095	10,530	85.7%	21,880	48.1%

\*UAAL – Unfunded actuarial accrued liability

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget-Positive</u> <u>(Negative)</u>
<b>REVENUES</b>				
Taxes and assessments:				
Utility users	\$ 1,545,000	\$ 1,545,000	\$ 1,522,951	\$ (22,049)
Property	770,484	770,484	566,268	(204,216)
Sales	2,110,000	2,110,000	3,643,425	1,533,425
Transient occupancy	80,000	80,000	91,251	11,251
Other	250,500	250,500	242,977	(7,523)
Licenses and permits	401,000	441,000	574,273	133,273
Intergovernmental	1,680,000	1,680,000	1,641,944	(38,056)
Charges for services	499,978	487,978	456,195	(31,783)
Fines, forfeitures, and penalties	20,000	20,000	16,140	(3,860)
Use of money and property	75,500	75,500	35,096	(40,404)
Overhead reimbursement	2,019,905	2,019,905	1,984,803	(35,102)
Miscellaneous			440	440
Total Revenues	<u>9,452,367</u>	<u>9,480,367</u>	<u>10,775,763</u>	<u>1,295,396</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
City Council	60,723	56,323	55,191	1,132
City Manager	824,414	810,014	815,984	(5,970)
City Attorney	41,345	41,345	43,343	(1,998)
Administrative services	652,204	639,160	624,897	14,263
General services	<u>780,813</u>	<u>920,813</u>	<u>934,976</u>	<u>(14,163)</u>
Total General Government	<u>2,359,499</u>	<u>2,467,655</u>	<u>2,474,391</u>	<u>(6,736)</u>
Public safety:				
Police services	3,916,969	3,781,070	3,640,347	140,723
Fire control	1,817,292	1,789,076	1,778,011	11,065
Animal control	<u>90,906</u>	<u>90,906</u>	<u>102,396</u>	<u>(11,490)</u>
Total Public Safety	<u>\$ 5,825,167</u>	<u>\$ 5,661,052</u>	<u>\$ 5,520,754</u>	<u>\$ 140,298</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

(Continued)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget-Positive</u> <u>(Negative)</u>
EXPENDITURES:				
Current:				
Public works:				
Planning services	\$ 473,428	\$ 461,906	\$ 454,844	\$ 7,062
Total Public Works	473,428	461,906	454,844	7,062
Parks and recreation:				
Parks and community services	1,439,271	1,406,642	1,369,056	37,586
Total Parks and Recreation	1,439,271	1,406,642	1,369,056	37,586
Community development:				
Education resources and housing	117,900	117,900	126,901	(9,001)
Total Community Development	117,900	117,900	126,901	(9,001)
Debt service:				
Principal	35,000	35,000	37,277	(2,277)
Interest			1,707	(1,707)
Total Debt Service	35,000	35,000	38,984	(3,984)
Total Expenditures	10,250,265	10,150,155	9,981,330	168,825
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(797,898)	(669,788)	794,433	1,464,221
OTHER FINANCING SOURCES (Uses):				
Transfers in	70,000	70,000	13,527	(56,473)
Transfers out	(229,554)	(499,554)	(250,554)	249,000
Total Other Financing Sources (Uses)	(159,554)	(429,554)	(237,027)	192,527
EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(957,452)	(1,099,342)	553,806	1,653,148
FUND BALANCES – BEGINNING OF FISCAL YEAR	2,557,415	2,557,415	2,557,415	
FUND BALANCE – END OF FISCAL YEAR	\$ 1,599,963	\$ 1,458,073	\$ 3,111,221	\$1,653,148

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget-Positive</u> <u>(Negative)</u>
REVENUES:				
Use of money and property	\$	\$	\$ 542	\$ 542
Miscellaneous		22,120	35,647	13,527
Intergovernmental	<u>975,000</u>	<u>1,255,065</u>	<u>991,534</u>	<u>(263,531)</u>
Total Revenues	<u>975,000</u>	<u>1,277,185</u>	<u>1,027,723</u>	<u>(249,462)</u>
EXPENDITURES:				
Current:				
Community development	868,928	1,002,622	607,528	395,094
Capital outlay	<u>725,000</u>	<u>800,543</u>	<u>284,065</u>	<u>516,478</u>
Total Expenditures	<u>1,593,928</u>	<u>1,803,165</u>	<u>891,593</u>	<u>911,572</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(618,928)</u>	<u>(525,980)</u>	<u>136,130</u>	<u>662,110</u>
OTHER FINANCING SOURCES				
Transfers out	<u>          </u>	<u>          </u>	<u>(13,527)</u>	<u>(13,527)</u>
Total Other Financing Sources (Uses)	<u>          </u>	<u>          </u>	<u>(13,527)</u>	<u>(13,527)</u>
NET CHANGE IN FUND BALANCE	<u>(618,928)</u>	<u>(525,980)</u>	<u>122,603</u>	<u>648,583</u>
FUND BALANCE – BEGINNING OF FISCAL YEAR	<u>284,034</u>	<u>284,034</u>	<u>284,034</u>	<u>          </u>
FUND BALANCE – END OF FISCAL YEAR	<u>\$ (334,894)</u>	<u>\$ (241,946)</u>	<u>\$ 406,637</u>	<u>\$ 648,583</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
REDEVELOPMENT AGENCY HOUSING SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget-Positive</u> <u>(Negative)</u>
REVENUES:				
Use of money and property	\$ 21,384	\$ 21,384	\$ 7,304	\$ (14,080)
Miscellaneous			2,000	2,000
Total Revenues	<u>21,384</u>	<u>21,384</u>	<u>9,304</u>	<u>(12,080)</u>
EXPENDITURES:				
Current:				
Community development	93,000	21,000	50,350	(29,350)
Capital outlay	950,000	170,000	166,873	3,127
Debt service:				
Principal	2,194	2,194	2,512	(318)
Interest and fiscal charges	<u>2,747</u>	<u>2,747</u>	<u>2,429</u>	<u>318</u>
Total Expenditures	<u>1,047,941</u>	<u>195,941</u>	<u>222,164</u>	<u>(26,223)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,026,557)</u>	<u>(174,557)</u>	<u>(212,860)</u>	<u>(38,303)</u>
OTHER FINANCING SOURCES (Uses):				
Sale of property	205,000	170,000	152,996	(17,004)
Transfers in	465,052		618,594	618,594
Transfers out	<u>(517,000)</u>	<u>(1,140,000)</u>		<u>1,140,000</u>
Total Other Financing Sources (Uses)	<u>153,052</u>	<u>(970,000)</u>	<u>771,590</u>	<u>1,741,590</u>
NET CHANGE IN FUND BALANCE	(873,505)	(1,144,557)	558,730	1,703,287
FUND BALANCE – BEGINNING OF FISCAL YEAR	<u>3,765,207</u>	<u>3,765,207</u>	<u>3,765,207</u>	
FUND BALANCE, END OF FISCAL YEAR	<u>\$ 2,891,702</u>	<u>\$ 2,620,650</u>	<u>\$4,323,937</u>	<u>\$1,703,287</u>

CITY OF DINUBA  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2010

(1) Budgets and Budgetary Data

The annual budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and the means of financing them.

Budgets for the General and Special Revenue Funds are adopted on a basis substantially consistent with the accounting principles generally accepted in the United States of America (USGAAP). Accordingly, actual revenues and expenditures can be compared with the related budgeted amounts without any significant reconciling items.

Additional information concerning the General Budget policies is explained more thoroughly in the Notes to the Basic Financial Statements.



## Supplementary Information



CITY OF DINUBA  
NONMAJOR GOVERNMENTAL FUNDS

**Special Revenue Funds**

Special revenue funds are used to account for specific revenue (other than those for major capital projects) that are restricted legally to expenditures for particular purposes.

**GAS TAX FUND** – This fund accounts for street projects paid for out of the City's share of the gas tax monies received from the state.

**CITY HALL ANNEX FUND** – This fund accounts for the revenues and expenditures associated with the operation of the City Hall Annex.

**PARKS RESERVE FUND** – Monies received from developers for the purpose of acquiring additional parklands are accounted for in this fund.

**TRANSPORTATION FUND** – This fund accounts for monies received under the Transportation Development Act for street and road projects, and for planning purposes.

**SYSTEM DEVELOPMENT CHARGES FUND** – This fund accounts for developer deposits for expanding existing water, sewer, and/or transportation systems, and to provide new systems necessary in new real estate developments.

**COMMUNITY ENHANCEMENT GRANTS FUND** – This fund accounts for various State and Federal grants awards to the City.

**CURB AND GUTTER FUND** – This fund is for the purpose of accounting for deposits made for future curb and gutter improvements in new areas.

**BUSINESS IMPROVEMENT AREA FUND** – Monies received from charges made on businesses in the designated business improvement areas are to be used for decorative and promotional expenditures in the area and accounted for in this fund.

**ASSESSMENT DISTRICTS FUND** – This fund accounts for the lighting and maintenance district costs of various medians and landscape areas in the City. Funding is provided by assessments charged to property owners within the district.

**FIRE IMPACT FEES FUND** – This fund accounts for fees collected from developers and saved for future capital outlays for fire equipment.

**PUBLIC SAFETY SALES TAX FUND** – This fund accounts for the additional sales tax enacted by voters in November, 2005. Revenues in this fund are earmarked for additional public safety (fire and policy) services.



CITY OF DINUBA  
NONMAJOR GOVERNMENTAL FUNDS

**Capital Projects Funds**

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

GENERAL CONSTRUCTION FUND – This fund accounts for all the capital projects which have been, or will be, established in the City’s drainage districts.

DRAINAGE DISTRICTS FUND – This fund accounts for all the capital projects which have been, or will be established in the City’s drainage districts.

VOCATIONAL CENTER FUND – This fund accounts for the expenditures associated with the operation of the Vocational Center.

MTBE FUND – This fund accounts for the revenue received as part of the MTBE Settlement Litigation. Revenue is received in this fund and allocated-out to the appropriate funds and capital projects that have expenditures associated with MTBE.

PUBLIC WORKS MANAGEMENT FUND – This fund accounts for the management costs of the Public Works Services Department. The source of funding is a charge against the Water, Sewer, Disposal, and Transportation funds as well as reimbursement received from Tulare County for the Road 80 Expansion Project.

ENGINEERING SERVICES – This fund accounts for the administrative costs associated with the engineering department.

**Debt Service Funds**

Debt Service funds are used to account for the accumulation of resources for, and the retirement of, long-term debt principal and interest.

GENERAL DEBT SERVICE FUND - This fund was set up to account for servicing general long-term debt incurred in Governmental Funds through equipment lease-purchases and/or loans, along with its commitment to fund the long-term portion of employee vacation, sick leave, and compensatory time benefits.

CITY OF DINUBA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010

	Special Revenue Funds			
	Gas tax	City Hall Annex	Parks Reserve	Transportation
ASSETS:				
Cash and investments	\$421,233	\$ 2,471	\$162,139	\$475,661
Receivables:				
Accounts				
Intergovernmental	248,676			274,445
Notes			118,057	
Interest	313	2	170	509
Prepaid items		223		114
Interfund advances receivable			150,000	
Total Assets	<u>\$670,222</u>	<u>\$ 2,696</u>	<u>\$430,366</u>	<u>\$750,729</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	\$ 16,090	\$ 1,456	\$	\$ 21,189
Accrued liabilities	3,111			5,575
Interfund advances payable		997,935	116,904	
Deferred revenues			118,057	725,467
Due to other funds				
Total Liabilities	<u>19,201</u>	<u>999,391</u>	<u>234,961</u>	<u>752,231</u>
Fund Balances:				
Reserved:				
Reserved for debt service				
Reserved for long-term receivables			150,000	
Reserved for prepaid items		223		114
Unreserved:				
Undesignated	<u>651,021</u>	<u>(996,918)</u>	<u>45,405</u>	<u>(1,616)</u>
Total Fund Balances	<u>651,021</u>	<u>(996,695)</u>	<u>195,405</u>	<u>(1,502)</u>
Total Liabilities and Fund Balances	<u>\$670,222</u>	<u>\$ 2,696</u>	<u>\$430,366</u>	<u>\$750,729</u>

CITY OF DINUBA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010

Special Revenue Funds						
<u>System Development Charges</u>	<u>Community Enhancement Grants</u>	<u>Curb and Gutter</u>	<u>Business Improvement Area</u>	<u>Assessment Districts</u>	<u>Fire Impact Fees</u>	<u>Public Safety Sales Tax</u>
\$1,088,843	\$156,419	\$7,375	\$1,017	\$ 57,644	\$38,984	\$
334						
	99,376			9,941		241,300
965,333						
824	202				52	
	1,125					
<u>240,000</u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>104,000</u>	<u>          </u>	<u>          </u>
<u>\$2,295,334</u>	<u>\$257,122</u>	<u>\$7,375</u>	<u>\$1,017</u>	<u>\$171,585</u>	<u>\$39,036</u>	<u>\$ 241,300</u>
\$	\$ 1,825	\$	\$1,016	\$ 10,920	\$	\$ 2,430
	6,263			1,971		53,490
77,500						382,000
944,462			718			
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>94,843</u>
<u>1,021,962</u>	<u>8,088</u>	<u>          </u>	<u>1,734</u>	<u>12,891</u>	<u>          </u>	<u>532,763</u>
258,871				104,000		
	1,125					
<u>1,014,501</u>	<u>247,909</u>	<u>7,375</u>	<u>(717)</u>	<u>54,694</u>	<u>39,036</u>	<u>(291,463)</u>
<u>1,273,372</u>	<u>249,034</u>	<u>7,375</u>	<u>(717)</u>	<u>158,694</u>	<u>39,036</u>	<u>(291,463)</u>
<u>\$2,295,334</u>	<u>\$257,122</u>	<u>\$7,375</u>	<u>\$1,017</u>	<u>\$171,585</u>	<u>\$39,036</u>	<u>\$ 241,300</u>

CITY OF DINUBA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010  
(Continued)

	Capital Projects Funds			
	General Construction	Drainage Districts	Vocational Center	MTBE
ASSETS:				
Cash and investments	\$ 4	\$ 9,156	\$30,653	\$ 53,191
Receivables:				
Accounts				
Intergovernmental		218,034		
Notes		118,057		
Interest	7	18	70	83
Prepaid items			478	
Interfund advances receivable	—	—	—	3,300,000
Total Assets	<u>\$11</u>	<u>\$345,265</u>	<u>\$31,201</u>	<u>\$3,353,274</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	\$	\$ 1,070	\$13,062	\$
Accrued liabilities			19	
Interfund advances payable				190,000
Deferred revenues		118,057		
Due to other funds	—	—	—	—
Total Liabilities	—	<u>119,127</u>	<u>13,081</u>	<u>190,000</u>
Fund Balances:				
Reserved:				
Reserved for debt service				
Reserved for long-term receivables				3,300,000
Reserved for prepaid items			478	
Unreserved:				
Undesignated	<u>11</u>	<u>226,138</u>	<u>17,642</u>	<u>(136,726)</u>
Total Fund Balances	<u>11</u>	<u>226,138</u>	<u>18,120</u>	<u>3,163,274</u>
Total Liabilities and Fund Balances	<u>\$11</u>	<u>\$345,265</u>	<u>\$31,201</u>	<u>\$3,353,274</u>



CITY OF DINUBA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010  
(Continued)

Capital Projects Funds		Debt Service Fund	Total Nonmajor Governmental Funds
Public Works Management	Engineering Services	General	
\$40,113	\$2,218	\$2,214	\$2,549,335
			334
	9,930		1,101,702
			1,201,447
75			2,325
			1,940
<u>50,000</u>	<u>          </u>	<u>          </u>	<u>3,844,000</u>
<u>\$90,188</u>	<u>\$12,148</u>	<u>\$2,214</u>	<u>\$8,701,083</u>
\$ 725	\$ 4,985	\$	\$ 74,768
14,434	10,490		95,353
			1,764,339
			1,906,761
			<u>94,843</u>
<u>15,159</u>	<u>15,475</u>	<u>          </u>	<u>3,936,064</u>
		2,214	2,214
50,000			3,862,871
			1,940
<u>25,029</u>	<u>(3,327)</u>	<u>          </u>	<u>897,994</u>
<u>75,029</u>	<u>(3,327)</u>	<u>2,214</u>	<u>4,765,019</u>
<u>\$90,188</u>	<u>\$12,148</u>	<u>\$2,214</u>	<u>\$8,701,083</u>

CITY OF DINUBA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Special Revenue Funds</u>			
	<u>Gas tax</u>	<u>City Hall Annex</u>	<u>Parks Reserve</u>	<u>Transportation</u>
REVENUES:				
Taxes and assessments	\$	\$	\$	\$ 264,514
Licenses and permits				
Intergovernmental	702,032			471,904
Charges for services			57,748	
Use of money and property	358	3	376	864
Fines and forfeitures				
Reimbursements				
Miscellaneous	<u>51</u>	<u>          </u>	<u>          </u>	<u>216</u>
Total Revenues	<u>702,441</u>	<u>3</u>	<u>58,124</u>	<u>737,498</u>
EXPENDITURES:				
Current:				
General government		18,778		
Public safety				
Community development				
Public works	312,835			253,370
Capital outlay			22,071	
Debt service:				
Principal retirement				
Interest and fiscal charges	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Expenditures	<u>312,835</u>	<u>18,778</u>	<u>22,071</u>	<u>253,370</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>389,606</u>	<u>(18,775)</u>	<u>36,053</u>	<u>484,128</u>
OTHER FINANCING SOURCES (Uses):				
Transfers in		20,000		40,000
Transfers out	<u>          </u>	<u>          </u>	<u>          </u>	<u>(488,560)</u>
Total Other Financing Sources (Uses)	<u>          </u>	<u>20,000</u>	<u>          </u>	<u>(448,560)</u>
NET CHANGE IN FUND BALANCES	<u>389,606</u>	<u>1,225</u>	<u>36,053</u>	<u>35,568</u>
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>261,415</u>	<u>(997,920)</u>	<u>159,352</u>	<u>(37,070)</u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$651,021</u>	<u>\$(996,695)</u>	<u>\$195,405</u>	<u>\$ (1,502)</u>

CITY OF DINUBA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

System Development Charges	Community Enhancement Grants	Special Revenue Funds			Fire Impact Fees	Public Safety Sales Tax
		Curb and Gutter	Business Improvement Area	Assessment Districts		
\$	\$	\$	\$	\$294,633	\$	\$1,661,681
			11,208			
1,721,527	319,748				82,555	
2,343	12,447				125	
	280					
	88,181					
		1,938				26,000
<u>1,723,870</u>	<u>420,856</u>	<u>1,938</u>	<u>11,208</u>	<u>294,633</u>	<u>82,680</u>	<u>1,687,681</u>
	331,227					1,445,605
			8,891			
6,349				227,017		
6,632					18,980	126,646
						116,790
						21,952
<u>12,981</u>	<u>331,227</u>		<u>8,891</u>	<u>227,017</u>	<u>18,980</u>	<u>1,710,993</u>
<u>1,710,889</u>	<u>89,629</u>	<u>1,938</u>	<u>2,317</u>	<u>67,616</u>	<u>63,700</u>	<u>(23,312)</u>
<u>(318,532)</u>	<u>(57,000)</u>				<u>(93,920)</u>	48,000
<u>(318,532)</u>	<u>(57,000)</u>				<u>(93,920)</u>	48,000
<u>1,392,357</u>	<u>32,629</u>	<u>1,938</u>	<u>2,317</u>	<u>67,616</u>	<u>(30,220)</u>	<u>24,688</u>
<u>(118,985)</u>	<u>216,405</u>	<u>5,437</u>	<u>(3,034)</u>	<u>91,078</u>	<u>69,256</u>	<u>(316,151)</u>
<u>\$1,273,372</u>	<u>\$249,034</u>	<u>\$7,375</u>	<u>\$ (717)</u>	<u>\$158,694</u>	<u>\$ 39,036</u>	<u>\$ (291,463)</u>

CITY OF DINUBA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(Continued)

	<u>Capital Projects Funds</u>		
	<u>General Construction</u>	<u>Drainage Districts</u>	<u>Vocational Center</u>
REVENUES:			
Taxes and assessments	\$	\$	\$
Licenses and permits			
Intergovernmental			7,500
Charges for services		92,395	
Use of money and property	29	15	205,073
Fines and forfeitures			
Reimbursements			
Miscellaneous			1,871
Total Revenues	<u>29</u>	<u>92,410</u>	<u>214,444</u>
EXPENDITURES:			
Current:			
General government			
Public safety			
Community development			115,277
Public works	27,556		
Capital outlay	1,918	70,384	
Debt service:			
Principal retirement			
Interest and fiscal charges			
Total Expenditures	<u>29,474</u>	<u>70,384</u>	<u>115,277</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(29,445)</u>	<u>22,026</u>	<u>99,167</u>
OTHER FINANCING SOURCES (Uses):			
Transfers in			
Transfers out			(142,976)
Total Other Financing Sources (Uses)			<u>(142,976)</u>
NET CHANGE IN FUND BALANCE	<u>(29,445)</u>	<u>22,026</u>	<u>(43,809)</u>
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>29,456</u>	<u>204,112</u>	<u>61,929</u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$ 11</u>	<u>\$226,138</u>	<u>\$ 18,120</u>

CITY OF DINUBA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(Continued)

<u>Capital Projects Funds</u>			<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<u>MTBE</u>	<u>Public Works Management</u>	<u>Engineering Services</u>	<u>General</u>	
\$	\$	\$	\$	\$ 2,220,828
				11,208
				1,501,184
				1,966,872
150	273			209,889
				88,181
115,666	439,253	392,317		947,236
				<u>30,076</u>
<u>115,816</u>	<u>439,526</u>	<u>392,317</u>		<u>6,975,474</u>
				18,778
				1,776,832
				124,168
	435,020	393,124		1,655,271
97,521				344,152
			234,733	351,523
			<u>71,789</u>	<u>93,741</u>
<u>97,521</u>	<u>435,020</u>	<u>393,124</u>	<u>306,522</u>	<u>4,364,465</u>
<u>18,295</u>	<u>4,506</u>	<u>(807)</u>	<u>(306,522)</u>	<u>2,611,009</u>
			303,474	411,474
<u>(5,676)</u>	<u>(158,156)</u>			<u>(1,264,820)</u>
<u>(5,676)</u>	<u>(158,156)</u>		<u>303,474</u>	<u>(853,346)</u>
<u>12,619</u>	<u>(153,650)</u>	<u>(807)</u>	<u>(3,048)</u>	<u>1,757,663</u>
<u>3,150,655</u>	<u>228,679</u>	<u>(2,520)</u>	<u>5,262</u>	<u>3,007,356</u>
<u>\$3,163,274</u>	<u>\$ 75,029</u>	<u>\$ (3,327)</u>	<u>\$ 2,214</u>	<u>\$ 4,765,019</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
GAS TAX SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget- Positive (Negative)</u>
REVENUES:				
Intergovernmental	\$ 744,702	\$ 744,702	\$702,032	\$ (42,670)
Use of money and property	2,000	2,000	358	(1,642)
Miscellaneous	<u>500</u>	<u>500</u>	<u>51</u>	<u>(449)</u>
Total Revenues	<u>747,202</u>	<u>747,202</u>	<u>702,441</u>	<u>(44,761)</u>
EXPENDITURES:				
Current:				
Public works	<u>386,990</u>	<u>386,990</u>	<u>312,835</u>	<u>74,155</u>
Total Expenditures	<u>386,990</u>	<u>386,990</u>	<u>312,835</u>	<u>74,155</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>360,212</u>	<u>360,212</u>	<u>389,606</u>	<u>29,394</u>
OTHER FINANCING SOURCES (Uses):				
Transfers out	<u>(393,035)</u>	<u>(393,035)</u>	<u>_____</u>	<u>393,035</u>
Total Other Financing Sources (Uses)	<u>(393,035)</u>	<u>(393,035)</u>	<u>_____</u>	<u>393,035</u>
NET CHANGE IN FUND BALANCE	(32,823)	(32,823)	389,606	422,429
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>261,415</u>	<u>261,415</u>	<u>261,415</u>	<u>_____</u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$ 228,592</u>	<u>\$ 228,592</u>	<u>\$651,021</u>	<u>\$422,429</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
CITY HALL ANNEX SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Use of money and property	\$ _____	\$ _____	\$ _____ 3	\$ _____ 3
Total Revenues	_____	_____	_____ 3	_____ 3
EXPENDITURES:				
Current:				
General government	_____ 20,000	_____ 20,000	_____ 18,778	_____ 1,222
Total Expenditures	_____ 20,000	_____ 20,000	_____ 18,778	_____ 1,222
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	_____ (20,000)	_____ (20,000)	_____ (18,775)	_____ 1,225
OTHER FINANCING SOURCES (Uses):				
Transfers in	_____ 20,000	_____ 20,000	_____ 20,000	_____
Total Other Financing Sources (Uses)	_____ 20,000	_____ 20,000	_____ 20,000	_____
NET CHANGE IN FUND BALANCE			1,225	1,225
FUND BALANCES – BEGINNING OF FISCAL YEAR	_____ (997,920)	_____ (997,920)	_____ (997,920)	_____
FUND BALANCES – END OF FISCAL YEAR	_____ \$(997,920)	_____ \$(997,920)	_____ \$(996,695)	_____ \$1,225

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
PARKS RESERVE SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Intergovernmental	\$ 21,000	\$ 21,000	\$	\$ (21,000)
Charges for services	10,300	57,750	57,748	(2)
Use of money and property	<u>700</u>	<u>700</u>	<u>376</u>	<u>(324)</u>
Total Revenues	<u>32,000</u>	<u>79,450</u>	<u>58,124</u>	<u>(21,326)</u>
EXPENDITURES:				
Current:				
Parks and recreation	48,187	48,187		48,187
Capital outlay	<u>7,500</u>	<u>51,946</u>	<u>22,071</u>	<u>29,875</u>
Total Expenditures	<u>55,687</u>	<u>100,133</u>	<u>22,071</u>	<u>78,062</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(23,687)</u>	<u>(20,683)</u>	<u>36,053</u>	<u>56,736</u>
OTHER FINANCING SOURCES (uses)				
Transfers Out		<u>150,000</u>		<u>150,000</u>
NET CHANGE IN FUND BALANCE	(23,687)	(170,683)	36,053	206,736
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>159,352</u>	<u>159,352</u>	<u>159,352</u>	
FUND BALANCES – END OF FISCAL YEAR	<u>\$135,665</u>	<u>\$ (11,331)</u>	<u>\$195,405</u>	<u>\$206,736</u>



CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
TRANSPORTATION SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Taxes and assessments	\$ 318,270	\$ 318,270	\$ 264,514	\$ (53,756)
Intergovernmental	397,750	397,750	471,904	74,154
Use of money and property	10,000	10,000	864	(9,136)
Miscellaneous			216	216
Total Revenues	<u>726,020</u>	<u>726,020</u>	<u>737,498</u>	<u>11,478</u>
EXPENDITURES:				
Current:				
Public works	<u>279,277</u>	<u>279,277</u>	<u>253,370</u>	<u>25,907</u>
Total Expenditures	<u>279,277</u>	<u>279,277</u>	<u>253,370</u>	<u>25,907</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>446,743</u>	<u>446,743</u>	<u>484,128</u>	<u>37,385</u>
OTHER FINANCING SOURCES (Uses):				
Transfers in	40,000	40,000	40,000	
Transfers out	<u>(583,560)</u>	<u>(583,560)</u>	<u>(488,560)</u>	<u>95,000</u>
Total Other Financing Sources (Uses)	<u>(543,560)</u>	<u>(543,560)</u>	<u>(448,560)</u>	<u>95,000</u>
NET CHANGE IN FUND BALANCE	(96,817)	(96,817)	35,568	132,385
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>(37,070)</u>	<u>(37,070)</u>	<u>(37,070)</u>	
FUND BALANCES – END OF FISCAL YEAR	<u>\$(133,887)</u>	<u>\$(133,887)</u>	<u>\$ (1,502)</u>	<u>\$132,385</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
SYSTEM DEVELOPMENT CHARGES SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Intergovernmental	\$ 39,572	\$ 39,572	\$	\$ (39,572)
Charges for services	115,000	2,661,600	1,721,527	(940,073)
Use of money and property	<u>10,156</u>	<u>10,306</u>	<u>2,343</u>	<u>(7,963)</u>
Total Revenues	<u>164,728</u>	<u>2,711,478</u>	<u>1,723,870</u>	<u>(987,608)</u>
EXPENDITURES:				
Current:				
Public works		74,422	6,349	68,073
Capital outlay	<u>75,000</u>	<u>135,000</u>	<u>6,632</u>	<u>128,368</u>
Total Expenditures	<u>75,000</u>	<u>209,422</u>	<u>12,981</u>	<u>196,441</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>89,728</u>	<u>2,502,056</u>	<u>1,710,889</u>	<u>(791,167)</u>
OTHER FINANCING SOURCES (Uses):				
Transfers in	15,000	15,000		(15,000)
Transfers out	<u>(55,318)</u>	<u>(897,282)</u>	<u>(318,532)</u>	<u>578,750</u>
Total Other Financing Sources (Uses)	<u>(40,318)</u>	<u>(882,282)</u>	<u>(318,532)</u>	<u>563,750</u>
NET CHANGE IN FUND BALANCE	49,410	1,619,774	1,392,357	(227,417)
FUND BALANCES -- BEGINNING OF FISCAL YEAR	<u>(118,985)</u>	<u>(118,985)</u>	<u>(118,985)</u>	
FUND BALANCES -- END OF FISCAL YEAR	<u>\$ (69,575)</u>	<u>\$1,500,789</u>	<u>\$1,273,372</u>	<u>\$(227,417)</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
COMMUNITY ENHANCEMENT GRANTS SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Intergovernmental	\$100,000	\$547,088	\$319,748	\$(227,340)
Use of money and property	2,500	2,500	280	(2,220)
Fines and forfeitures	80,000	80,000	88,181	8,181
Charges for services	<u>13,000</u>	<u>13,000</u>	<u>12,647</u>	<u>(353)</u>
Total Revenues	<u>195,500</u>	<u>642,588</u>	<u>420,856</u>	<u>(221,732)</u>
EXPENDITURES:				
Current:				
Public safety	<u>100,024</u>	<u>423,938</u>	<u>331,227</u>	<u>92,711</u>
Total Expenditures	<u>100,024</u>	<u>423,938</u>	<u>331,227</u>	<u>92,711</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>95,476</u>	<u>218,650</u>	<u>89,629</u>	<u>(129,021)</u>
OTHER FINANCING SOURCES (Uses):				
Transfers out	<u>(57,000)</u>	<u>(57,000)</u>	<u>(57,000)</u>	
Total Other Financing Sources (Uses)	<u>(57,000)</u>	<u>(57,000)</u>	<u>(57,000)</u>	
NET CHANGE IN FUND BALANCE	<u>38,476</u>	<u>161,650</u>	<u>32,629</u>	<u>(129,021)</u>
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>216,405</u>	<u>216,405</u>	<u>216,405</u>	
FUND BALANCES – END OF FISCAL YEAR	<u>\$254,881</u>	<u>\$378,055</u>	<u>\$249,034</u>	<u>\$(129,021)</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
CURB AND GUTTER SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Miscellaneous	<u>\$2,000</u>	<u>\$2,000</u>	<u>\$1,938</u>	<u>\$(62)</u>
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>1,938</u>	<u>(62)</u>
EXPENDITURES:				
Current:				
Public works	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Expenditures	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>2,000</u>	<u>2,000</u>	<u>1,938</u>	<u>(62)</u>
OTHER FINANCING SOURCES				
Transfers in	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Other Financing Sources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
NET CHANGE IN FUND BALANCE	<u>2,000</u>	<u>2,000</u>	<u>1,938</u>	<u>(62)</u>
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>5,437</u>	<u>5,437</u>	<u>5,437</u>	<u>—</u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$7,437</u>	<u>\$7,437</u>	<u>\$7,375</u>	<u>\$(62)</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
BUSINESS IMPROVEMENT AREA SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Licenses and permits	\$	<u>\$22,000</u>	<u>\$11,208</u>	<u>\$(10,792)</u>
Total Revenues		<u>22,000</u>	<u>11,208</u>	<u>(10,792)</u>
EXPENDITURES:				
Current:				
Community development		<u>22,000</u>	<u>8,891</u>	<u>13,109</u>
Total Expenditures		<u>22,000</u>	<u>8,891</u>	<u>13,109</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES			<u>2,317</u>	<u>2,317</u>
NET CHANGE IN FUND BALANCE			2,317	2,317
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>(3,034)</u>	<u>(3,034)</u>	<u>(3,034)</u>	
FUND BALANCES – END OF FISCAL YEAR	<u>\$(3,034)</u>	<u>\$ (3,034)</u>	<u>\$ (717)</u>	<u>\$ 2,317</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
ASSESSMENT DISTRICTS SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Taxes and assessments	<u>\$257,928</u>	<u>\$304,628</u>	<u>\$294,633</u>	<u>\$ (9,995)</u>
Total Revenues	<u>257,928</u>	<u>304,628</u>	<u>294,633</u>	<u>(9,995)</u>
EXPENDITURES:				
Current:				
Public works	<u>198,071</u>	<u>216,960</u>	<u>227,017</u>	<u>(10,057)</u>
Total Expenditures	<u>198,071</u>	<u>216,960</u>	<u>227,017</u>	<u>(10,057)</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>59,857</u>	<u>87,668</u>	<u>67,616</u>	<u>(20,052)</u>
NET CHANGE IN FUND BALANCE	<u>59,857</u>	<u>87,668</u>	<u>67,616</u>	<u>(20,052)</u>
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>91,078</u>	<u>91,078</u>	<u>91,078</u>	<u>          </u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$150,935</u>	<u>\$178,746</u>	<u>\$158,694</u>	<u>\$(20,052)</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FIRE IMPACT FEES SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Use of money and property	\$	\$	\$ 125	\$ 125
Charges for services	<u>10,145</u>	<u>10,145</u>	<u>82,555</u>	<u>72,410</u>
Total Revenues	<u>10,145</u>	<u>10,145</u>	<u>82,680</u>	<u>72,535</u>
EXPENDITURES:				
Capital outlay	_____	<u>37,960</u>	<u>18,980</u>	<u>18,980</u>
Total Expenditures	_____	<u>37,960</u>	<u>18,980</u>	<u>18,980</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>10,145</u>	<u>(27,815)</u>	<u>63,700</u>	<u>91,515</u>
OTHER FINANCING SOURCES (Uses):				
Transfers out	<u>(93,920)</u>	<u>(93,920)</u>	<u>(93,920)</u>	_____
Total Other Financing Sources (Uses)	<u>(93,920)</u>	<u>(93,920)</u>	<u>(93,920)</u>	_____
NET CHANGE IN FUND BALANCE	(83,775)	(121,735)	(30,220)	91,515
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>69,256</u>	<u>69,256</u>	<u>69,256</u>	_____
FUND BALANCES – END OF FISCAL YEAR	<u><u>\$(14,519)</u></u>	<u><u>\$ (52,479)</u></u>	<u><u>\$ 39,036</u></u>	<u><u>\$91,515</u></u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
PUBLIC SAFETY SALES TAX SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Taxes and assessments	\$1,626,100	\$1,626,100	\$1,661,681	\$ 35,581
Use of money and property	<u>4,000</u>	<u>4,000</u>	<u>26,000</u>	<u>22,000</u>
Total Revenues	<u>1,630,100</u>	<u>1,630,100</u>	<u>1,687,681</u>	<u>57,581</u>
EXPENDITURES:				
Current:				
Public safety	1,459,545	1,529,545	1,445,605	83,940
Capital outlay	198,400	198,400	126,646	71,754
Debt service:				
Principal retirement	111,868	111,868	116,790	(4,922)
Interest and fiscal charges	<u>26,874</u>	<u>26,874</u>	<u>21,952</u>	<u>4,922</u>
Total Expenditures	<u>1,796,687</u>	<u>1,866,687</u>	<u>1,710,993</u>	<u>155,694</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(166,587)</u>	<u>(236,587)</u>	<u>(49,312)</u>	<u>187,275</u>
OTHER FINANCING SOURCES (Uses):				
Transfers in			48,000	48,000
Transfers out	<u>(70,000)</u>	<u>(70,000)</u>		<u>70,000</u>
Total Other Financing Sources (Uses)	<u>(70,000)</u>	<u>(70,000)</u>	<u>48,000</u>	<u>118,000</u>
NET CHANGE IN FUND BALANCE	(236,587)	(306,587)	24,688	331,275
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>(316,151)</u>	<u>(316,151)</u>	<u>(316,151)</u>	
FUND BALANCES – END OF FISCAL YEAR	<u>\$ (552,738)</u>	<u>\$ (622,738)</u>	<u>\$ (291,463)</u>	<u>\$331,275</u>



CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
REDEVELOPMENT AGENCY CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget-Positive</u> <u>(Negative)</u>
REVENUES:				
Property tax increment	\$ 5,454,858	\$ 5,030,198	\$ 4,682,173	\$ (348,025)
Use of money and property	19,600	19,600	15,557	(4,043)
Miscellaneous	<u>151,434</u>	<u>151,434</u>	<u>40,838</u>	<u>(110,596)</u>
Total Revenues	<u>5,625,892</u>	<u>5,201,232</u>	<u>4,738,568</u>	<u>(462,664)</u>
EXPENDITURES:				
Current:				
Community development	<u>544,142</u>	<u>2,022,314</u>	<u>2,063,990</u>	<u>(41,676)</u>
Total Expenditures	<u>544,142</u>	<u>2,022,314</u>	<u>2,063,990</u>	<u>(41,676)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,081,750</u>	<u>3,178,918</u>	<u>2,674,578</u>	<u>(504,340)</u>
OTHER FINANCING SOURCES (Uses):				
Sale of property	68,364	68,364	156,541	88,177
Transfers in		3,161,152		(3,161,152)
Transfers out	<u>(4,980,250)</u>	<u>(5,219,065)</u>	<u>(5,019,065)</u>	<u>200,000</u>
Total Other Financing Sources (Uses)	<u>(4,911,886)</u>	<u>(1,989,549)</u>	<u>(4,862,524)</u>	<u>(2,872,975)</u>
NET CHANGE IN FUND BALANCE	169,864	1,189,369	(2,187,946)	(3,377,315)
FUND BALANCE – BEGINNING OF FISCAL YEAR	<u>(5,137,328)</u>	<u>(5,137,328)</u>	<u>(5,137,328)</u>	<u>_____</u>
FUND BALANCE, END OF FISCAL YEAR	<u>\$(4,967,464)</u>	<u>\$(3,947,959)</u>	<u>\$(7,325,274)</u>	<u>\$(3,377,315)</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
TRANSPORTATION CONSTRUCTION CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Use of money and property	\$ 1,500	\$ 1,500	\$ 1,646	\$ 146
Intergovernmental	<u>2,848,400</u>	<u>2,848,400</u>	<u>2,943,906</u>	<u>95,506</u>
Total Revenues	<u>2,849,900</u>	<u>2,849,900</u>	<u>2,945,552</u>	<u>95,652</u>
EXPENDITURES:				
Current:				
Public works			519	(519)
Capital outlay	<u>2,950,400</u>	<u>2,950,400</u>	<u>2,868,927</u>	<u>81,473</u>
Total Expenditures	<u>2,950,400</u>	<u>2,950,400</u>	<u>2,869,446</u>	<u>80,954</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(100,500)</u>	<u>(100,500)</u>	<u>76,106</u>	<u>176,606</u>
OTHER FINANCING SOURCES (Uses):				
Transfers in	376,743	376,743	37,200	(339,543)
Transfers out	<u>                    </u>	<u>(530,576)</u>	<u>(75,000)</u>	<u>(455,576)</u>
Total Other Financing Sources (Uses)	<u>376,743</u>	<u>(153,833)</u>	<u>(37,800)</u>	<u>116,033</u>
NET CHANGE IN FUND BALANCE	276,243	(254,333)	38,306	292,639
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>757,334</u>	<u>757,334</u>	<u>757,334</u>	<u>                    </u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$1,033,577</u>	<u>\$ 503,001</u>	<u>\$ 795,640</u>	<u>\$ 292,639</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
GENERAL CONSTRUCTION CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Use of money and property	\$	\$	\$ 29	\$ 29
Reimbursements	<u>34,360</u>	<u>34,360</u>	<u>          </u>	<u>(34,360)</u>
Total Revenues	<u>34,360</u>	<u>34,360</u>	<u>29</u>	<u>(34,331)</u>
EXPENDITURES:				
Current:				
Public works	34,360	34,360	27,556	6,804
Capital outlay	<u>          </u>	<u>          </u>	<u>1,918</u>	<u>(1,918)</u>
Total Expenditures	<u>34,360</u>	<u>34,360</u>	<u>29,474</u>	<u>4,886</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>          </u>	<u>          </u>	<u>(29,445)</u>	<u>(29,445)</u>
NET CHANGE IN FUND BALANCE			(29,445)	(29,445)
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>29,456</u>	<u>29,456</u>	<u>29,456</u>	<u>          </u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$29,456</u>	<u>\$29,456</u>	<u>\$ 11</u>	<u>\$(29,445)</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
DRAINAGE DISTRICTS CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Intergovernmental	\$	\$180,000	\$	\$(180,000)
Charges for services	10,000	144,000	92,395	(51,605)
Use of money and property	<u>500</u>	<u>500</u>	<u>15</u>	<u>(485)</u>
Total Revenues	<u>10,500</u>	<u>324,500</u>	<u>92,410</u>	<u>(232,090)</u>
EXPENDITURES:				
Capital outlay	<u>15,000</u>	<u>329,000</u>	<u>70,384</u>	<u>258,616</u>
Total Expenditures	<u>15,000</u>	<u>329,000</u>	<u>70,384</u>	<u>258,616</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(4,500)</u>	<u>(4,500)</u>	<u>22,026</u>	<u>26,526</u>
NET CHANGE IN FUND BALANCE	(4,500)	(4,500)	22,026	26,526
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>204,112</u>	<u>204,112</u>	<u>204,112</u>	<u>          </u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$199,612</u>	<u>\$199,612</u>	<u>\$226,138</u>	<u>\$ 26,526</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
VOCATIONAL CENTER CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Use of money and property	\$218,790	\$218,790	\$ 205,073	\$ (13,717)
Intergovernmental		15,000	7,500	(7,500)
Miscellaneous	<u>750</u>	<u>750</u>	<u>1,871</u>	<u>1,121</u>
Total Revenues	<u>219,540</u>	<u>234,540</u>	<u>214,444</u>	<u>(20,096)</u>
EXPENDITURES:				
Current:				
Community development	<u>246,427</u>	<u>258,253</u>	<u>115,277</u>	<u>142,976</u>
Total Expenditures	<u>246,427</u>	<u>258,253</u>	<u>115,277</u>	<u>142,976</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(26,887)</u>	<u>(23,713)</u>	<u>99,167</u>	<u>122,880</u>
OTHER FINANCING SOURCES (Uses):				
Transfer in				
Transfers out	<u>          </u>	<u>          </u>	<u>(142,976)</u>	<u>(142,976)</u>
Total Other Financing Sources (Uses)	<u>          </u>	<u>          </u>	<u>(142,976)</u>	<u>(142,976)</u>
NET CHANGE IN FUND BALANCE	(26,887)	(23,713)	(43,809)	(20,096)
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>61,929</u>	<u>61,929</u>	<u>61,929</u>	<u>          </u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$ 35,042</u>	<u>\$ 38,216</u>	<u>\$ 18,120</u>	<u>\$ (20,096)</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
MTBE CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Use of money and property	\$ 500	\$ 500	\$ 150	\$ (350)
Reimbursements	<u>20,000</u>	<u>135,666</u>	<u>115,666</u>	<u>(20,000)</u>
Total Revenues	<u>20,500</u>	<u>136,166</u>	<u>115,816</u>	<u>(20,350)</u>
EXPENDITURES:				
Capital outlay	<u>20,000</u>	<u>97,522</u>	<u>97,521</u>	<u>1</u>
Total Expenditures	<u>20,000</u>	<u>97,522</u>	<u>97,521</u>	<u>1</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>500</u>	<u>38,644</u>	<u>18,295</u>	<u>(20,349)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in				
Transfers out		<u>(105,676)</u>	<u>(5,676)</u>	<u>100,000</u>
Total Other Financing Sources (Uses)		<u>(105,676)</u>	<u>(5,676)</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCE	500	(67,032)	12,619	(79,651)
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>3,150,655</u>	<u>3,150,655</u>	<u>3,150,655</u>	
FUND BALANCES – END OF FISCAL YEAR	<u>\$3,151,155</u>	<u>\$3,083,623</u>	<u>\$3,163,274</u>	<u>\$ (79,651)</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
PUBLIC WORKS MANAGEMENT CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Use of money and property	\$ 3,000	\$ 3,000	\$ 273	\$ (2,727)
Charges for services	130,320	130,320		(130,320)
Reimbursements	<u>439,252</u>	<u>439,252</u>	<u>439,253</u>	<u>1</u>
Total Revenues	<u>572,572</u>	<u>572,572</u>	<u>439,526</u>	<u>(133,046)</u>
EXPENDITURES:				
Current:				
Public works	<u>439,252</u>	<u>597,408</u>	<u>435,020</u>	<u>162,388</u>
Total Expenditures	<u>439,252</u>	<u>597,408</u>	<u>435,020</u>	<u>162,388</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>133,320</u>	<u>(24,836)</u>	<u>4,506</u>	<u>29,342</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out	<u>          </u>	<u>(158,156)</u>	<u>(158,156)</u>	<u>          </u>
Total Other Financing Sources (Uses)	<u>          </u>	<u>(158,156)</u>	<u>(158,156)</u>	<u>          </u>
NET CHANGE IN FUND BALANCE	133,320	(182,992)	(153,650)	29,342
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>228,679</u>	<u>228,679</u>	<u>228,679</u>	<u>          </u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$361,999</u>	<u>\$ 45,687</u>	<u>\$ 75,029</u>	<u>\$ 29,342</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
ENGINEERING SERVICES CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Use of money and property	\$	\$	\$	\$
Reimbursements	<u>461,991</u>	<u>497,991</u>	<u>392,317</u>	<u>(105,674)</u>
Total Revenues	<u>461,991</u>	<u>497,991</u>	<u>392,317</u>	<u>(105,674)</u>
EXPENDITURES:				
Current:				
Public works	<u>461,991</u>	<u>420,845</u>	<u>393,124</u>	<u>27,721</u>
Total Expenditures	<u>461,991</u>	<u>420,845</u>	<u>393,124</u>	<u>27,721</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>          </u>	<u>77,146</u>	<u>(807)</u>	<u>(77,953)</u>
NET CHANGE IN FUND BALANCE	<u>          </u>	<u>77,146</u>	<u>(807)</u>	<u>(77,953)</u>
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>(2,520)</u>	<u>(2,520)</u>	<u>(2,520)</u>	<u>          </u>
FUND BALANCES – END OF FISCAL YEAR	<u>\$ (2,520)</u>	<u>\$ 74,626</u>	<u>\$ (3,327)</u>	<u>\$ (77,953)</u>



CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FINANCING AUTHORITY DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget-Positive</u> <u>(Negative)</u>
REVENUES:				
Use of money and property	\$ 2,000	\$ 2,000	\$ 37,692	\$ 35,692
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>37,692</u>	<u>35,692</u>
EXPENDITURES:				
Debt service:				
Principal retirement	755,000	755,000	280,000	475,000
Interest and fiscal charges	<u>1,211,721</u>	<u>1,211,721</u>	<u>736,948</u>	<u>474,773</u>
Total Expenditures	<u>1,966,721</u>	<u>1,966,721</u>	<u>1,016,948</u>	<u>949,773</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,964,721)</u>	<u>(1,964,721)</u>	<u>(979,256)</u>	<u>985,465</u>
OTHER FINANCING SOURCES (Uses):				
Transfers in	1,563,989	1,389,954	1,005,999	(383,955)
Transfers out			(618,594)	(618,594)
Proceeds from issuance of long-term debt	<u>375,000</u>	<u>375,000</u>		<u>(375,000)</u>
Total Other Financing Sources (Uses)	<u>1,938,989</u>	<u>1,764,954</u>	<u>387,405</u>	<u>(1,377,549)</u>
NET CHANGE IN FUND BALANCE	(25,732)	(199,767)	(591,851)	(392,084)
FUND BALANCE – BEGINNING OF FISCAL YEAR	<u>3,542,411</u>	<u>3,542,411</u>	<u>3,542,411</u>	
FUND BALANCE – END OF FISCAL YEAR	<u>\$ 3,568,143</u>	<u>\$ 3,342,644</u>	<u>\$2,950,560</u>	<u>\$ (392,084)</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
REDEVELOPMENT AGENCY DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget-Positive</u> <u>(Negative)</u>
REVENUES:				
Use of money and property	\$ 190,000	\$ 190,000	\$ 52,586	\$(137,414)
Total Revenues	<u>190,000</u>	<u>190,000</u>	<u>52,586</u>	<u>(137,414)</u>
EXPENDITURES:				
Debt service:				
Principal	2,078,409	2,078,409	1,928,914	149,495
Interest and fiscal charges	2,950,394	2,950,394	2,966,081	(15,687)
Cost of issuance			<u>2,342</u>	<u>(2,342)</u>
Total Expenditures	<u>5,028,803</u>	<u>5,028,803</u>	<u>4,897,337</u>	<u>131,466</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,838,803)</u>	<u>(4,838,803)</u>	<u>(4,844,751)</u>	<u>(5,948)</u>
OTHER FINANCING SOURCES (Uses):				
Transfers in	4,815,198	4,825,198	4,439,568	(385,630)
Transfers out			<u>(131,615)</u>	<u>(131,615)</u>
Total Other Financing Sources (Uses)	<u>4,815,198</u>	<u>4,825,198</u>	<u>4,307,953</u>	<u>(517,245)</u>
NET CHANGE IN FUND BALANCE	<u>(23,605)</u>	<u>(13,605)</u>	<u>(536,798)</u>	<u>(523,193)</u>
FUND BALANCE – BEGINNING OF FISCAL YEAR	<u>2,571,270</u>	<u>2,571,270</u>	<u>2,571,270</u>	<u>          </u>
FUND BALANCE – END OF FISCAL YEAR	<u>\$ 2,547,665</u>	<u>\$ 2,557,665</u>	<u>\$ 2,034,472</u>	<u>\$(523,193)</u>

CITY OF DINUBA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
GENERAL DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Use of money and property	\$ _____	\$ _____	\$ _____	\$ _____
Total Revenues	_____	_____	_____	_____
EXPENDITURES:				
Debt Service:				
Principal retirement	234,733	234,733	234,733	
Interest and fiscal charges	<u>78,464</u>	<u>78,464</u>	<u>71,789</u>	<u>6,675</u>
Total Expenditures	<u>313,197</u>	<u>313,197</u>	<u>306,522</u>	<u>6,675</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(313,197)</u>	<u>(313,197)</u>	<u>(306,522)</u>	<u>(6,675)</u>
OTHER FINANCING SOURCES (Uses):				
Transfers in	<u>303,474</u>	<u>303,474</u>	<u>303,474</u>	_____
Total Other Financing Sources (Uses)	<u>303,474</u>	<u>303,474</u>	<u>303,474</u>	_____
NET CHANGE IN FUND BALANCE	(9,723)	(9,723)	(3,048)	6,675
FUND BALANCES – BEGINNING OF FISCAL YEAR	<u>5,262</u>	<u>5,262</u>	<u>5,262</u>	_____
FUND BALANCES – END OF FISCAL YEAR	<u>\$ (4,461)</u>	<u>\$ (4,461)</u>	<u>\$ 2,214</u>	<u>\$ 6,675</u>

CITY OF DINUBA

**Internal Service Funds**

Internal service funds are used to account for the financing of goods or services provided to departments or agencies of the government and to other government units, on a cost reimbursement basis.

INSURANCE FUND – This fund was set up to account for the cost of generally liability, property damage, and employee related health insurance costs. The City is involved in self-insurance program through a joint powers authority with other local municipalities. The source of funding for the City's program is a charge to all operating departments through a budgeting of the estimated costs to be allocated.

BILLING AND COLLECTION SERVICES FUND – This fund was set up to account for the costs and revenue for billing and collections of General, Utility, and Ambulance funds. The source of funding is a charge against the aforementioned funds.

PROPERTY AND EQUIPMENT SERVICE FUND – This fund was set up to account for the costs of maintenance and repairs for both buildings and equipment throughout the City. The source of this funding is a charge against the departments for services rendered.

CITY OF DINUBA  
COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
JUNE 30, 2010

	<u>Insurance Fund</u>	<u>Billing and Collection Service Fund</u>	<u>Property and Equipment Service Fund</u>	<u>Totals</u>
<b>ASSETS:</b>				
Current assets:				
Cash and investments	\$	\$ 12,525	\$ 15,873	\$ 28,398
Accounts receivable	4,477			4,477
Interest receivable	49	1		50
Due from other agencies	63,717			63,717
Prepaid expense	<u>22,175</u>	<u>          </u>	<u>114</u>	<u>22,289</u>
Total Current Assets	<u>90,418</u>	<u>12,526</u>	<u>15,987</u>	<u>118,931</u>
Noncurrent assets:				
Advances to other funds	354,862			354,862
Depreciable equipment, net	<u>          </u>	<u>          </u>	<u>11,562</u>	<u>11,562</u>
Total Noncurrent Assets	<u>354,862</u>	<u>          </u>	<u>11,562</u>	<u>366,424</u>
<b>TOTAL ASSETS</b>	<u>445,280</u>	<u>12,526</u>	<u>27,549</u>	<u>485,355</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	52,961	3,452	6,254	62,667
Accrued liabilities	10,784	12,710	12,116	35,610
Claims payable	50,000			50,000
Due to other funds	<u>175,979</u>	<u>          </u>	<u>          </u>	<u>175,979</u>
Total Current Liabilities	<u>289,724</u>	<u>16,162</u>	<u>18,370</u>	<u>324,256</u>
Noncurrent liabilities:				
Compensated absences	<u>19,965</u>	<u>26,239</u>	<u>14,117</u>	<u>60,321</u>
Total Noncurrent Liabilities	<u>19,965</u>	<u>26,239</u>	<u>14,117</u>	<u>60,321</u>
Total Liabilities	<u>309,689</u>	<u>42,401</u>	<u>32,487</u>	<u>384,577</u>
<b>NET ASSETS:</b>				
Invested in capital assets, net of related debt			11,562	11,562
Unrestricted	<u>135,591</u>	<u>(29,875)</u>	<u>(16,500)</u>	<u>89,216</u>
<b>TOTAL NET ASSETS</b>	<u>\$135,591</u>	<u>\$(29,875)</u>	<u>\$ (4,938)</u>	<u>\$100,778</u>

CITY OF DINUBA  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Insurance Fund</u>	<u>Billing and Collection Service Fund</u>	<u>Property and Equipment Service Fund</u>	<u>Totals</u>
OPERATING REVENUES:				
Charges for services	<u>\$2,852,628</u>	<u>\$473,936</u>	<u>\$ 507,578</u>	<u>\$3,834,142</u>
Total Operating Revenues	<u>2,852,628</u>	<u>473,936</u>	<u>507,578</u>	<u>3,834,142</u>
OPERATING EXPENSES:				
Salaries and benefits	186,604	418,217	419,782	1,024,603
Contractual services	16,024	11,711	4,790	32,525
Materials and supplies	8,439	46,566	191,338	246,343
Insurance	889,138			889,138
Employee health insurance	2,085,935			2,085,935
Allocated costs	1,268	18,409	11,006	30,683
Depreciation			<u>2,002</u>	<u>2,002</u>
Total Operating Expenses	<u>3,187,408</u>	<u>494,903</u>	<u>628,918</u>	<u>4,311,229</u>
OPERATING INCOME (LOSS)	<u>(334,780)</u>	<u>(20,967)</u>	<u>(121,340)</u>	<u>(477,087)</u>
NONOPERATING REVENUES:				
Interest revenue	<u>77</u>	<u>24</u>	<u>71</u>	<u>172</u>
Total Nonoperating Revenues	<u>77</u>	<u>24</u>	<u>71</u>	<u>172</u>
Income (Loss) Before Transfers	<u>(334,703)</u>	<u>(20,943)</u>	<u>(121,269)</u>	<u>(476,915)</u>
Transfers in		11,000	67,000	78,000
Transfers out				
Net transfers		<u>11,000</u>	<u>67,000</u>	<u>78,000</u>
Changes in Net Assets	(334,703)	(9,943)	(54,269)	(398,915)
NET ASSETS – BEGINNING OF FISCAL YEAR	<u>470,294</u>	<u>(19,932)</u>	<u>49,331</u>	<u>499,693</u>
NET ASSETS – END OF FISCAL YEAR	<u>\$ 135,591</u>	<u>\$ (29,875)</u>	<u>\$ (4,938)</u>	<u>\$ 100,778</u>

CITY OF DINUBA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Insurance Fund	Billing and Collection Service Fund	Property and Equipment Service Fund	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers and users	\$ 2,908,151	\$ 474,138	\$ 507,578	\$ 3,889,867
Cash paid to suppliers for goods and services	(2,609,162)	(418,842)	(418,825)	(3,446,829)
Cash paid to employees for services	(185,453)	(56,124)	(194,213)	(435,790)
Cash paid for allocated overhead	(1,268)	(18,409)	(11,006)	(30,683)
Net Cash Provided (Used) by Operating Activities	112,268	(19,237)	(116,466)	(23,435)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>				
Transfers from other funds		11,000	67,000	78,000
Due to (from) other funds	(112,296)			(112,296)
Net Cash Provided (Used) by Non-Capital Financing Activities	(112,296)	11,000	67,000	(34,296)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Purchases of capital assets			(6,455)	(6,455)
Net Cash Provided (Used) by Capital and Related Financing Activities			(6,455)	(6,455)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest received	28	78	245	351
Net cash provided (used) by investing activities	28	78	245	351
Net Increase (Decrease) in Cash and Cash Equivalents		(8,159)	(55,676)	(63,835)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FISCAL YEAR</b>		20,684	71,549	92,233
<b>CASH AND CASH EQUIVALENTS AT END OF FISCAL YEAR</b>	\$	\$ 12,525	\$ 15,873	\$ 28,398
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ (334,780)	\$ (20,967)	\$(121,340)	\$ (477,087)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation			2,002	2,002
Adjustments:				
(Increase) decrease in accounts receivable	55,523	202		55,725
(Increase) decrease in due from other agencies	486,774			486,774
(Increase) decrease in prepaid expenses	(10,413)			(10,413)
Increase (decrease) in accounts payable	(90,480)	2,503	(2,021)	(89,998)
Increase (decrease) in accrued liabilities	4,493	(350)	3,936	8,079
Increase (decrease) in compensated absences payable	1,151	(625)	957	1,483
Total Adjustments	447,048	1,730	4,874	453,652
Net Cash Provided (Used) by Operating Activities	\$ 112,268	\$ (19,237)	\$(116,466)	\$ (23,435)





### **Agency Funds**

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other agencies, and/or other funds.

CASH DEPOSITS FUND – This fund was set up to be a revolving cash deposit fund. Monies are held here (cleaning deposits, construction bonds, etc.) until they are expended or a refund is authorized by the City when the depositor has met all the necessary requirements.

RETIREE'S INSURANCE FUND – To account for funds set aside and due to retirees for future health insurance benefits.

DPOA TRUST FUND – This fund accumulates donations from several non-profit entities for the repair and maintenance of the Dinuba Police Officers' Association practice pistol-shooting range.

SPECIAL COMMUNITY EVENTS FUND – Donations to community services (recreation) for special recreation equipment or services are accounted for in this fund.

POST TRAINING REVOLVING FUND – This fund is a revolving fund set up for specific types of police officer training.

ABANDONED VEHICLES FUND – For the purpose of beautification of the City, donations to this fund are used for the removal of abandoned vehicles from private properties in the City.

PRO-YOUTH FUND – These funds are either donated by local citizens or service organizations or they are earned by the youth themselves and to be used for youth recreation activities and services.

CITY OF DINUBA  
COMBINING STATEMENT OF NET ASSETS  
ALL AGENCY FUNDS  
JUNE 30, 2010

	Cash Deposits	Retiree's Insurance	DPOA Trust	Special Community Events
ASSETS				
Cash and investments	\$230,168	\$113,314	\$1,474	\$16,456
Receivables		87		
Total Assets	<u>230,168</u>	<u>113,401</u>	<u>1,474</u>	<u>16,456</u>
LIABILITIES				
Accounts payable		69,028	668	
Deposits payable	<u>230,168</u>	<u>44,373</u>	<u>806</u>	<u>16,456</u>
Total Liabilities	<u>\$230,168</u>	<u>\$113,401</u>	<u>\$1,474</u>	<u>\$16,456</u>

CITY OF DINUBA  
COMBINING STATEMENT OF NET ASSETS  
ALL AGENCY FUNDS  
JUNE 30, 2010

<u>Post Training Revolving</u>	<u>Abandoned Vehicles</u>	<u>Pro-Youth</u>	<u>Police Activities</u>	<u>Total</u>
\$662	\$(1,947)	\$11,109	\$22,340	\$393,576
_____	<u>1,961</u>	_____	_____	<u>2,048</u>
<u>662</u>	<u>14</u>	<u>11,109</u>	<u>22,340</u>	<u>395,624</u>
662	14			70,372
_____	_____	<u>11,109</u>	<u>22,340</u>	<u>325,252</u>
<u>\$662</u>	<u>\$ 14</u>	<u>\$11,109</u>	<u>\$22,340</u>	<u>\$395,624</u>

CITY OF DINUBA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Cash Deposits</b>				
Assets				
Cash and investments	\$418,002	\$1,726,567	\$1,914,401	\$230,168
Total Assets	<u>\$418,002</u>	<u>\$1,726,567</u>	<u>\$1,914,401</u>	<u>\$230,168</u>
Liabilities				
Deposits payable	\$418,002	\$1,726,567	\$1,914,401	\$230,168
Total liabilities	<u>\$418,002</u>	<u>\$1,726,567</u>	<u>\$1,914,401</u>	<u>\$230,168</u>
<b>Retiree's Insurance</b>				
Assets				
Cash and investments	\$253,583	\$ 314,141	\$ 454,410	\$113,314
Receivables	708	418	1,039	87
Total Assets	<u>\$254,291</u>	<u>\$ 314,559</u>	<u>\$ 455,449</u>	<u>\$113,401</u>
Liabilities				
Accounts payable	\$149,776	\$ 843,390	\$ 924,138	\$ 69,028
Deposits payable	104,515	126	60,268	44,373
Total liabilities	<u>\$254,291</u>	<u>\$ 893,516</u>	<u>\$ 984,406</u>	<u>\$113,401</u>
<b>DPOA Trust</b>				
Assets				
Cash and investments	\$ 1,474	\$ _____	\$ _____	\$ 1,474
Total Assets	<u>\$ 1,474</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 1,474</u>
Liabilities				
Accounts payable	\$ 668	\$ _____	\$ _____	\$ 668
Deposits payable	806	_____	_____	806
Total liabilities	<u>\$ 1,474</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 1,474</u>
<b>Special Community Events</b>				
Assets				
Cash and investments	\$ 10,880	\$ 23,246	\$ 17,670	\$ 16,456
Receivables	500	_____	500	_____
Total Assets	<u>\$ 11,380</u>	<u>\$ 23,246</u>	<u>\$ 18,170</u>	<u>\$ 16,456</u>
Liabilities				
Deposits payable	\$ 11,380	\$ 23,246	\$ 18,170	\$ 16,456
Total liabilities	<u>\$ 11,380</u>	<u>\$ 23,246</u>	<u>\$ 18,170</u>	<u>\$ 16,456</u>

CITY OF DINUBA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010  
(Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b>Post Training Revolving</b>				
Assets				
Cash and investments	\$ 25,705	\$ 5,920	\$ 30,963	\$ 662
Total Assets	<u>\$ 25,705</u>	<u>\$ 5,920</u>	<u>\$ 30,963</u>	<u>\$ 662</u>
Liabilities				
Accounts payable	\$ 25,705	\$ 5,920	\$ 30,963	\$ 662
Total liabilities	<u>\$ 25,705</u>	<u>\$ 5,920</u>	<u>\$ 30,963</u>	<u>\$ 662</u>
<b>Abandoned Vehicles</b>				
Assets				
Cash and investments	\$ 14,528	\$ 9,472	\$ 25,947	\$ (1,947)
Receivables	2,165	1,961	2,165	1,961
Total Assets	<u>\$ 16,693</u>	<u>\$ 11,433</u>	<u>\$ 28,112</u>	<u>\$ 14</u>
Liabilities				
Accounts payable	\$ 16,693	\$ 11,433	\$ 28,112	\$ 14
Total liabilities	<u>\$ 16,693</u>	<u>\$ 11,433</u>	<u>\$ 28,112</u>	<u>\$ 14</u>
<b>Pro-Youth</b>				
Assets				
Cash and investments	\$ 8,371	\$ 21,706	\$ 18,968	\$ 11,109
Total Assets	<u>\$ 8,371</u>	<u>\$ 21,706</u>	<u>\$ 18,968</u>	<u>\$ 11,109</u>
Liabilities				
Deposits payable	\$ 8,371	\$ 21,706	\$ 18,968	\$ 11,109
Total liabilities	<u>\$ 8,371</u>	<u>\$ 21,706</u>	<u>\$ 18,968</u>	<u>\$ 11,109</u>
<b>Police Activities</b>				
Assets				
Cash and investments	\$ 12,513	\$ 31,870	\$ 22,043	\$ 22,340
Total Assets	<u>\$ 12,513</u>	<u>\$ 31,870</u>	<u>\$ 22,043</u>	<u>\$ 22,340</u>
Liabilities				
Deposits payable	\$ 12,513	\$ 31,870	\$ 22,043	\$ 22,340
Total liabilities	<u>\$ 12,513</u>	<u>\$ 31,870</u>	<u>\$ 22,043</u>	<u>\$ 22,340</u>
<b>Grand Total All Agency Funds</b>				
Assets				
Cash and investments	\$745,056	\$2,132,922	\$2,484,402	\$393,576
Receivables	3,373	2,379	3,704	2,048
Total Assets	<u>\$748,429</u>	<u>\$2,135,301</u>	<u>\$2,488,106</u>	<u>\$395,624</u>
Liabilities				
Accounts payable	\$192,842	\$ 860,743	\$ 983,213	\$ 70,372
Deposits payable	555,587	1,803,515	2,033,850	325,252
Total liabilities	<u>\$748,429</u>	<u>\$2,664,258</u>	<u>\$3,017,063</u>	<u>\$395,624</u>



## STATISTICAL SECTION

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

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**CITY OF DINUBA**  
**NET ASSETS BY COMPONENT**  
**LAST FIVE FISCAL YEARS**  
(Accrual Basis of Accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities								
Invested In Capital Assets, net of related debt	\$23,544,852	\$20,413,500	\$16,156,718	\$21,451,017	\$18,636,460	\$69,121,069	\$78,101,303	\$71,460,042
Restricted	3,332,750	10,298,457	7,531,455	7,120,338	12,750,382	19,576,001	17,821,984	26,213,026
Unrestricted	4,569,682	4,209,697	5,627,687	1,013,242	8,258,109	(3,570,839)	(4,713,906)	(1,553,334)
Total Governmental Activities Net Assets	31,447,284	34,921,654	29,315,860	29,584,597	39,644,951	85,126,231	91,209,381	96,119,734
Business-Type Activities								
Invested In Capital Assets, net of related debt	12,250,860	15,353,477	15,516,585	15,516,135	17,422,520	46,050,974	41,646,753	43,840,754
Restricted		297,289	329,375	300,733	311,596	535,617	3,471,175	
Unrestricted	3,117,904	2,463,073	2,888,155	3,440,939	3,337,494	869,644	3,262,807	3,305,499
Total Business-Type Activities Net Assets	15,368,764	18,113,839	18,734,115	19,257,807	21,071,610	47,456,235	48,380,735	47,146,253
Primary Government								
Invested In Capital Assets, net of related debt	35,795,712	35,766,977	31,673,303	36,967,152	36,058,980	115,172,043	119,748,056	115,300,796
Restricted	3,332,750	10,595,746	7,860,830	7,421,071	13,061,978	20,111,618	21,293,159	26,213,026
Unrestricted	7,687,586	6,672,770	8,515,842	4,454,181	11,595,603	(2,701,195)	(1,451,099)	1,752,165
Total Primary Government Net Assets	\$46,816,048	\$53,035,493	\$48,049,975	\$48,842,404	\$60,716,561	\$132,582,466	\$139,590,116	\$143,265,987

Note: The City of Dinuba implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation of GASB 34 is not available.

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA**  
**CHANGES IN NET ASSETS**  
**LAST FIVE FISCAL YEARS**  
(Accrual Basis of Accounting)

Page 1 of 2

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental Activities								
General Government	\$1,383,816	\$2,126,787	\$2,027,053	\$2,292,263	\$2,251,700	\$2,165,276	\$2,282,735	\$3,131,533
Public Safety	3,397,260	3,807,473	4,256,419	5,055,875	5,819,651	7,004,208	8,287,871	8,171,242
Public Works	2,374,142	3,630,316	6,045,507	4,103,422	5,430,096	3,585,804	4,138,568	2,312,028
Community Development	1,703,942	1,453,561	1,795,199	3,927,714	1,581,737	2,743,293	3,158,746	3,417,402
Parks and Recreation	1,201,821	1,085,389	954,789	135,086	1,359,109	1,662,008	1,700,474	1,584,698
Interest on Long-Term Debt	1,801,329	1,941,866	2,008,364	2,144,168	3,194,690	4,072,473	4,196,778	4,144,345
Unallocated Depreciation		637,382	836,084	794,431	847,061	858,674	917,172	987,607
Total Governmental Activities Expenses	11,862,310	14,682,774	17,923,415	18,452,959	20,484,044	22,091,736	24,682,344	23,748,855
Business-Type Activities								
Water	1,900,184	2,004,558	2,144,211	2,057,622	2,262,423	1,726,046	1,923,758	2,047,214
Sewer	1,830,467	1,921,329	1,993,150	1,842,089	2,120,093	1,791,855	2,087,637	2,007,892
Disposal	1,751,199	1,856,600	1,875,074	2,083,892	2,189,729	1,875,555	1,865,780	1,988,441
Ambulance	1,128,670	1,099,745	1,079,145	1,282,738	1,458,821	1,082,670	1,011,197	1,069,365
Transit	200,089	188,068	221,851	222,278	299,001	324,720	486,482	531,162
Bowling Alley		541,727						
Golf Course						2,061,613	3,625,806	3,338,040
Compressed Natural Gas								86,736
Total Business-Type Activities Expenses	6,810,609	7,612,027	7,313,431	7,488,619	8,330,067	8,862,459	11,000,660	11,068,850
Total Primary Government Net Expenses	\$18,672,919	\$22,294,801	\$25,236,846	\$25,941,578	\$28,814,111	\$30,954,195	\$35,683,004	\$34,817,705
Program Revenues								
Governmental Activities								
Charges for Services								
General Government	\$1,741,746	\$2,308,623	\$243,552	\$96,497	\$3,849	\$36,180	\$31,086	\$32,430
Public Safety	170,177	58,577	283,997	330,994	411,777	402,936	664,374	477,189
Public Works	503,368	200,574	1,464,890	4,103,456	3,058,937	2,033,827	1,276,563	2,566,382
Community Development	87,277	190,981		64,850	928,648	203,515	394,960	95,741
Parks and Recreation	55,910	38,450	210,130	239,924	231,315	164,751	283,008	154,307
Operating Contributions and Grants	2,340,970	2,324,286	2,366,940	4,457,369	6,865,658	2,980,565	2,137,570	1,753,052
Capital Contributions and Grants	3,553,148	1,808,909	316,525	246,552	5,133,176	70,512,208	10,798,269	3,768,170
Total Governmental Activities Program Revenues	8,452,596	6,930,400	4,886,034	9,539,642	16,633,360	76,333,982	15,585,830	8,847,271
Business-Type Activities								
Charges for Services								
Water	1,554,229	1,763,073	1,780,579	1,950,489	2,160,868	2,240,558	2,394,252	2,410,323
Sewer	1,956,788	1,730,443	1,588,227	1,630,460	1,879,182	2,035,266	2,294,266	2,263,518
Disposal	1,822,931	1,845,715	1,924,135	2,117,388	2,404,251	2,501,989	2,713,404	2,799,914
Ambulance	1,193,211	975,350	907,461	1,488,611	1,511,008	1,179,934	1,253,128	1,260,263
Transit	41,039	38,884	37,068	35,604	27,580	11,313	23,549	31,189
Bowling Alley	213,374	168,280						
Golf Course						8,800	2,175,135	1,940,722
Compressed Natural Gas								177,966
Operating Contributions and Grants	156,703	149,905	151,178	225,005	311,574	613,387	635,672	345,078
Capital Contributions and Grants	103,363	543,099	316,202	56,810	1,360,262	2,743,258	1,122,094	172,758
Total Business-Type Activities Program Revenues	7,041,638	7,214,749	6,704,850	7,504,367	9,654,725	11,334,505	12,611,500	11,401,731
Total Primary Government Program Revenues	\$15,494,234	\$14,145,149	\$11,590,884	\$17,044,009	\$26,288,085	\$87,668,487	\$28,197,330	\$20,249,002

Source: City of Dinuba Financial Services Division



**CITY OF DINUBA**  
**CHANGES IN NET ASSETS**  
**LAST FIVE FISCAL YEARS**  
(Accrual Basis of Accounting)

Page 2 of 2

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Net (Expense)/Revenue								
Governmental Activities	(\$3,409,714)	(\$7,752,374)	(\$13,037,381)	(\$8,913,317)	(\$3,850,684)	\$54,242,246	(\$9,096,514)	(\$14,901,584)
Business-Type Activities	231,029	(397,278)	(608,581)	15,748	1,324,658	2,472,046	1,610,840	332,881
Total Primary Government Net Expense	(\$3,178,685)	(\$8,149,652)	(\$13,645,962)	(\$8,897,569)	(\$2,526,026)	\$56,714,292	(\$7,485,674)	(\$14,568,703)
General Revenues and Other Changes in Net Assets								
Governmental Activities								
Taxes								
Property Taxes	\$2,378,598	\$2,726,908	\$2,873,337	\$3,304,325	\$4,570,257	\$5,006,706	\$5,438,046	\$5,248,441
Transient Occupancy Taxes	57,980	51,734	57,581	74,466	75,671	69,901	96,622	91,251
Sales Taxes	1,428,741	1,597,023	1,717,142	2,161,939	2,511,355	4,314,561	3,642,808	5,569,620
Franchise Taxes	155,168	181,658	195,187	203,705	214,886	222,599	248,553	214,722
Utility Users Tax	1,080,308	1,138,062	1,114,634	1,317,378	1,373,639	1,457,199	1,462,789	1,522,951
Other Taxes	99,672	25,216	148,456	288,003	290,106	608,703	583,716	611,305
Motor Vehicle Tax	1,009,416	745,895	359,368	1,315,245	1,469,382	1,594,918	1,670,198	1,641,929
Use of Money and Property	218,791	1,051,820	1,427,153	667,943	831,977	1,022,123	534,225	533,961
Other	66,976	169,733	144,258	37,380	121,480	70,248	508,758	335,350
Gain on Sale of Capital Assets					2,635,030	657,221	259,983	448,216
Transfers	(551,507)	(3,093,802)	(840,621)	(469,958)	(407,874)	(23,785,145)	733,966	1,581,736
Total Governmental Activities	5,944,143	4,594,247	7,196,495	8,900,426	13,685,909	(8,760,966)	15,179,664	17,799,482
Business-Type Activities								
Use of Money and Property	37,997	48,551	108,513	37,986	81,274	127,434	47,626	14,373
Other	18,000							
Transfers	551,507	3,093,802	840,621	469,958	407,874	23,785,145	(733,966)	(1,581,736)
Total Business-Type Activities	607,504	3,142,353	949,134	507,944	489,148	23,912,579	(686,340)	(1,567,363)
Extraordinary Item - Litigation Settlement	1,953,206	3,857,909	235,092	176,647	225,129	0		
Extraordinary Item - Gain on Foreclosure of Property		2,774,588						
Total Primary Government	\$8,504,853	\$14,369,097	\$8,380,721	\$9,585,017	\$14,400,186	\$15,151,613	\$14,493,324	\$16,232,119
Change in Net Assets								
Governmental Activities	\$4,122,428	\$3,474,370	(\$5,605,794)	\$163,756	\$10,060,354	\$45,481,280	\$6,083,150	\$2,897,898
Business-Type Activities	1,203,740	2,745,075	340,553	523,692	1,813,806	26,384,625	924,500	(1,234,482)
Total Primary Government	\$5,326,168	\$6,219,445	(\$5,265,241)	\$687,448	\$11,874,160	\$71,865,905	\$7,007,650	\$1,663,416

Note: The City of Dinuba implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation of GASB 34 is not available.

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(Modified Accrual Basis of Accounting)

	2001	2002	2003
General Fund			
Reserved			
Unreserved	\$2,353,523	\$2,218,146	\$2,411,350
Total General Fund	<u>\$2,353,523</u>	<u>\$2,218,146</u>	<u>\$2,411,350</u>
 All Other Governmental Funds			
Reserved	\$4,337,812	\$6,523,280	\$5,268,665
Unreserved, Reported In:			
Special Revenue Funds	910,622	1,247,647	787,290
Debt Service Funds			3,075,356
Capital Projects Funds	1,388,948	(61,243)	1,050,478
Total All Other Governmental Funds	<u>\$6,637,382</u>	<u>\$7,709,684</u>	<u>\$10,181,789</u>
Total Governmental Funds	<u>\$8,990,905</u>	<u>\$9,927,830</u>	<u>\$12,593,139</u>

Source: City of Dinuba Financial Services Division

Fiscal Year						
2004	2005	2006	2007	2008	2009	2010
		\$662,000	\$592,000	\$522,000	\$452,000	\$769,541
\$2,033,694	\$2,352,778	1,914,006	2,644,910	2,762,848	2,105,415	2,321,648
\$2,033,694	\$2,352,778	\$2,576,006	\$3,236,910	\$3,284,848	\$2,557,415	\$3,091,189
\$7,377,102	\$5,557,677	\$8,232,616	\$8,346,973	\$8,863,307	\$11,465,614	\$12,125,161
664,668	1,293,902	(316,156)	3,472,555	1,851,164	420,661	1,165,296
3,526,585	836,385	(3,377,781)	2,163,542	137,053	(6,021,033)	(9,673,971)
\$11,568,355	\$7,687,964	\$4,538,679	\$13,983,070	\$10,851,524	\$5,865,242	\$3,616,486
\$13,602,049	\$10,040,742	\$7,114,685	\$17,219,980	\$14,136,372	\$8,422,657	\$6,707,675

**CITY OF DINUBA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(Modified Accrual Basis of Accounting)

	2001	2002	2003	2004
<b>Revenues</b>				
Taxes and Assessments	\$4,846,450	\$4,695,322	\$5,720,601	\$5,200,096
Licenses and Permits	207,365	184,445	222,439	225,692
Intergovernmental	3,394,658	4,171,422	4,879,090	6,943,194
Charges for Services	1,976,525	2,062,842	609,153	455,714
Use of Money and Property	673,087	388,817	1,259,931	333,268
Fines and Forfeitures	9,112	5,630	58,577	74,754
Reimbursements			1,907,036	1,944,575
Miscellaneous	329,973	551,135	169,733	70,103
<b>Total Revenues</b>	<b>11,437,170</b>	<b>12,059,613</b>	<b>14,826,560</b>	<b>15,247,396</b>
<b>Expenditures</b>				
Current				
General Government	1,314,851	1,394,349	1,704,427	1,405,074
Public Safety	2,748,474	3,127,625	3,504,531	3,218,033
Community Development	2,572,428	2,474,475	1,950,728	1,956,610
Parks and Recreation <sup>1</sup>	856,006	972,881	1,071,142	959,817
Public Works <sup>2</sup>			1,713,802	1,962,713
Capital Outlay	1,855,997	7,271,249	12,265,261	7,086,053
Debt Service				
Principal Retirement	319,516	467,232	1,113,346	726,220
Interest and Fiscal Charges	1,184,442	1,316,056	1,708,686	1,443,881
Debt Issuance Costs	99,552	740,524	473,359	456,084
<b>Total Expenditures</b>	<b>10,951,266</b>	<b>17,764,391</b>	<b>25,505,282</b>	<b>19,214,485</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>485,904</b>	<b>(5,704,778)</b>	<b>(10,678,722)</b>	<b>(3,967,089)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	3,801,910	5,527,001	8,286,066	6,119,609
Transfers Out	(3,823,173)	(5,820,283)	(11,379,868)	(6,671,116)
Sales of Property				
Issuance of Long Term Debt	2,083,204	15,380,459	8,148,937	8,169,600
Payment to Refunded Bond Escrow Agent		(8,445,474)		(2,593,508)
<b>Total Other Financing Sources (Uses)</b>	<b>2,061,941</b>	<b>6,641,703</b>	<b>5,055,135</b>	<b>5,024,585</b>
<b>Net Change in Fund Balances before Extraordinary Item</b>	<b>2,547,845</b>	<b>936,925</b>	<b>(5,623,587)</b>	<b>1,057,496</b>
Extraordinary Item - Litigation Settlement			3,857,909	1,587,999
Extraordinary Item - Gain on Property Foreclosure			2,774,588	
<b>Net Change In Fund Balances</b>	<b>\$2,547,845</b>	<b>\$936,925</b>	<b>\$1,008,910</b>	<b>\$2,645,495</b>
 Debt Service as a percentage of non-capital expenditures	 17.6%	 24.1%	 24.9%	 21.7%

<sup>1</sup> Prior to FY2001, the Parks and Recreation Department Expenditures were combined with General Government.

<sup>2</sup> Prior to FY2003, the Public Works Department Expenditures were combined with Community Development.

Source: City of Dinuba Financial Services Division



Fiscal Year					
2005	2006	2007	2008	2009	2010
\$6,173,903	\$7,462,218	\$10,588,696	\$11,271,922	\$11,142,476	\$12,969,873
403,098	589,691	575,979	489,989	473,177	585,481
4,221,634	5,706,459	6,715,939	4,533,063	6,177,846	7,078,568
1,741,050	2,104,911	2,669,643	1,831,959	1,383,468	2,423,067
359,368	464,657	1,158,097	1,409,409	557,746	360,312
100,200	85,254	92,020	110,528	180,620	104,321
2,192,384	2,411,873	2,600,759	3,073,714	3,303,675	2,932,039
486,993	98,987	401,232	206,463	774,390	109,001
15,678,630	18,924,050	24,802,365	22,927,047	23,993,398	26,562,662
1,876,788	2,197,521	1,979,384	1,758,510	1,859,569	2,493,169
3,903,182	4,720,236	5,671,292	6,590,115	7,384,568	7,297,586
2,757,103	3,942,917	4,115,617	3,702,608	4,390,130	2,110,634
815,068	13,351	1,307,141	2,969,141	2,882,010	2,972,937
1,747,159	2,298,642	2,997,765	1,503,848	1,457,338	1,369,056
7,022,432	9,749,448	21,861,678	6,530,780	4,578,430	3,664,017
1,030,010	961,771	1,428,581	2,095,025	2,253,167	2,600,226
1,922,281	2,053,059	2,441,347	3,566,066	3,820,469	3,800,906
	277,421	903,259	591,412	167,679	2,342
21,074,023	26,214,366	42,706,064	29,307,505	28,793,360	26,310,873
(5,395,393)	(7,290,316)	(17,903,699)	(6,380,458)	(4,799,962)	251,789
6,124,329	6,887,126	24,450,021	17,389,125	10,491,067	6,526,362
(6,964,950)	(7,216,484)	(24,763,895)	(28,006,539)	(12,004,060)	(7,373,175)
1,407,247	13,171	4,060,014	406,461	251,240	309,537
1,032,368	7,845,973	27,927,690	14,950,000	1,370,000	
	(3,337,564)	(3,429,119)			
1,598,994	4,192,222	28,244,711	4,739,047	108,247	(537,276)
(3,796,399)	(3,098,094)	10,341,012	(1,641,411)	(4,691,715)	(285,487)
235,092	176,647	225,129			
(\$3,561,307)	(\$2,921,447)	\$10,566,141	(\$1,641,411)	(\$4,691,715)	(\$285,487)
21.0%	20.0%	22.9%	27.5%	25.8%	28.3%

**CITY OF DINUBA  
GOVERNMENT-WIDE REVENUES  
LAST TEN FISCAL YEARS**

Fiscal Year	PROGRAM REVENUES				Total General Revenues	Total Government- Wide Revenues
	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Total Program Revenues		
2001						
2002						
2003	\$2,558,478	\$2,340,970	\$3,553,148	\$8,452,596	\$6,495,650	\$14,948,246
2004	\$2,797,205	\$2,324,286	\$1,808,909	\$6,930,400	\$7,688,049	\$14,618,449
2005	\$2,202,569	\$2,366,940	\$316,525	\$4,886,034	\$8,037,116	\$12,923,150
2006	\$4,835,721	\$4,457,369	\$246,552	\$9,539,642	\$8,055,139	\$17,594,781
2007	\$4,634,526	\$6,865,658	\$5,133,176	\$16,633,360	\$9,989,371	\$26,622,731
2008	\$2,841,209	\$2,980,565	\$70,512,208	\$76,333,982	\$12,772,040	\$89,106,022
2009	\$2,649,991	\$2,137,570	\$10,798,269	\$15,585,830	\$12,515,517	\$28,101,347
2010	\$3,326,049	\$1,753,052	\$3,768,170	\$8,847,271	\$14,127,601	\$22,974,872

**GENERAL REVENUES**

Fiscal Year	Property Taxes	Sales Taxes	Utility Users Taxes	All Other Taxes	Use Of Money And Property	Total General Revenues
2001						
2002						
2003	\$2,378,598	\$1,428,741	\$1,080,308	\$1,389,212	\$218,791	\$6,495,650
2004	\$2,726,908	\$1,597,023	\$1,138,062	\$1,174,236	\$1,051,820	\$7,688,049
2005	\$2,873,337	\$1,717,142	\$1,114,634	\$904,850	\$1,427,153	\$8,037,116
2006	\$3,304,325	\$2,161,939	\$1,317,378	\$603,554	\$667,943	\$8,055,139
2007	\$4,570,257	\$2,511,355	\$1,373,639	\$702,143	\$831,977	\$9,989,371
2008	\$5,006,706	\$4,314,561	\$1,457,199	\$971,451	\$1,022,123	\$12,772,040
2009	\$5,438,046	\$3,642,808	\$1,462,789	\$1,437,649	\$534,225	\$12,515,517
2010	\$5,248,441	\$5,569,620	\$1,522,951	\$1,252,628	\$533,961	\$14,127,601

<sup>1</sup> Data is not available prior to Fiscal Year 2003

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA**  
**GENERAL GOVERNMENT REVENUES BY SOURCE <sup>1</sup>**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Taxes And Assessments</u>	<u>Licenses And Permits</u>	<u>Intergovernmental</u>	<u>Charges For Services</u>	<u>Use Of Money And Property</u>	<u>Fines And Forfeitures</u>
2001	\$4,846,450	\$207,365	\$3,394,658	\$1,976,525	\$673,087	\$9,112
2002	\$4,695,322	\$184,445	\$4,171,422	\$2,062,842	\$388,817	\$5,630
2003	\$5,720,601	\$222,439	\$4,879,090	\$609,153	\$1,259,931	\$58,577
2004	\$5,200,096	\$225,692	\$6,943,194	\$455,714	\$333,268	\$74,754
2005	\$6,173,903	\$403,098	\$4,221,634	\$1,741,050	\$359,368	\$100,200
2006	\$7,462,218	\$589,691	\$5,706,459	\$2,104,911	\$464,657	\$85,254
2007	\$10,588,696	\$575,979	\$6,715,939	\$2,669,643	\$1,158,097	\$92,020
2008	\$11,271,922	\$489,989	\$4,533,063	\$1,831,959	\$1,409,409	\$110,528
2009	\$11,142,476	\$473,177	\$6,177,846	\$1,383,468	\$557,746	\$180,620
2010	\$12,969,873	\$585,481	\$7,078,568	\$2,423,067	\$360,312	\$104,321

<u>Fiscal Year</u>	<u>Reimbursements</u>	<u>Miscellaneous</u>	<u>Total General Government Revenues</u>
2001		\$329,973	\$11,437,170
2002		\$551,135	\$12,059,613
2003	\$1,907,036	\$169,733	\$14,826,560
2004	\$1,944,575	\$70,103	\$15,247,396
2005	\$2,192,384	\$486,993	\$15,678,630
2006	\$2,411,873	\$98,987	\$18,924,050
2007	\$2,600,759	\$401,232	\$24,802,365
2008	\$3,073,714	\$206,463	\$22,927,047
2009	\$3,303,675	\$774,390	\$23,993,398
2010	\$2,932,039	\$109,001	\$26,562,662

<sup>1</sup> Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA**  
**PROPERTY AD VALOREM TAX ASSESSED VALUES <sup>1</sup>**  
**LAST TEN FISCAL YEARS**

Year Ended June 30	Assessed Value <sup>2</sup>	County Tax Rate Per \$100	City			Redevelopment Agency		
			Portion of Assessed Value	Tax Rate	Tax Levy	Portion of Assessed Value	Tax Rate	Tax Levy
2001	\$479,217,539	1.0000	\$300,684,737	0.159%	\$479,106	\$178,532,802	0.883%	\$1,575,803
2002	\$507,236,122	1.0000	\$310,019,629	0.170%	\$526,165	\$197,216,493	0.840%	\$1,657,202
2003	\$531,048,786	1.0000	\$312,890,058	0.185%	\$579,964	\$218,158,728	0.847%	\$1,847,026
2004	\$585,923,176	1.0000	\$319,831,579	0.185%	\$590,737	\$266,091,597	0.809%	\$2,152,137
2005	\$586,462,949	1.0000	\$289,076,917	0.228%	\$660,088	\$297,386,032	0.781%	\$2,322,983
2006	\$664,022,274	1.0000	\$330,657,621	0.200%	\$661,315	\$333,364,653	0.820%	\$2,734,138
2007	\$791,375,057	1.0000	\$356,205,589	0.189%	\$693,407	\$435,169,468	0.909%	\$3,955,770
2008	\$877,827,074	1.0000	\$375,372,209	0.190%	\$713,207	\$502,454,865	0.866%	\$4,350,007
2009	\$929,595,416	1.0000	\$376,872,214	0.192%	\$661,346	\$552,723,202	0.860%	\$4,754,412
2010	\$918,955,107	1.0000	\$381,194,928	0.192%	\$566,268	\$537,760,179	0.872%	\$4,786,536

<sup>1</sup> Estimated Actual Value of Taxable Property is not available since passage of Proposition 13 in 1978.  
Property assessed values may rise only to a maximum of 2% per year unless there is new construction  
or when the property is sold. Consequently, estimated values are not available.

<sup>2</sup> Pursuant to chapter 1207 of the statutes of 1978, "Assessed Value" means 100% of full taxable value.

Source: Tulare County Auditor's Office

**CITY OF DINUBA  
PRINCIPAL PROPERTY TAXPAYERS  
AS OF JUNE 30, 2010 AND 2001**

Taxpayer	Type Of Business	Fiscal Year 2010			Fiscal Year 2001		
		Assessed Valuation	Percent Of Total Assessed Valuation	Rank	Assessed Valuation	Percent Of Total Assessed Valuation	Rank
Best Buy Stores, Inc.	Distribution Center	\$ 61,325,410	6.67%	1	\$ 24,480,000	5.11%	2
Ruiz Foods Products Inc.	Frozen Food	51,727,667	5.63%	2	27,620,963	5.76%	1
Odwalla, Inc.	Fruit Juices	41,365,470	4.50%	3	10,899,410	2.27%	3
Patterson Dental Supply	Wholesaler	22,102,436	2.41%	4		0.00%	
Wal-mart Store Inc	Retail Store	20,113,468	2.19%	5		0.00%	
Dinuba - Veto LLC	Real Estate Investment	9,305,563	1.01%	6		0.00%	
Red Rock Plaza Center LLC	Real Estate Investment	7,043,500	0.77%	7		0.00%	
Kmart Corporation	Retail Store	6,739,772	0.73%	8		0.00%	
North Park Apartments	Apartment Complex	6,458,762	0.70%	9		0.00%	
Ennis Land Development LLC	Real Estate Investment	5,716,341	0.62%	10	5,115,204	1.07%	4
Dinuba Manor	Apartment Complex					0.00%	
Patterson Dental Supply	Wholesaler				4,764,743	0.99%	5
U S Cold Storage of CA	Packing / Cold Storage				3,504,815	0.73%	6
Giannini Susan	Produce / Packing				2,351,416	0.49%	8
Fresno Cable TV Limited	Cable Television				2,263,537	0.47%	9
David Young	Supermarket				2,757,996	0.58%	7
Blue Anchor	Produce/Packing				2,088,425	0.44%	10
		<u>\$231,898,389</u>	<u>29.30%</u>		<u>\$85,846,509</u>	<u>17.91%</u>	

Source: Tulare County Auditor's Office

**CITY OF DINUBA**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**(Rate per \$100 of Assessed Value)**  
**LAST FOUR FISCAL YEARS**

	Fiscal Year			
	2007	2008	2009	2010
City Direct Rates:				
City basic rate	\$0.189	\$0.190	\$0.192	\$0.192
Total City Direct Rate	0.189	0.190	0.192	0.192
Overlapping Rates:				
Tulare County	0.178	0.179	0.179	0.180
Library	0.015	0.015	0.015	0.015
Dinuba School District	0.273	0.273	0.273	0.273
Community College District	0.046	0.046	0.046	0.046
Tulare County Schools	0.024	0.024	0.024	0.024
Alta Cemetery	0.008	0.008	0.008	0.008
Alta Hospital District	0.018	0.018	0.018	0.018
Delta Vector Control	0.014	0.014	0.014	0.014
Dinuba Memorial District	0.005	0.005	0.005	0.005
Tulare County Air Pollution District	0.000	0.000	0.000	0.000
Tulare County Flood District	0.002	0.002	0.002	0.002
Education Revenue Augmentation	0.228	0.226	0.224	0.223
Dinuba School District Bonds	0.057	0.060	0.107	0.107
Community College Bonds	0.005	0.016	0.010	0.010
Total Direct Rate <sup>1</sup>	1.062	1.076	1.117	1.117

NOTE: In 1978, California voters passed Proposition 13, which sets the property tax rate at a 1.000% fixed amount. This 1.000% is shared by all taxing agencies for which the subject property resides within. In addition to the fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of bonded debt service on the voter-approved School District and Community College bonds.

<sup>1</sup> The City's total direct tax rate varies by tax rate area. The rate provided comes from tax rate area 001-005 and is representative of other tax rate areas within the City.

Source: Tulare County Assessor's Office

**CITY OF DINUBA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<u>Year Ended June 30</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected <sup>1</sup></u>
2001	\$2,054,909	\$2,054,909	100.00
2002	\$2,183,367	\$2,183,367	100.00
2003	\$2,426,990	\$2,426,990	100.00
2004	\$2,742,874	\$2,742,874	100.00
2005	\$2,983,071	\$2,983,071	100.00
2006	\$3,395,453	\$3,395,453	100.00
2007	\$4,649,177	\$4,649,177	100.00
2008	\$5,063,214	\$5,063,214	100.00
2009	\$5,415,758	\$5,415,758	100.00
2010	\$5,352,804	\$5,248,441	98.05

<sup>1</sup> Under an arrangement with the County, 100% of property taxes billed by are forwarded to the City, and the County in turn retains any penalties a from late payments. This arrangement with the County ended in fiscal

Note: The amounts presented include City property taxes and Redevelopment tax increment.

Source: Tulare County Auditor's Office

**CITY OF DINUBA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Business-Type Activities		
	General Bonded Debt Outstanding	Capital Leases	Notes Payable	Total Governmental Activities	Certificates Of Participation	Notes Payable	Total Business-Type Activities
2001	\$15,370,041	\$213,123	\$1,054,637	\$16,637,801	\$5,775,000	\$2,087,957	\$7,862,957
2002	\$17,842,477	\$2,307,190	\$926,216	\$21,075,883	\$5,680,000	\$1,982,670	\$7,662,670
2003	\$25,079,798	\$2,112,484	\$969,117	\$28,161,399	\$5,580,000	\$1,709,693	\$7,289,693
2004	\$29,436,236	\$1,925,883	\$1,121,309	\$32,483,428	\$5,475,000	\$2,839,072	\$8,314,072
2005	\$30,169,289	\$1,717,502	\$1,947,048	\$33,833,839	\$5,360,000	\$3,230,119	\$8,590,119
2006	\$32,147,426	\$1,644,355	\$3,662,125	\$37,453,906	\$5,240,000	\$3,654,299	\$8,894,299
2007	\$51,331,981	\$1,490,542	\$6,755,047	\$59,577,570	\$5,115,000	\$4,856,498	\$9,971,498
2008	\$65,132,484	\$1,326,724	\$5,743,840	\$72,203,048	\$4,980,000	\$8,506,172	\$13,486,172
2009	\$62,896,057	\$1,157,783	\$5,089,617	\$69,143,457	\$4,840,000	\$8,912,559	\$13,752,559
2010	\$64,332,754	\$976,254	\$3,360,920	\$68,669,928	\$4,695,000	\$8,575,192	\$13,270,192

Fiscal Year	Total Primary Government	Percentage Of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
2001	\$24,500,758	6.9%	\$1,407
2002	\$28,738,553	7.9%	\$1,642
2003	\$35,451,092	9.3%	\$1,930
2004	\$40,797,500	10.5%	\$2,193
2005	\$42,423,958	10.5%	\$2,198
2006	\$46,348,205	11.3%	\$2,367
2007	\$69,549,068	16.6%	\$3,477
2008	\$85,689,220	16.8%	\$4,064
2009	\$82,896,016	15.1%	\$3,903
2010	\$81,940,120	14.0%	\$3,804

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

<sup>1</sup> See the table of Population and Unemployment Rate later in this section for personal income and population data.

Source: City of Dinuba Financial Services Division



**CITY OF DINUBA**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Redevelopment Agency Tax Allocation Bonds</u>	<u>Lease Revenue Bonds</u>	<u>Less: Amounts Available in Debt Service Funds</u>	<u>Total General Bonded Debt Outstanding</u>	<u>Percentage of Assessed Value of Property <sup>1</sup></u>	<u>Per Capita</u>
2001	\$15,135,000	\$2,585,000	\$2,349,959	\$15,370,041	3.2%	\$883
2002	\$19,795,000	\$2,465,000	\$4,417,523	\$17,842,477	3.5%	\$1,019
2003	\$19,340,000	\$8,000,000	\$2,260,202	\$25,079,798	4.7%	\$1,365
2004	\$26,520,000	\$7,890,000	\$4,973,764	\$29,436,236	5.0%	\$1,583
2005	\$26,050,000	\$7,745,000	\$3,625,711	\$30,169,289	5.1%	\$1,563
2006	\$28,205,000	\$7,595,000	\$3,652,574	\$32,147,426	4.8%	\$1,642
2007	\$48,595,000	\$7,445,000	\$4,708,019	\$51,331,981	6.5%	\$2,566
2008	\$55,330,000	\$14,740,000	\$4,937,516	\$65,132,484	7.4%	\$3,089
2009	\$54,570,000	\$14,445,000	\$6,118,943	\$62,896,057	6.8%	\$2,962
2010	\$55,155,000	\$14,165,000	\$4,987,246	\$64,332,754	7.0%	\$2,986

<sup>1</sup> Estimated Actual Value of Taxable Property is not available since passage of Proposition 13 in 1978.  
Property assessed values may rise only to a maximum of 2% per year unless there is new construction  
or when the property is sold. Consequently, estimated values are not available.

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA**  
**STATEMENT OF DIRECT AND OVERLAPPING DEBT**  
**As of June 30, 2010**

2009 - 2010 Assessed Valuation:	\$929,699,326		
Redevelopment Incremental Valuation:	552,827,112		
	<hr/>		
City Adjusted Assessed Valuation	\$376,872,214		
	<hr/>		
	OUTSTANDING DEBT 6/30/2010	% APPLICABLE	ESTIMATED SHARE OF OUTSTANDING DEBT
<b>OVERLAPPING TAX AND ASSESSMENT DEBT</b>			
State Center Community College District	\$113,575,080	0.6220%	\$706,437
Dinuba Joint Unified School District	26,584,940	48.5340%	12,902,735
Kings Canyon Joint Unified School District	38,525,926	0.0540%	20,804
	<hr/>		<hr/>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT	178,685,946		13,629,976
<b>OVERLAPPING GENERAL FUND OBLIGATION DEBT</b>			
Tulare County Certificates of Participation	72,790,026	1.5540%	1,131,157
Tulare County Pension Obligations	11,955,019	1.5540%	185,781
Dinuba Joint Unified School District Certificates of Participation	9,044,999	48.5340%	4,389,900
Kings Canyon Unified School District Certificates of Participation	6,714,815	0.0540%	3,626
	<hr/>		<hr/>
TOTAL OVERLAPPING GENERAL FUND OBLIGATION DEBT	100,504,859		5,710,464
<b>DIRECT DEBT</b>			
City of Dinuba General Fund Obligations			18,165,000
			<hr/>
<b>TOTAL DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT <sup>1</sup></b>			<b>\$23,875,464</b>
			<hr/>
<b>COMBINED TOTAL DEBT</b>			<b>\$ 37,505,440</b>

**Debt Ratios:**

Ratios to Adjusted Valuation:

Combined Direct Debt (\$14,740,000)	4.82%
Combined Total Debt	9.95%

Ratios to Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.47%
State School Building Aid Repayable as of 6/30/2008	\$0

<sup>1</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City of Dinuba. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Dinuba. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: California Municipal Statistics, Inc.

**CITY OF DINUBA  
COMPUTATION OF LEGAL DEBT MARGIN  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

Total Assessed Valuation	<u>\$929,699,326</u>
Debt Limit - 15% of Total Assessed Valuation	\$139,454,899
Amount of Debt Applicable to the Limit	<u>81,940,120</u>
Legal Debt Margin	<u>\$57,514,779</u>

**LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Debt Applicable</u>	<u>Legal Debt Margin</u>	<u>Total Debt Applicable As A Percentage Of Debt Limit</u>
2001	\$71,882,631	\$24,500,758	\$47,381,873	34.1%
2002	\$76,085,418	\$28,738,553	\$47,346,865	37.8%
2003	\$79,657,318	\$35,451,092	\$44,206,226	44.5%
2004	\$87,888,476	\$40,797,500	\$47,090,976	46.4%
2005	\$87,969,442	\$42,423,958	\$45,545,484	48.2%
2006	\$99,603,341	\$46,348,205	\$53,255,136	46.5%
2007	\$118,706,259	\$69,549,068	\$49,157,191	58.6%
2008	\$131,674,061	\$85,689,220	\$45,984,841	65.1%
2009	\$139,439,312	\$82,896,016	\$56,543,296	59.4%
2010	\$137,843,266	\$81,940,120	\$55,903,146	59.4%

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA  
PLEDGED-REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

Certificates of Participation (Sewer Fund)

Year Ended June 30	Sewer Charges And Other Contributions <sup>1</sup>	Less: Operating Expenses <sup>2</sup>	Net Available Revenue	Principal	Interest	Total Debt Service	Debt Service Coverage
2001	\$1,531,928	\$1,126,783	\$405,145	\$65,000	\$164,563	\$229,563	1.76
2002	\$1,749,963	\$1,480,046	\$269,917	\$70,000	\$161,175	\$231,175	1.17
2003	\$1,956,788	\$1,410,416	\$546,372	\$75,000	\$220,401	\$295,401	1.85
2004	\$1,858,054	\$1,315,168	\$542,886	\$110,000	\$376,868	\$486,868	1.12
2005	\$2,196,535	\$1,388,747	\$807,788	\$145,000	\$374,455	\$519,455	1.56
2006	\$2,137,887	\$1,376,168	\$761,719	\$150,000	\$371,205	\$521,205	1.46
2007	\$2,231,903	\$1,702,270	\$529,633	\$150,000	\$367,380	\$517,380	1.02
2008	\$2,389,237	\$1,864,897	\$524,340	\$155,000	\$363,030	\$518,030	1.01
2009	\$2,591,374	\$1,945,535	\$645,839	\$160,000	\$357,985	\$517,985	1.25
2010	\$2,882,543	\$1,765,050	\$1,117,493	\$165,000	\$352,213	\$517,213	2.16

Redevelopment Agency Tax Allocation Bonds

Year Ended June 30	Property Tax Increment	Combined Principal	Combined Interest	Total Debt Service	Debt Service Coverage
2001	\$1,575,803	\$110,000	\$880,518	\$990,518	1.59
2002	\$1,657,202	\$120,000	\$968,548	\$1,088,548	1.52
2003	\$1,847,026	\$455,000	\$869,665	\$1,324,665	1.39
2004	\$2,152,137	\$280,000	\$1,003,065	\$1,283,065	1.68
2005	\$2,322,983	\$470,000	\$1,015,415	\$1,485,415	1.56
2006	\$2,734,138	\$561,731	\$1,151,691	\$1,713,422	1.60
2007	\$3,955,770	\$560,000	\$1,343,619	\$1,903,619	2.08
2008	\$4,350,007	\$765,000	\$2,217,985	\$2,982,985	1.46
2009	\$4,754,412	\$760,000	\$2,192,551	\$2,952,551	1.61
2010	\$4,786,536	\$785,000	\$2,561,261	\$3,346,261	1.43

<sup>1</sup> Includes transfers from the Water Fund. Bond proceeds from the 2002 Refunding Bond were also used to fund certain Water projects. Therefore, the water fund pays a proportionate share of the debt service.

<sup>2</sup> Depreciation is eliminated for this calculation.

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA**  
**GENERAL BONDED INDEBTEDNESS**  
**MATURITIES BY FISCAL YEAR**

Fiscal Year	Redevelopment Agency Tax Allocation Bonds		Lease Revenue Bonds		Total
	Principal	Interest	Principal	Interest	
2011	\$7,820,000	\$2,389,351	\$290,000	\$714,705	\$11,805,921
2012	\$8,350,000	\$2,034,998	\$305,000	\$702,828	\$11,984,688
2013	\$2,255,000	\$1,793,119	\$315,000	\$690,235	\$5,644,684
2014	\$930,000	\$1,414,913	\$330,000	\$675,964	\$3,941,134
2015	\$970,000	\$1,673,020	\$340,000	\$659,960	\$4,231,630
2016	\$1,010,000	\$1,629,222	\$360,000	\$643,052	\$4,228,762
2017	\$1,060,000	\$1,582,859	\$375,000	\$625,121	\$4,231,622
2018	\$1,100,000	\$1,534,945	\$395,000	\$606,241	\$4,226,214
2019	\$1,145,000	\$1,485,994	\$410,000	\$586,381	\$4,213,122
2020	\$1,195,000	\$1,434,287	\$435,000	\$565,319	\$4,220,238
2021	\$1,255,000	\$1,380,360	\$460,000	\$542,787	\$4,227,701
2022	\$1,310,000	\$1,323,200	\$480,000	\$456,007	\$4,156,886
2023	\$1,370,000	\$1,261,625	\$500,000	\$494,114	\$4,210,750
2024	\$1,435,000	\$1,196,769	\$530,000	\$467,822	\$4,216,004
2025	\$1,500,000	\$1,128,906	\$560,000	\$439,690	\$4,215,274
2026	\$1,570,000	\$1,057,913	\$585,000	\$409,861	\$4,208,586
2027	\$1,645,000	\$983,538	\$615,000	\$378,594	\$4,206,060
2028	\$1,720,000	\$905,125	\$645,000	\$345,763	\$4,201,788
2029	\$1,800,000	\$821,297	\$680,000	\$311,240	\$4,194,265
2030	\$1,890,000	\$732,156	\$715,000	\$274,891	\$3,818,075
2031	\$1,980,000	\$638,672	\$755,000	\$236,587	\$3,814,434
2032	\$1,745,000	\$547,922	\$790,000	\$196,330	\$3,481,305
2033	\$1,835,000	\$459,125	\$835,000	\$153,986	\$3,487,639
2034	\$1,925,000	\$365,125	\$360,000	\$122,550	\$2,974,275
2035	\$2,020,000	\$266,500	\$375,000	\$102,797	\$2,967,566
2036	\$2,120,000	\$163,000	\$400,000	\$81,969	\$2,969,369
2037	\$2,200,000	\$55,000	\$420,000	\$59,931	\$2,935,059
2038	\$0	\$0	\$440,000	\$36,819	\$677,272
2039	\$0	\$0	\$465,000	\$12,497	\$677,738
	<u>\$55,155,000</u>	<u>\$30,258,941</u>	<u>\$14,165,000</u>	<u>\$11,594,038</u>	<u>\$124,368,059</u>

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA  
POPULATION AND UNEMPLOYMENT RATE  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population <sup>1</sup></u>	<u>Personal Income <sup>2</sup></u>		<u>Unemployment Rate <sup>3</sup></u>
		<u>Total</u>	<u>Per Capita</u>	
2001	17,410	\$356,191,190	\$20,459	15.2%
2002	17,503	\$362,522,136	\$20,712	16.6%
2003	18,369	\$381,891,510	\$20,790	17.4%
2004	18,601	\$386,844,997	\$20,797	17.8%
2005	19,297	\$402,689,796	\$20,868	16.9%
2006	19,578	\$409,180,200	\$20,900	14.4%
2007	20,002	\$418,861,882	\$20,941	12.9%
2008	21,087	\$509,314,311	\$24,153	14.0%
2009	21,237	\$550,463,040	\$25,920	16.1%
2010	21,542	\$583,529,696	\$27,088	22.4%

<sup>1</sup> Source: California Department of Finance

<sup>2</sup> Source: Tulare County Economic Development Corporation

<sup>3</sup> Source: California Employment Development Department

**CITY OF DINUBA  
PRINCIPAL EMPLOYERS  
AS OF JUNE 30, 2010 AND 2001**

Employer	Type Of Business	Fiscal Year 2010			Fiscal Year 2001		
		Employees	Percent Of Total City Employment	Rank	Employees	Percent Of Total City Employment	Rank
Ruiz Foods Products Inc.	Frozen Food	2,000	46%	1	800	14.34%	1
Wal-Mart	Retail Store	425	10%	2	350	6.27%	2
Best Buy Stores, Inc.	Distribution Center	425	10%	2			
Pacific West	Produce/Packing	350	8%	3			
Dinuba Public Schools	Education	314	7%	4	314	5.63%	3
Giannini Packing	Produce/Packing	200	5%	5	175	3.14%	4
City of Dinuba	Local Government	151	3%	6	77	1.38%	9
Apio Produce	Produce/Packing	150	3%	7			
Surabian And Sons	Produce/Packing	150	3%	7	150	2.69%	5
Odwalla, Inc.	Fruit Juices	100	2%	8	150	2.69%	6
Sadoian Brothers	Produce/Packing	95	2%	9	95	1.70%	8
Patterson Dental	Wholesaler	60	1%	10	50	0.90%	10
Alta District Hospital	Health Care				125	2.24%	7
		<u>4,420</u>	<u>100.00%</u>		<u>2,286</u>	<u>40.98%</u>	

Source: City of Dinuba and the U. S. Bureau of the Census

**CITY OF DINUBA**  
**EMPLOYEES BY FUNCTION (FULL TIME EQUIVALENTS)**  
**LAST TEN FISCAL YEARS**

	2001	2002	2003
Governmental Activities			
General Government	11.0	12.2	11.8
Public Safety	51.0	55.5	56.5
Public Works <sup>1</sup>			15.7
Community Development	21.0	20.2	8.1
Parks and Recreation <sup>2</sup>	21.4	22.9	24.8
Water	6.2	6.9	6.7
Sewer	5.6	6.2	5.4
Disposal	0.6	0.8	0.6
Total Government-Wide Employees	116.8	124.7	129.6

<sup>1</sup> Prior to FY2003, the Public Works Department Expenditures were combined within the Community Development line item.

<sup>2</sup> Prior to FY2001, the Parks and Recreation Department Expenditures were combined within the General Government line item.

Source: City of Dinuba Financial Services Division



Fiscal Year						
2004	2005	2006	2007	2008	2009	2010
24.3	24.3	24.9	24.7	18.0	18.0	19.0
60.2	63.1	76.1	78.1	78.0	81.0	79.0
9.4	10.4	12.5	25.9	26.2	29.3	17.3
24.9	20.5	21.2	20.9	16.0	16.0	12.0
7.0	7.0	7.4	7.6	6.0	2.9	6.2
5.4	5.8	5.4	5.6	6.2	5.1	4.3
0.6	0.6	0.6	0.6	0.6	1.7	1.2
131.8	131.7	148.1	163.4	151.0	154.0	139.0

**CITY OF DINUBA  
CONSTRUCTION ACTIVITY  
LAST TEN CALENDAR YEARS**

Calendar Year	Total Permits	Total Valuation	Commercial and Office		Residential Single	
			Number Permits	Valuation	Number Permits	Valuation
2001 <sup>1</sup>	369	\$27,267,455	35	\$18,012,253	41	\$5,781,714
2002	291	\$6,528,225	36	\$2,045,939	28	\$2,463,658
2003 <sup>2</sup>	407	\$12,885,759	32	\$6,720,215	38	\$3,827,967
2004	390	\$7,396,488	42	\$3,237,517	34	\$2,541,248
2005	375	\$16,255,190	25	\$1,344,719	72	\$7,393,526
2006	545	\$35,418,648	56	\$7,324,871	154	\$19,823,068
2007	540	\$22,604,877	43	\$4,101,167	125	\$15,991,615
2008 <sup>3</sup>	627	\$21,159,049	50	\$859,269	31	\$2,429,216
2009	267	\$20,117,464	5	\$3,003,030	49	\$5,961,770
2010	327	\$26,119,325	2	\$1,398,078	116	\$14,622,391

Note: Bank Deposit information is not available as the Industry does not keep records by individual cities.

<sup>1</sup> During these years, permits were issued for the Best Buy West Coast Distribution facility and the subsequent expansion.

<sup>2</sup> A major apartment complex was begun during this fiscal year.

<sup>3</sup> Activity covering from January 1 to July 31.

<sup>4</sup> Euclid Apartment's 2009 permit expired and renew in 2010.

Source: City of Dinuba Annual Building Report

Residential Multi-Units		All Other		
Number Permits	Valuation	Number Units	Number Permits	Valuation
1	\$2,901,815	0	292	\$554,673
0	\$0	0	227	\$2,018,628
1	\$4,495,116	0	336	\$2,634,714
0	\$0	0	314	\$1,617,723
0	\$0	0	278	\$1,966,850
1	\$5,780,000	80	334	\$2,490,709
1	\$212,286	0	309	\$8,500,419
0	\$0	0	457	\$894,090
1	\$7,604,520	0	212	\$3,548,143
1	\$7,604,520 <sup>4</sup>	0	208	\$2,494,335

**TULARE COUNTY CROP STATISTICS  
FOR THE CALENDAR YEAR 2009**

Dinuba lies in the heart of the farming area of Tulare County, California,  
which currently ranks second in the nation in agricultural productivity.  
The following list comprises the major cash crops in the county from farming and  
ranching for 20078

<u>PRODUCT</u>	<u>GROSS VALUE</u>
1. Milk	\$1,228,975,000
2. Oranges	\$467,444,000
3. Grapes	\$443,880,000
4. Cattle	\$414,592,000
5. Corn	\$126,917,000
6. Pistachio	\$118,030,000
7. Nectarines	\$106,134,000
8. Alfalfa	\$105,960,000
9. Peaches	\$103,088,000
10. Almonds	\$95,911,000
 Total Value of the Top Ten Tulare County Crops	 \$3,210,931,000
  Total Value of All Tulare County Crops	  \$4,046,447,700

Source: Tulare County Agricultural Commissioner news release

**CITY OF DINUBA  
CAPITAL ASSETS USED  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Water:										
Number Water Wells	8	8	7	7	7	7	8	8	8	8
Annual Production (Million Gal)	1,403	1,497	1,523	1,502	1,450	1,478	1,653	1,682	1,671	1,671
Service Connections	4,050	4,100	4,440	4,458	4,613	4,725	4,830	4,991	5,030	5,094
Police:										
Stations	1	1	1	2	2	2	2	2	2	2
Sworn Officers	24	24	25	27	28	39	39	40	40	38
Support Personnel	9	9	8	12	9	12	14	14	12	11
Part-Time Support Personnel	15	15	3	2	10	7	5	5	3	3
Police Vehicles	24	26	24	26	23	33	36	35	34	32
Motorcycles		2	2	2	2	2	2	2	2	2
Fire:										
Stations	1	1	1	1	1	1	1	1	1	1
Firefighters	13	14	16	16	17	17	21	21	24	23
Fire and Rescue Vehicles	5	5	5	5	5	5	5	5	5	5
Ambulances	4	4	4	3	3	3	3	3	3	3
Staff Vehicles	3	3	3	3	3	4	5	5	5	4
Parks and Recreation:										
Parks	6	6	6	10	10	10	13	13	13	13
Acres of Park land	28	28	28	28	28	28	66	66	66	66
Acres of Open Space	48	48	48	48	48	48	56	56	56	56
Recreation Centers	3	3	2	2	2	2	2	2	2	2
Other:										
City Land Area (Square Miles)	3.42	3.42	3.42	3.42	4.82	4.82	4.82	4.90	4.90	4.90
Miles of Water Main	57.0	57.0	57.0	64.0	68.0	71.5	74.0	74.0	74.0	74.0
Miles of Storm Drain	12.0	12.0	12.0	16.0	17.0	17.0	18.0	19.0	19.0	19.0
Miles of Sewer Main	63.0	63.0	63.0	63.0	68.0	70.2	73.0	74.0	74.0	74.0
Miles of City Streets	61.0	61.0	61.0	61.0	61.0	61.0	65.0	65.7	65.7	65.7

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA  
DEMANDS FOR CITY SERVICES  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population</u>	<u>Number of Utility Customers</u>	<u>Number of Police Calls - Total</u>	<u>Number of 911 Emergency Calls</u>	<u>Number of Sworn Officers</u>
2001	17,410	4,196	34,369	<sup>2</sup>	24
2002	17,503	4,322	40,511	10,632	24
2003	18,369	4,389	59,072	10,221	25
2004	18,601	4,458	57,219	8,812	27
2005	19,297	4,613	56,540	8,440	28
2006	19,578	4,830	53,767	8,520	39
2007	20,002	4,865	41,192	8,650	39
2008	21,087	4,918	31,801	6,338	40
2009	21,237	5,107	41,824	5,855	37
2010	21,542	5,154	41,256	4,859	37

<sup>1</sup> Includes calls for fires, explosions, and hazardous conditions.

<sup>2</sup> This information is not available.

Source: City of Dinuba Financial Services Division, Fire Department, and Police Department

<u>Fiscal Year</u>	<u>Number of Fire Calls <sup>1</sup></u>	<u>Number of Ambulance Runs</u>	<u>Number of Fire Fighters</u>
2001	64	1,577	13
2002	125	2,091	14
2003	144	2,210	16
2004	169	2,358	16
2005	147	2,510	17
2006	158	2,795	17
2007	194	2,966	21
2008	160	2,884	21
2009	137	2,897	24
2010	127	3,123	23

**CITY OF DINUBA  
GENERAL GOVERNMENTAL  
EXPENDITURES BY FUNCTION  
LAST TEN FISCAL YEARS <sup>1</sup>**

	2001	2002	2003	2004
Governmental Activities				
General Government	\$1,314,851	\$1,394,349	\$1,383,816	\$2,126,787
Public Safety	2,748,474	3,127,625	3,397,260	3,807,473
Public Works <sup>3</sup>			2,374,142	3,630,316
Community Development	2,572,428	2,474,475	1,703,942	1,453,561
Parks and Recreation <sup>2</sup>	856,006	972,881	1,201,821	1,085,389
Debt Service	1,603,510	2,523,812	1,801,329	1,941,866
Capital Outlay	1,855,997	7,271,249		
Unallocated Depreciation				637,382
Total Governmental Activities Expenses	<u>\$10,951,266</u>	<u>\$17,764,391</u>	<u>\$11,862,310</u>	<u>\$14,682,774</u>

<sup>1</sup> Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

Source: City of Dinuba Financial Services Division



Fiscal Year					
2005	2006	2007	2008	2009	2010
\$2,027,053	\$2,292,263	\$2,251,700	\$2,165,276	\$2,282,735	\$3,131,533
4,256,419	5,055,875	5,819,651	7,004,208	8,287,871	8,171,242
6,045,507	4,103,422	5,430,096	3,585,804	4,138,568	2,312,028
1,795,199	3,927,714	1,581,737	2,743,293	3,158,746	3,417,402
954,789	135,086	1,359,109	1,662,008	1,700,474	1,584,698
2,008,364	2,144,168	3,194,690	4,072,473	4,196,778	4,144,345
836,084	794,431	847,061	858,674	917,172	987,607
\$17,923,415	\$18,452,959	\$20,484,044	\$22,091,736	\$24,682,344	\$23,748,855

**CITY OF DINUBA  
SCHEDULE OF INSURANCE IN FORCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

TYPES AND DETAILS OF COVERAGE	AMOUNT
1. GENERAL LIABILITY	
a. Self-insured retention, \$1,000,000 limit	\$50,000
b. Liability excess coverage	\$19,000,000
2. AUTO PHYSICAL DAMAGE	
a. Comprehensive coverage, fire trucks, dump trucks, and ambulances, 5% of values at time of loss subject to \$1,000 minimum and \$10,000 maximum.	\$3,831,067
b. Comprehensive coverage, low value vehicles under \$25,000, \$500 deductible	\$1,127,106
3. PROPERTY COVERAGE	
a. Covers all owned buildings and contents at replacement cost, including data processing equipment and valuable papers, \$10,000 deductible.	\$48,892,666
b. Miscellaneous Property Floater	\$489,290
c. Special Equipment.	\$1,772,641
d. Extra Expense Associated with Physical Damage or Loss	\$665,000
e. Extra Expense Associated with Floater Equipment	\$15,000
4. WORKERS' COMPENSATION	
a. Self-insured retention \$500,000 limit	\$50,000
b. Workers' compensation excess coverage	\$4,500,000
5. OTHER	
a. Employee's fidelity dishonesty bond (Blanket)	\$250,000
b. Money & Securities	\$10,000
c. Wrongful Discharge, Discrimination, and Sexual Harrassment	\$1,000,000
d. Boiler & Machinery Property Coverage	\$100,000
e. Loss of Earnings/Extra Expense \$2,500 deductible	\$1,055,612

Source: City of Dinuba Risk Manager