

CITY OF GREENFIELD

BASIC FINANCIAL STATEMENT



JUNE 30, 2009

CITY OF GREENFIELD CALIFORNIA

**BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

TABLE OF CONTENTS

	PAGE
Independent Auditors' Report	1
Management's Discussions and Analysis (Required Supplementary Information)	3
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Assets	11
Statement of Activities	12
Governmental Fund Financial Statements	
Balance Sheet	14
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	16
Statement of Revenues, Expenditures, and Changes in Fund Balances	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Proprietary Fund Financial Statements	
Statement of Net Assets	21
Statement of Revenues, Expenses, and Changes in Net Assets	22
Statement of Cash Flows	24
Notes To Basic Financial Statements	25

CITY OF GREENFIELD CALIFORNIA

**BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

TABLE OF CONTENTS (Continued)

	PAGE
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –	
General Fund	56
Special Revenue Funds –	
Transportation Development Act	57
Water Impact	58
RDA Low/Mod Funds	59
Other Supplementary Information	
Major Fund Budgetary Comparison Schedules	60
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –	
Redevelopment Agency Capital Projects Fund	61
Redevelopment Agency Debt Service Fund	62
Non-Major Governmental Funds	
Combining Balance Sheet	63
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	67



INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of the City Council
City of Greenfield, 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 Greenfield, as of and for the year ended June 30, 2009, which collectively comprise the City of Greenfield's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Greenfield's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenfield, California, as of June 30, 2009 and the respective changes in financial position and cash flows, where applicable, thereof for the 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 April 23, 2010 on our consideration of the City of Greenfield'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.

The required supplementary information, such as management's discussion and analysis on page 3 through 10 and the budgetary comparison information on page 56 through 59, are not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information listed in the table of contents, including combining schedules and additional budgetary comparison schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules 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.

Vaurriete, Tami, Day, Co., LLP

Rancho Cucamonga, California
April 23, 2010

CITY OF GREENFIELD

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2009

In accordance with Statement No. 34 of the Governmental Accounting Standards Board, management for the financial activities of the City of Greenfield provides the following narrative overview and analysis for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements.

Financial Highlights

- The assets of the City of Greenfield exceed its liabilities, at the close of the fiscal year ended June 30, 2009, by \$40,111,496 (*net assets*) representing an increase of \$2,304,169. However, the City actually incurred a reduction of \$28,608,528 in *unrestricted net assets*. This reduction in the unrestricted net assets is due mainly to the increase in Community Development *restricted net assets*.
- The City's total net assets increased by \$2,304,169. This increase is attributable to several factors; the key element is the accumulation of funds for future improvements to the wastewater and water systems of the City of Greenfield.
- As of June 30, 2009, the City's governmental funds reported combined ending fund balances of \$44,269,232 an increase of \$1,967,825 in comparison with the prior year.
- As of June 30, 2009, the unreserved fund balance for the General fund was \$1,570,995 or 26% of total General fund expenditures.
- The City's Governmental Activities debt increased by \$330,425 (10%) during the current fiscal year as the result of a new \$500,000 loan with California Housing Finance, less debt repayments.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Greenfield is improving or deteriorating.

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

CITY OF GREENFIELD

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2009

Both the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, planning, building and safety, and recreation.

The government-wide financial statements include not only the City of Greenfield itself (known as the *primary government*), but also a legally separate Redevelopment Agency of the City of Greenfield. Financial information for this *component unit* has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 11-13 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Greenfield, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City of Greenfield maintains 25 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Transportation Development Act Fund, the Water Impact Fund, the Redevelopment Agency Capital Projects Funds, the Redevelopment Agency Low/Mod Housing Fund, and the Redevelopment Agency Debt Service Fund all of which are considered to be major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these *non-major* governmental funds are provided in the form of *combining statements* elsewhere in this report.

The City of Greenfield adopts an annual appropriations budget for most of its governmental funds. A budgetary comparison schedule has been provided for each budgeted governmental fund in order to depict excess expenditures with this budget.

The basic governmental fund financial statements can be found on pages 14-20 of this report.

Proprietary funds. The City of Greenfield maintains three separate *proprietary funds*. These funds account for the water, sewer, and transit activities of the City of Greenfield.

CITY OF GREENFIELD

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2009

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. Each proprietary fund is considered major and is presented individually in the fund financial statements.

The Proprietary funds financial statements can be found on pages 21-24 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-55 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including schedules of funding progress for the City's pension plans, budgetary comparison schedules for the General Fund and Major Special Revenue Funds. Required supplementary information can be found on pages 56-59 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining statements and individual budgetary comparison schedules can be found on pages 60-70 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Greenfield, assets exceeded liabilities by \$40,111,496 at June 30, 2009.

The largest portion of the City's net assets (50%) reflects its investment in capital assets (e.g. land, infrastructure, buildings, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

CITY OF GREENFIELD

**MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2009**

City of Greenfield Net Assets

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Current and other assets	\$ 50,649,864	\$ 47,170,736	\$ 5,267,629	\$ 10,318,431	\$ 55,917,493	\$ 57,489,167
Capital assets	13,239,328	11,492,902	15,080,928	12,467,870	28,320,256	23,960,772
Total Assets	<u>63,889,192</u>	<u>58,663,638</u>	<u>20,348,557</u>	<u>22,786,301</u>	<u>84,237,749</u>	<u>81,449,939</u>
Long-term liabilities outstanding	34,075,595	34,263,788	5,929,087	5,929,087	40,004,682	40,192,875
Other liabilities	3,745,388	2,903,781	376,183	545,956	4,121,571	3,449,737
Total Liabilities	<u>37,820,983</u>	<u>37,167,569</u>	<u>6,305,270</u>	<u>6,475,043</u>	<u>44,126,253</u>	<u>43,642,612</u>
Invested in capital assets, net of related debt	11,016,594	9,185,902	9,151,841	6,407,870	20,168,435	15,593,772
Restricted	40,822,664	14,353,717	5,929,087	6,060,000	46,751,751	20,413,717
Unrestricted	(25,771,049)	(2,043,550)	(1,037,641)	3,843,388	(26,808,690)	1,799,838
Total Net Assets	<u>\$ 26,068,209</u>	<u>\$ 21,496,069</u>	<u>\$ 14,043,287</u>	<u>\$ 16,311,258</u>	<u>\$ 40,111,496</u>	<u>\$ 37,807,327</u>

CITY OF GREENFIELD

**MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2009**

The City’s total net assets increased by \$2,304,169 for fiscal year 2008-2009 of which \$4,572,140 related to governmental activities and \$(2,267,971) related to business-type activities. These changes are illustrated below.

City of Greenfield Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Program Revenues:						
Charges for services	\$ 1,773,497	\$ 1,705,305	\$ 1,469,891	\$ 1,517,325	\$ 3,243,388	\$ 3,222,630
Operating contributions and grants	1,914,910	1,629,864	304,351	265,010	2,219,261	1,894,874
Capital contributions and grants	1,202,683	2,044,510			1,202,683	2,044,510
General Revenues:						
Property taxes	405,898	425,183			405,898	425,183
Other taxes	4,358,437	5,116,492			4,358,437	5,116,492
Other	2,799,553	3,486,985	3,256,060	349,240	6,055,613	3,836,225
Transfers	5,335,505	243,958	(5,335,505)	2,803,321		3047,279
Total Revenues	17,790,483	14,652,297	(305,203)	4,934,896	17,485,280	19,587,193
Expenses:						
General government	1,840,057	1,600,449			1,840,057	1,600,449
Public safety	2,788,829	2,371,583			2,788,829	2,371,583
Public works	3,533,116	3,632,325			3,533,116	3,632,325
Park and recreation	479,968	411,845			479,968	411,845
Community development	1,592,436	1,313,638			1,592,436	1,313,638
Streets and roads	890,119	418,647			890,119	418,647
Building and planning	320,945	319,316			320,945	319,316
Interest on long-term debt	1,772,873	1,822,597			1,772,873	1,822,597
Water			931,341	807,329	931,341	807,329
Sewer			704,027	586,063	704,027	586,063
Transit			327,400	292,245	327,400	292,245
Total Expenses	13,218,343	11,890,400	1,962,768	1,685,637	15,181,111	13,576,037
Change in Net Assets	4,572,140	2,761,897	(2,267,971)	3,249,259	2,304,169	6,011,156
Net Assets - Beginning	21,496,069	18,734,172	16,311,258	13,061,999	37,807,327	31,796,171
Net Assets - Ending	\$26,068,209	\$21,496,069	\$14,043,287	\$16,311,258	\$40,111,496	\$37,807,327

Fund Financial Analysis

At the end of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$44,269,232 an increase of \$1,967,825 in comparison with the prior year. Unreserved fund balances amounted to \$42,100,109 at June 30, 2009. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed.

CITY OF GREENFIELD

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2009

The General fund is the chief operating fund of the City of Greenfield. At the end of the current fiscal year, the fund balance of the General fund was \$2,687,598 of which \$1,116,603 (42%) is reserved. As a measure of the General fund's liquidity, it may be useful to compare the unreserved fund balance to total fund expenditures. Unreserved fund balance represents 27% of total General fund expenditures.

During the current fiscal year, the fund balance of the City's General fund decreased by \$2,565,604 due the transfer of \$2,512,015 to the Civic Center Construction Fund and the Transit Fund. The Civic Center transfer represents the proceeds including accrued interest income received from the 2006 capital lease to finance a new civic center.

Fund balances and changes in fund balances for the other major funds are summarized as follows:

- The Transportation Development Act Fund balance decreased from \$346,731 to \$246,356.
- The Water Impact Fund balance increased from \$1,531,959 to \$1,649,722.
- The Redevelopment Agency Low/Mod Housing Fund balance decreased from \$2,020,537 to \$1,762,189.
- The Redevelopment Agency Capital Projects Fund balance increased from \$21,270,834 to \$21,519,569.
- The Redevelopment Agency Debt Service Fund balance decreased from \$6,830,497 to \$6,268,013.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of the proprietary funds at the end of the year amounted to a negative \$(1,037,641). The total decline in net assets was \$2,267,971.

Fund level net assets and changes in net assets are summarized as follows:

- The Water Fund net assets decreased from \$7,526,127 to \$7,414,933.
- The Sewer Fund net assets decreased from \$8,734,798 to \$6,590,672.
- The Transit Fund net assets decreased from \$50,333 to \$37,682.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget for expenditures was increased by \$32,750. Actual expenditures were \$21,044 over the final budget.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental activities and business-type activities as of June 30, 2009, amounts to \$13,239,328 and \$15,080,928 (net of accumulated depreciation), respectively. This investment in capital assets includes land, buildings, park improvements, vehicles, computer equipment, and furniture and other equipment. During the current fiscal year, the City's net increase in capital assets was \$4,359,484.

CITY OF GREENFIELD

**MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2009**

Major capital asset events during the current fiscal year included the following:

- Building and Improvements – Patriot Park improvements at a cost of \$1,008,013; and Wastewater Treatment Plant at a cost of \$2,178,154.
- Construction in Progress – Water system upgrades including new well at a cost of \$2,587,117; wastewater treatment plan expansion at a cost of \$413,599; Walnut Avenue improvements at a cost of \$201,831 and Civic/Police Center at a cost of \$401,154.
- Property and Equipment – Fork lift, two pickup trucks, meter reading devices, computer equipment and office equipment were purchased during the current fiscal year at a cost of \$84,261.

City of Greenfield Capital Assets

(Net of Accumulated Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Land	\$ 2,088,184	\$ 2,088,184	\$ 323,537	\$ 323,537	\$ 2,411,721	\$ 2,411,721
Buildings and Improvements	6,009,939	5,941,300			6,009,939	5,941,300
Vehicles	70,203	124,490			70,203	124,490
Property and Equipment	277,404	270,968	10,329,151	10,716,809	10,606,555	10,987,777
Infrastructure	1,765,025	1,765,025			1,765,025	1,765,025
Construction in Progress	3,028,573	1,302,935	4,428,240	1,427,524	7,456,813	2,730,459
Total	\$13,239,328	\$11,492,902	\$15,080,928	\$12,467,870	\$28,320,256	\$23,960,772

Additional information on the City’s capital assets can be found in note 5 on pages 43 and 44 of this report.

Long-term debt. At the end of the current fiscal year, the City of Greenfield had total governmental activities debt outstanding of \$34,594,213. Of this amount, \$32,113,726 is a liability of the Redevelopment Agency. Business-type activities debt outstanding amounted to \$5,929,087.

City of Greenfield Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
RDA Tax Increment Bonds	\$31,061,226	\$31,215,853			\$31,061,226	\$31,215,853
Capital Lease Payable	2,222,734	2,307,000			2,222,734	2,307,000
Loans Payable	1,052,500	500,000	\$ 5,929,087	\$ 6,060,000	6,981,587	6,560,000
Employee Compensated Absences	257,753	240,935			257,753	240,935
Total	\$34,594,213	\$34,263,788	\$ 5,929,087	\$ 6,060,000	\$40,523,300	\$40,323,788

The City’s total debt increased by \$182,694 excluding compensated absences during the current fiscal year due to an additional loan agreement with CalHFA less scheduled debt payments. Additional information on the City’s long-term debt can be found in notes 6-8 on pages 45-50 of this report.

CITY OF GREENFIELD

**MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2009**

Economic Factors and Next Year’s Budgets and Rates

- Local property values for the General Fund will be moderately less than their present values for the current fiscal year. However, property tax values for the Redevelopment Agency are expected to decline again for the third consecutive year due to the downturn in the economy and its’ impact on the housing market.
- State shared revenues are also expected to decline in the coming fiscal year due to the State of California’s budget crisis.

Requests for Information

This financial report is designed to provide a general overview of the financial position of the City of Greenfield for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, City of Greenfield 45 El Camino Real, Greenfield, California 93927.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF GREENFIELD

**STATEMENT OF NET ASSETS
JUNE 30, 2009**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash and investments	\$ 15,030,856	\$ 3,373,002	\$ 18,403,858
Accounts receivable, net	1,345,897	214,751	1,560,648
Interest receivable	82,510	8,370	90,880
Prepays	54,638		54,638
Internal balances	114,905	(114,905)	
Deposits	921,852		921,852
Total Current Assets	17,550,658	3,481,218	21,031,876
Noncurrent Assets:			
Notes receivable	3,341,306		3,341,306
Restricted cash and investments	28,866,385	1,786,411	30,652,796
Bond issuance costs, net of amortization	891,515		891,515
Capital Assets:			
Non-depreciable	5,116,757	4,751,777	9,868,534
Depreciable, net of accumulated depreciation	8,122,571	10,329,151	18,451,722
Total Noncurrent Assets	46,338,534	16,867,339	63,205,873
Total Assets	63,889,192	20,348,557	84,237,749
LIABILITIES			
Current Liabilities:			
Accounts payable	1,072,712	127,039	1,199,751
Service deposits	92,252	171,325	263,577
Deferred revenue	1,402,729		1,402,729
Interest payable	578,959	77,819	656,778
Total Current Liabilities	3,226,770	376,183	3,602,953
Noncurrent Liabilities:			
Due within one year	518,618		518,618
Due in more than one year	34,075,595	5,929,087	40,004,682
Total Noncurrent Liabilities	34,594,213	5,929,087	40,523,300
Total Liabilities	37,820,983	6,305,270	44,126,253
NET ASSETS			
Invested in capital assets, net of related debt	11,016,594	9,151,841	20,168,435
Restricted:			
Debt service	6,268,013	5,929,087	12,197,100
Community development	23,283,593		23,283,593
Streets and roads	672,934		672,934
Capital projects	4,377,781		4,377,781
Public safety	33,695		33,695
Development impact fee projects	6,186,648		6,186,648
Unrestricted	(25,771,049)	(1,037,641)	(26,808,690)
Total Net Assets	\$ 26,068,209	\$ 14,043,287	\$ 40,111,496

See accompanying notes to financial statements.

CITY OF GREENFIELD

**STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2009**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General government	\$ 1,840,057	\$ 1,903	\$ 673,775	\$ 18,058
Public works	3,533,116	1,661,779	583,709	176,153
Building and planning	320,945	62,094		
Parks and recreation	479,968			767,761
Community development	1,592,436		285,410	4,685
Public safety	2,788,829	47,721	100,000	26,705
Streets and roads	890,119		272,016	209,321
Interest on long-term debt	1,772,873			
Total Governmental Activities	13,218,343	1,773,497	1,914,910	1,202,683
Business-type Activities:				
Water	931,341	939,804		
Sewer	704,027	520,679		
Transit	327,400	9,408	304,351	
Total Business-type Activities	1,962,768	1,469,891	304,351	
Total Government	\$ 15,181,111	\$ 3,243,388	\$ 2,219,261	\$ 1,202,683

General Revenues:

Taxes:

- Sales tax
- Property tax
- Redevelopment Agency tax increment
- Utility users tax
- Real estate transfer tax
- Franchise taxes
- Transient occupancy tax
- Business license tax
- Motor Vehicle in lieu fees
- Rental income
- License and fines
- Fees and permits
- Investment earnings
- Other
- Capital contributions
- Transfers
- Loss on asset disposal

Total General Revenues and Transfers

Change in Net Assets

Net Assets, Beginning of Year

Net Assets, End of Year

See accompanying notes to financial statements.

Net Revenue (Expense) and Change in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (1,146,321)		\$ (1,146,321)
(1,111,475)		(1,111,475)
(258,851)		(258,851)
287,793		287,793
(1,302,341)		(1,302,341)
(2,614,403)		(2,614,403)
(408,782)		(408,782)
(1,772,873)		(1,772,873)
<u>(8,327,253)</u>		<u>(8,327,253)</u>
	\$ 8,463	8,463
	(183,348)	(183,348)
	(13,641)	(13,641)
	<u>(188,526)</u>	<u>(188,526)</u>
<u>(8,327,253)</u>	<u>(188,526)</u>	<u>(8,515,779)</u>
755,672		755,672
405,898		405,898
3,123,111		3,123,111
276,705		276,705
33,469		33,469
132,432		132,432
12,852		12,852
24,196		24,196
1,707,756		1,707,756
22,584		22,584
61,740		61,740
88,973		88,973
813,424	322,939	1,136,363
111,606		111,606
	2,933,121	2,933,121
5,335,505	(5,335,505)	
<u>(6,530)</u>		<u>(6,530)</u>
<u>12,899,393</u>	<u>(2,079,445)</u>	<u>10,819,948</u>
4,572,140	(2,267,971)	2,304,169
<u>21,496,069</u>	<u>16,311,258</u>	<u>37,807,327</u>
<u>\$ 26,068,209</u>	<u>\$ 14,043,287</u>	<u>\$ 40,111,496</u>

GOVERNMENTAL FUND FINANCIAL STATEMENTS

CITY OF GREENFIELD

**GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2009**

	General	Special Revenue		
		Transportation Development Act	Water Impact Fund	Redevelopment Agency Low/Mod Housing
ASSETS				
Cash and investments	\$ 1,551,241	\$ 142,928	\$ 1,702,691	\$ 8,252
Restricted cash and investments		988,861		2,380,879
Accounts receivable	357,642	36,300		
Interest receivable	3,799		12,812	
Prepays	54,638			
Due from other funds	599,351	2,247		
Deposits	921,852			
Notes receivable	2,053			2,683,425
Total Assets	<u>\$ 3,490,576</u>	<u>\$ 1,170,336</u>	<u>\$ 1,715,503</u>	<u>\$ 5,072,556</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 630,176	\$ 19,630	\$ 65,781	\$ 1,942
Wages payable	80,118			
Due to other funds				625,000
Service deposits	92,252			
Deferred revenue	432	904,350		2,683,425
Total Liabilities	<u>802,978</u>	<u>923,980</u>	<u>65,781</u>	<u>3,310,367</u>
FUND BALANCES				
Reserved for:				
Prepaid expenses	54,638			
Deposits	921,852			
Debt service				1,052,500
Notes receivables	2,053			
Youthbuild fund deficit	102,578			
Non-current due from other funds	35,482			
Unreserved, undesignated and reported in:				
General fund	1,570,995			
Special revenue funds			1,649,722	709,689
Capital projects funds		246,356		
Debt service				
Total Fund Balances	<u>2,687,598</u>	<u>246,356</u>	<u>1,649,722</u>	<u>1,762,189</u>
Total Liabilities and Fund Balances	<u>\$ 3,490,576</u>	<u>\$ 1,170,336</u>	<u>\$ 1,715,503</u>	<u>\$ 5,072,556</u>

See accompanying notes to financial statements.

<u>Capital Projects</u>		<u>Debt Service</u>			
<u>Redevelopment Agency</u>	<u>Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 74,423	\$ 1,615,980	\$ 9,935,341	\$ 15,030,856		
23,352,044	2,144,601		28,866,385		
		951,955	1,345,897		
	44,909	20,990	82,510		
			54,638		
	2,475,000	964	3,077,562		
			921,852		
		655,828	3,341,306		
<u>\$ 23,426,467</u>	<u>\$ 6,280,490</u>	<u>\$ 11,565,078</u>	<u>\$ 52,721,006</u>		
\$ 56,898	\$ 12,477	\$ 285,808	\$ 1,072,712		
			80,118		
1,850,000		487,657	2,962,657		
			92,252		
		655,828	4,244,035		
<u>1,906,898</u>	<u>12,477</u>	<u>1,429,293</u>	<u>8,451,774</u>		
			54,638		
			921,852		
			1,052,500		
			2,053		
			102,578		
			35,482		
			1,570,995		
		10,135,785	12,495,196		
21,519,569			21,765,925		
	6,268,013		6,268,013		
<u>21,519,569</u>	<u>6,268,013</u>	<u>10,135,785</u>	<u>44,269,232</u>		
<u>\$ 23,426,467</u>	<u>\$ 6,280,490</u>	<u>\$ 11,565,078</u>	<u>\$ 52,721,006</u>		

CITY OF GREENFIELD

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009**

Fund Balances of Governmental Funds	\$ 44,269,232
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	13,239,328
Long-term notes receivable are not current financial resources and, therefore are deferred in the governmental funds.	2,841,306
Bond issuance costs are recorded as expenditures in the governmental fund financial statements. These costs are deferred and amortized in the statement of net assets.	891,515
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Long-term liabilities include the following:	
Tax allocation bonds	(1,540,000)
Refunding bonds, net of bond issuance premium and deferred amount in refunding	(29,521,226)
Capital leases	(2,222,734)
2005 CalHFA Loan	(548,125)
2009 CalHFA Loan	(504,375)
Compensated absences	(257,753)
Accrued interest payable is not recorded in the governmental funds since interest expenditures are recognized when paid.	(578,959)
Net Assets of Governmental Activities	<u>\$ 26,068,209</u>

See accompanying notes to financial statements.

CITY OF GREENFIELD

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2009**

	General	Special Revenue		
		Transportation Development Act	Water Impact Fund	Redevelopment Agency Low/Mod Housing
REVENUES				
Taxes and assessments	\$ 3,196,014			\$ 624,622
Licenses and permits	92,892			
Fines and penalties	82,017			
Use of money and property	69,784	\$ 125	\$ 50,855	66,979
Intergovernmental revenues	70,827	81,909		
Charges for services	1,780,847			
Other revenues	172,130	264,964	125,298	25
Total Revenues	5,464,511	346,998	176,153	691,626
EXPENDITURES				
Current:				
General government	1,076,900			
Public works	1,323,710			
Building and planning	316,943			
Parks and recreation	313,672			
Community development				1,419,950
Public safety	2,641,191			
Streets and roads		447,373		
Capital outlay	55,827		2,519,522	
Debt service:				
Principal	84,266			
Interest	116,490		6,462	11,650
Total Expenditures	5,928,999	447,373	2,525,984	1,431,600
Excess (Deficiency) of Revenues Over Expenditures	(464,488)	(100,375)	(2,349,831)	(739,974)
OTHER FINANCING SOURCES (USES)				
Loan				500,000
Transfers in	410,899		2,467,594	
Transfers out	(2,512,015)			(18,374)
Total Other Financing Sources (Uses)	(2,101,116)		2,467,594	481,626
Net Change in Fund Balances	(2,565,604)	(100,375)	117,763	(258,348)
FUND BALANCES, Beginning of Year	5,253,202	346,731	1,531,959	2,020,537
FUND BALANCES, End of Year	\$ 2,687,598	\$ 246,356	\$ 1,649,722	\$ 1,762,189

See accompanying notes to financial statements.

Capital Projects	Debt Service	Other	Total
Redevelopment Agency	Redevelopment Agency	Governmental Funds	Governmental Funds
	\$ 2,498,489	\$ 571,311	\$ 6,890,436
			92,892
			82,017
\$ 603,843	155,683	208,281	1,155,550
		1,166,226	1,318,962
			1,780,847
		676,438	1,238,855
<u>603,843</u>	<u>2,654,172</u>	<u>2,622,256</u>	<u>12,559,559</u>
	39,024	644,960	1,760,884
		1,073,262	2,396,972
			316,943
			313,672
56,003		1,080,788	2,556,741
		17,900	2,659,091
		227,489	674,862
274,280		905,476	3,755,105
	330,000		414,266
24,825	1,402,888	16,388	1,578,703
<u>355,108</u>	<u>1,771,912</u>	<u>3,966,263</u>	<u>16,427,239</u>
<u>248,735</u>	<u>882,260</u>	<u>(1,344,007)</u>	<u>(3,867,680)</u>
			500,000
	78,600	7,603,561	10,560,654
	(1,523,344)	(1,171,416)	(5,225,149)
	(1,444,744)	6,432,145	5,835,505
248,735	(562,484)	5,088,138	1,967,825
21,270,834	6,830,497	5,047,647	42,301,407
<u>\$ 21,519,569</u>	<u>\$ 6,268,013</u>	<u>\$ 10,135,785</u>	<u>\$ 44,269,232</u>

CITY OF GREENFIELD

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009**

Net Change in Fund Balances of Governmental Funds \$ 1,967,825

Amounts reported for governmental activities in the Statement of Activities differs from the amounts reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold or when the capital asset is transferred to a proprietary fund. This activity is reconciled as follows:

Cost of assets capitalized	\$ 2,307,251	
Depreciation expense	<u>(554,295)</u>	1,752,956

Gains and losses on asset disposals are not recorded in the governmental funds. The Statement of Activities reports loss on asset disposal calculated as follows:

Cost of assets disposed	(55,381)	
Accumulated depreciation on assets disposed	<u>48,851</u>	(6,530)

Governmental funds report repayments of long-term notes receivable as revenue and outlays for new notes are reported as expenditures. This activity is eliminated from the Statement of Activities and is reconciled as follows:

Loan repayments	(40,082)	
Outlays for new loans	<u>1,269,011</u>	1,228,929

Costs paid in connection with long-term debt issuances are reported as expenditures in the governmental funds. These costs are deferred and amortized over the life of the debt in the Statement of Net Assets. (16,349)

See accompanying notes to financial statements.

CITY OF GREENFIELD

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2009**

Interest expenditures are reported in the governmental funds when paid.

Interest expense is reported on the Statement of Activities when incurred. This amount represents the difference between interest paid and interest incurred. \$ (18,797)

Long-term compensated absences and supplemental leave expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This amount represents the change in the long-term compensated absences. (16,818)

Debt repayments are reported as an expenditure in the governments funds. The repayments are not an expense in the Statement of Activities as they are a reduction of a long-term liability.

Debt repayments consisted of the following:

Capital leases	\$ 84,266	
2002 Tax Allocation Bonds	30,000	
2006 Refunding Bonds	<u>300,000</u>	414,266

The issuance of long-term debt is reported as an other financing source in the governmental funds. These inflows of resources are not reported in the Statement of Activities. Long-term debt issuances consisted of the following:

2009 California Housing Financing Agency Loan (500,000)

Governmental funds do not report the amortization of premiums or losses on refunding of debt related to the issuance of debt whereas these amounts are deferred and amortized in the Statement of Activities.

Amortization of Premium on 2006 Tax Allocation Refunding Bonds	13,862
Amortization of Loss on refunding	(189,235)

Revenues are deferred in the governmental funds when they are not received soon enough after year-end to be considered available.

The availability criteria does not apply to the Statement of Net Assets and therefore, the revenue is recognized. (57,969)

Change in Net Assets of Governmental Activities \$ 4,572,140

See accompanying notes to financial statements.

PROPRIETARY FUND FINANCIAL STATEMENTS

CITY OF GREENFIELD

**STATEMENT OF NET ASSETS
PRORIETARY FUNDS
JUNE 30, 2009**

	Business-type Activities			
	Enterprise Funds			
	Water	Sewer	Transit	Total
ASSETS				
Current Assets:				
Cash and investments	\$ 2,676,285	\$ 696,667	\$ 50	\$ 3,373,002
Accounts receivable	85,646	51,724	77,381	214,751
Interest receivable	4,796	3,574		8,370
Total Current Assets	<u>2,766,727</u>	<u>751,965</u>	<u>77,431</u>	<u>3,596,123</u>
Noncurrent Assets:				
Cash and investments with fiscal agent	1,400,658	346,288	39,465	1,786,411
Land	265,409	58,128		323,537
Construction in progress	4,009,001	419,239		4,428,240
Utility lines and equipment	5,007,270	10,147,720	151,272	15,306,262
Accumulated depreciation	(2,184,037)	(2,679,485)	(113,589)	(4,977,111)
Total Noncurrent Assets	<u>8,498,301</u>	<u>8,291,890</u>	<u>77,148</u>	<u>16,867,339</u>
Total Assets	<u>11,265,028</u>	<u>9,043,855</u>	<u>154,579</u>	<u>20,463,462</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	90,260	34,787	1,992	127,039
Due to other funds			114,905	114,905
Service deposits	92,252	79,073		171,325
Accrued interest	47,513	30,306		77,819
Total Current Liabilities	<u>230,025</u>	<u>144,166</u>	<u>116,897</u>	<u>491,088</u>
Noncurrent Liabilities:				
Loans payable	<u>3,620,070</u>	<u>2,309,017</u>		<u>5,929,087</u>
Total Noncurrent Liabilities	<u>3,620,070</u>	<u>2,309,017</u>		<u>5,929,087</u>
Total Liabilities	<u>3,850,095</u>	<u>2,453,183</u>	<u>116,897</u>	<u>6,420,175</u>
NET ASSETS				
Invested in capital assets	3,477,573	5,636,585	37,683	9,151,841
Restricted for:				
Debt Services	3,620,070	2,309,017		5,929,087
Unrestricted	317,290	(1,354,930)	(1)	(1,037,641)
Total Net Assets	<u>\$ 7,414,933</u>	<u>\$ 6,590,672</u>	<u>\$ 37,682</u>	<u>\$ 14,043,287</u>

See accompanying notes to financial statements.

CITY OF GREENFIELD

**STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET ASSETS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2009**

	Business-type Activities			
	Enterprise Funds			
	Water	Sewer	Transit	Total
OPERATING REVENUES				
Sales and services	\$ 914,305	\$ 518,476	\$ 9,408	\$ 1,442,189
Connection fees	23,201			23,201
Other revenues	2,298	2,203		4,501
Total Operating Revenues	939,804	520,679	9,408	1,469,891
OPERATING EXPENSES				
Salaries and wages	154,501	139,954	45,709	340,164
Payroll expense	74,478	66,003	18,557	159,038
Communications	7,223	5,712	1,433	14,368
Contractual services	52,278	13,331	231,311	296,920
Gas and oil	11,087	10,273	9,199	30,559
Insurance	900	900	2,385	4,185
Maintenance - buildings	2,247	5,818		8,065
Maintenance - equipment	24,290	6,461		30,751
Maintenance - vehicles	3,236	4,280	3,201	10,717
Maintenance - Street	2,792	323		3,115
Memberships and dues	404			404
Office expenses	702	453	196	1,351
Property taxes	427	3,935		4,362
Postage	1,185			1,185
Small tools	2,094	1,793		3,887
Special departmental expenses	100,596	1,531	1,160	103,287
Travel, meetings, and conferences	5,843	3,273	1,600	10,716
Utilities	207,274	47,063		254,337
Depreciation	141,037	292,916	12,649	446,602
Total Operating Expenses	792,594	604,019	327,400	1,724,013
Operating Income (Loss)	\$ 147,210	\$ (83,340)	\$ (317,992)	\$ (254,122)

(Continued on next page)

See accompanying notes to financial statements.

CITY OF GREENFIELD

**STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET ASSETS
 PROPRIETARY FUNDS (CONTINUED)
 YEAR ENDED JUNE 30, 2009**

	Business-type Activities			
	Enterprise Funds			
	Water	Sewer	Transit	Total
NONOPERATING REVENUES (EXPENSES)				
LTF revenues			\$ 264,886	\$ 264,886
FTA revenues			39,465	39,465
Interest income	\$ 203,415	\$ 119,524		322,939
Interest expense	(138,747)	(100,008)		(238,755)
Total Nonoperating Revenues (Expenses)	64,668	19,516	304,351	388,535
Income Before Contributions and Transfers	211,878	(63,824)	(13,641)	134,413
Capital contributions	2,519,522	413,599		2,933,121
Transfers in			990	990
Transfers out	(2,842,594)	(2,493,901)		(5,336,495)
Change in Net Assets	(111,194)	(2,144,126)	(12,651)	(2,267,971)
Net Assets, Beginning of Year	7,526,127	8,734,798	50,333	16,311,258
Net Assets, End of Year	\$ 7,414,933	\$ 6,590,672	\$ 37,682	\$ 14,043,287

See accompanying notes to financial statements.

CITY OF GREENFIELD

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009**

	Business-type Activities			
	Enterprise Funds			
	Water	Sewer	Transit	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 952,809	\$ 523,554	\$ 9,408	\$ 1,485,771
Payments to suppliers	(534,982)	(162,270)	(308,349)	(1,005,601)
Payments to employees	(154,501)	(139,954)	(65,866)	(360,321)
Net Cash Provided (Used) by Operating Activities	263,326	221,330	(364,807)	119,849
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	(2,842,594)	(2,493,901)		(5,336,495)
Transfers in			990	990
Grants			395,016	395,016
Net Cash Provided (Used) by Noncapital Financing Activities	(2,842,594)	(2,493,901)	396,006	(4,940,489)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(111,121)	(15,418)		(126,539)
Interest paid	(157,842)	(100,677)		(258,519)
Repayment of long-term debt	(79,930)	(50,983)		(130,913)
Net Cash Provided (Used) by Capital and Related Financing Activities	(348,893)	(167,078)		(515,971)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	201,394	120,421		321,815
Net Increase (decrease) in Cash and Investments	(2,726,767)	(2,319,228)	31,199	(5,014,796)
Cash and Investments, Beginning of Year	6,803,710	3,362,183	8,316	10,174,209
Cash and Investments, End of Year	\$ 4,076,943	\$ 1,042,955	\$ 39,515	\$ 5,159,413
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 147,210	\$ (83,340)	\$ (317,992)	\$ (254,122)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	141,037	292,916	12,649	446,602
Decrease (increase) in accounts receivable	7,154	(2,140)		5,014
Increase (decrease) in accounts payable	(37,926)	8,879	(915)	(29,962)
Increase (decrease) in due to other funds			(58,549)	(58,549)
Increase (decrease) in service deposits	5,851	5,015		10,866
Net Cash Provided (Used) By Operating Activities	\$ 263,326	\$ 221,330	\$ (364,807)	\$ 119,849
NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Contributed capital assets	\$ 2,519,522	\$ 413,599	\$ -	\$ 2,933,121

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City was incorporated on January 7, 1947, as a municipal corporation and operates as a general law city. The City operates under a Council-Manager form of government and provides the following services: public safety (police), public improvements, planning and zoning, and general administrative. The City of Greenfield also provides water, sewer, refuse, and limited transportation services to its citizens.

The accounting policies of the City of Greenfield, California (the City) conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting and financial reporting principles. The following is a summary of the significant policies.

As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Greenfield (the primary government) and its component units. The component unit discussed below is included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

A. Reporting Entity

The reporting entity "City of Greenfield" includes the accounts of the City and the Greenfield Redevelopment Agency (the RDA).

The RDA was formed in July 2000 pursuant to the State of California Health and Safety Code; Section 33000 entitled "Community Redevelopment Law". Its purpose is to finance long-term capital improvements designed to eliminate physical and economic blight in a project area.

The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement Nos. 14 and 39. The City of Greenfield is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's Board, or because the component unit will provide a financial benefit or impose a financial burden on the City. The City has accounted for the RDA as a "blended" component unit. Despite being legally separate, the RDA as so intertwined with the City, it is in substance, part of the City's operations. Accordingly, the balances and transactions of the RDA are reported as separate funds within the Special Revenue, Debt Service, and Capital Projects Funds. The following specific criteria were used in determining that the RDA is a "blended" component unit:

- 1) The members of the City Council also act as the governing body of the RDA.
- 2) The RDA is managed by employees of the City.

The financial statements for the RDA may be obtained at the City Hall.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

B. Accounting and Reporting Policies

The City has conformed to the pronouncements of the GASB, which are the primary authoritative statements of accounting principles generally accepted in the United States of America applicable to state and local governments. In accordance with GASB Statement No. 20, the City applies all applicable Financial Accounting Standards Board (FASB) pronouncements, as well as those of its predecessors, issued on or before November 30, 1989, unless any such pronouncements contradict GASB pronouncements.

C. Description of Funds

The accounts of the City are organized on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following are types of funds used:

GOVERNMENTAL FUNDS

General Fund

The General fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Fund

The capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

C. Description of Funds, (Continued)

PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Revenues are fully accrued to include unbilled services at fiscal year end.

D. Basis of Accounting/Measurement Focus

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Government–Wide Financial Statements

The City’s Government-Wide Financial Statements include a Statement of Net Assets and a Statement of Activities. These statements present summaries of Governmental and Business-type Activities for the City.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and liabilities, including capital assets and infrastructure as well as long-term debt, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenditures are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenditures of a given function are offset by program revenues. Direct expenditures are those that are clearly identifiable with a specific function. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services, 2) operating contributions and grants, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Operating contributions and grants include revenues restricted to meeting the requirements of a particular operating function and may include state shared revenues and grants. Capital contributions and grants include revenues restricted to meeting the requirements of a particular capital function and may include grants and developer fees. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the government-wide financial statements have been eliminated except those between governmental and business-type activities.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

D. Basis of Accounting/Measurement Focus, (Continued)

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and aggregated non-major funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net assets presented in the Government-Wide Financial Statements. The City has presented all major funds that met qualifications of GASB Statement No. 34.

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the current period. “Measurable” means that the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Accrued revenues include property taxes received within 60 days after year-end taxpayer assessed taxes such as sales taxes, and earnings on investments. On the other hand, for reimbursable grants, the City considers revenue to be available if they are collected within one year of the end of the current fiscal year due to the lengthy nature of the reimbursement process. Grant funds earned but not received are recorded as a receivable, and grant funds received before the revenue recognition criteria have been met are reported as deferred revenues. Expenditures are recorded when the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

The City reports the following major governmental funds:

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

The Transportation Development Act Special Revenue Fund is used to account for the receipt of Article 8 funding and the related transportation expenditures.

The Water Impact Fund is used to account for water impact fees collected from new development for connecting (utilizing already built or to build new capacity) to the City’s water system.

The Redevelopment Agency Low/Mod Housing Fund is used to account for the receipt of the Low/Mod tax increment and related Low/Mod expenditures.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

D. Basis of Accounting/Measurement Focus, (Continued)

The Redevelopment Agency Capital Projects Fund is used to account for the projects undertaken by the City's Redevelopment Agency.

The Redevelopment Agency Debt Service Fund is used to account for the debt service activity of the Agency.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Assets, Statement of Revenues, Expenses, and Changes in Net Assets, and Statement of Cash Flows. All Proprietary funds are accounted for on an "economic resources" measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Unbilled service receivables are recorded as accounts receivable and as revenue when earned. With this measurement focus, all assets and liabilities (current and long term) resulting from the operations of these funds are included in the Statement of Net Assets. Accordingly, proprietary fund Statement of Net Assets present assets and liabilities classified into their respective current and long term categories.

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

All proprietary funds are accounted for using the flow of economic resources and accrual basis of accounting. Their revenues are recognized when they are earned and become measurable; expenses are recognized when they are incurred.

The City reports the following major proprietary funds:

The Water Fund is used to account for the City-owned water utility services.

The Sewer Fund is used to account for the City-owned sewer utility services.

The Transit Fund is used to account for the City-owned transit services.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

E. Budgets and Budgetary Accounting

The City is required by its municipal code to adopt an annual budget. From the effective date of the budget, the amounts stated as proposed expenditures become appropriations to the various City departments. The City Council may amend the budget by motion during each fiscal year. The City Manager is authorized to transfer funds from one major expenditure category to another within the same department and fund. Any revisions that alter the total expenditures of any fund must be approved by the City Council.

All appropriations lapse at the end of the fiscal year to the extent that they have not been expended. Lease contracts entered into by the City are subject to annual review by the City Council; hence, they legally are one year contracts with an option for renewal for another fiscal year.

Budgetary comparison schedules are provided in the accompanying financial statements for the general fund, the major budgeted special revenue funds, and the major capital projects fund. Budgeted revenue and expenditure amounts shown represent the City's originally-adopted budget adjusted for supplemental revenues and appropriations during the course of the fiscal year. Budget amounts as well as the final budget reported for the governmental funds of the City are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

F. Investments

The City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Pools*, which require governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred. In accordance with GASB Statement No. 31, the City has adjusted its investments to fair value, when material.

Investments are included within the financial statement classifications of "Cash and Investments" and "Restricted Cash and Investments" and are stated at fair value, (see Note 3).

G. Capital Assets

Capital assets, which include land, machinery and equipment (vehicles, computers, etc.), buildings and improvements, and infrastructure assets (street systems, storm drains, sewer systems, etc.), are reported in Governmental Activities and Business-type Activities columns of the Government-wide Financial Statements as well as the proprietary funds. Capital assets are defined by the City as assets with an initial individual cost of more than \$2,500. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated or annexed capital assets are recorded at estimated market value at the date of donation or annexation.

For proprietary funds, the City capitalizes interest relating to certain long-term construction projects. Capitalized interest is charged to property and equipment and depreciated over the life of the related fixed assets in order to properly match expenses with revenues resulting from the facilities. During the current fiscal period, there was no capitalized interest.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

G. Capital Assets, (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Depreciation is recorded in the Government-wide and the Proprietary Fund Financial Statements on a straight-line basis over the useful life of the assets as follows:

Utility lines and equipment	10 - 40 years
Buildings and improvements	10 - 40 years
Infrastructure	10 - 40 years
Property and equipment	5 - 10 years
Vehicles	5 years

H. Net Assets/Fund Equity

In the Government-wide and Proprietary Fund financial statements net assets are classified in the following categories:

Invested in Capital Assets, Net of Related Debt

This category groups all capital assets into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of capital assets reduce this category.

Restricted Net Assets

This category presents restrictions imposed by creditors, grantors, contributions or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets

Represents the net assets of the City, not restricted for any project or other purpose.

In the Governmental Fund financial statements fund equity is classified in the following categories:

Reserved Fund Balance

Reserved Fund Balance indicates that portion of fund equity which has been legally segregated for specific purposes or is not currently available for appropriation.

Designated Fund Balance

Designated Fund Balance indicates that portion of fund equity for which the City Council has made tentative plans for financial resource utilization in a future period.

Undesignated Fund Balance

Undesignated Fund Balance indicates that portion of fund equity which is available for budgeting in future periods.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

I. Cash and Cash Equivalents

For purposes of the statements of cash flows, cash and cash equivalents include restricted and unrestricted cash.

J. Property Taxes

Property taxes in the State of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:

Property Valuations - are established by the Assessor of the County of Monterey for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100 percent of full value. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2 percent. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax Levies - are limited to 1 percent of full value which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

Tax Levy Dates - are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

Tax Collections - are the responsibility of the county tax collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments: The first is due on November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the county for late payments.

Tax Levy Apportionments - Due to the nature of the City-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Under state legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the county auditor-controller based primarily on the ratio that each agency represented of the total City-wide levy for the three years prior to fiscal year 1979.

Property Tax Administration Fees - The State of California FY 90-91 Budget Act, authorized counties to collect an administrative fee for collection and distribution of property taxes.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

K. Compensated Absences

The City has adopted policies on sick leave and vacation leave. Sick leave is accrued at the rate of ten hours per month by all employees. An employee who leaves the City and is in good standing will be paid a percentage of their sick leave. The minimum percentage is ten percent after five years of service and the maximum is forty percent after twenty years. All other employees who terminate employment will receive no compensation for accumulated sick leave.

Vacation is accrued for employees as follows:

<u>Years of Service</u>	<u>Monthly Accrual</u>	<u>Annually</u>
0 - 4	6-2/3 hours	80 hours
5 - 14	10 hours	120 hours
15 +	14 hours	168 hours

The City allows an employee to accumulate up to three years of earned vacation time prior to requiring the use or loss of earned vacation time. Accrued earned vacation is paid to employees on separation from the City's service.

Accumulated unpaid employee vacation benefits are recognized as liabilities to the City. The current portion of the liabilities is recognized in the General Fund at fiscal year end; this amount represents the portion of compensated absences that is due at June 30, 2009. The non-current portion of the liabilities is recognized along with the current portion in the Statement of Net Assets.

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

M. Use of Restricted Resources

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

N. New Pronouncements

Effective in the Current Year:

GASB Statement No. 45 – In June 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. The City does not provide OPEB benefits, thus this statement had no impact on the City.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

N. New Pronouncements, (Continued)

Effective in the Current Year, (Continued):

GASB Statement No. 49 – In November 2006, the GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. This statement addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. This statement had no impact on the City in the current fiscal year.

GASB Statement No. 52 – In November 2008, the GASB issued Statement No. 52, *Land and Other Real Estate Held as Investment by Endowments*. This statement established consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information they currently present for other investments reported at fair value. This statement is not effective until June 30, 2009. This statement had no impact on the City in the current fiscal year.

GASB Statement No. 55 – In March 2009, The GASB issued Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to incorporate the hierarchy of general accepted accounting principles (GAAP) for state and local governments into the Governmental Accounting Standards Board's (GASB) authoritative literature.

GASB Statement No. 56 – In March 2009, The GASB issued Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*. The objective of this Statement is to incorporate into the Governmental Accounting Standards Board's (GASB) authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' Statements on Auditing Standards.

Effective in the Future Periods:

GASB Statement No. 51 – In June 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This statement establishes accounting and financial reporting standards for many different types of assets that may be considered intangible assets, including easements, water rights, timber rights, patents, trademarks, and computer software. This statement is not effective until June 30, 2010. The City has not determined its effect on the financial statements.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

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

N. New Pronouncements, (Continued)

Effective in the Future Periods, (Continued):

GASB Statement No. 53 – In June 2008, The GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This Statement is intended to improve how state and local governments report information about derivative instruments –financial arrangements used by governments to manage specific risks or make investments-in their financial statements. The Statement specifically requires governments to measure most derivative instruments at fair value in their financial statements that are prepared using the economic resources measurement focus and the accrual basis of accounting. The guidance in this Statement also addresses hedge accounting requirements. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2009, with earlier application encouraged. The City has not determined its effect on the financial statements.

GASB Statement No. 54 – In March 2009, The GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. This statement is not effective until June 30, 2011. The City has not determined its effect on the financial statements.

GASB Statement No. 57 – In December 2009, the GASB issued Statement No. 57, *OPEB Measurements by Agency Employers and Agent Multiple-Employer Plans*. The objective of this statement is to address issues related to the use of alternative measurement method and the frequency and timing of measurements by employers that participate in agency multiple employers other postemployment benefit plans. The statement is effective for periods beginning after June 15, 2011. The City has not determined its effect on the financial statements.

GASB Statement No. 58 – In December 2009, the GASB issued Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*. The objective of this statement is to provide accounting and financial reporting guidance for governments that have petitioned for protection from creditor by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The statement is effective for periods beginning after June 15, 2009. This statement is not expected to impact the financial statements of the City.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Balances

The following funds had deficit fund balances at June 30, 2009, as follows:

Fund	Deficit Fund Balance
Non-Major Governmental Funds:	
<u>Special Revenue Funds</u>	
Youthbuild Grant	\$ 102,578

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, (Continued)

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

The fund balance deficit is the result of incurring costs in advance of receiving revenue. The City expects to fund the deficits through future revenues and/or transfers of funds.

Excess of Expenditures Over Appropriations

Excess of expenditures over appropriations in individual funds are as follows:

Fund	Excess Expenditures
Major Governmental Funds:	
<u>Special Revenue Fund</u>	
Low-Moderate Income Housing Fund	\$ 572,372
General Fund	<u>\$ 21,044</u>
Non-Major Governmental Funds:	
Redevelopment Agency	<u>\$ 6,829</u>

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of June 30, 2009 are as follows:

Cash on hand	\$ 1,332
Pooled cash in bank	414,847
Pooled investments	20,052,095
Cash and investments with fiscal agent	28,588,380
Total	<u>\$ 49,056,654</u>

Cash and investments are reported in the basic financial statements as follows:

Governmental Activities:	
Cash and investments	\$ 15,030,856
Restricted cash and investments	28,866,385
Business-type Activities:	
Cash and investments	3,373,002
Cash and investments with fiscal agent	1,786,411
Total Cash and Investments	<u>\$ 49,056,654</u>

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 3 - CASH AND INVESTMENTS, (Continued)

Investments Authorized by the California Government Code and the City’s Investment Policy

The table below identifies the investment types that are authorized for the City 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 Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	180 days	15%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Time deposits	5 years	25%	None
Repurchase Agreements	90 days	None	None
Reverse Repurchase Agreements	90 days	20%	None
Medium-Term Notes	5 years	30%	15%
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
JPA Pools (other investment pools)	N/A	None	None

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 3 - CASH AND INVESTMENTS, (Continued)

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee 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.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>
U.S. Treasury Obligations	None
U.S. Agency Securities	None
Banker's Acceptances	365 days
Commercial Paper	None
Negotiable Certificates of Deposit	None
Investment Agreements	None
Repurchase Agreements	30 days
Money Market Mutual Funds	N/A
Local Agency Investment Fund (LAIF)	N/A

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.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 3 - CASH AND INVESTMENTS, (Continued)

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		Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
LAIF	\$ 14,765,799	\$ 14,765,799			
Monterey County Investment Pool	1,028,326	1,028,326			
Money Market Funds	2,511,025	2,511,025			
Negotiable Certificates of Deposit	710,856	302,892	\$ 200,904		\$ 207,060
Held by Bond Trustee:					
Investment Agreements	1,970,551			\$ 1,970,551	
Money market funds	27,653,918	27,653,918			
Total	\$ 48,640,475	\$ 46,261,960	\$ 200,904	\$ 1,970,551	\$ 207,060

Disclosure Relating to Investment Policy

As of June 30, 2009, the City held Negotiable Certificates of Deposits in the investment portfolio with final maturity dates of January 12, 2015 and August 27, 2018, respectively. These investments exceed the State of California Government Code and the City of Greenfield’s Investment Policy five-year maturity limitation. Upon sale, call or maturity, the proceeds from these securities will be reinvested in compliance with the State Code and the City of Greenfield Investment Policy.

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 year end for each investment type:

Investment Type	Fair Value	Moody's	
		AAA	Unrated
LAIF	\$ 14,765,799		\$ 14,765,799
Monterey County Investment Pool	1,028,326		1,028,326
Money market funds	2,511,025	\$ 2,511,025	
Held by Bond Trustee:			
Investment contracts	1,970,551		1,970,551
Negotiable Certificates of Deposit	710,856		710,856
Money market funds	27,653,918	27,653,918	
Total	\$ 48,640,475	\$ 30,164,943	\$ 18,475,532

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 3 - CASH AND INVESTMENTS, (Continued)

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The City had no investments as defined by GASB 40 in any one issuer that represent 5 percent or more of total City's investments.

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 market value of the pledged securities in the collateral pool must equal at least 110 percent 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 percent of the secured public deposits.

GASB Statement No. 40 requires that the following disclosure be made with respect to custodial credit risks relating to deposits and investments: \$21,084 of the City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts as described above.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 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.

LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer's office. The City is a voluntary participant in the investment pool.

Investment in Monterey County Investment Pool

The City is a voluntary participant in the Monterey County Investment Pool that is regulated by the California Government Code and by the County's investment policy whose objectives include safety, liquidity, yield, and public trust. 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 reports received by the City from the County of Monterey. The fair value of City's position in the County's Investment Pool is the same as the value of the pool shares. The balance available for withdrawal is based on the accounting records maintained by County of Monterey.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 3 - CASH AND INVESTMENTS, (Continued)

Investment in Monterey County Investment Pool, (Continued)

The Monterey County Investment Pool is a governmental investment pool managed and directed by the County of Monterey Treasurer-Tax Collector Division and is not registered with the Securities and Exchange Commission. A Treasury Oversight Committee nominated by the County Treasurer and confirmed by the County’s of Monterey Board of Supervisors provides oversight through periodic review. A separate financial report for Monterey County is prepared by the Auditor-Controller Division. Copies of the report can be obtained from the County’s Auditor-Controller located at 168 West Alisal St. 3rd Floor, Salinas, California 93901 or by navigating their website at <http://www.co.monterey.ca.us/auditor>.

NOTE 4 - NOTES RECEIVABLE

Types of Notes and Loans	Beginning Balance	Additions	Deletions	Ending Balance	Amount Deferred	Reserved Fund Balance
A. Housing Rehabilitation	\$ 655,828			\$ 655,828	\$ 655,828	
B. 2005 CHISPA Loan	500,000			500,000	500,000	
C. 2009 CHISPA Loan		\$ 500,000		500,000	500,000	
D. 2009 CHISPA Loan		700,000		700,000	700,000	
E. Residential Downpayment Assistance	914,414	69,011		983,425	983,425	
F. Development Fees Assistance	2,053			2,053		\$ 2,053
Total Notes and Loans	<u>\$ 2,072,295</u>	<u>\$ 1,269,011</u>	<u>\$ -</u>	<u>\$ 3,341,306</u>	<u>\$ 3,339,253</u>	<u>\$ 2,053</u>

- A. The City provides loans to eligible citizens through the RDA Low-Moderate Income Housing and HOME Grant funds for housing rehabilitation. Interest is generally deferred and repayment occurs when property ownership changes. The balance outstanding at June 30, 2009 is \$655,828.
- B. On December 28, 2005, the City entered into an agreement with the Community Housing Improvement Systems and Planning Association (CHISPA), a nonprofit housing Agency, where the Agency contributed \$500,000 towards their cost in developing a 40 unit multi-family residential project named Walnut Place for low and moderate income households. In exchange for the Agency contribution, the Agency obtained a promissory note and deed of trust secured by the housing project. CHISPA agrees to maintain the project in accordance with certain low and moderate income restrictions imposed upon it by the Agency. Repayment of the \$500,000 note is not due as long as CHISPA meets the requirements of the various restrictions. Accordingly, the Agency has recorded a note receivable and offsetting deferred revenue since the value of the note is not a source of readily available funding.
- C. On April 10, 2009, the City entered into an agreement with the Community Housing Improvement Systems and Planning Association (CHISPA), a nonprofit Agency, where the Agency contributed \$500,000 towards their cost in developing a 40 unit multi-family residential project named Vineyard Green Townhomes for low and moderate income households. In exchange for the Agency contribution, the Agency obtained a promissory note and deed of trust secured by the housing project. CHISPA agrees to maintain the project in accordance with certain low and moderate income restrictions imposed upon it by the Agency. Repayment of the \$500,000 note is not due until 55 years from the date the agreement was signed. Accordingly, the Agency has recorded a note receivable and offsetting deferred revenue since the value of the note is not a source of readily available funding.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 4 - NOTES RECEIVABLE, (Continued)

- D. On April 10, 2009, the City entered into an agreement with the Community Housing Improvement Systems and Planning Association (CHISPA), a nonprofit Agency, where the Agency contributed \$700,000 towards their cost in developing a 40 unit multi-family residential project named Vineyard Green Townhomes for low and moderate income households. In exchange for the Agency contribution, the Agency obtained a promissory note and deed of trust secured by the housing project. CHISPA agrees to maintain the project in accordance with certain low and moderate income restrictions imposed upon it by the Agency. Repayment of the \$700,000 note is not due until 55 years from the date the agreement was signed. Accordingly, the Agency has recorded a note receivable and offsetting deferred revenue since the value of the note is not a source of readily available funding.
- E. At June 30, 2009, the City held \$983,425 in promissory notes secured by deeds of trust for various residential properties for households that participated in the Agency's down payment assistance program for low and moderate income households. The promissory notes accrue simple interest of 3.0 percent and repayment of the principal and interest is deferred for 30 years, unless the property is sold or transferred. Accordingly, the Agency has recorded notes receivable and offsetting deferred revenue since the value of the notes are not a source of readily available funding.
- F. A promissory note was issued January 30, 2003, for the purpose of assisting a property owner with payment for development fees. The note is secured by a deed of trust on the property and is payable in a single lump sum payment due February 1, 2008. As of June 30, 2009, payment has not been received.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 5 - CAPITAL ASSETS

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructure in the Government-wide Statement of Net Assets. The City elected to use the basic approach as defined by GASB Statement No. 34 for all infrastructure reporting, whereby depreciation expense and accumulated depreciation has been recorded. The following table presents the capital assets activity for the year ended June 30, 2009.

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 2,088,184			\$ 2,088,184
Construction in progress	1,302,935	\$ 2,061,603	\$ (335,966)	3,028,573
Total Capital Assets Not Being Depreciated	3,391,119	2,061,603	(335,966)	5,116,757
Capital Assets, Being Depreciated:				
Buildings and improvements	7,616,033	472,355		8,088,388
Vehicles	1,025,101	23,749	(33,477)	1,015,373
Property and equipment	831,722	85,509	(21,904)	895,327
Infrastructure	1,910,692			1,910,692
Total Capital Assets Being Depreciated	11,383,548	581,613	(55,381)	11,909,780
Less Accumulated Depreciation For:				
Buildings and improvements	(1,674,733)	(403,716)		(2,078,449)
Vehicles	(900,611)	(78,036)	33,477	(945,170)
Property and equipment	(560,754)	(72,543)	15,374	(617,923)
Infrastructure	(145,667)			(145,667)
Total Accumulated Depreciation	(3,281,765)	(554,295)	48,851	(3,787,209)
Total Capital Assets, Being Depreciated, Net	8,101,783	27,318	(6,530)	8,122,571
Governmental Activities Capital Assets, Net	\$ 11,492,902	\$ 2,088,921	\$ (342,496)	\$ 13,239,328

Depreciation expense was charged to functions/programs of the primary government as follows:

General Government	\$ 41,034
Public Works	6,547
Building and Planning	4,002
Parks and Recreation	162,807
Community Development	26,696
Public Safety	109,580
Streets and Roads	203,629
Total Depreciation Expense Governmental Activities	\$ 554,295

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 5 - CAPITAL ASSETS, (Continued)

Capital assets of proprietary fund types at June 30, 2009, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 323,537			\$ 323,537
Construction in progress	1,427,524	\$ 3,000,716		4,428,240
Total Capital Assets Not Being Depreciated	1,751,061	3,000,716		4,751,777
Capital Assets, Being Depreciated:				
Utility lines and equipment	15,291,836	58,945	\$ (44,998)	15,305,783
Total Capital Assets Being Depreciated	15,291,836	58,945	(44,998)	15,305,783
Less Accumulated Depreciation For:				
Utility lines and equipment	(4,575,027)	(446,603)	44,998	(4,976,632)
Total Accumulated Depreciation	(4,575,027)	(446,603)	44,998	(4,976,632)
Total Capital Assets, Being Depreciated, Net	10,716,809	(387,658)		10,329,151
Business-type Activities Capital Assets, Net	\$ 12,467,870	\$ 2,613,058	\$ -	\$ 15,080,928

Depreciation expense was charged to the Water, Sewer, and Transit funds in the amounts of \$141,037, \$292,916, and \$12,649, respectively.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 6 – LONG-TERM DEBT

A. Redevelopment Project 2002 Tax Allocation Refunding and Escrow Bonds

On April 18, 2002, the Redevelopment Agency of the City of Greenfield adopted a Resolution authorizing the sale of \$4,005,000 aggregate principal amount of Greenfield Redevelopment Agency 2002 Tax Allocation Refunding and Escrow Bonds at interest rates ranging from 4.125 to 5.8 percent for the purpose of retiring \$1,500,000 of tax allocation notes issued on December 1, 2000, and to provide additional redevelopment project funds. A portion of the bonds were advance refunded during the year by the 2006 Tax Allocation Refunding Bonds; see Note 13 for the pledged revenue disclosure. The bonds mature on February 1 of each year to 2032 with interest payable semiannually as follows:

<u>Year End June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 30,000	\$ 89,556	\$ 119,556
2011	30,000	88,130	118,130
2012	35,000	86,668	121,668
2013	40,000	84,918	124,918
2014	40,000	82,868	122,868
2015-2019	220,000	381,012	601,012
2020-2024	300,000	308,828	608,828
2025-2029	410,000	207,000	617,000
2030-2032	435,000	60,000	495,000
Total	<u>\$ 1,540,000</u>	<u>\$ 1,388,980</u>	<u>\$ 2,928,980</u>

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 6 – LONG-TERM DEBT, (Continued)

B. 2006 Tax Allocation Bonds

On December 5, 2006, the Agency issued \$29,810,000 in Tax Allocation Bonds Series 2006 to defease its 2005 Tax Allocation Bonds, partial defease its 2002 Tax Allocation Binds, provide approximately \$23,000,000 in new funding for various redevelopment projects, fund a debt service reserve fund, fund capitalized interest, and pay issuance costs related to the bonds. The interest rate on the bonds varied from 3.625 to 4.75 percent and began maturing on February 2, 2008 with final maturity on February 1, 2037. See Note 13 for the pledged revenue disclosure.

Principal and interest payments due on the Bonds are as follows:

Year End June 30,	Principal	Interest	Total
2010	\$ 400,000	\$ 1,299,946	\$ 1,699,946
2011	470,000	1,283,946	1,753,946
2012	550,000	1,265,146	1,815,146
2013	600,000	1,243,146	1,843,146
2014	670,000	1,219,146	1,889,146
2015-2019	3,845,000	5,662,402	9,507,402
2020-2024	4,650,000	4,848,346	9,498,346
2025-2029	5,695,000	3,792,168	9,487,168
2030-2034	7,150,000	2,336,290	9,486,290
2035-2037	5,380,000	518,700	5,898,700
Total	<u>\$29,410,000</u>	<u>\$23,469,236</u>	<u>\$52,879,236</u>

C. 2005 California Housing Finance Agency Loan Agreement

On April 10, 2005, the Agency entered into a loan agreement with the California Housing Finance Agency in the amount of \$500,000. As part of its agreement dated December 28, 2005 with Community Housing Improvement Systems and Planning Association (CHISPA), a nonprofit housing Agency, the Agency contributed the loan proceeds to CHISPA for the development and construction of Walnut Place, a 40-unit multifamily rental complex. In the loan arrangement between the Agency and the California Housing Agency, principal and interest is due 10 years from the date of the agreement with interest accruing at simple interest of 3 percent from March 16, 2006, the date of disbursement. The Agency intends to use low-moderate income housing funds for the repayment of the loan. All principal and interest amounts are payable at maturity on April 10, 2015. The accumulated interest amount payable is \$48,125 as of June 30, 2009. The interest payable is included in interest payable on the Statement of Net Assets. The loan payable amount is as follows:

Year End June 30, 2015	Principal	Interest	Total
	<u>\$ 500,000</u>	<u>\$ 48,125</u>	<u>\$ 548,125</u>

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 6 – LONG-TERM DEBT, (Continued)

D. 2009 California Housing Finance Agency Loan Agreement

On May 2, 2007, the Agency entered into a loan agreement with the California Housing Finance Agency in the amount of \$500,000. As part of its agreement dated April 10, 2009 with Community Housing Improvement Systems and Planning Association (CHISPA), a nonprofit housing Agency, the Agency contributed the loan proceeds to CHISPA for the development and construction of the Vineyard Green Townhomes Project, a 40-unit rental development. In the loan arrangement between the Agency and the California Housing Agency, principal and interest is due 10 years from the date of the agreement with interest accruing at simple interest of 3.5 percent from March 11, 2009, the date of disbursement. The Agency intends to use low-moderate income housing funds for the repayment of the loan. All principal and interest amounts are payable at maturity on May 10, 2017. The accumulated interest amount payable is \$4,375 as of June 30, 2009. The loan payable amount is as follows:

<u>Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
June 30, 2017	<u>\$ 500,000</u>	<u>\$ 4,375</u>	<u>\$ 504,375</u>

E. Prior Years' Partial Defeasance of 2002 Tax Allocation Refunding and Escrow Bonds

On December 5, 2006, the Agency issued its Tax Allocation Bonds Series 2006 for the partial defeasance of the Agency's 2002 Tax Allocation Refunding and Escrow Bonds. The 2006 transaction set up an irrevocable escrow to retire \$2,280,000 of 2002 Bonds. In turn, the portion of the 2002 Bonds that were not part of the defeasance are still reflected in the Agency's balance as debt. The outstanding balance of the defeased debt as of June 30, 2009, was \$2,160,000.

F. California Infrastructure and Economic Development Bank (CIEDB) Loans

In September 2006 the City entered into two agreements with the California Infrastructure and Economic Development Bank (CIEDB). The agreements provide financing for two projects within the City. The first agreement is for the 10th Street Water Expansion project (Water Expansion Project) and the second agreement is for the Wastewater Treatment Plant Expansion (Wastewater Plant Expansion). The Water Expansion Project financing agreement is \$3,700,000 and the Wastewater Plant Expansion financing agreement is \$2,360,000. See Note 13 for the pledged revenue disclosure related to these two loans.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 6 – LONG-TERM DEBT, (Continued)

F. California Infrastructure and Economic Development Bank (CIEDB) Loans, (Continued)

Funds can only be drawn upon after the City has forwarded eligible invoices to CIEDB. The requested funds are subject to CIEDB approval as defined in the agreement. To qualify for reimbursement under the original terms of the agreements all invoices for the each of the projects were expected to be submitted to the CIEDB by November 14, 2008; however, the City has been provided an extension to submit all invoices by June 30, 2009 for both agreements. The total estimated costs of the projects are \$4,168,400 for the Water Expansion Project and \$2,799,500 for the Wastewater Plant Expansion. The difference is the City’s portion that will be funded by the respective funds. As of June 30, 2009 the City has not received/requested all funds from the CIEDB.

Principal and interest payments due on the loans are as follows:

Year End June 30,	Water Fund		
	Principal	Interest	Total
2010	\$ 82,448	\$ 112,734	\$ 195,182
2011	85,045	110,096	195,141
2012	87,724	107,374	195,098
2013	90,487	104,567	195,054
2014	93,338	101,672	195,010
2015-2019	512,688	461,639	974,327
2020-2024	598,686	374,287	972,973
2025-2029	699,109	272,279	971,388
2030-2034	816,378	153,166	969,544
2035-2037	554,167	26,546	580,713
Total	<u>\$ 3,620,070</u>	<u>\$ 1,824,360</u>	<u>\$ 5,444,430</u>

Year End June 30,	Sewer Fund		
	Principal	Interest	Total
2010	\$ 52,588	\$ 71,906	\$ 124,494
2011	54,245	70,223	124,468
2012	55,954	68,487	124,441
2013	57,716	66,697	124,413
2014	59,535	64,850	124,385
2015-2019	327,017	294,450	621,467
2020-2024	381,867	238,736	620,603
2025-2029	445,902	173,672	619,574
2030-2034	520,723	97,695	618,418
2035-2037	353,470	16,931	370,401
Total	<u>\$ 2,309,017</u>	<u>\$ 1,163,647</u>	<u>\$ 3,472,664</u>

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 7 - CAPITAL LEASE PAYABLE

On January 1, 2006, the City of Greenfield entered into a capital lease agreement with Municipal Finance Corporation. The lease proceeds are being used for the construction, acquisition and installation of certain capital improvements (consisting primarily of a new City Hall facility) and to retire a "Phase II" loan with Westamerica Bank. The amount of the lease is \$2,500,000 and accrues interest at 5.1 percent. The lease is secure by revenues from the general fund. Semiannual lease payments are due June 30 and December 30 of each year, commencing June 30, 2009. Future minimum lease payments are as follows:

Year End June 30,	
2010	\$ 200,862
2011	200,862
2012	200,862
2013	200,862
2014	200,862
2015-2019	1,004,310
2020-2024	1,004,310
2025-2026	301,293
Total Minimum Lease Payments	<u>3,314,223</u>
Less amount representing interest	(1,091,489)
Present value on net minimum lease payments	<u><u>\$ 2,222,734</u></u>

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 8 - CHANGES IN LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the fiscal year ended June 30, 2009:

	Balance Beginning of Year	Additions	Deletions	Balance End of Year	Amount Due in 2009-10
<u>Governmental Activities</u>					
Bonds and Leases Payable:					
2002 Tax allocation bonds	\$ 1,570,000		\$ (30,000)	\$ 1,540,000	\$ 30,000
2006 Refunding Tax Allocation Bonds	29,710,000		(300,000)	29,410,000	400,000
2006 Bond Issuance Premium	408,941		(13,862)	395,079	
Less: Deferred Amount on Refunding	(473,088)		189,235	(283,853)	
2005 California Housing Finance					
Agency Loan	500,000			500,000	
Accrued Interest		\$ 48,125		48,125	
2009 California Housing Finance					
Agency Loan		500,000		500,000	
Accrued Interest		4,375		4,375	
Capital lease payable	2,307,000		(84,266)	2,222,734	88,618
Total Bonds and Leases Payable	<u>34,022,853</u>	<u>552,500</u>	<u>(238,893)</u>	<u>34,336,460</u>	<u>518,618</u>
Other Liabilities:					
Compensated absences	240,935	16,818		257,753	
Total Governmental Activities					
Long-Term Liabilities	<u>\$34,263,788</u>	<u>\$ 569,318</u>	<u>\$ (238,893)</u>	<u>\$34,594,213</u>	<u>\$ 518,618</u>

Payments for the tax allocation bonds are made from the Redevelopment Agency Debt Service Fund while the capital lease payments are made from the General Fund. Repayment of the loans will be made from the Redevelopment Low/Mod Housing Fund. The compensated absences liability is expected to be liquidated primarily by the General Fund.

	Balance Beginning of Year	Additions	Deletions	Balance End of Year	Amount Due in 2009-10
<u>Business-type Activities</u>					
Water Loan	\$ 3,700,000		\$ (79,930)	\$ 3,620,070	\$ 82,448
Sewer Loan	2,360,000		(50,983)	2,309,017	52,588
Total Governmental Activities	<u>\$ 6,060,000</u>	<u>\$ -</u>	<u>\$ (130,913)</u>	<u>\$ 5,929,087</u>	<u>\$ 135,036</u>

Payments for the loans are made from the Water and Sewer Enterprise Funds.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 9 - INTERFUND TRANSACTIONS

Interfund Receivables and Payables

Interfund receivables and payables consist of short-term loans resulting from regular transactions. These loans are expected to be repaid as soon as the borrowing fund has cash, and carry an interest rate equal to the rate earned on pooled cash.

Individual fund interfund receivables and payables balances as of June 30, 2009, were as follows:

		Due From Other Funds				
		RDA Low/Mod Housing	RDA Capital Project	Transit Enterprise	Other Governmental	Total
Due To Other Funds	General Fund			\$ 114,905	\$ 484,446	\$ 599,351
	Transportation Development Act				2,247	2,247
	RDA Debt Service	\$ 625,000	\$ 1,850,000			2,475,000
	Other Governmental				964	964
	Total	\$ 625,000	\$ 1,850,000	\$ 114,905	\$ 487,657	\$ 3,077,562

During the fiscal year the General Fund covered general expenditures of the funds noted above in the amount of \$599,351. The General Fund is expected to be reimbursed once receipts of draw downs on grants, receipts of accounts receivables or cash transfers are received by the Funds noted above. The \$2,475,000 was recorded to cover capital project expenditures and general expenditures incurred in the RDA Capital Project Fund and Low/Mod Fund. The RDA Debt Service Fund is expected to be reimbursed from draw downs of bond monies or tax increments once received by the Funds. The \$2,247 and \$964 were recorded to cover general expenditures in the Gas Tax 2107.5 and Gas Tax 2106 Funds; the balances will be repaid once gas tax monies are received.

Transfers

Individual transfers at June 30, 2009, were as follow:

		Transfers From						
		General Fund	RDA Low/Mod	Other Governmental	Sewer Enterprise	Water Enterprise	RDA Debt Service	Total
Transfers To	General Fund			\$ 160,899	\$ 125,000	\$ 125,000		\$ 410,899
	Water Impact Fund					2,467,594		2,467,594
	RDA Debt Service Fund						78,600	78,600
	Other Governmental	\$ 2,511,025	\$ 18,374	1,010,517	2,368,901	250,000	1,444,744	7,603,561
	Transit Enterprise	990						990
Total	\$ 2,512,015	\$ 18,374	\$ 1,171,416	\$ 2,493,901	\$ 2,842,594	\$ 1,523,344	\$ 10,561,644	

With Council approval, resources may be transferred from one City fund to another. Transfers are used to (1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires expending them, and (2) recover overhead and administration costs.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 10 - RISK MANAGEMENT

The City provides for workers' compensation and liability through a self-funded joint powers agency, Monterey Bay Area Insurance Fund. JPA accounts are not separately maintained for each participant.

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the Monterey Bay Area Self Insurance Authority (MBASIA). MBASIA is composed of 10 California public entities and is organized under a joint powers agreement pursuant to California Government Code 6500 et seq. The purpose of MBASIA is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverage.

MBAIF Insurance Programs

General Liability: The City is self-insured for the first \$10,000 of each liability claims. Claims above \$10,000 up to \$490,000 are paid by MBASIA. Claims above \$490,000 up to \$9.4 million are covered by insurance purchased by MBASIA.

Workers' Compensation: The City does not retain a self-insured portion of workers' compensation claims. Annual premiums for coverage up to statutory levels are paid to MBASIA based on the level of claims activity. A third party claims administrator is contracted by MBASIA to manage claims activity.

Other Insurance Programs

Property and Auto: The City purchases other policies through a commercial insurance agency. The coverage includes property (including earthquake) damage, commercial crime, and commercial inland marine. Coverage limits are \$4,780,000 for property, and \$360,000 for commercial crime.

Adequacy of Protection

During the past three fiscal (claims) years none of the above programs of protection have had settlements or judgments that exceeded insured coverage. There have been no significant reductions in insured liability coverage from coverage in the prior year.

A stand alone financial statement report can be obtained through the Chief Administrative Officer, 144 Montclair Drive, Santa Cruz, California 95060. Summary financial information on the Fund for the fiscal year ended June 30, 2008 (most recent information available), is as follows:

Total Assets	\$ 14,373,266
Total Liabilities	21,203,633
Total Liabilities and Retained Earnings	<u>\$ (6,830,367)</u>
Total Revenues for Year	\$ 4,656,515
Total Expenses for Year	6,183,313
Net (Loss) for Year	<u>\$ (1,526,798)</u>

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 11 - CITY EMPLOYEES' RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)

Plan Description

The City of Greenfield contributes to the California Public Employees Retirement system (PERS), a cost sharing public employee defined benefit pension plan. PERS provides retirement, disability benefits, 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. Copies of PERS' annual financial report may be obtained from its executive office at 400 "P" Street, Sacramento, California 95814.

Funding Policy

Participants are required to contribute 7 percent of their annual covered payroll for miscellaneous employees and 9 percent of their annual covered payroll for safety employees. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate of fiscal year 2008-2009 was 8.725 percent for miscellaneous employees, and 21.765 percent for safety employees which was determined by an actuarial valuation of the plans as of October 1, 2007. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS. Benefit provision and all other requirements are established by State statute and City contracts with employee bargaining groups.

Safety Plan

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/07	\$ 359,982	100%	\$0
6/30/08	367,609	100%	\$0
6/30/09	371,090	100%	\$0

Miscellaneous Plan

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/07	\$ 164,563	100%	\$0
6/30/08	162,180	100%	\$0
6/30/09	189,677	100%	\$0

NOTE 12 - CONTINGENCIES AND COMMITMENTS

Lawsuits

There are certain legal actions pending against the City which management considers incident to normal operations, some of which seek substantial monetary damages. In the opinion of management, after consultation with counsel, the ultimate resolution of such actions is not expected to have a significant effect on the financial position or the results of operations of the City.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 12 - CONTINGENCIES AND COMMITMENTS, (Continued)

State and Federal Grants

The City has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

State of California Financial Condition

The State of California is currently experiencing financial difficulties. It is unknown at this time what effect, if any, this will have on the City of Greenfield.

NOTE 13 – REVENUE PLEDGES

The Agency has pledged tax increment revenues to repay the 2006 Tax Allocation Bonds; the aggregate amount of the bonds outstanding at June 30, 2009 was \$29,710,000. Also, the Agency has pledged tax increment revenues to repay the 2002 Tax Allocation Bonds; the aggregate amount of the bonds outstanding at June 30, 2009 was \$1,540,000.

The bonds are payable solely from the tax increment generated by increased property taxes in the Redevelopment project areas. Tax increments were projected to produce 125 percent of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds totals \$55,808,216 payable through 2037. For the current year, principal and interest paid and total tax increment revenues were \$1,732,888 and \$2,498,489, respectively.

The City has pledged future revenues from its Sewer Enterprise Fund to repay \$2.3 million related to a loan agreement dated September 1, 2006. The funds are to provide funding for the City's Wastewater Treatment Plant Expansion Project. The loan is payable solely from sewer customer revenues and are payable through 2037. The total principal and interest remaining to be paid on the bonds is \$3,472,664. Principal and interest paid for the current year and total customer revenues were \$72,867 and \$520,679 respectively.

The City has pledged future revenues from its Water Enterprise Fund to repay \$3.6 million related to a loan agreement dated September 1, 2006. The funds are to provide funding for the City's Tenth Street Water System Expansion Project. The loan is payable solely from water customer revenues and are payable through 2037. The total principal and interest remaining to be paid on the bonds is \$5,444,430. Principal and interest paid for the current year and total customer net revenues were \$114,031 and \$939,804 respectively.

NOTE 14 – AGREEMENTS

The City's Redevelopment Agency (RDA) entered into a guaranty agreement whereby the RDA became a "Guarantor" for the Greenfield Fire Protection District (the "District") for a capital lease purchase that the District entered into to finance the purchase of fire apparatus. Additionally, the RDA entered into an "Indemnity and Reimbursement Agreement" with the Districts whereby the District agrees to repay the RDA, in full, any payments made by the Agency pursuant to the Guaranty agreement.

CITY OF GREENFIELD

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 15 – SUBSEQUENT EVENTS

In July 2009, the California State Legislature passed a series of bills affecting counties, cities, redevelopment agencies and special districts. This legislation authorized the State of California to borrow from or defer revenues to local governments for fiscal year 2009-2010. The revenues affected include the following:

- Property Taxes – County auditors are directed to reduce 2009-2010 property tax allocations by an amount equal to 8.0 percent, except in limited circumstances.
- Redevelopment Agency Property Taxes - \$1.7 billion in redevelopment revenues will be shifted to the Supplemental Educational Revenue Augmentation Fund in 2009-2010, thereby benefiting the State General Fund. An additional \$350 million is shifted in 2010-2011. For just 2009-2010, the 20 percent set-aside to the low and moderate income housing fund is suspended. Suspended amounts must be repaid by June 30, 2015. For agencies that do not comply with allocating its full share of the shift, the low and moderating income set-aside is permanently increased by 5.0 percent.

The borrowing and deferrals by the State are expected to materially affect the local government's cash flows subsequent to year-end. In order to mitigate for the loss of and replace this revenue, the City participated in the Property Tax 1A Securitization Program that was authorized by the State and managed and sold by California Communities.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GREENFIELD

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND**

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes and assessments	\$ 3,248,200	\$ 3,248,200	\$ 3,196,014	\$ (52,186)
Licenses and permits	186,400	186,400	92,892	(93,508)
Fines and penalties	97,000	97,000	82,017	(14,983)
Use of money and property	160,000	160,000	69,784	(90,216)
Intergovernmental revenues	106,800	106,800	70,827	(35,973)
Charges for services	1,769,800	1,769,800	1,780,847	11,047
Other revenues	36,400	36,400	172,130	135,730
Total Revenues	5,604,600	5,604,600	5,464,511	(140,089)
EXPENDITURES				
Current:				
General government	1,170,180	1,183,080	1,076,900	106,180
Public works	1,398,816	1,402,866	1,323,710	79,156
Building and planning	291,590	291,590	316,943	(25,353)
Parks and recreation	252,789	262,389	313,672	(51,283)
Public safety	2,526,465	2,526,465	2,641,191	(114,726)
Capital outlay	34,500	40,700	55,827	(15,127)
Debt service:				
Principal	123,000	123,000	84,266	38,734
Interest	77,865	77,865	116,490	(38,625)
Total Expenditures	5,875,205	5,907,955	5,928,999	(21,044)
Excess (Deficiency) of Revenues Over Expenditures	(270,605)	(303,355)	(464,488)	(161,133)
OTHER FINANCING SOURCES (USES)				
Transfers in	408,000	408,000	410,899	2,899
Loan proceeds	(511,000)	(511,000)		511,000
Transfers out			(2,512,015)	(2,512,015)
Total Other Financing Sources	(103,000)	(103,000)	(2,101,116)	(1,998,116)
Net Change in Fund Balance	(373,605)	(406,355)	(2,565,604)	(2,159,249)
Fund Balance, Beginning of Year	5,253,202	5,253,202	5,253,202	
Fund Balance, End of Year	\$ 4,879,597	\$ 4,846,847	\$ 2,687,598	\$ (2,159,249)

CITY OF GREENFIELD

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
TRANSPORTATION DEVELOPMENT ACT – SPECIAL REVENUE FUNDS**

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Use of money and property			\$ 125	\$ 125
Intergovernmental revenues			81,909	81,909
Other revenues			264,964	264,964
Total Revenues			346,998	346,998
EXPENDITURES				
Current:				
Streets and roads	\$ 805,994	\$ 805,994	447,373	358,621
Total Expenditures	805,994	805,994	447,373	358,621
Net Change in Fund Balance	(805,994)	(805,994)	(100,375)	705,619
Fund Balance, Beginning of Year	346,731	346,731	346,731	
Fund Balance, End of Year	\$ (459,263)	\$ (459,263)	\$ 246,356	\$ 705,619

CITY OF GREENFIELD

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
WATER IMPACT – SPECIAL REVENUE FUNDS**

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property			\$ 50,855	\$ 50,855
Other revenues			125,298	125,298
Total Revenues			176,153	176,153
EXPENDITURES				
Current:				
Public works	\$ 190,000	\$ 190,000		190,000
Capital outlay	2,560,740	2,560,740	2,519,522	41,218
Debt service:				
Interest			6,462	(6,462)
Total Expenditures	2,750,740	2,750,740	2,525,984	224,756
Excess (Deficiency) of Revenues Over Expenditures	(2,750,740)	(2,750,740)	(2,349,831)	400,909
OTHER FINANCING SOURCES (USES)				
Transfers in			2,467,594	2,467,594
Total Other Financing Sources (Uses)			2,467,594	2,467,594
Net Change in Fund Balance	(2,750,740)	(2,750,740)	117,763	2,868,503
Fund Balance, Beginning of Year	1,531,959	1,531,959	1,531,959	
Fund Balance, End of Year	<u>\$ (1,218,781)</u>	<u>\$ (1,218,781)</u>	<u>\$ 1,649,722</u>	<u>\$ 2,868,503</u>

CITY OF GREENFIELD

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
RDA LOW/MOD FUNDS – SPECIAL REVENUE FUNDS**

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes and assessments	\$ 672,400	\$ 672,400	\$ 624,622	\$ (47,778)
Use of money and property	100,000	100,000	66,979	(33,021)
Other revenues	58,100	58,100	25	(58,075)
Total Revenues	<u>830,500</u>	<u>830,500</u>	<u>691,626</u>	<u>(138,874)</u>
EXPENDITURES				
Current:				
Community development	859,228	859,228	1,419,950	(560,722)
Debt service:				
Interest			11,650	(11,650)
Total Expenditures	<u>859,228</u>	<u>859,228</u>	<u>1,431,600</u>	<u>(572,372)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(28,728)</u>	<u>(28,728)</u>	<u>(739,974)</u>	<u>(711,246)</u>
OTHER FINANCING SOURCES (USES)				
Loan proceeds			500,000	500,000
Transfers out	<u>(306,820)</u>	<u>(306,820)</u>	<u>(18,374)</u>	<u>288,446</u>
Total Other Financing Uses	<u>(306,820)</u>	<u>(306,820)</u>	<u>481,626</u>	<u>788,446</u>
Net Change in Fund Balance	(335,548)	(335,548)	(258,348)	77,200
Fund Balance, Beginning of Year	<u>2,020,537</u>	<u>2,020,537</u>	<u>2,020,537</u>	
Fund Balance, End of Year	<u>\$ 1,684,989</u>	<u>\$ 1,684,989</u>	<u>\$ 1,762,189</u>	<u>\$ 77,200</u>

OTHER SUPPLEMENTARY INFORMATION

CITY OF GREENFIELD

JUNE 30, 2009

MAJOR FUND BUDGETARY COMPARISON SCHEDULES

Budgetary comparison schedules are presented as Required Supplementary Information (RSI) for the General Fund and Major Special Revenue Funds as provided for by GASB Statement No. 34. The budgetary comparison schedule for the remaining major funds is presented to aid in additional analysis and is not a required part of the basic financial statements or RSI.

CITY OF GREENFIELD

**MAJOR FUND BUDGETARY COMPARISON SCHEDULE
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
REDEVELOPMENT AGENCY – CAPITAL PROJECTS FUND**

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 1,000,000	\$ 1,000,000	\$ 603,843	\$ (396,157)
Total Revenues	1,000,000	1,000,000	603,843	(396,157)
EXPENDITURES				
Current:				
Community development	400,000	400,000	56,003	343,997
Capital outlay	750,000	750,000	274,280	475,720
Debt service:				
Interest			24,825	(24,825)
Total Expenditures	1,150,000	1,150,000	355,108	794,892
Excess (Deficiency) of Revenues Over Expenditures	(150,000)	(150,000)	248,735	398,735
Fund Balance, Beginning of Year	21,270,834	21,270,834	21,270,834	
Fund Balance, End of Year	\$21,120,834	\$21,120,834	\$21,519,569	\$ 398,735

CITY OF GREENFIELD

**MAJOR FUND BUDGETARY COMPARISON SCHEDULE
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
REDEVELOPMENT AGENCY – DEBT SERVICE FUND**

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes and assessments	\$ 2,655,200	\$ 2,655,200	\$ 2,498,489	\$ (156,711)
Use of money and property	145,000	145,000	155,683	10,683
Total Revenues	<u>2,800,200</u>	<u>2,800,200</u>	<u>2,654,172</u>	<u>(146,028)</u>
EXPENDITURES				
Current:				
General government	16,427	16,427	39,024	(22,597)
Debt service:				
Principal	380,000	380,000	330,000	50,000
Interest	1,530,567	1,530,567	1,402,888	127,679
Total Expenditures	<u>1,926,994</u>	<u>1,926,994</u>	<u>1,771,912</u>	<u>155,082</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>873,206</u>	<u>873,206</u>	<u>882,260</u>	<u>9,054</u>
OTHER FINANCING SOURCES (USES)				
Transfers in			78,600	78,600
Transfers out			(1,523,344)	(1,523,344)
Total Other Financing Sources (Uses)			<u>(1,444,744)</u>	<u>(1,444,744)</u>
Net Change in Fund Balance	873,206	873,206	(562,484)	(1,435,690)
Fund Balance, Beginning of Year	<u>6,830,497</u>	<u>6,830,497</u>	<u>6,830,497</u>	
Fund Balance, End of Year	<u>\$ 7,703,703</u>	<u>\$ 7,703,703</u>	<u>\$ 6,268,013</u>	<u>\$ (1,435,690)</u>

CITY OF GREENFIELD

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

JUNE 30, 2009

	Special Revenue			
	Gas Tax 2105	Gas Tax 2106	Gas Tax 2107	Gas Tax 2107.5
ASSETS				
Cash and investments	\$ 184,698		\$ 229,338	
Accounts receivable	7,152	\$ 3,406	9,472	\$ 4,000
Interest receivable	537		695	
Due from other funds			964	
Notes receivable				
Total Assets	<u>\$ 192,387</u>	<u>\$ 3,406</u>	<u>\$ 240,469</u>	<u>\$ 4,000</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 5,586	\$ 2,442	\$ 2,020	\$ 425
Due to other funds		964		2,247
Deferred revenue				
Total Liabilities	<u>5,586</u>	<u>3,406</u>	<u>2,020</u>	<u>2,672</u>
FUND BALANCES				
Unreserved and reported in:				
Special revenue funds	<u>186,801</u>		<u>238,449</u>	<u>\$ 1,328</u>
Total Fund Balances	<u>186,801</u>		<u>238,449</u>	<u>1,328</u>
Total Liabilities and Fund Balances	<u>\$ 192,387</u>	<u>\$ 3,406</u>	<u>\$ 240,469</u>	<u>\$ 4,000</u>

Special Revenue

Supplemental Law Enforcement Service	Civic Center Fund	2007 Youth Build Grant	Water Discharge Grant	HOME Grant	Traffic Impact Fees
	\$ 4,397,717				\$ 1,807,089
\$ 44,775		\$ 325,425		\$ 123,225 417	7,243
				655,828	
\$ 44,775	\$ 4,397,717	\$ 325,425	\$ -	\$ 779,470	\$ 1,814,332
\$ 8,880 2,200	\$ 19,936	\$ 24,827 403,176		\$ 42,737 79,070 655,828	
11,080	19,936	428,003		777,635	
\$ 33,695	4,377,781	(102,578)		1,835	\$ 1,814,332
33,695	4,377,781	(102,578)		1,835	1,814,332
\$ 44,775	\$ 4,397,717	\$ 325,425	\$ -	\$ 779,470	\$ 1,814,332

CITY OF GREENFIELD

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)**

JUNE 30, 2009

	Special Revenue			
	Park Impact Fees	Police Impact Fees	Sewer Impact Fees	Community Center Impact Fees
ASSETS				
Cash and investments	\$ 1,692,575		\$ 580,423	\$ 102,915
Accounts receivable	434,500			
Interest receivable	3,271	\$ 1,888	2,235	373
Due from other funds				
Notes receivable				
Total Assets	<u>\$ 2,130,346</u>	<u>\$ 1,888</u>	<u>\$ 582,658</u>	<u>\$ 103,288</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 88,020		\$ 8,873	
Due to other funds				
Deferred revenue				
Total Liabilities	<u>88,020</u>		<u>8,873</u>	
FUND BALANCES				
Unreserved and reported in:				
Special revenue funds	2,042,326	\$ 1,888	573,785	\$ 103,288
Total Fund Balances	<u>2,042,326</u>	<u>1,888</u>	<u>573,785</u>	<u>103,288</u>
Total Liabilities and Fund Balances	<u>\$ 2,130,346</u>	<u>\$ 1,888</u>	<u>\$ 582,658</u>	<u>\$ 103,288</u>

Special Revenue

General Facilities Impact Fees	Redevelopment Agency	Lexington Square Assessment	Terra Verde Sub Assessment	SMD #1	Total Non-Major Governmental Funds
	\$ 44,114	\$ 100,665	\$ 514,517	\$ 281,290	\$ 9,935,341
					951,955
\$ 1,307		259	1,774	991	20,990
					964
					\$ 655,828
\$ 1,307	\$ 44,114	\$ 100,924	\$ 516,291	\$ 282,281	\$ 11,565,078
	\$ 44,114	\$ 4,718	\$ 33,230		\$ 285,808
					487,657
					655,828
	44,114	4,718	33,230		1,429,293
\$ 1,307		96,206	483,061	\$ 282,281	10,135,785
1,307		96,206	483,061	282,281	10,135,785
\$ 1,307	\$ 44,114	\$ 100,924	\$ 516,291	\$ 282,281	\$ 11,565,078

CITY OF GREENFIELD

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**

YEAR ENDED JUNE 30, 2009

	Special Revenue			
	Gas Tax 2105	Gas Tax 2106	Gas Tax 2107	Gas Tax 2107.5
REVENUES				
Taxes and assessments				
Use of money and property	\$ 2,928		\$ 4,535	
Intergovernmental revenues	93,030	\$ 44,163	123,817	\$ 4,000
Other revenues				
Total Revenues	95,958	44,163	128,352	4,000
EXPENDITURES				
Current:				
General government				
Public works				
Community development				
Public safety				
Streets and roads	76,624	94,035	49,618	6,672
Capital outlay		19,832	9,508	
Debt service:				
Interest				
Total Expenditures	76,624	113,867	59,126	6,672
Excess (Deficiency) of Revenues Over Expenditures	19,334	(69,704)	69,226	(2,672)
OTHER FINANCING SOURCES (USES)				
Transfers in		69,703		
Transfers out			(69,703)	
Total Other Financing Sources (Uses)		69,703	(69,703)	
Net Change in Fund Balances	19,334	(1)	(477)	(2,672)
FUND BALANCES, Beginning of Year	167,467	1	238,926	4,000
FUND BALANCES, End of Year	\$ 186,801	\$ -	\$ 238,449	\$ 1,328

Special Revenue

Supplemental Law Enforcement Service	Civic Center Fund	2007 Youth Build Grant	Water Discharge Grant	HOME Grant	Traffic Impact Fees	Park Impact Fees
				\$ 2,952	\$ 46,945	\$ 111,327
\$ 100,000		\$ 523,056		278,160		
		951		4,448	(181,795)	656,434
100,000		524,007		285,560	(134,850)	767,761
		644,960				
				401,063		1,073,262
17,900						
52,384	\$ 401,153				540	9,000
70,284	401,153	644,960		401,063	540	1,082,262
29,716	(401,153)	(120,953)		(115,503)	(135,390)	(314,501)
	4,778,934	18,374	\$ (9,798)			
	4,778,934	18,374	(9,798)			
29,716	4,377,781	(102,579)	(9,798)	(115,503)	(135,390)	(314,501)
3,979		1	9,798	117,338	1,949,722	2,356,827
\$ 33,695	\$ 4,377,781	\$ (102,578)	\$ -	\$ 1,835	\$ 1,814,332	\$ 2,042,326

CITY OF GREENFIELD

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES, (CONTINUED)**

YEAR ENDED JUNE 30, 2009

	Special Revenue			
	Police Impact Fees	Sewer Impact Fees	Community Center Impact Fees	General Facilities Impact Fees
REVENUES				
Taxes and assessments				
Use of money and property	\$ 11,083	\$ 6,140	\$ 1,434	\$ 7,362
Intergovernmental revenues				
Other revenues	16,327	144,378	3,391	11,188
Total Revenues	<u>27,410</u>	<u>150,518</u>	<u>4,825</u>	<u>18,550</u>
EXPENDITURES				
Current:				
General government				
Public works				
Community development				
Public safety				
Streets and roads				
Capital outlay		413,599		
Debt service:				
Interest		14,640		
Total Expenditures		<u>428,239</u>		
Excess (Deficiency) of Revenues Over Expenditures	<u>27,410</u>	<u>(277,721)</u>	<u>4,825</u>	<u>18,550</u>
OTHER FINANCING SOURCES (USES)				
Transfers in		2,118,901		
Transfers out	(516,640)			(351,270)
Total Other Financing Sources (Uses)	<u>(516,640)</u>	<u>2,118,901</u>		<u>(351,270)</u>
Net Change in Fund Balances	(489,230)	1,841,180	4,825	(332,720)
FUND BALANCES, Beginning of Year	491,118	(1,267,395)	98,463	334,027
FUND BALANCES, End of Year	<u>\$ 1,888</u>	<u>\$ 573,785</u>	<u>\$ 103,288</u>	<u>\$ 1,307</u>

Special Revenue			Debt Service		Total Non-Major Governmental Funds
Redevelopment Agency	Lexington Square Assessment	Terra Verde Sub Assessment	SMD #1		
	\$ 142,631	\$ 338,461	\$ 90,219	\$ 571,311	
	527	8,556	4,492	208,281	
				1,166,226	
\$ 21,116				676,438	
21,116	143,158	347,017	94,711	2,622,256	
				644,960	
				1,073,262	
433,812	35,029	208,431	2,453	1,080,788	
				17,900	
				227,489	
				905,476	
1,748				16,388	
435,560	35,029	208,431	2,453	3,966,263	
(414,444)	108,129	138,586	92,258	(1,344,007)	
544,744			72,905	7,603,561	
(130,300)	(5,900)	(81,405)	(6,400)	(1,171,416)	
414,444	(5,900)	(81,405)	66,505	6,432,145	
	102,229	57,181	158,763	5,088,138	
	(6,023)	425,880	123,518	5,047,647	
\$ -	\$ 96,206	\$ 483,061	\$ 282,281	\$ 10,135,785	