

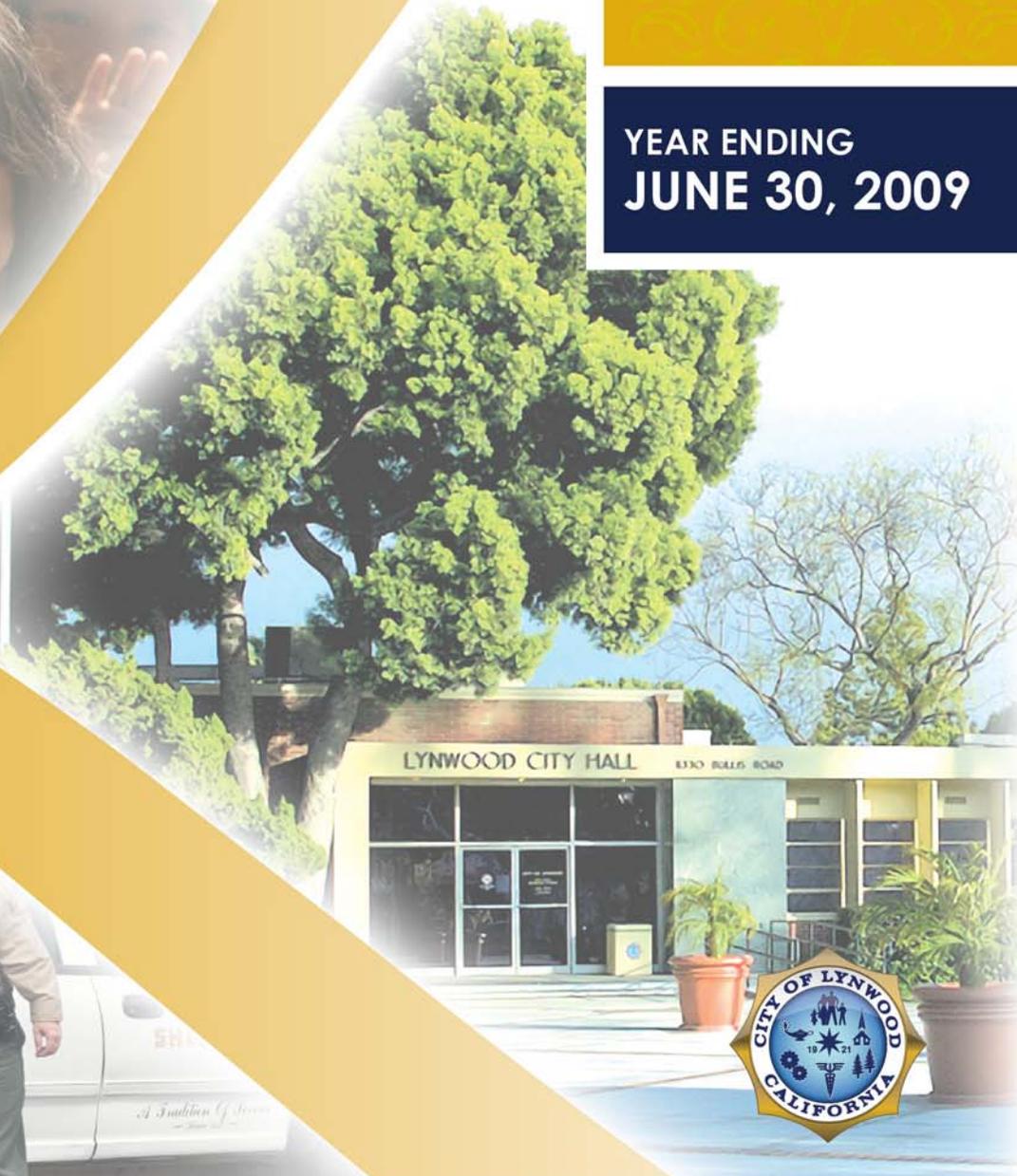
CITY OF LYNWOOD



C.A.F.R.

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

**YEAR ENDING
JUNE 30, 2009**



Comprehensive Annual Financial Report
City of Lynwood, California
Year ended June 30, 2009
with Report of Independent Auditors

CITY OF LYNWOOD
COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY MANAGEMENT

Roger L. Haley – City Manager
Robert S. Torres – Assistant City Manager – Administration & Community Services
Lorry Hempe – Assistant City Manager – Development
Dan Ojeda – Public Works
Jonathan Colin – Development Services
Perry Brents – Recreation and Community Services
Alfredo Lopez – Human Resources
Sarah Withers – Redevelopment
Deborah Jackson – Neighborhood Services

PROJECT TEAM

Robert S. Torrez – Assistant City Manager – Administration & Community Services
Christy Valencia – Finance Manager
May Tan – Accounting / Auditing Supervisor
Patricia Tarin – Financial Analyst
Maria Luna – Billing & Collections Supervisor
Miguel Angel Cervantes – Administrative Aide
Jaime Rivas – Payroll Specialist
Lilly Mojarro – Accounting Technician
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Joe Udeochu – Accounting Technician
Jamel Goodloe – Graphics Technician

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City of LYNWOOD

Incorporated 1921
11330 Bullis Road, Lynwood, CA 90262
(310) 603-0220 x 236/239

FINANCE DEPARTMENT

February 18, 2010

Honorable Mayor and
Members of the City Council
City of Lynwood, California

We are pleased to present to you and the Lynwood residents the City's Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2008-09. The CAFR presents the City's financial position and changes therein, for its various funding sources. The basic financial statements and supporting schedules have been prepared in compliance with California Government Code Sections 25250 and 25253, and in accordance with the accounting principles generally accepted in the United States of America (US GAAP), as established by the Government Accounting Standards Board (GASB).

Our Comprehensive Annual Financial Report is presented in three sections:

The Introductory Section includes the management's transmittal letter, the organizational structure of the City, and the profile of the government.

The Financial Section is prepared in accordance with the GASB 34 requirements, and contains the Management's Discussion and Analysis (MD&A), the Basic Financial Statements including notes, the Required Supplemental Information, and the Disclosure of Restricted Net Assets. The Basic Financial Statements include the government-wide financial statements that present an overview of the City's entire financial operations, and the fund financial statements that present the financial information of each of the City's major funds, as well as non-major governmental and fiduciary funds. Also included in this section is the Independent Auditor's Report.

The Statistical Section is prepared in accordance with GASB 44 requirements, and reflects the Economic Condition of Reporting entities. It includes ten years of financial data, debt computations, and a variety of demographic, economic and social information that may be of interest to potential investors in the City's bonds and to other inquiring readers.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse, to

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compile sufficient reliable information for the preparation of the City's financial statements in conformity with US GAAP, and to comply with laws and regulations. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by an independent auditing firm that is licensed as certified public accountants, Vasquez & Company LLP. The object of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2009, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unqualified opinion on the City's financial statements for the fiscal year ended June 30, 2009. The Independent Auditor's Report is presented as the first component of the Financial Section of this report.

GASB Statement No. 34 (GASB 34) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

The Statistical section has been updated to reflect GASB Statement 44 (GASB 44), Economic Condition of Reporting. The Statistical Section can be found following the Financial Section.

GASB 46 Statement (GASB 46), Net Assets Restricted by Enabling Legislation – an amendment of GASB Statement 34, requires the limitations of the use of certain net assets that are restricted by legislation, be reported as restricted net assets. Disclosure of Net Assets is included in the discussion of significant accounting policies, Notes to the Basic Financial Statements.

THE REPORTING ENTITY AND ITS SERVICES

The City has defined its reporting entity in accordance with the accounting principles generally accepted in the United States of America (US GAAP), which provide guidance for determining which governmental activities, organizations, and functions should be included in the reporting entity. This Basic Financial Statements present information on the activities of the City and its component units.

Pursuant to the requirements of GASB 34, the following elements are included in the City's CAFR:

- Government-wide financial reporting;
- Management's Discussion and Analysis (MD&A);
- Fund Financial Statements; and
- Expanded budgetary reporting.

Moreover, GASB 34 requires that state and local governments annually disclose the full net value of all capital assets, including infrastructure assets, in order to comply with the accounting principles generally accepted in the United States of America (US GAAP).

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The US GAAP requires that the component units be separated into blended or discretely presented units for reporting purposes. The City does not have any discretely presented component units, and only the blended units. The latter include the Lynwood Redevelopment Agency (LRA), Lynwood Public Financing Authority (LFA), and the Lynwood Utility Authority (LUA). The Lynwood Unified School District was not included due to the limited relationship with the City. The City is also represented by a number of regional agencies that are excluded from the City's reporting entity.

PROFILE OF THE GOVERNMENT

The City of Lynwood voters approved the City's incorporation on July 1, 1921. The City is situated approximately 13 miles south of downtown Los Angeles at the intersection of the 710 and 105 freeways in Los Angeles County. The City has grown from an agricultural area in the early nineteen hundreds to its present residential and growing industrial and commercial importance. The City covers 4.9 square miles.

The population of Lynwood grew rather slowly in early years. In 1921, there were about 786 people, and the City grew to 1,326 in 1930, 10,968 in 1940, 31,614 in 1960, and 55,071 in 1988. Presently, there are over 70,000 residents in the City of Lynwood.

The City Council is the governing body of the City and comprises five elected officials. All Council members are elected at large to serve four-year terms. One of the Council members is elected by the other four members to be the Mayor for the upcoming year. The City Council appoints a City Manager who carries out the City Council policies and provides administrative direction to the City.

The City provides a full range of services contemplated by statute, including those functions delegated to cities under state law. These services include public safety (which are contracted to Los Angeles County), public works, recreational and cultural activities, public improvements, planning, zoning, and general administrative services. In addition to fire and police, the County of Los Angeles provides animal control and health services through a City negotiated contract. Other services – such as sanitation, flood control and transportation – are provided by special districts with the City being a member.

The City's budget is a detailed operating plan that identifies estimated costs in relation to estimated revenues. The budget includes: (1) the programs, services, and activities to be carried out during the fiscal year; (2) the estimated revenue available to finance the operating plan; and (3) the estimated spending requirements for the operating plan. The budget represents a process wherein policy decisions by the City Council are adopted, implemented and controlled. The Notes to the Basic Financial Statements summarize the budgetary roles of various City officials and the timetable for their budgetary actions according to City Policy.

City Policy prohibits expending monies for which there is no legal appropriation. The City Manager is authorized to administer the budget and may transfer monies from one activity, program, or project to another within the same fund and department. Supplemental appropriations or transfer of appropriations that affect a fund or department level budget must be approved by the City Council.

The City also maintains an encumbrance accounting system to provide budgetary controls for governmental funds. Encumbrances, which would result in an overrun of an account balance,

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are suspended until additional funding is made available via budget change requests or are withdrawn due to a lack of funding. Encumbrances outstanding at June 30 and carried forward are reported as reservations of the appropriate governmental fund's fund balance. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in process at fiscal year-end are completed. They do not constitute expenditures or liabilities.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economy

Since Lynwood's incorporation in 1921, it continues the upward mobility in a path to progress

The Lynwood Redevelopment Agency ("Agency") continues to focus on projects along the City's major commercial corridors. In 2005, the City of Lynwood adopted the Long Beach Boulevard Specific Plan, which sets forth the development framework to encourage transit-oriented development. The development vision for Long Beach Boulevard will contain design features to encourage pedestrian activity. Pedestrian notes, street furniture, hardscape and landscape, and unique paving patterns will be used to reshape the area and encourage economic development. The Oakwood Plaza, a 15,701 square foot retail development, is slated to be completed in 2010. The plaza will incorporate the pedestrian friendly design component. In 2008, the Agency acquired a property at Norton Avenue at Long Beach Boulevard to lease a Developer for a commercial project at this acre site. In 2008, the Agency received a proposal from a Developer to expand Norton Plaza. The Long Beach/Pluma Shopping Center and Plaza Mexico continue to operate as well despite the downturn in the economy.

The Agency and the City are also pursuing projects to enhance Atlantic Avenue. The Atlantic Crossing retail project which was completed 2003 continues to operate successfully. In 2009, the Agency will complete the 15-unit senior housing project on Atlantic Avenue, which will incorporate an Art in Public Places component to enhance the viability of Atlantic corridor for private investment. In 2009, the City will complete a \$35 million dollar ten-acre park project at the corner of Atlantic Avenue and I-105 Freeway. South of the park on Atlantic Avenue, the Agency is negotiating with AMCAL on a 90+ affordable housing units project that will cost \$25 million dollar to build. This project is anticipated to be completed in 2011. These projects combined will serve as a catalyst on improving the Atlantic Avenue commercial corridor south of the I-105 Freeway.

Other commercial and housing projects are also underway. The Agency is building ten new affordable housing units in partnership with Habitat for Humanity along Imperial Highway. The Agency has entered into an Exclusive Negotiating Agreement with Lynwood Gateway Center to develop a 44-acre site west of Wright Road for a mixed-use project that includes housing, retail and an extended stay hotel. The City received Enterprise Zone designation that provides economic incentives to existing businesses to remain and attract new businesses to establish in Lynwood.

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CASH MANAGEMENT POLICIES AND PRACTICES

To maximize interest income and maintain liquidity, the City pools operating cash for its various funds and invests the monies in securities of various maturities. City and Agency funds are invested pursuant to the City's Investment Policy in compliance with Section 53601 of the California Government Code. The objectives of the Investment Policy are to preserve capital, provide adequate liquidity to meet cash disbursements of the City, and to achieve market-average rates of return. Investments are secured by collateral as required under law, with maturity dates staggered to ensure that cash is available as needed. The City Council receives regular reports on the performance of the City's pooled investment program and on the cash position of all funds.

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Agency's investment policy. The investment types authorized for investment by the City include the Local Agency Investment Fund (State pool), U.S. Treasury Obligations, U.S. Government Agency Issues, Certificates of Deposit, Commercial Paper, as well as Mutual Funds and Money Market Funds comprised of eligible securities.

The City manages its exposure to interest rate risk 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.

RISK MANAGEMENT

To finance its risks of general liability and worker's compensation, the City maintains a joint powers membership in the Independent Cities Risk Management Authority (ICRMA). The ICRMA, a group of 21 cities, purpose is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurances or reinsurances, and to arrange for group-purchased insurance for property and other coverage.

The City participates in programs for worker's compensation and general liability coverage administered by ICRMA. The ICRMA Workers' Compensation program covers the difference between the City's \$500,000 SIR and \$5 million each accident. Commercial excess insurance attaches the \$5 million limit and extends to \$100 million per accident. The City Attorney believes that the above designation is adequate to cover any losses. Costs related to litigation of claims are expensed as incurred.

In addition, the City participates in the Property Insurance Program including earthquake and flood insurance. The Property coverage limit is \$125 million with a \$10,000 per loss deductible for perils other than flood and earthquake. The deductible for flood caused by Named Storms is 5% of insured values, \$1 million minimum and \$100,000 for other floods. The deductible for earthquake is 5% of insured value per location, minimum \$100,000. Premiums for these policies are paid annually and not subject to retroactive adjustments.

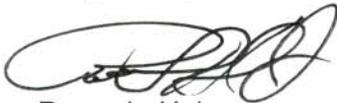
During the past three fiscal (claim) years, none of the above programs of protection has had statements or judgments that exceeded pooled or insured coverage nor have there been any significant reductions in pooled or insured liability coverage from the prior year.

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ACKNOWLEDGEMENTS

We would like to express our sincere appreciation to the entire staff of the Finance and Administration Department and most particularly the Accounting staff, for their professionalism, dedication, and efficiency in the preparation of this report. We also thank Vasquez, & Company, LLP, Certified Public Accountants, for their assistance and guidance. Finally, we would like to thank the Mayor and members of the City Council for their interest and continued support in planning and conducting the City's financial operations in a responsible and progressive manner.

Respectfully submitted,



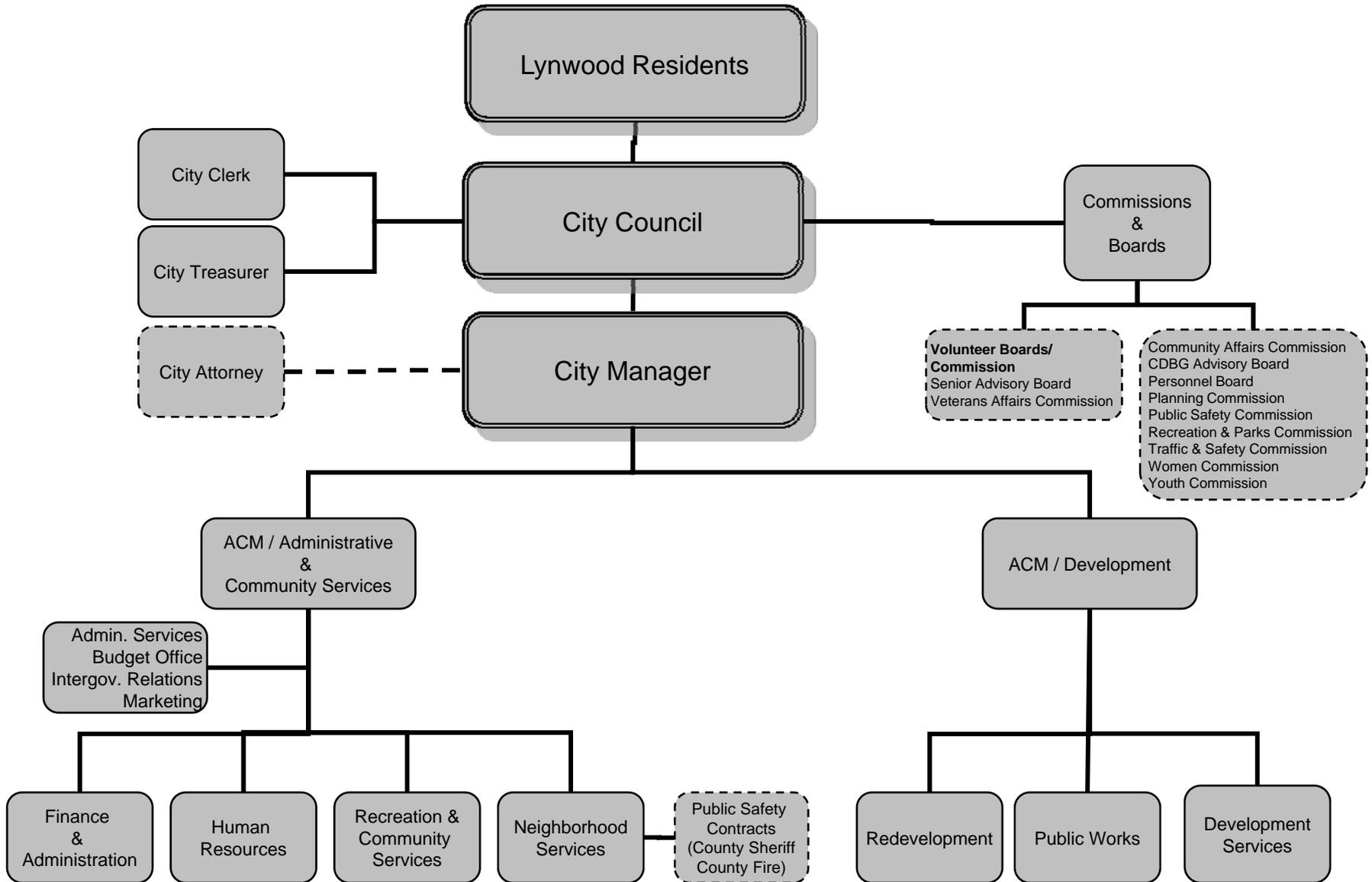
Roger L. Haley,
City Manager



Robert S. Torrez
Assistant City Manager/Administrative
& Community Services

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Organizational Chart



FINANCIAL SECTION

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REPORT OF INDEPENDENT AUDITORS

The Honorable Mayor and Members of the City Council City of Lynwood, California

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Lynwood, California, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Lynwood's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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, business-type activities, each major fund, and the aggregate remaining fund information of the City of Lynwood, 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 February 18, 2010 on our consideration of the City of Lynwood'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 result 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 management's discussion and analysis, the budgetary comparison information, and the public employees retirement system schedules of funding progress as listed in the table of contents, are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. 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.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lynwood's basic financial statements. The introductory section, the supplemental combining financial statements, supplemental schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental combining financial statements and supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Vergara + Company LLP

Los Angeles, California
February 18, 2010

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The discussion and analysis of the City of Lynwood's financial performance provides readers of the City's financial statements an overview and analysis of the City's financial activities for the fiscal year ended June 30, 2009. We encourage readers to consider information noted below in conjunction with the basic financial statements.

FINANCIAL HIGHLIGHTS

- The City's total assets as of June 30, 2009 were \$198.6 million and total liabilities were \$65.1 million. The assets exceeded liabilities by \$133.5 million (net assets).
- During the fiscal year, the City's general fund uses (including expenditures and transfers out) exceeded sources (including revenues and transfers in) by slightly over \$400,000. The transfers totaled slightly over \$580,000. The year-end fund balance for the General Fund was \$9.7 million of which \$164,456 was reserved for long-term advances.
- Total revenues from all sources were \$58.3 million and total expenditures were \$54.9 million. Of the total revenues, program revenues were \$23.2 million. Program revenues are broken into three categories: Charges for services at \$16.2 million, operating contributions and grants at \$5.6 million; and capital contributions and grants at \$1.4 million.

ROAD MAP FOR THE FY 2008-09 FINANCIAL AUDIT REPORT

The Management's Discussion and Analysis section is intended to serve as the introduction to the City's basic financial statements, which contain the basic financial data, as well as important supplemental information. Included in this report are the activities of the City of Lynwood and its component units (the Lynwood Redevelopment Agency, the Lynwood Public Financing Authority, the Lynwood Utility Authority, and the Lynwood Information Incorporated). The activities are presented using the integrated approach prescribed by the Government Accounting Standards Board (GASB) Statement No. 34. Also per GASB Statement No. 34, certain interfund receivables, payables, and other interfund activities have been eliminated from the financial statements as they do not have any net impact on the financial statements as a whole.

The City's basic financial statements contain a number of elements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund Financial Statements explain how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements, by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the City as a Whole: Statement of Net Assets and Statement of Activities

One of the most important questions on the City's finances is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements provide detail on the City's net assets and changes affecting them. The City's net assets – the difference between the total assets and liabilities – are ways to measure the City's overall financial health, or financial position. Over time, increases or decreases in the City's net assets may be a good indicator of whether its financial health is improving or deteriorating. However, the need exists to consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

The Statement of Net Assets and the Statement of Activities present information about the following:

- **Governmental Activities** - All of the City's basic services are considered to be governmental activities, including general government, community development, public safety, public works, parks and recreation, and redevelopment. Property taxes, sales taxes, charges for services, franchise fees and other similar revenue sources pay for most of these activities.
- **Component Units** - The City's governmental activities include the blending of three separate legal entities - the Lynwood Redevelopment Agency, the Lynwood Public Financing Authority, and the Lynwood Information Incorporated. Although legally separate, these "component units" are important because the City is financially accountable for them. The Lynwood Utility Authority is included in the business-type activities in the Statement of Net Assets and Activities.

Reporting the City's Most Significant Funds: Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, and not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other restricted sources. The City's two kinds of funds – governmental and proprietary – use different accounting approaches.

- **Governmental Funds** - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds, and the balance left at year-end that is available for spending. These funds are reported using an accounting method called the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in the reconciliation following the fund financial statements.

Proprietary Funds – Proprietary funds are used to account for operations that are financed and operated in a manner similar to business enterprises. When the City charges other entities or its own department for certain services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way as in the Statement of Net Assets and the Statement of Activities. The City uses internal service funds to report activities that provide services for the City's other programs and activities, such as the City's Garage Fund and Insurance Fund.

Reporting the City's Fiduciary Responsibilities: Fiduciary Funds

The City is the trustee, or fiduciary, for certain amounts held on behalf of developers, property owners, and others. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets. These activities have been excluded from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE CITY AS A WHOLE

Table 1 below provides a summary of the City's assets, liabilities and net assets, for the Governmental and Business-Type Activities. Table 2 reflects changes in the net assets due to differences in actual revenues and expenditures. The City reports its sewer, water, and transportation activities as business-type activities.

Table 1
Assets, Liabilities and Net Assets

	Fiscal Year 2008-09 (CURRENT)			Fiscal Year 2007-08 (PRIOR)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current Assets & Other Assets	\$ 50,337,568	\$ 23,281,778	\$ 73,619,346	\$ 53,836,270	\$ 14,714,467	\$ 68,550,737
Capital Assets	117,268,420	7,698,167	124,966,587	114,103,853	8,039,723	122,143,576
Total assets	\$ 167,605,988	\$ 30,979,945	\$ 198,585,933	\$ 167,940,123	\$ 22,754,190	\$ 190,694,313
Liabilities:						
Other Liabilities	7,410,507	694,693	8,105,200	8,750,590	720,605	9,471,195
Long-Term Debt Outstanding	35,673,465	21,279,526	56,952,991	36,054,856	14,954,577	51,009,433
Total liabilities	\$ 43,083,972	\$ 21,974,219	\$ 65,058,191	\$ 44,805,446	\$ 15,675,182	\$ 60,480,628
Net Assets:						
Invested in capital assets, net of related debt	88,707,464	(7,686,833)	81,020,631	85,074,079	(3,167,553)	81,906,526
Restricted	19,520,953	1,900,804	21,421,757	34,777,084	988,286	35,765,370
Unrestricted	16,293,599	14,791,755	31,085,354	3,283,514	9,258,275	12,541,789
Total net assets	\$ 124,522,016	\$ 9,005,726	\$ 133,527,742	\$ 123,134,677	\$ 7,079,008	\$ 130,213,685

The City's overall assets increased to \$198.6 million in FY 2008-09, and the overall liabilities increased to \$65.1 million over the same period. As a result, the net assets increased from \$130.2 million to \$133.5 million. The Governmental Activities net assets increased by \$1.4 million, while the Business-type Activities increased by \$1.9 million.

**Table 2
Changes in Net Assets**

	Fiscal Year 2008-09 (CURRENT)			Fiscal Year 2007-08 (PRIOR)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
REVENUES						
Program Revenues						
Charges for services	\$ 6,126,580	\$ 10,027,671	\$ 16,154,251	\$ 5,817,694	\$ 9,764,539	\$ 15,582,233
Operating Contributions and grants	5,612,899		5,612,899	10,674,374		10,674,374
Capital contributions and grants	1,432,067		1,432,067	186,401		186,401
Subtotal	<u>13,171,546</u>	<u>10,027,671</u>	<u>23,199,217</u>	<u>16,678,469</u>	<u>9,764,539</u>	<u>26,443,008</u>
General Revenues						
Property taxes	19,303,986		19,303,986	17,801,044		17,801,044
Utility users tax	5,949,307		5,949,307	6,576,250		6,576,250
Sales taxes	4,391,476		4,391,476	5,401,170		5,401,170
Franchise taxes	1,305,288		1,305,288	1,302,678		1,302,678
Business license taxes	434,513		434,513	471,907		471,907
Other taxes	1,600,134		1,600,134	1,433,893		1,433,893
Motor vehicle in lieu tax, unrestricted	0		0	361,087		361,087
Use of money and property	638,296	182,418	820,714	1,402,738	159,515	1,562,253
Other	1,250,614		1,250,614	239,172		239,172
Gain on sale of capital assets	0		0	0		0
Loss on disposal of capital assets	0		0	0		0
Transfers	(515,313)	515,313	0	(346,792)	346,792	0
Total	<u>\$ 47,529,847</u>	<u>\$ 10,725,402</u>	<u>\$ 58,255,249</u>	<u>\$ 51,321,616</u>	<u>\$ 10,270,846</u>	<u>\$ 61,592,462</u>
EXPENSES						
General government	12,089,347		12,089,347	9,942,569		9,942,569
Public safety	17,461,248		17,461,248	15,696,589		15,696,589
Public works	8,213,775		8,213,775	7,344,547		7,344,547
Community development	3,028,869		3,028,869	5,406,955		5,406,955
Parks and recreation	3,620,892		3,620,892	3,160,255		3,160,255
Interest on long-term debt	1,728,377		1,728,377	1,941,003		1,941,003
Unallocated depreciation			0	1,048,750		1,048,750
Water		7,717,008	7,717,008		6,485,599	6,485,599
Transit		1,081,676	1,081,676		1,040,822	1,040,822
Total	<u>\$ 46,142,508</u>	<u>\$ 8,798,684</u>	<u>\$ 54,941,192</u>	<u>\$ 44,540,668</u>	<u>\$ 7,526,421</u>	<u>\$ 52,067,089</u>
Change in net assets	1,387,339	1,926,718	3,314,057	6,780,948	2,744,425	9,525,373
Net assets at beginning of fiscal year	123,134,677	7,079,008	130,213,685	117,278,423	4,334,583	121,613,006
Prior period adjustments	0		0	(924,694)		(924,694)
Net assets at the beginning of fiscal year restated	<u>123,134,677</u>	<u>7,079,008</u>	<u>130,213,685</u>	<u>116,353,729</u>	<u>4,334,583</u>	<u>120,688,312</u>
Net assets at end of fiscal year	<u>\$ 124,522,016</u>	<u>\$ 9,005,726</u>	<u>\$ 133,527,742</u>	<u>\$ 123,134,677</u>	<u>\$ 7,079,008</u>	<u>\$ 130,213,685</u>

The City's overall net assets increased since the beginning of the year, from \$130.2 million to \$133.5 million. The reason for the increase is the positive difference between the actual revenues of \$58.3 million and the actual expenditures of \$54.9 million. As reflected in the above table, the positive revenue/expenditure difference is a net \$3.3 million. Governmental Activities is a surplus of \$1.4 million; and Business-Type Activities is surplus of \$1.9 million.

Compared to FY 2007-08, the City's overall revenues decreased from \$61.6 million to \$58.3 million. The overall expenditures increased from \$52.1 million to \$54.9 million.

GOVERNMENTAL ACTIVITIES

Table 3 presents the cost of each of the City's Governmental Activities: general government, public safety, public works, community development, parks and recreation, and interest on long-term debt, along with each program's net cost (total cost less revenues generated by the activities.) The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Table 3
Governmental Activities
Net Cost of Services

	Fiscal Year 2008-09 (CURRENT)			Fiscal Year 2007-08 (PRIOR)		
	Expenses	Program Revenues	Net Cost of Services	Expenses	Program Revenues	Net Cost of Services
FUNCTIONS/PROGRAMS						
General government	\$ 12,089,347	\$ 1,667,834	\$ 10,421,513	\$ 9,942,569	\$ 1,709,979	\$ 8,232,590
Public safety	17,461,248	1,674,814	15,786,434	15,696,589	2,158,453	13,538,136
Public works	8,213,775	6,451,499	1,762,276	7,344,547	7,436,575	(92,028)
Community development	3,028,869	2,909,205	119,664	5,406,955	4,691,733	715,222
Parks and recreation	3,620,892	468,194	3,152,698	3,160,255	681,729	2,478,526
Interest on long-term debt	1,728,377		1,728,377	1,941,003		1,941,003
Unallocated depreciation	0		0	1,048,750		1,048,750
Total	\$ 46,142,508	\$ 13,171,546	\$ 32,970,962	\$ 44,540,668	\$ 16,678,469	\$ 27,862,199

The cost of the City's Governmental Activities increased from \$44.5 million in FY 2007-08 to \$46.1 million in FY 2008-09 primarily due to increased costs of public safety services, costs of city-wide services as well as salaries and benefits. The program revenue generated by these activities has decreased from \$16.7 million to \$13.2 million. As a result of the respective changes in the revenues and expenditures, the net cost of the Government Activities was \$33.0 million in FY 2008-09, \$5.1 million more than the net cost of \$27.9 million recorded in FY 2007-08.

Overall, ***the cost of government in FY 2008-09 exceeded the program revenues generated to support it.***

BUSINESS-TYPE ACTIVITIES

Table 4 reflects the cost of the City's Business-Type Activities: water, sewer and transit, along with the programs' net cost. The net revenue for these activities was \$1.2 million in FY 2008-09, with the transit services having a net cost of over \$1.1 million, as opposed to the net revenue of \$2.3 million recorded in the water and sewer program.

Table 4
Business-Type Activities
Net Cost of Services

	Fiscal Year 2008-09 (CURRENT)			Fiscal Year 2007-08 (PRIOR)		
	Expenses	Program Revenues	Net Cost of Services	Expenses	Program Revenues	Net Cost of Services
FUNCTIONS/PROGRAMS						
Water & Sewer	\$ 7,717,008	\$ 10,014,463	\$ (2,297,455)	\$ 6,485,599	\$ 9,759,112	\$ (3,273,513)
Transit	1,081,676	13,208	1,068,468	1,040,822	5,427	1,035,395
Total	\$ 8,798,684	\$ 10,027,671	\$ (1,228,987)	\$ 7,526,421	\$ 9,764,539	\$ (2,238,118)

The cost of the City's Business-Type Activities increased from \$7.5 million in FY 2007-08 to \$8.8 million in FY 2008-09. The program revenue generated by these activities increased, from \$9.7 million to \$10.0 million. As a result, the net revenue of the Business-Type Activities in FY 2008-09 was \$1.2 million. Overall, ***the revenues generated from the City's business operations exceed the costs incurred by these activities.***

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

At fiscal year-end, the City's governmental funds reported combined fund balances of \$37.8 million, which reflects decrease in total fund balance of \$3.6 million. The General Fund had a net decrease of \$0.4 million in its fund balance, from \$10.1 million to \$9.7 million. The decrease was because of reduced transfers from the General Fund.

General Fund Budgetary Highlights

The year-end actual revenues for the General Fund (including transfers in) were \$28.9 million; the actual expenditures (including transfers out) totaled \$29.3 million. The actual revenues including transfers \$945,000 above the budgeted estimate, while the actual spending with transfers was \$442,000 below the final budget. The budget to actual variance in expenditures was principally due to conservative estimates at mid-year by management.

Capital Assets

At the end of Fiscal Year 2008-09, the City had \$125 million invested in capital assets. Of this amount, \$117.3 million is related to Governmental Activities and another \$7.7 million to Business-Type Activities. These amounts represent an increase from the previous year (FY 2007-08), when the City's overall capital assets were \$122.1 million, including \$114.1 million in Governmental Activities and \$8 million in Business-Type Activities.

**Table 5
Capital Assets**

	Fiscal Year 2008-09 (CURRENT)			Fiscal Year 2007-08 (PRIOR)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Capital assets not being depreciated	\$ 88,414,162	\$ 37,252	\$ 88,451,414	\$ 86,723,536	\$ 37,252	\$ 86,760,788
Capital assets, net of accumulated depreciation	28,854,258	7,660,915	36,515,173	27,380,317	8,002,471	35,382,788
Total	\$ 117,268,420	\$ 7,698,167	\$ 124,966,587	\$ 114,103,853	\$ 8,039,723	\$ 122,143,576

The City has a number of capital projects planned or in progress. The amount budgeted for these in FY 2009-10 was \$21.8 million, of which \$4.2 million represents new projects. The City's major projects include several street improvements, with Long Beach Boulevard and Martin Luther King Boulevard. In addition to street projects, the City's focus includes the improvement of water mains, water wells, sewer system, as well as traffic signals and parks.

Long-Term Debt

At fiscal year-end, the City's governmental activities accounted for approximately \$35.4 million in tax allocation and revenue bonds, a HUD loan, claims payable, compensated absences, and accrual for Postemployment benefits. Another \$15 million was outstanding for the business-type activities.

Two new bonds issues were issued on November 25, 2008 and May 28, 2009 for the Lynwood Utility Authority. On November 25, 2008, the Lynwood Utility Authority issued \$9,755,000 of 2008 Series A Enterprise Revenue Bonds; the proceeds were used to refund the outstanding Lynwood Public Financing Authority Water Revenue Bonds Series 1995. On May 28, 2009, the Lynwood Utility Authority issued \$5,735,000 of 2009 Series A Enterprise Revenue Bonds; the proceeds were used to refund the outstanding Lynwood Utility Authority Water Revenue Bonds Series 1999. These bond issues will be paid from and secured by the net revenues of the water and sewer enterprise of the City.

**Table 6
Outstanding Long-Term Debt**

	Balance at July 1, 2008	Additions	Repayments	Prior Period Adjustments	Balance at June 30, 2009	Due Within One Year
Governmental Activities:						
Compensated absences	\$ 1,550,429	\$ 1,157,452	\$ (1,162,822)	\$ -	\$ 1,545,059	\$ 1,158,794
Other Postemployment benefits		\$ 1,973,597	\$ -		1,973,597	
Capital leases payable	495,431		(324,475)		170,956	170,956
Tax Allocation bonds	13,020,000		(330,000)		12,690,000	355,000
HUD loan payable	6,010,000		(285,000)		5,725,000	300,000
Claims payable	3,888,995	213,543	(534,699)		3,567,839	891,960
Note Payable - Grae Atlantic	615,001		(12,203)		602,798	13,546
Revenue bonds	10,475,000		(500,000)		9,975,000	515,000
Total	\$ 36,054,856	\$ 3,344,592	\$ (3,149,199)	\$ -	\$ 36,250,249	\$ 3,405,256
Business-type Activities:						
Water Fund:						
Compensated absences	\$ 245,152	\$ 228,557	\$ (183,864)		\$ 289,845	\$ 217,384
Revenue bonds	14,709,425	15,061,959	(8,781,703)		20,989,681	300,000
Deferred amount on refunding	(659,844)	83,060			(576,784)	
Total	\$ 14,294,733	\$ 15,373,576	\$ (8,965,567)	\$ -	\$ 20,702,742	\$ 517,384

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City has developed a budget that maintains the core services (law enforcement, fire, and recreation) and meets the community's needs. These services are important to the quality of life and safety of the Lynwood community. The City also took action to protect General Fund reserves by reducing subsidies to several other funds. Those funds that relied on General Fund for support may experience shortfalls, which could impact some services. The budget also provides for a continuation of the ongoing capital improvement program that will provide better facilities and services for citizen use and enjoyment.

One of the major challenges facing the City of Lynwood is to find new revenues and identify cost containment measures to ensure the ongoing fiscal stability of the City. However, there is a need to address the increasing demand for services from residents and businesses. City staff continues to explore opportunities to expand the City's revenue base, while costs continue to increase. The costs of commodities and services have increased, including law enforcement, fire and animal control services. These public safety costs amount to \$13.7 million.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This Comprehensive Annual Financial Report is intended to provide Lynwood citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances. If you have any questions about this report, or need additional fiscal information, contact the Department of Finance and Administration at 11330 Bullis Road, Lynwood, CA 90262, phone (310) 603-0220.

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City of Lynwood
Statement of Net Assets
June 30, 2009

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments	\$ 30,509,664	\$ 10,259,387	\$ 40,769,051
Receivables:			
Intergovernmental	3,434,338	-	3,434,338
Accounts	1,464,495	2,482,614	3,947,109
Interest	58,061	29,187	87,248
Notes and loans	4,212,720	-	4,212,720
Internal balances	62,738	(62,738)	-
Restricted assets:			
Cash and investments	176,243	-	176,243
Cash and investments with fiscal agents	4,971,799	9,798,191	14,769,990
Land held for resale	4,655,826	-	4,655,826
Deferred charges, net of accumulated amortization	791,684	775,137	1,566,821
Capital assets not being depreciated	88,414,162	37,252	88,451,414
Capital assets, net of accumulated depreciation	28,854,258	7,660,915	36,515,173
Total assets	167,605,988	30,979,945	198,585,933
Liabilities:			
Accounts payable and accrued liabilities	5,958,630	500,375	6,459,005
Accrued interest payable	588,334	85,966	674,300
Deposits	863,543	108,352	971,895
Noncurrent liabilities:			
Due within one year	3,405,256	517,384	3,922,640
Due in more than one year	32,268,209	20,762,142	53,030,351
Total liabilities	43,083,972	21,974,219	65,058,191
Net assets:			
Invested in capital assets, net of related debt	88,707,464	(7,686,833)	81,020,631
Restricted for:			
Retirement	841,043	-	841,043
Housing	4,347,122	-	4,347,122
Debt service	3,746,094	1,900,804	5,646,898
Development projects	10,586,694	-	10,586,694
Unrestricted	16,293,599	14,791,755	31,085,354
Total net assets	\$ 124,522,016	\$ 9,005,726	\$ 133,527,742

See notes to financial statements.

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 12,089,347	\$ 1,667,834	\$ -	\$ -
Public safety	17,461,248	1,587,339	87,475	-
Public works	8,213,775	2,436,899	4,014,600	-
Community development	3,028,869	-	1,477,138	1,432,067
Parks and recreation	3,620,892	434,508	33,686	-
Interest and fiscal charges	1,728,377	-	-	-
Total governmental activities	<u>46,142,508</u>	<u>6,126,580</u>	<u>5,612,899</u>	<u>1,432,067</u>
Business-type activities:				
Water and sewer	7,717,008	10,014,463	-	-
Transit	1,081,676	13,208	-	-
Total business-type activities	<u>8,798,684</u>	<u>10,027,671</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 54,941,192</u>	<u>\$ 16,154,251</u>	<u>\$ 5,612,899</u>	<u>\$ 1,432,067</u>

General revenues:

Taxes:

Property taxes

Utility users

Sales and use taxes

Franchise taxes

Business license taxes

Other taxes

Use of money and property

Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Net assets - beginning of year

Net assets - end of year

**City of Lynwood
Statement of Activities
Year ended June 30, 2009**

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
\$ (10,421,513)	\$ -	\$ (10,421,513)
(15,786,434)	-	(15,786,434)
(1,762,276)	-	(1,762,276)
(119,664)	-	(119,664)
(3,152,698)	-	(3,152,698)
(1,728,377)	-	(1,728,377)
(32,970,962)	-	(32,970,962)
-	2,297,455	2,297,455
-	(1,068,468)	(1,068,468)
-	1,228,987	1,228,987
(32,970,962)	1,228,987	(31,741,975)
19,303,986	-	19,303,986
5,949,307	-	5,949,307
4,391,476	-	4,391,476
1,305,288	-	1,305,288
434,513	-	434,513
1,600,134	-	1,600,134
638,296	182,418	820,714
1,250,614	-	1,250,614
(515,313)	515,313	-
34,358,301	697,731	35,056,032
1,387,339	1,926,718	3,314,057
123,134,677	7,079,008	130,213,685
\$ 124,522,016	\$ 9,005,726	\$ 133,527,742

See notes to financial statements.

**City of Lynwood
Governmental Funds
Balance Sheets
June 30, 2009**

ASSETS	Special Revenue Funds		
	General	Redevelopment Low/Mod Income Housing Area "A"	HUD Home Program
Cash and investments	\$ 3,341,836	\$ 3,287,784	\$ -
Receivables:			
Intergovernmental	480,793	-	436,796
Accounts	1,273,153	-	2,194
Interest	29,252	855	-
Notes and loans	-	1,051,000	2,269,322
Due from other funds	9,003,096	100,117	-
Restricted assets:			
Cash and investments	38,161	-	-
Cash and investments with fiscal agents	-	-	-
Advances to other funds	164,456	-	-
Land held for resale	-	2,605,763	967,170
Total assets	\$ 14,330,747	\$ 7,045,519	\$ 3,675,482
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	\$ 3,267,896	\$ 476,822	\$ 48,041
Due to other funds	217,954	-	351,391
Deferred revenue	346,666	1,051,000	2,438,232
Deposits	785,826	-	-
Advances from other funds	-	-	-
Total liabilities	4,618,342	1,527,822	2,837,664
Fund balances (deficits)			
Reserved			
Long-term advances	164,456	-	-
Projects	-	-	-
Housing	-	2,911,934	-
Retirement	-	-	-
Debt service	-	-	-
Land held for resale	-	2,605,763	967,170
Unreserved reported in:			
General fund	9,547,949	-	-
Special revenue funds	-	-	(129,352)
Capital projects funds	-	-	-
Total fund balances (deficits)	9,712,405	5,517,697	837,818
Total liabilities and fund balances	\$ 14,330,747	\$ 7,045,519	\$ 3,675,482

**City of Lynwood
Governmental Funds
Balance Sheets
June 30, 2009**

Capital Projects Funds				
Redevelopment Project Area "A"	Capital Improvement Projects	2002 HUD Section 108 Loan	Nonmajor Governmental Funds	Total Governmental Funds
\$ 494,721	\$ 2,529,315	\$ 6,408,121	\$ 13,978,173	\$ 30,039,950
	-	-	2,516,749	3,434,338
688	-	-	187,746	1,463,781
-	-	-	27,954	58,061
207,365	-	-	685,033	4,212,720
-	-	-	291,035	9,394,248
58,082	-	-	-	96,243
-	-	-	4,971,799	4,971,799
957,380	-	-	-	1,121,836
1,082,893	-	-	-	4,655,826
<u>\$ 2,801,129</u>	<u>\$ 2,529,315</u>	<u>\$ 6,408,121</u>	<u>\$ 22,658,489</u>	<u>\$ 59,448,802</u>
\$ 476,667	\$ 798,458	\$ -	\$ 715,161	\$ 5,783,045
-	-	-	7,426,787	7,996,132
207,365	-	-	1,834,383	5,877,646
77,717	-	-	-	863,543
-	-	-	1,121,836	1,121,836
<u>761,749</u>	<u>798,458</u>	<u>-</u>	<u>11,098,167</u>	<u>21,642,202</u>
-	-	-	-	-
-	-	-	-	164,456
-	1,730,857	6,408,121	2,447,716	10,586,694
-	-	-	1,435,188	4,347,122
-	-	-	841,043	841,043
-	-	-	4,334,428	4,334,428
1,082,893	-	-	-	4,655,826
-	-	-	-	9,547,949
-	-	-	5,028,848	4,899,496
956,487	-	-	(2,526,901)	(1,570,414)
<u>2,039,380</u>	<u>1,730,857</u>	<u>6,408,121</u>	<u>11,560,322</u>	<u>37,806,600</u>
<u>\$ 2,801,129</u>	<u>\$ 2,529,315</u>	<u>\$ 6,408,121</u>	<u>\$ 22,658,489</u>	<u>\$ 59,448,802</u>

See notes to financial statements.

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City of Lynwood
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
June 30, 2009

Total governmental fund balances	\$	37,806,600
<p>Amounts reported for governmental activities in the Statement of Net Assets are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds (including internal service fund capital assets in the amount of \$1,232,426)</p>		
Governmental capital assets	\$ 139,866,730	
Less accumulated depreciation	<u>(22,598,310)</u>	117,268,420
<p>Governmental funds report the effect of issuance costs, premiums, discounts, and gains or losses on debt refundings when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities</p>		
Deferred issuance costs (net of amortization of \$552,523)	791,684	
Deferred loss on refunding (net of amortization of \$714,626)	<u>576,784</u>	1,368,468
<p>Receivables that are not available to pay for current-period expenditures are deferred in the governmental funds. In the Statement of Net Assets, these receivables are recognized as earned income.</p>		
		5,877,646
<p>Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds:</p>		
Tax allocation bonds	(12,690,000)	
Notes payable - Grae Atlantic	(602,798)	
Capital leases payable	(170,956)	
Compensated absences	(1,545,059)	
HUD loan payable	(5,725,000)	
Claims payable	(3,567,839)	
Revenue bonds	(9,975,000)	
Other postemployment benefits	<u>(1,973,597)</u>	(36,250,249)
<p>Accrued interest payable from the current portion of interest due on long-term debt has not been reported in the governmental funds.</p>		
		(588,334)
<p>Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net assets (net of capital assets and long-term liabilities above)</p>		
		<u>(960,535)</u>
Net assets of governmental activities	\$	<u>124,522,016</u>

See notes to financial statements.

	General	Special Revenue	
		Redevelopment Low/Mod Income Housing Area "A"	HUD Home Program
Revenues			
Taxes and assessments	\$ 19,025,999	\$ -	\$ -
Licenses and permits	782,452	-	-
Fines, forfeitures and penalties	1,154,073	-	-
Use of money and property	349,104	32,487	-
Intergovernmental	318,601	-	1,460,778
Charges for services	3,319,380	-	-
Administrative support	1,208,409	-	-
Program income	-	-	-
Miscellaneous	754,841	-	-
Total revenues	<u>26,912,859</u>	<u>32,487</u>	<u>1,460,778</u>
Expenditures			
Current:			
General government	4,889,229	159,109	-
Public safety	15,068,602	-	-
Public works	4,372,216	-	-
Community development	37,521	1,828,407	858,075
Parks and recreation	3,535,156	-	-
Pass through to other agencies	-	-	-
Capital outlay	-	-	1,397,582
Debt service:			
Principal payment	-	48,241	-
Interest and fiscal charges	-	128,138	-
Total expenditures	<u>27,902,724</u>	<u>2,163,895</u>	<u>2,255,657</u>
Excess of revenues over (under) expenditures	<u>(989,865)</u>	<u>(2,131,408)</u>	<u>(794,879)</u>
Other financing sources (uses)			
Transfers in	1,954,712	1,427,632	-
Transfers out	(1,372,204)	-	-
Net other financing sources (uses)	<u>582,508</u>	<u>1,427,632</u>	<u>-</u>
Net change in fund balances	<u>(407,357)</u>	<u>(703,776)</u>	<u>(794,879)</u>
Fund balances (deficits) - beginning of year, as restated	<u>10,119,762</u>	<u>6,221,473</u>	<u>1,632,697</u>
Fund balances (deficits) - end of year	<u>\$ 9,712,405</u>	<u>\$ 5,517,697</u>	<u>\$ 837,818</u>

**City of Lynwood
Governmental Funds**

Statement of Revenues, Expenditures, and Changes in Fund Balances
Year ended June 30, 2009

Capital Projects				
Redevelopment Project Area "A"	Capital Improvement Projects	2002 HUD Section 108 Loan	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 13,399,070	\$ 32,425,069
-	-	-	133,017	915,469
-	-	-	6,126	1,160,199
4,969	-	41,001	210,735	638,296
-	34,485	-	5,111,967	6,925,831
-	-	-	392,626	3,712,006
-	-	-	-	1,208,409
-	-	-	45,966	45,966
11,800	-	-	3,017	769,658
<u>16,769</u>	<u>34,485</u>	<u>41,001</u>	<u>19,302,524</u>	<u>47,800,903</u>
644,848	-	-	1,712,822	7,406,008
-	-	-	2,384,753	17,453,355
-	-	-	2,901,180	7,273,396
1,468,480	-	-	664,216	4,856,699
-	-	-	-	3,535,156
-	-	-	552,052	552,052
1,811	4,744,444	-	1,812	6,145,649
12,203	-	-	2,019,269	2,079,713
67,651	-	-	1,401,200	1,596,989
<u>2,194,993</u>	<u>4,744,444</u>	<u>-</u>	<u>11,637,304</u>	<u>50,899,017</u>
<u>(2,178,224)</u>	<u>(4,709,959)</u>	<u>41,001</u>	<u>7,665,220</u>	<u>(3,098,114)</u>
2,182,581	4,532,781	-	3,598,244	13,695,950
-	-	-	(12,839,059)	(14,211,263)
<u>2,182,581</u>	<u>4,532,781</u>	<u>-</u>	<u>(9,240,815)</u>	<u>(515,313)</u>
4,357	(177,178)	41,001	(1,575,595)	(3,613,427)
2,035,023	1,908,035	6,367,120	13,135,917	41,420,027
<u>\$ 2,039,380</u>	<u>\$ 1,730,857</u>	<u>\$ 6,408,121</u>	<u>\$ 11,560,322</u>	<u>\$ 37,806,600</u>

See notes to financial statements.

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**City of Lynwood
Governmental Funds**

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year ended June 30, 2009**

Net change in fund balances - total governmental funds \$ (3,613,427)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital expense in the current period:

Capital outlay	\$ 4,394,387	
Depreciation expense	<u>(1,194,668)</u>	3,199,719

Governmental funds report the effect of issuance costs, premiums, discounts, and gains or losses on debt refundings when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

These amounts represent amortization during the fiscal year:

Amortization of deferred issuance costs and deferred loss on refunding		(157,308)
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Certain notes receivable are reported in the governmental funds as expenditures and then offset by deferred revenue as they are not available to pay current expenditures. Likewise, when the note is collected, it is reflected as revenue.

This is the net change between notes receivable collected and issued.		2,626,213
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Repayment of debt principal is an expenditure in the governmental funds, but in the statement of net assets, the repayment reduces long-term liabilities.

Neither transaction, however, has any effect on net assets.

Principal repayment of tax allocation bonds	330,000	
Principal retirement of capital leases	324,475	
Principal repayment of HUD loan payable	285,000	
Principal repayment of notes payable - Grae Atlantic	12,203	
Principal repayment of revenue bonds	<u>500,000</u>	1,451,678

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Interest on bonds and loan payable	25,920	
Other postemployment benefits	(1,973,597)	
Net change in claims payable	(927,112)	
Net change in compensated absences	<u>(36,220)</u>	(2,911,009)

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

		<u>791,473</u>
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Change in net assets of governmental activities		<u>\$ 1,387,339</u>
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See notes to financial statements.

City of Lynwood
Statement of Net Assets
Proprietary Funds
June 30, 2009

	Business-type Activities - Enterprise Funds			Governmental
	Transit	Water and Sewer	Totals	Internal Service Funds
ASSETS				
Current assets				
Cash and investments	\$ 190,179	\$ 10,069,208	\$ 10,259,387	\$ 469,714
Receivables:				
Accounts	-	2,482,614	2,482,614	714
Interest	-	29,187	29,187	-
Due from other funds	-	650,029	650,029	-
Total current assets	<u>190,179</u>	<u>13,231,038</u>	<u>13,421,217</u>	<u>470,428</u>
Noncurrent assets				
Restricted assets:				
Deposit in trust	-	-	-	80,000
Cash and investments with fiscal agents	-	9,798,191	9,798,191	-
Deferred issuance costs, net	-	775,137	775,137	-
Capital assets, not depreciated	-	37,252	37,252	-
Capital assets, depreciated, net	-	7,660,915	7,660,915	1,232,426
Total noncurrent assets	<u>-</u>	<u>18,271,495</u>	<u>18,271,495</u>	<u>1,312,426</u>
Total assets	<u>190,179</u>	<u>31,502,533</u>	<u>31,692,712</u>	<u>1,782,854</u>
LIABILITIES				
Current liabilities				
Accounts payable	190,179	310,196	500,375	175,585
Accrued interest payable	-	85,966	85,966	-
Deposits	-	108,352	108,352	-
Due to other funds	-	712,767	712,767	1,335,378
Current portion of long-term debt	-	517,384	517,384	-
Total current liabilities	<u>190,179</u>	<u>1,734,665</u>	<u>1,924,844</u>	<u>1,510,963</u>
Noncurrent liabilities				
Noncurrent portion of long-term debt:				
Compensated absences	-	72,461	72,461	-
Claims payable	-	-	-	1,902,579
Revenue bonds payable	-	20,689,681	20,689,681	-
Total noncurrent liabilities	<u>-</u>	<u>20,762,142</u>	<u>20,762,142</u>	<u>1,902,579</u>
NET ASSETS				
Invested in capital assets, net of related debt	-	(7,686,833)	(7,686,833)	1,232,426
Restricted for debt service	-	1,900,804	1,900,804	-
Unrestricted	-	14,791,755	14,791,755	(2,863,114)
Total net assets \$	<u>-</u>	<u>9,005,726</u>	<u>9,005,726</u>	<u>(1,630,688)</u>

See notes to financial statements.

City of Lynwood
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Year ended June 30, 2009

	Business-type Activities - Enterprise Funds			Governmental
	Transit	Water and Sewer	Totals	Internal Service Funds
Operating revenues				
Sales and service charges	\$ 13,208	\$ 10,014,463	\$ 10,027,671	\$ 2,233,695
Total operating revenues	<u>13,208</u>	<u>10,014,463</u>	<u>10,027,671</u>	<u>2,233,695</u>
Operating expenses				
Administration	-	1,226,324	1,226,324	-
Insurance	-	-	-	520,059
Claims	-	-	-	599,125
Water utility	-	4,385,941	4,385,941	-
Sewer utility	-	608,486	608,486	-
Garage	-	-	-	287,887
Transit	1,081,676	-	1,081,676	-
Depreciation	-	355,254	355,254	35,151
Total operating expenses	<u>1,081,676</u>	<u>6,576,005</u>	<u>7,657,681</u>	<u>1,442,222</u>
Operating income (loss)	<u>(1,068,468)</u>	<u>3,438,458</u>	<u>2,369,990</u>	<u>791,473</u>
Nonoperating revenues (expenses)				
Use of money and property	-	182,418	182,418	-
Interest expense	-	(1,123,126)	(1,123,126)	-
Amortization expense	-	(17,877)	(17,877)	-
Net nonoperating revenues (expenses)	<u>-</u>	<u>(958,585)</u>	<u>(958,585)</u>	<u>-</u>
Income (loss) before transfers	(1,068,468)	2,479,873	1,411,405	791,473
Transfers				
Transfers in	1,068,468	-	1,068,468	-
Transfers out	-	(553,155)	(553,155)	-
Change in net assets	-	1,926,718	1,926,718	791,473
Total net assets (deficit) - beginning of year	<u>-</u>	<u>7,079,008</u>	<u>7,079,008</u>	<u>(2,422,161)</u>
Total net assets (deficit) - end of year	<u>\$ -</u>	<u>\$ 9,005,726</u>	<u>\$ 9,005,726</u>	<u>\$ (1,630,688)</u>

See notes to financial statements.

City of Lynwood
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2009

	Business-type Activities - Enterprise Funds			Governmental Activities
	Transit	Water and Sewer	Totals	Internal Service Funds
Cash flows from operating activities:				
Receipts from customers and users	\$ 13,208	\$ 9,796,431	\$ 9,809,639	\$ 2,233,695
Payments to suppliers	(931,065)	(4,151,531)	(5,082,596)	(1,002,166)
Payments for claims	-	-	-	(1,063,391)
Payments to employees	(130,950)	(2,152,860)	(2,283,810)	(42,473)
Net cash provided by (used in) operating activities	<u>(1,048,807)</u>	<u>3,492,040</u>	<u>2,443,233</u>	<u>125,665</u>
Cash flows from noncapital financing activities:				
Received from other funds	1,068,468	-	1,068,468	-
Paid to other funds	-	553,155	553,155	-
Net cash provided by noncapital financing activities	<u>1,068,468</u>	<u>553,155</u>	<u>1,621,623</u>	<u>-</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	-	(403,488)	(403,488)	-
Proceeds from long-term debt	-	17,936,694	17,936,694	-
Principal payments on long-term debt	-	(8,870,000)	(8,870,000)	-
Interest paid on long-term debt	-	(798,010)	(798,010)	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>7,865,196</u>	<u>7,865,196</u>	<u>-</u>
Cash flows from investing activities				
Deposits in trust	-	-	-	(80,000)
Interest received	-	196,792	196,792	-
Net cash provided by (used in) investing activities	<u>-</u>	<u>196,792</u>	<u>196,792</u>	<u>(80,000)</u>
Net change in cash and investments	19,661	12,107,183	12,126,844	45,665
Cash and investments - beginning of year	170,518	7,760,216	7,930,734	424,049
Cash and investments - end of year	<u>\$ 190,179</u>	<u>\$ 19,867,399</u>	<u>\$ 20,057,578</u>	<u>\$ 469,714</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (1,068,468)	\$ 3,438,458	\$ 2,369,990	\$ 791,473
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	-	355,254	355,254	35,151
Changes in operating assets and liabilities:				
(Increase) decrease in accounts receivables	-	(151,831)	(151,831)	(714)
Increase (decrease) in accounts payable	19,661	(83,640)	(63,979)	(236,693)
Increase (decrease) in claims payable	-	-	-	(1,248,267)
Increase (decrease) in deposits	-	20,472	20,472	-
Increase (decrease) in due to other funds	-	(86,673)	(86,673)	784,715
Total adjustments	<u>19,661</u>	<u>53,582</u>	<u>73,243</u>	<u>(665,808)</u>
Net cash provided by (used in) operating activities	<u>\$ (1,048,807)</u>	<u>\$ 3,492,040</u>	<u>\$ 2,443,233</u>	<u>\$ 125,665</u>

See notes to financial statements.

City of Lynwood
Statement of Fiduciary Funds
June 30, 2009

	Agency Fund
Assets	
Notes and loans receivables	\$ <u>54,506</u>
Liabilities	
Deferred revenue	\$ <u>54,506</u>

See notes to financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Description of the Reporting Entity

The City of Lynwood was incorporated in 1921, under the laws of the State of California.

The City of Lynwood is a reporting entity which includes the following component units:

Lynwood Redevelopment Agency
Lynwood Public Financing Authority
Lynwood Information, Inc.

As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body and the City is either able to impose its will on that organization, or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable if an organization is fiscally dependent upon the City (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete.

All of the City's component units are considered to be blended component units because, in all cases, the City Council serves as the governing board for each component unit. Blended component units, although legally separate entities, are, in substance, part of the City's operations, therefore data from these units are reported with the interfund data of the primary government.

The Lynwood Redevelopment Agency and the Lynwood Information, Inc. issue separate component unit statements. Upon their completion, the financial statements of the component units can be obtained at City Hall. The following entities are considered to be component units of the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lynwood Redevelopment Agency

The Redevelopment Agency was established in 1973, pursuant to the State of California Health and Safety Code Section 33000. Its purpose is to prepare and carry out plans for the improvement, rehabilitation, and development of blighted areas within the territorial limits of the City of Lynwood.

Lynwood Public Financing Authority

The Lynwood Public Financing Authority was formed in 1993, by a joint powers agreement between the City of Lynwood and the Lynwood Redevelopment Agency. It was created to acquire and finance the acquisition of public capital improvements necessary or convenient for the operation of the City or Agency.

Lynwood Information, Inc.

Lynwood Information, Inc. (LII) was founded as a non-profit corporation in 1981. Its purpose was to educate and inform the residents of the City of Lynwood about matters of concern to the City and its residents through a bi-monthly newsletter. The newsletter has since evolved into a quarterly publication. In January 1983, the corporation was restructured so as to include cable television as an additional means of informing the public. During the year, the operations of LII were transferred to the General Fund of the City.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

The City reports the following major governmental funds:

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

Redevelopment Agency Area "A" Low/Mod Income Housing Area "A" Special Revenue Fund - This fund receives transfers from tax increment funds (20% of gross tax increment received) and uses these funds for redevelopment related purposes and set aside for low-and-moderate-income housing.

HUD Home Program Special Revenue Fund - This fund accounts for revenue received from Housing and Urban Development and the State of California to provide financial assistance for affordable housing programs.

Redevelopment Agency Area "A" Capital Projects Funds - These funds account for redevelopment project capital outlays in each of their respective project areas.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Capital Improvement Projects Capital Projects Fund - This fund accounts for the financial resources used for the acquisition and construction of the City's capital projects. These improvements include improvements to the City's infrastructure, housing, and redevelopment projects.

The 2002 HUD Section 108 Loan Capital Projects Fund - This fund accounts for the proceeds of the \$7 million loan the City received from HUD to be used for capital projects within the City.

The City reports the following major proprietary funds:

The Transit Enterprise Fund - This fund accounts for revenue received from Dial-A-Taxi fares and Prop "A" and Prop "C" transfers to cover costs of transportation programs such as Dial-A-Taxi and transportation administration.

The Water Enterprise Fund - This fund accounts for revenue received from user fees for water and sewer usage. The Water Fund also pays for water billing, water utility, sewer services, and improvements to the water system.

The City reports the following other fund types:

The Internal Service Funds account for financial transactions related to City's Garage Department, Information Technology, and self-insurance programs. These services are provided to other City departments or agencies on a cost reimbursement basis.

The Agency Funds are used to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments.

Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

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

Assets, Liabilities, Net Assets or Equity

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers cash and cash equivalents as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. The City follows the practice of pooling cash and investments of all funds except for funds required to be held by outside fiscal agents under the provisions of bond indentures and funds for the Lynwood Redevelopment Agency. Cash equivalents have an original maturity date of three months or less from the date of purchase.

Cash and Investments

Investments are reported in the accompanying balance sheet at fair value, except for nonparticipating certificates of deposit and investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates. Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The City pools cash and investments of all funds, except assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables and Payables

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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

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 Los Angeles for the secured and unsecured property tax rolls; the utility property tax rolls are 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% of full value. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. 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 % 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. The City's share of the \$1.00 varies depending on the tax rate area and it ranges from \$0.0125 to \$0.0730.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 1990-91 Budget Act authorized counties to collect an administrative fee for collection and distribution of property taxes. Property taxes are recorded as net of administrative fees withheld during the fiscal year.

Restricted Assets

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

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, traffic lights and signals, street lights, and similar items), are reported in the applicable governmental or business-type activities in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 (including infrastructure) or more and an estimated useful life in excess of one year. Such capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the year ended June 30, 2009.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The provision for depreciation of capital assets is computed using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30 to 50
Improvements other than buildings	30 to 50
Infrastructure	35 to 50
Utility systems	75
Vehicles	7 to 15
Other equipment and Furnishings	5 to 15

Claims and Judgments

The City records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired or a liability has been incurred prior to fiscal year end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. This liability is recorded in the internal service fund which accounts for the City's self-insurance activities.

Compensated Absences

In accordance with GASB Statement No. 16, an employee benefits payable liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

Generally, compensated absences are liquidated through the City's general fund. Under GASB Statement No. 16, a liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Normally, an employee can not accrue more than one and one-half times their regular annual entitlement.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term Obligations

In the government-wide financial statements, and proprietary fund types fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Initial-issue bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the life of the refunding debt or remaining life of the refunded debt. Bond issuance costs, including deferred refunding amounts, are reported as deferred bond issuance costs. Amortization of bond premiums or discounts, issuance costs, and deferred amounts on refunding is included in interest expense in the Statement of Activities.

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

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

Net Assets and Fund Equity

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

Estimates

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements

GASB No. 50 – GASB has issued Statement No. 50 which amends applicable disclosure and required supplementary information (RSI) requirements of Statement No. 25 “Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans” and Statement No. 27 “Accounting for Pensions by State and Local Government Employers,” to conform with the requirements of Statement No. 43 “Financial Reporting for Postemployment Benefit Plans Other than Pension Plans” and Statement No. 45 “Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions.” The requirements of this Statement become effective for fiscal periods beginning after June 15, 2007, except for the requirements related to the use of the entry age actuarial cost method for the purpose of reporting a surrogate funded status and the funding progress of plans that use the actuarial cost method, which are effective for periods for which the financial statements and RSI contain information resulting from actuarial valuation as of June 15, 2007, or later. Early implementation is encouraged.

GASB No. 51 – GASB has issued Statement No. 51 “Accounting and Financial Reporting for Intangible Assets”. This Statement establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies in the accounting and financial reporting of these assets among state and local governments thereby enhancing comparability of the accounting and financial reporting of such assets. The requirements of this Statement become effective for fiscal periods beginning after June 15, 2009. The provisions of this Statement are generally required to be applied retroactively. For governments that were classified as phase 1 or phase 2 governments for the purpose of implementing Statement No. 34, retroactive reporting is required for intangible assets acquired in fiscal years ending after June 30, 1980, except for those considered to have indefinite useful lives as of the effective date of this Statement and those that would be considered internally generated. Retroactive reporting of these intangible assets by phase 3 governments is encouraged but not required. Retroactive reporting is not required but is permitted for intangible assets considered to have indefinite useful lives as of the effective date of this Statement and those considered to be internally generated.

GASB No. 52 - GASB has issued Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*. This statement improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income. This Statement is effective for financial statements for periods beginning after June 15, 2008.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements (continued)

GASB No. 53 - GASB has issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. Statement 53 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 and is effective for financial statements for reporting periods beginning after June 15, 2009, with earlier application encouraged.

GASB No. 54 - GASB has issued Statement No. 54, *Fund Balance Reporting and 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 also provides for additional fund classification as restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010.

GASB No. 55 - GASB has 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 generally accepted accounting principles (GAAP) for state and local governments into the Governmental Accounting Standards Board's (GASB) authoritative literature. The Board does not expect that this Statement will result in a change in current practice.

GASB No. 56 - GASB has 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. This Statement addresses three issues not included in the authoritative literature that establishes *accounting* principles—related party transactions, going concern considerations, and subsequent events. This Statement does not establish new accounting standards but rather incorporates the existing guidance (to the extent appropriate in a governmental environment) into the GASB standards.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Encumbrances

Encumbrances are estimations of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in the General, Special Revenue, and similar governmental funds. Encumbrances outstanding at fiscal year-end are reported as a reservation of fund balance. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in-process at fiscal year-end are completed. They do not constitute expenditures or estimated liabilities.

Continuing Appropriations

The unexpended and unencumbered appropriations that are available and recommended for continuation are approved by the City Council for carryover to the following fiscal year. These commitments are reported as a reservation of fund balance.

Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (US GAAP).

Deficit Fund Balances/Net Assets

The following funds contained a deficit fund balance/net assets as of June 30, 2009:

Internal Service Fund		
Self-insurance	\$	3,299,853
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Traffic Safety		1,138,307
STP Grant		116,551
SB 821		27,776
Lighting Maintenance		788,106
Landscape Maintenance		763,235
Housing Community Development (HUD)		567,350
Brownfield Grant		21,277
Per Capita Grant 2000		61,554
Safe School Route		298,961
TEA/ISTEA Grant		280,392
State of California CEC Grant		4,079
Justice Assistance		92,152
State Transportation Partnership		95,656
Capital Projects Fund:		
Park Replacement		2,572,247

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

The above deficit fund balances/net assets have occurred because of the spending of funds prior to the receipt of revenues. The fund balances/net assets will be restored in the near future as revenues are received.

Excess of Expenditures Over Appropriations

<u>Fund</u>	<u>Final Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
Major Governmental Fund:			
Special Revenue Fund:			
Redevelopment Low/Mod			
Income Housing Area "A"	\$ 2,058,073	\$ 2,163,895	\$ 105,822
 Nonmajor Governmental Funds:			
Special Revenue Fund:			
STP Grant	-	110,671	110,671
Housing Community			
Development(HUD)	1,648,914	1,912,191	233,277
Safe School Route	-	298,961	298,961
Prop 40	-	360	360
Justice Assistance	60,000	92,152	32,152
State Transportation			
Partnership	-	95,656	95,656
Lynwood Information, Inc.	-	104,893	104,893
 Debt Service Fund:			
City of Lynwood	1,366,488	1,366,491	3
Tax increment area "A"	1,117,552	1,311,263	193,711
Special Funds area A			
"Alameda"	24,000	121,075	97,075
Tax increment Alameda			
Area	65,129	83,584	18,455

NOTE3 CASH AND INVESTMENTS

Cash and investments are reported as follows:

	Governmental Activities	Business-type Activities	Totals
Cash and investments	\$ 30,509,664	\$ 10,259,387	\$ 40,769,051
Restricted cash and investments:			
Cash and investments	176,243	-	176,243
Cash and investments with fiscal agents	4,971,799	9,798,191	14,769,990
	\$ 35,657,706	\$ 20,057,578	\$ 55,715,284

Cash and investments at June 30, 2009 consisted of the following:

Petty cash	\$ 3,790
Deposits	3,843,947
Investments	51,867,547
	\$ 55,715,284

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

The table below identifies the investment types that are authorized for the City 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.

NOTE3 CASH AND INVESTMENTS (CONTINUED)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State Pool)	N/A	None	\$40 million
U.S. Treasury Obligations	5 years	None	None
U.S. Government Agency Issues	5 years	None	None
Time Deposits	N/A	25%	None
Insured Passbook Savings Deposits with Banks and Savings and Loans	N/A	None	None
Negotiable Certificates of Deposit	5 years	30%	None
Commercial Paper	180 days	15%	10%
Mutual Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Medium Term Corporate Notes	5 years	30%	15%

b. Investments Authorized by Debt Agreements

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State Pool)	N/A	None	\$40 million
U.S. Treasury Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Certificates of Deposit	N/A	None	None
Commercial Paper	N/A	None	None
Mutual Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None

NOTE3 CASH AND INVESTMENTS (CONTINUED)

c. Disclosures Relating to Interest Rate Risk

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

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

Investment Type	Totals	12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
State investment pool	\$ 23,263,909	\$ 23,263,909	\$ -	\$ -	\$ -
Money market funds	7,504,472	7,504,472	-	-	-
Time deposits	6,329,176	6,329,176	-	-	-
Held by bond trustees:					
Money market funds	14,769,990	14,769,990	-	-	-
Totals	<u>\$ 51,867,547</u>	<u>\$ 51,867,547</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

e. Disclosures Relating to Credit Risk

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

NOTE3 CASH AND INVESTMENTS (CONTINUED)

Investment Type	Totals	Minimum Legal Rating	Exempt from Disclosure	AAA	AA	A	Not Rated
State investment pool	\$ 23,263,909	N/A	\$ -	\$ -	\$ -	\$ -	\$ 23,263,909
Money market funds	7,504,472	N/A	-	-	-	-	7,504,472
Time deposits	6,329,176	N/A	-	-	-	-	6,329,176
Held by bond trustees:							
Money market funds	14,769,990	N/A	-	14,769,990	-	-	-
Totals	\$ 51,867,547		\$ -	\$ 14,769,990	\$ -	\$ -	\$ 37,097,557

f. Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

US Bank - Time Deposits \$ 3,089,832

Investments in any one issuer that represent 5% or more of total investments by reporting unit (governmental activities, major funds, and nonmajor funds) are as follows:

\$3,089,832 of cash and investments reported in the Redevelopment Low/Mod Housing Area "A" Special Revenue Fund, Redevelopment Project Area "A" Capital projects Fund, Redevelopment Low/Mod Housing Alameda Area Special Revenue Fund, Tax Increment Area "A" Special Revenue Fund, Tax Increment Alameda Area Special Revenue Fund, Redevelopment Project Alameda Area Capital Project Fund, and Redevelopment Project Area "A" Taxable Bond Proceeds Capital Project Fund are held in the form of time deposits issued by US Bank. These investments mature by June 30, 2010.

NOTE3 CASH AND INVESTMENTS (CONTINUED)

g. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2009, \$9,817,434 of the City's deposits with financial institutions, which include money market accounts, time deposits, are in excess of federal depository insurance limits and were held in collateralized accounts per the California Government Code. As of June 30, 2009, the City's investments in the following investment types were held by the same broker-dealer (counterparty) that was used by the City to buy the securities:

<u>Investment Type</u>	<u>Reported Amount</u>
Time deposits	\$ 3,147,914

h. Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. At June 30, 2009, the total fair value of LAIF, including accrued interest was approximately \$50.89 billion. The fair value of the City's investment in the pool is \$23.3 million. LAIF's and the City's exposure to risk (credit, market, or legal) is not currently available.

NOTE 5 NOTES AND LOANS RECEIVABLE (CONTINUED)

	<u>Outstanding Balance June 30, 2009</u>
<p>In June 2002, the Agency extended a loan to a developer for building vehicle storage and towing service center. The loan consists of two portions: \$125,000 for the site purchase and \$70,000 for the site and building improvements. The portion of the loan in the amount of \$70,000 bears no interest and will be forgiven after 5 years provided that the developer operates the business and creates job opportunities on the site for 5 years. An allowance of \$70,000 has been established for the future amount to be forgiven.</p>	<p>\$ 104,977</p>
<p>In March 2002, the Agency extended a rehabilitation loan in the amount of \$250,000 to a property owner. The loan bears simple interest at 10% per annum and is fully due on the tenth (10th) anniversary date of the loan agreement.</p>	<p>102,388</p>
<p>In September 2003, the Agency loaned a leaseholder at 2600 East Imperial Highway \$150,000 and granted them \$130,000. The loan bears interest at 7% and is payable in monthly payments of \$2,267 until September 23, 2009.</p>	<p>99,772</p>
<p>In February 2009, the Agency extended a non-interest bearing note in the amount of \$454,000 (Insurance Payment Amount) to a developer for financial assistance on an affordable housing project located at 11300 Atlantic Avenue (the Property). Upon each anniversary of the date of the issuance of a Certificate of Completion and provided all material covenants set forth in the agreement have been performed during the previous year, a credit of 1/55 of the Insurance Payment principal amount shall be applied to the note, and the outstanding principal amount of the note shall be reduced by such amount. An allowance of \$454,000 has been established because of future forgiveness of the loan.</p>	<p>-</p>
<p>In July 2008, the Agency extended a non-interest bearing note to a non-profit organization for financial assistance on an affordable housing project located at 4237-4341 Imperial Highway (the Property). Upon the subdivision of the Property into individual lots for the development of the affordable units as described in the Development Agreement, the note shall be amended to divide the loan amount by the number of affordable units to be constructed such that each affordable unit shall be responsible for the repayment of an equal share of the note.</p>	<p>1,051,000</p>

NOTE 5 NOTES AND LOANS RECEIVABLE (CONTINUED)

		<u>Outstanding Balance June 30, 2009</u>
The City has received funding from the Department of Housing and Urban Development for the purpose of assisting (through zero or low interest deferred loans) residents and commercial enterprises to rehabilitate their homes and businesses. Some of the loans have maturity dates while others are due upon sale of the underlying property.	\$	<u>2,854,583</u>
Net long-term receivables	\$	<u><u>4,212,720</u></u>

NOTE 6 ACCOUNTS RECEIVABLE

The following is a list of accounts receivable at June 30, 2009:

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Governmental Activities:			
Intergovernmental	\$ 3,434,338	\$ -	\$ 3,434,338
Accounts (including taxes)	1,464,495	-	1,464,495
Interest	58,061	-	58,061
	<u>\$ 4,956,894</u>	<u>\$ -</u>	<u>\$ 4,956,894</u>
Business-type Activities:			
Accounts	2,833,380	350,766	2,482,614
Interest	29,187	-	29,187
	<u>\$ 2,862,567</u>	<u>\$ 350,766</u>	<u>\$ 2,511,801</u>

NOTE 7 DEFERRED CHARGES

Deferred charges consist of issuance costs of certain debt issues.

The City defers and amortizes the costs of issuance charged for each debt issue. The total costs deferred as a result of the issuance of the 1999 Tax Allocation Bonds was \$790,163. The amortization period ranges from 154 months to 346 months depending on the maturity date of the bonds. Accumulated amortization as of June 30, 2009 was \$347,246.

NOTE 7 DEFERRED CHARGES (CONTINUED)

The City has deferred costs of issuance, discounts on its 1999 Revenue Bonds. The total amount deferred at June 30, 2009 (net of accumulated amortization of \$89,795) was \$187,094. The 1993 issue is being amortized over 303 months and the 1999 issue over 358 months.

The City also paid costs of issuance arising from the issuance of the 2003 Revenue Refunding Bonds. These costs amounted to \$277,155 and are also amortized over 168 months. The accumulated amortization of the costs as of June 30, 2009 was \$115,482.

In November 2003, the City of Lynwood issued \$6,930,000 of Enterprise Revenue Bonds. Total issue costs relating to the issue was \$370,026. The period of amortization is 366 months and the accumulated amortization as of June 30, 2009 was \$56,616.

In November 2008, the City of Lynwood issued \$9,755,000 of Enterprise Revenue Bonds. Total issue costs relating to the issue was \$294,942. The period of amortization is 360 months and the accumulated amortization as of June 30, 2009 was \$6,145.

In May 2009, the City of Lynwood issued \$5,735,000 of Enterprise Revenue Bonds. Total issue costs relating to the issue was \$172,930. The period of amortization is 240 months and the accumulated amortization as of June 30, 2009 was \$1,088.

All amortization is computed using the straight-line method which approximates the effective interest and bonds outstanding method.

All amortization is shown as a component of interest expense on long-term debt in the statement of activities.

NOTE 8 INTERFUND ACTIVITY

The following represents the City's interfund activity for the fiscal year ended June 30, 2009.

Current Interfund Balances

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

The following is a summary of current interfund balances as of June 30, 2009:

NOTE 8 INTERFUND ACTIVITY (CONTINUED)

Receivable Fund	Amount	Payable Fund	Amount
Major Funds:		Major Funds:	
General	\$ 9,003,096	General	\$ 217,954
Redevelopment Low/Mod		HUD Home Program	351,391
Income Housing Area "A"	100,117	Water and Sewer	712,767
Water and Sewer	650,029		
Nonmajor Funds:		Nonmajor Funds:	
Litter Abatement	10,167	Traffic Safety	1,079,420
Redevelopment Low/Mod		Lighting Maintenance	762,485
Income Housing Alameda Area	48,038	SB 821	27,776
Tax Increment Area "A"	217,954	State Transportation Partnership	95,656
Tax Increment Alameda Area	14,876	Housing Community Development	852,402
		Landscape Maintenance	786,587
		STP Grant	116,551
		Brownfield Grant	18,752
		TEA/ISTEA Grant	280,392
		State of California CEC Grant	4,079
		Justice Assistance	66,680
		Per Capita Grant 2000	61,554
		Safe School Route	298,961
		Tax Increment Area "A"	114,993
		Tax Increment Alameda Area	48,038
		2003 Lease Revenue Refunding	148,711
		Capital Grant Loan	91,503
		Park Replacement	2,572,247
		Internal Service Fund:	
		Self-insurance	1,335,378
Totals	\$ 10,044,277		\$ 10,044,277

Advances

As of June 30, 2009, the funds below have made advances that were not expected to be repaid within on year.

Funds	Advances Receivables	Advances Payable
Major Funds:		
General	\$ 164,456	\$ -
Redevelopment Project Area "A"	957,380	-
Nonmajor Funds:		
Tax Increment Area "A"	-	1,068,947
Tax Increment Alameda Area	-	52,889
Totals	\$ 1,121,836	\$ 1,121,836

These advances represent various operating advances for the Redevelopment Agency's Project Areas. The advances are to be repaid with future tax increment revenue.

NOTE 8 INTERFUND ACTIVITY (CONTINUED)

Transfers

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of the transfers is to reimburse a fund that has made expenditures on behalf of another fund.

Funds	Transfer in	Transfer out
Major Governmental Funds:		
General	\$ 1,954,712	\$ 1,372,204
Redevelopment Low/Mod Income		
Housing Area "A"	1,427,632	-
Redevelopment Project Area "A"	2,182,581	-
Capital Improvement Projects	4,532,781	-
Nonmajor Governmental Funds:		
Traffic Safety	1,342,604	-
Lighting Maintenance	-	221,127
Gas Tax	-	1,342,604
Retirement	-	1,716,192
Air Quality Improvement	-	100,000
SB 821	-	87,700
Housing Community Development	-	26,699
Prop A	-	826,989
Landscape Maintenance	-	179,334
Robert-Zberg Harris	-	316,960
Prop C	-	985,850
STP Grant	-	5,880
Prop 1B	-	1,352,866
TEA//ISTEA Grant	-	2,802
LA County Park Maintenance Grant	-	67,672
AB 2928 Traffic Congestion Relief	-	138,606
State of California CEC Grant	-	4,079
Per Capita Grant 2000	-	293,512
Prop 40 Grant	360	-
Redevelopment Low/Mod Income		
Housing Alameda Area	279,239	-
Tax increment Area "A"	-	3,610,213
Tax Increment Alameda Area	27	1,011,645
Public Financing Authority	10,486	-
City of Lynwood	1,233,149	-
2003 Lease Revenue refunding	-	4,723
Redevelopment Project Alameda Area	732,379	-
Capital Project Loan	-	35,470
Park Replacement	-	508,136
Major Enterprise Fund:		
Transit	1,068,468	-
Water and Sewer	-	553,155
Totals	\$ 14,764,418	\$ 14,764,418

NOTE 9 CAPITAL ASSETS

Governmental Activities

Capital asset governmental activity for the year ended June 30, 2009 was as follows:

	Balance <u>July 1, 2008</u>	Additions	Deletions	Balance <u>June 30, 2009</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 35,174,105	\$ 847,505	\$ (807,537)	\$ 35,214,073
Rights of way	22,904,319	-	-	22,904,319
Trees	287,627	-	-	287,627
Construction in progress	28,357,485	3,923,245	(2,272,587)	30,008,143
Total capital assets not being depreciated	<u>86,723,536</u>	<u>4,770,750</u>	<u>(3,080,124)</u>	<u>88,414,162</u>
Capital assets being depreciated:				
Buildings and improvements	10,170,224	34,487	-	10,204,711
Machinery and equipment	733,741	396,698	-	1,130,439
Infrastructure				
Roadways, curbs and gutters	24,138,054	2,132,075	-	26,270,129
Sidewalks and medians	5,941,024	-	-	5,941,024
Other street appurtenances	4,517,408	140,500	-	4,657,908
Total capital assets being depreciated	<u>45,500,451</u>	<u>2,703,760</u>	<u>-</u>	<u>48,204,211</u>
Less accumulated depreciation for:				
Buildings and improvements	(4,587,214)	(205,388)	-	(4,792,602)
Machinery and equipment	(576,135)	(255,986)	-	(832,121)
Infrastructure				
Roadways, curbs and gutters	(10,017,328)	(498,206)	-	(10,515,534)
Sidewalks and medians	(2,246,171)	(140,275)	-	(2,386,446)
Other street appurtenances	(1,960,864)	(94,813)	-	(2,055,677)
Total accumulated depreciation	<u>(19,387,712)</u>	<u>(1,194,668)</u>	<u>-</u>	<u>(20,582,380)</u>
Capital assets being depreciated, net	<u>26,112,739</u>	<u>1,509,092</u>	<u>-</u>	<u>27,621,831</u>
Governmental activities capital assets, net	<u>\$ 112,836,275</u>	<u>\$ 6,279,842</u>	<u>\$ (3,080,124)</u>	<u>\$ 116,035,993</u>

Internal Service Fund (Allocated to Governmental Activities)

	Balance <u>July 1, 2008</u>	Additions	Deletions	Balance <u>June 30, 2009</u>
Capital assets being depreciated:				
Machinery and equipment	\$ 3,248,357	-	-	\$ 3,248,357
Total capital assets being depreciated	<u>3,248,357</u>	<u>-</u>	<u>-</u>	<u>3,248,357</u>
Less accumulated depreciation for:				
Machinery and equipment	(1,980,779)	(35,151)	-	(2,015,930)
Total accumulated depreciation	<u>(1,980,779)</u>	<u>(35,151)</u>	<u>-</u>	<u>(2,015,930)</u>
Capital assets being depreciated, net	<u>\$ 1,267,578</u>	<u>\$ (35,151)</u>	<u>\$ -</u>	<u>\$ 1,232,427</u>

NOTE 9 CAPITAL ASSETS (CONTINUED)

Total Governmental Activities

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 35,174,105	\$ 847,505	\$ (807,537)	\$ 35,214,073
Rights of way	22,904,319	-	-	22,904,319
Trees	287,627	-	-	287,627
Construction in progress	28,357,485	3,923,245	(2,272,587)	30,008,143
Total capital assets not being depreciated	<u>86,723,536</u>	<u>4,770,750</u>	<u>(3,080,124)</u>	<u>88,414,162</u>
Capital assets, being depreciated:				
Buildings and improvements	10,170,224	34,487	-	10,204,711
Machinery and equipment	3,982,098	396,698	-	4,378,796
Infrastructure				
Roadways, curbs and gutters	24,138,054	2,132,075	-	26,270,129
Sidewalks and medians	5,941,024	-	-	5,941,024
Other street appurtenances	4,517,408	140,500	-	4,657,908
Total capital assets, being depreciated	<u>48,748,808</u>	<u>2,703,760</u>	<u>-</u>	<u>51,452,568</u>
Less accumulated depreciation for:				
Buildings and improvements	(4,587,214)	(205,388)	-	(4,792,602)
Machinery and equipment	(2,556,914)	(291,137)	-	(2,848,051)
Infrastructure				
Roadways, curbs and gutters	(10,017,328)	(498,206)	-	(10,515,534)
Sidewalks and medians	(2,246,171)	(140,275)	-	(2,386,446)
Other street appurtenances	(1,960,864)	(94,813)	-	(2,055,677)
Total accumulated depreciation	<u>(21,368,491)</u>	<u>(1,229,819)</u>	<u>-</u>	<u>(22,598,310)</u>
Capital assets, being depreciated, net	<u>27,380,317</u>	<u>1,473,941</u>	<u>-</u>	<u>28,854,258</u>
Governmental Activities Capital Assets, Net	<u>\$ 114,103,853</u>	<u>\$ 6,244,691</u>	<u>\$ (3,080,124)</u>	<u>\$ 117,268,420</u>

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

	Governmental	Internal Service	Total
General government	\$ 193,737	\$ -	\$ 193,737
Public safety	7,893	-	7,893
Public works	905,228	35,151	940,379
Community development	2,074	-	2,074
Parks and recreation	85,736	-	85,736
	<u>\$ 1,194,668</u>	<u>\$ 35,151</u>	<u>\$ 1,229,819</u>

NOTE 9 CAPITAL ASSETS (CONTINUED)

Business-type Activities

Capital asset business-type activity (Water activity) for the year ended June 30, 2009 was as follows:

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
Water Activity:				
Capital assets not being depreciated				
Land	\$ 37,252	\$ -	\$ -	\$ 37,252
Total capital assets not being depreciated	<u>37,252</u>	<u>-</u>	<u>-</u>	<u>37,252</u>
Capital assets being depreciated:				
Buildings and improvements	35,499	13,698	-	49,197
Infrastructure	<u>13,096,117</u>	<u>-</u>	<u>-</u>	<u>13,096,117</u>
Total capital assets being depreciated	<u>13,131,616</u>	<u>13,698</u>	<u>-</u>	<u>13,145,314</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,230)	(710)	-	(9,940)
Infrastructure	<u>(5,119,915)</u>	<u>(354,544)</u>	<u>-</u>	<u>(5,474,459)</u>
Total accumulated depreciation	<u>(5,129,145)</u>	<u>(355,254)</u>	<u>-</u>	<u>(5,484,399)</u>
Capital assets being depreciated, net	<u>8,002,471</u>	<u>(341,556)</u>	<u>-</u>	<u>7,660,915</u>
Water capital assets, net	<u>\$ 8,039,723</u>	<u>\$ (341,556)</u>	<u>\$ -</u>	<u>\$ 7,698,167</u>

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

Business-type Activities:	
Water	\$355,254

NOTE 10 LONG-TERM LIABILITIES

The following is a summary of changes in the City's long-term liabilities for the year ended June 30, 2009:

	Balance July 1, 2008	Additions	Repayments	Balance June 30, 2009	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 1,550,429	\$ 1,157,452	\$ (1,162,822)	\$ 1,545,059	\$ 1,158,794
Other postemployment benefits	-	1,973,597	-	1,973,597	-
Capital leases payable	495,431	-	(324,475)	170,956	170,956
Tax allocation bonds	13,020,000	-	(330,000)	12,690,000	355,000
HUD loan payable	6,010,000	-	(285,000)	5,725,000	300,000
Claims payable	3,888,995	213,543	(534,699)	3,567,839	891,960
Note payable - Grae Atlantic	615,001	-	(12,203)	602,798	13,546
Revenue bonds	10,475,000	-	(500,000)	9,975,000	515,000
Deferred amount on refunding	(659,844)	83,060	-	(576,784)	-
Total	<u>\$ 35,395,012</u>	<u>\$ 3,427,652</u>	<u>\$ (3,149,199)</u>	<u>\$ 35,673,465</u>	<u>\$ 3,405,256</u>
Business-type Activities:					
Compensated absences	\$ 245,152	\$ 228,557	\$ (183,864)	\$ 289,845	\$ 217,384
Revenue bonds	14,709,425	15,351,763	(8,781,703)	21,279,485	300,000
Deferred amount on refunding	-	(289,804)	-	(289,804)	-
Total	<u>\$ 14,954,577</u>	<u>\$ 15,290,516</u>	<u>\$ (8,965,567)</u>	<u>\$ 21,279,526</u>	<u>\$ 517,384</u>

-
Governmental activities long-term debt at June 30, 2009 consisted of the following:

Capital Lease Obligations

During fiscal year 2000, the City entered into a vehicle lease purchase agreement. In June 2002, the City purchased vehicles in the amount of \$1,609,401 under this arrangement. The lease obligation, proceeds, and the related assets were recorded in the internal service fund. Also, the City executed a financing agreement to improve its energy consumption systems in fiscal year 1998. Because of the nature of the agreement, the transaction is being accounted for as though the City owned and financed the related assets directly.

The principal balances of the capital leases as of June 30, 2009 were \$170,956.

LRA 1999 Tax Allocation Bonds

On October 1, 1999, the Agency issued Tax Allocation Bonds Series A in the amount of \$10,235,000, Tax Allocation Bonds Series B in the amount of \$3,425,000, and Tax Allocation Bonds Alameda Project Area A in the amount of \$1,310,000. The interest rate varies from 4.45% to 7.65%. A portion of the proceeds was used to refund \$7,780,000 of outstanding 1993 Tax Allocation Bonds. The primary purpose of the issuance of the 1999 Tax Allocation Bonds is to establish more appropriate bond payment dates which correspond with tax roll collections and allow the Agency to capture the maximum tax increment allowed by the legislation. Also, the 1999 Tax Allocation Bonds provide a source of funding for the various proposed redevelopment projects. As of June 30, 2009, the total unpaid principal balance was \$12,690,000.

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

HUD Section 108 Loan Payable

On August 8, 2002, the Department of Housing and Urban Development loaned \$7 million to the City of Lynwood. The funds are to be used for expansion, rehabilitation, and development of the Plaza De Mexico project. The interest rate charged on the loan varies from 5.0% to 6.0% and the final maturity date of the loan is August 8, 2021. Principal payments are due every August 1 starting in 2004 and interest is to be paid semi-annually. The City has received \$875,000 in Federal Brownfield Grant funds to assist in the payment of principal and interest. The balance of the loan outstanding at June 30, 2009 was \$5,725,000.

Claims Payable

The City is self insured for general liability and workers' compensation claims. The City records losses for claims incurred but not reported when the probable amount of loss can be reasonably estimated. Total amount of estimated claims outstanding at June 30, 2009 is \$3,567,839.

Note Payable - Grae Atlantic

On July 18, 2000, the Agency executed a Disposition and Development Agreement (DDA) with Grae Ventures, LLC for the development of a commercial project at the corner of Atlantic Avenue and Imperial Highway. The agreement stipulates that the Agency will contribute \$635,900 through a Tax increment Loan Agreement. The Agency began monthly payments to Grae Ventures, LLC during the fiscal year ended June 30, 2007. Payments are \$79,853 per year at an interest rate of 11 %. The final payment is due during the fiscal year ending June 30, 2026. The balance as of June 30, 2009 is \$602,798.

Lynwood Public Financing Authority 1999 Lease Revenue Refunding Bonds

On October 28, 1999 the Lynwood Public Financing Authority issued \$3,760,000 of 1999 Lease Revenue Refunding Bonds. The proceeds plus bond funds from the 1996 Revenue Bonds in the amount of \$151,141 will be used to pay costs of issuance, fund a reserve account, finance improvements, and to refund the Authority's 1996 Revenue Bonds in the amount of \$1,440,000. Interest on the bonds is payable semi-annually each September 1 and March 1. The principal matures each September 1 beginning in 2019 and maturing in 2029. The bonds have interest rates of 6.25% and 6.30%. The outstanding balance of the bonds at June 30, 2009 is \$3,760,000.

Lynwood Public Financing Authority 2003 Lease Revenue Refunding Bonds Series A and B

On September 3, 2003, the Lynwood Public Financing Authority issued \$8,630,000 of 2003 Lease Revenue Refunding Bonds. The proceeds along with remaining funds from the 1993 issue will be used to advance refund the 1993 Lynwood Public Financing Authority Revenue Bonds Series A, pay costs of issuance, fund a reserve account, and fund certain projects within the City (corporate yard land purchase and improvements to the City owned property). Interest on the Bonds is payable semi-annually each March 1 and September 1 beginning on March 1, 2004. Principal matures each September 1 beginning in 2004 and maturing in 2018. Interest rates on the bonds vary between 2.125% and 5.00% for the Series A bonds and 1.65% and 2.36% for the Series B bonds. The outstanding balance of the bonds at June 30, 2009 was \$6,215,000.

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

Business-type long-term debt at June 30, 2009 consisted of the following:

Revenue Bonds Payable, Water Fund 1995 Series A

On November 22, 1995, the City of Lynwood issued \$4,500,000 of Water Revenue Bonds, Series 1995. The proceeds were used to improve, renovate, and expand the City's water distribution system, fund a reserve, and pay cost of issuance.

The Bonds carry interest rates of 6.15%, 6.50%, and 7.25% and mature in 2021. Interest is payable semi-annually every December 1 and June 1 with principal due every June 1 beginning in 1997.

The bonds were refunded during the year through the issuance of the Revenue Bonds, 2008 Series A.

Revenue Bonds Payable, Water Fund Series 1999

On October 28, 1999, the Lynwood Public Financing Authority issued Revenue Bonds in the amount of \$5,850,000 in order to pay for discounts and costs of issuance, and finance improvements to the water distribution system.

The bonds consist of \$580,000 of serial bonds maturing in part each June 1 beginning in 2000 and ending in 2011. Interest rates on the serial bonds vary from 3.8% to 5.25%. The issue also consists of \$5,270,000 of term bonds with maturity dates beginning on June 1, 2022. These term bonds have interest rates at 5.85% and 5.90%.

The bonds were refunded during the year through the issuance of the Revenue Bonds, 2009 Series A.

Lynwood Utility Authority 2003 Enterprise Revenue Bonds

On November 20, 2003, the Lynwood Utility Authority issued \$6,930,000 of 2003 Enterprise Revenue Bonds, the proceeds which were used to pay costs of issuance, and to improve, renovate and expand the City's Water and Sewer System. The City paid a reserve policy premium in-lieu of funding a reserve account.

The bonds consist of \$1,450,000 of serial bonds maturing from 2004 through 2013 and \$5,480,000 of term bonds maturing on June 1 of 2020, 2025, and 2034.

The serial bonds carry interest at rates of 1.00% to 3.625% and mature June 1, 2013. Interest is payable semi-annually every December 1 and June 1 with principal due June 1 beginning in 2006. The term bonds carry interest at 5%.

The bonds will be paid from and secured by the net revenues of the water distribution system and the wastewater collection system of the City. The City has covenanted that the net revenues in each year will be greater than or equal to the debt service payments on these bonds and any other parity debt.

The principal balance outstanding at June 30, 2009 including unamortized premium of \$27,716 was \$6,077,716.

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

Lynwood Utility Authority 2008 Series A Enterprise Revenue Bonds

On November 25, 2008, the Lynwood Utility Authority issued \$9,755,000 of 2008 Series A Enterprise Revenue Bonds, the proceeds which were used to refund, on a current basis, the outstanding Lynwood Public Financing Authority Water Revenue Bonds Series 1995, finance certain new improvements to the water distribution systems, finance certain capital improvements for the City, fund a reserve fund for the bonds and pay the costs of issuance of the bonds.

The bonds consist of \$3,855,000 of serial bonds maturing from 2009 through 2025 and \$5,900,000 of term bonds maturing on June 1 of 2028, 2033, and 2038.

The serial bonds carry interest at rates of 3.00% to 5% and mature June 1, 2025. Interest is payable semi-annually every December 1 and June 1 with principal due June 1 beginning in 2009. The term bonds carry interest at rates of 4.875% to 5.375%.

The bonds will be paid from and secured by the net revenues of the water and sewer enterprise of the City. The Lynwood Utility Authority has covenanted, to the maximum extent permitted by law, to set rates and charges for the service and facilities of water and sewer enterprise sufficient to provide net revenues each year equal to at least 1.25 times the aggregate annual amount of debt service payments on these bonds and any other parity debt.

The refunding of the Revenue Bonds 1995 Series A created a deferred loss on refunding in the amount of \$60,075. This deferred loss is being amortized over the shorter life of either the new or old debt which is 150 months. At June 30, 2009, the accumulated amortization was \$3,014.

The principal balance outstanding at June 30, 2009 including unamortized discount of \$44,626 was \$9,555,374.

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

Lynwood Utility Authority 2009 Series A Enterprise Revenue Bonds

On May 28, 2009, the Lynwood Utility Authority issued \$5,735,000 of 2009 Series A Enterprise Revenue Bonds, the proceeds which were used to refund, on a current basis, the outstanding Lynwood Public Financing Authority Water Revenue Bonds Series 1999, fund a reserve fund for the bonds and pay the costs of issuance of the bonds.

The bonds consist of \$3,745,000 of serial bonds maturing from 2012 through 2026 and \$1,990,000 of term bonds maturing on June 1 of 2029.

The serial bonds carry interest at rates of 2.50% to 5.00% and mature June 1, 2026. Interest is payable semi-annually every December 1 and June 1 with principal due June 1 beginning in December 2009. The term bonds carry interest at rates of 5.00%.

The bonds will be paid from and secured by the net revenues of the water and sewer enterprise of the City. The Lynwood Utility Authority has covenanted, to the maximum extent permitted by law, to set rates and charges for the service and facilities of water and sewer enterprise sufficient to provide net revenues each year equal to at least 1.25 times the aggregate annual amount of debt service payments on these bonds and any other parity debt.

The refunding of the Revenue Bonds 1999 Series A created a deferred loss on refunding in the amount of \$233,228. This deferred loss is being amortized over the shorter life of either the new debt or old debt which is 241 months. At June 30, 2009, the accumulated amortization was \$485.

The principal balance outstanding at June 30, 2009 including unamortized discount of \$88,605 was \$5,646,395.

Governmental Long-term Debt Amortization

The schedules of annual requirements to amortize all governmental (except for compensated absences and claims payable) long-term debt outstanding as of June 30, 2009 including interest are as follows:

	Capital Leases Payable		
Year ending June 30,	Principal	Interest	Total
2010	\$ 170,956	\$ 3,778	\$ 174,734

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

Governmental Long-term Debt Amortization (continued)

1999 Tax Allocation Bonds A:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ -	\$ 602,483	\$ 602,483
2011	-	602,483	602,483
2012	-	602,483	602,483
2013	-	602,483	602,483
2014	395,000	590,929	985,929
2015-2019	2,370,000	2,566,350	4,936,350
2020-2024	3,195,000	1,755,102	4,950,102
2025-2029	4,275,000	660,652	4,935,652
Totals	\$ <u>10,235,000</u>	\$ <u>7,982,965</u>	\$ <u>18,217,965</u>

1999 Tax Allocation Bonds B

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 315,000	\$ 95,963	\$ 410,963
2011	335,000	71,336	406,336
2012	370,000	44,370	414,370
2013	395,000	15,109	410,109
Totals	\$ <u>1,415,000</u>	\$ <u>226,778</u>	\$ <u>1,641,778</u>

1999 Tax Allocation Bonds Alameda

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 40,000	\$ 64,130	\$ 104,130
2011	40,000	61,740	101,740
2012	45,000	59,062	104,062
2013	45,000	56,227	101,227
2014	50,000	53,235	103,235
2015-2019	305,000	212,784	517,784
2020-2024	415,000	100,328	515,328
2025	100,000	3,150	103,150
Totals	\$ <u>1,040,000</u>	\$ <u>610,656</u>	\$ <u>1,650,656</u>

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

Governmental Long-term Debt Amortization (continued)

HUD Section 108 Loan			
Year ending June 30,	Principal	Interest	Total
2010	\$ 300,000	\$ 310,074	\$ 610,074
2011	320,000	295,957	615,957
2012	340,000	280,240	620,240
2013	360,000	263,013	623,013
2014	380,000	243,980	623,980
2015-2019	2,295,000	864,757	3,159,757
2020-2022	1,730,000	158,558	1,888,558
Totals	\$ 5,725,000	\$ 2,416,579	\$ 8,141,579

Public Financing Authority 1999 Lease Revenue Refunding Bonds			
Year ending June 30,	Principal	Interest	Total
2010	\$ -	\$ 236,340	\$ 236,340
2011	-	236,340	236,340
2012	-	236,340	236,340
2013	-	236,340	236,340
2014	-	236,340	236,340
2015-2019	-	1,181,700	1,181,700
2020-2024	1,395,000	974,590	2,369,590
2025-2029	1,905,000	460,078	2,365,078
2030	460,000	14,490	474,490
Totals	\$ 3,760,000	\$ 3,798,068	\$ 7,572,558

Public Financing Authority 2003 Lease Revenue Refunding Bonds			
Year ending June 30,	Principal	Interest	Total
2010	\$ 515,000	\$ 267,822	\$ 782,822
2011	535,000	249,294	784,294
2012	555,000	228,163	783,163
2013	575,000	205,203	780,203
2014	600,000	180,594	780,594
2015-2019	3,435,000	443,922	3,878,922
Totals	\$ 6,215,000	\$ 1,574,998	\$ 7,789,998

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

Governmental Long-term Debt Amortization (continued)

Note Payable - Grae Atlantic			
Year ending June 30,	Principal	Interest	Total
2010	\$ 13,546	\$ 66,308	\$ 79,854
2011	15,036	64,818	79,854
2012	16,690	63,164	79,854
2013	18,526	61,328	79,854
2014	20,564	59,290	79,854
2015-2019	142,158	257,112	399,270
2020-2024	239,544	159,726	399,270
2025-2026	136,734	22,951	159,685
Totals	\$ 602,798	\$ 754,712	\$ 1,357,495

Total Long-term Debt			
Year ending June 30,	Principal	Interest	Total
2010	\$ 1,354,502	\$ 1,646,898	\$ 3,001,400
2011	1,245,036	1,581,968	2,827,004
2012	1,326,690	1,513,822	2,840,512
2013	1,393,526	1,439,703	2,833,229
2014	1,445,564	1,364,368	2,809,932
2015-2019	8,547,158	5,526,625	14,073,783
2020-2024	6,974,544	3,148,304	10,122,848
2025-2029	6,416,734	1,146,831	7,563,565
2030	460,000	14,490	474,490
Totals	\$ 29,163,754	\$ 17,383,009	\$ 46,546,763

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

Business-type Long-term Debt Amortization

The schedules of annual requirements to amortize all business-type long-term debt outstanding as of June 30, 2009 including interest are as follows:

2003 Enterprise Revenue Bonds			
Year ending June 30,	Principal	Interest	Total
2010	\$ 135,000	\$ 293,113	\$ 428,113
2011	140,000	289,062	429,062
2012	145,000	284,512	429,512
2013	150,000	279,438	429,438
2014	155,000	274,000	429,000
2015-2019	890,000	1,246,500	2,136,500
2020-2024	1,135,000	1,001,000	2,136,000
2025-2029	1,450,000	687,500	2,137,500
2030-2034	1,850,000	286,500	2,136,500
Plus - premium	27,716	-	27,716
Totals	\$ 6,077,716	\$ 4,355,125	\$ 10,719,341

2008 Enterprise Revenue Bonds			
Year ending June 30,	Principal	Interest	Total
2010	\$ 165,000	\$ 472,606	\$ 637,606
2011	170,000	467,656	637,656
2012	175,000	461,706	636,706
2013	185,000	455,581	640,581
2014	190,000	446,331	636,331
2015-2019	1,110,000	2,086,106	3,196,106
2020-2024	1,390,000	1,805,156	3,195,156
2025-2029	1,740,000	1,447,781	3,187,781
2030-2034	2,230,000	963,863	3,193,863
2035-2038	2,245,000	309,331	2,554,331
Less - discount	(44,626)	-	(44,626)
Totals	\$ 9,555,374	\$ 8,916,117	\$ 18,471,491

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

Business-type Long-term Debt Amortization

2009 Enterprise Revenue Bonds			
Year ending June 30,	Principal	Interest	Total
2010	\$ -	\$ 265,872	\$ 265,872
2011	-	263,675	263,675
2012	30,000	263,675	293,675
2013	45,000	262,775	307,775
2014	100,000	261,650	361,650
2015-2019	555,000	1,254,088	1,809,088
2020-2024	1,835,000	1,081,925	2,916,925
2025-2029	3,170,000	486,038	3,656,038
Less - discount	(88,605)	-	(88,605)
Totals	\$ 5,646,395	\$ 4,139,698	\$ 9,786,093

Total Long-term Debt			
Year ending June 30,	Principal	Interest	Total
2010	\$ 300,000	\$ 1,031,591	\$ 1,331,591
2011	310,000	1,020,393	1,330,393
2012	350,000	1,009,893	1,359,893
2013	380,000	997,794	1,377,794
2014	445,000	981,981	1,426,981
2015-2019	2,555,000	4,586,694	7,141,694
2020-2024	4,360,000	3,888,081	8,248,081
2025-2029	6,360,000	2,621,319	8,981,319
2030-2034	4,080,000	1,250,363	5,330,363
2035-2038	2,245,000	309,331	2,554,331
Less - discount	(105,515)	-	(105,515)
Totals	\$ 21,279,485	\$ 17,697,440	\$ 38,976,925

NOTE 11 DEFINED BENEFIT PENSION PLAN

Plan Description

The City contributes to two single-employer defined benefit pension plans: Employees Retirement Plan (Miscellaneous Plan) and Fire Retirement Plan (Safety Plan). Each plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. These plans are part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for the participating public employers within the State of California.

NOTE 11 DEFINED BENEFIT PENSION PLAN (CONTINUED)

A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees' Retirement law. The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report for each plan. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Effective November 1, 2000, the fire department was transferred to Los Angeles County (County). As a result, certain safety members (employees of the fire department) of CalPERS have ceased to be employed by the fire department of the City and have been employed by the County, and upon such transfer, these safety members have become members of Los Angeles County Employees Retirement Association (LACERA).

Effective June 28, 2002, CalPERS and the Board of Retirement of LACERA entered into an agreement to terminate CalPERS' liability related to these safety members and for LACERA to assume liability, and to transfer employee and employer contributions with interests from the City's safety plan with CalPERS to LACERA, for safety members transferred to the County. However, this agreement does not apply to safety members who have retired on or before the effective date of this agreement. These retirees will continue to receive their pension benefits from the City's safety plan with CalPERS.

Funding Policy

Active plan members are required to contribute 8% for miscellaneous members of their annual covered salary. 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 for fiscal year 2007/08 was 19.113% for miscellaneous employees.

The contribution requirements of the plan members are established by State statute and the employer contribution rates are established and may be amended by CalPERS.

NOTE 11 DEFINED BENEFIT PENSION PLAN

Three-Year Trend Information - Miscellaneous Plan

Annual Pension Cost

For the year ended June 30, 2009, the City's annual pension cost of \$1,678,342 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2006, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) a 7.75% investment rate of return (net of administrative expenses); (b) projected salary increases that vary by age, length of service and type of employment from 3.25 % to 14.45%, (c) a 3.0% inflation rate; (d) a 3.25% payroll growth rate; and (e) a merit scale varying by duration of employment coupled with an assumed annual inflation component of 3.0% and an annual production growth of 0.25%.

The actuarial value of the Plan's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a three-year period. Initial unfunded liabilities are amortized over a closed period that depends on the Plan's date of entry into CalPERS. Subsequent Plan amendments are amortized as a level percentage of pay over a closed 20-year period. Gains and losses that occur in the operation of the Plan are amortized over a rolling period which results in an amortization of 10% of unamortized gains and losses each year. If the Plan's accrued liability exceeds the actuarial value of Plan assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30-year amortization period.

**Three-year Trend Information for PERS
(In Thousands)**

Three-Year Trend Information - Miscellaneous Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC contributed	Net Pension Obligation
6/30/2007	\$ 1,411,788	100%	\$ -
6/30/2008	1,660,098	100%	-
6/30/2009	1,678,342	100%	-

NOTE 11 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Funded Status and Funding Progress

Miscellaneous Plan

As of June 30, 2008, the most recent actuarial valuation date, the plan was 84.9% funded. The actuarial accrued liability for benefits was \$55,638,251 and the actuarial value of assets was \$47,228,203 resulting in an unfunded actuarial accrued liability (UAAL) of \$8,410,048. The covered payroll (annual payroll of active employees covered by the plan) was \$8,925,184 and the ratio of the UAAL to the covered payroll was 94.2%.

Safety Plan

As of June 30, 2008, the most recent actuarial valuation date, the plan was 97.8% funded. The actuarial accrued liability for benefits was \$399,268,718 and the actuarial value of assets was \$390,402,716 resulting in an unfunded actuarial accrued liability (UAAL) of \$8,866,002. The covered payroll (annual payroll of active employees covered by the plan) was \$0 and the ratio of the UAAL to the covered payroll was 0%.

NOTE 12 OTHER POST-EMPLOYMENT BENEFITS

In addition to the retirement plan described in Note 11, the City provides healthcare and life insurance benefits, in accordance with memorandum of understandings, to eligible retired employees.

Eligible participants to the plan at June 30, 2009, the date of the latest actuarial valuation are:

Retirees receiving benefits	82
Active/full-time employees	<u>196</u>
	<u>278</u>

As of June 30, 2009, the City has not established a trust or equivalent that contains an irrevocable transfer of assets dedicated to providing benefits to retirees in accordance with the terms of the plan and that are legally protected from creditors. The City's contribution is currently based on a projected pay-as-you-go funding method, that is, benefits are payable when due. The cost of retiree health care insurance benefits is recognized as expenditure as insurance premiums are paid. For the fiscal year ended June 30, 2009, those costs totaled \$508,403.

The following table shows the components of the City's annual Other Post Employment Benefits (OPEB) cost for the year (based on 30-year amortization), the amount of benefits and/or insurance premiums actually paid and the City's Net OPEB obligation as of June 30, 2009:

NOTE 12 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

	Amount
Annual required contribution	\$ 2,482,000
Interest on net <i>OPEB</i> obligation	-
Annual <i>OPEB</i> cost (expense)	2,482,000
Contributions to irrevocable trust	-
Premium payments including benefit payments	508,403
Increase in net <i>OPEB</i> obligation	1,973,597
Net <i>OPEB</i> obligation - beginning of year	-
Net <i>OPEB</i> obligation - end of year	\$ 1,973,597

The Annual Required Contribution (ARC) is an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The City's annual *OPEB* cost, the percentage of annual *OPEB* cost contributed to the plan, and the net *OPEB* obligation for 2009 were:

Fiscal Year Ended	Annual <i>OPEB</i> Cost	Percentage of Annual <i>OPEB</i> Cost Contributed	Net <i>OPEB</i> Obligation
6/30/09	\$2,482,000	20%	\$1,974,000

The funded status of the plan as of June 30, 2009, the plan's most recent actuarial valuation date, was:

Actuarial accrued liability (AAL)	\$ 27,232,000
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 27,232,000
Funded ratio (actuarial value of plan assets AAL)	-
Covered Payroll	\$ 9,340,000
UAAL as a percentage of covered payroll	292%
Normal cost	\$ 1,480,000

The normal cost for the plan is the amount that the liabilities are expected to increase during the year based on increased eligibility and service. Normal cost is the value of benefits expected to be earned during the year, based on certain methods and assumptions.

NOTE 12 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

In the June 30, 2009 actuarial valuation, the entry age normal actuarial cost method was used to value liabilities. Wherever normal cost is stated, this cost method is assumed. The actuarial assumptions included a 4.25% discount rate (assuming the Plan will not be pre-funded), an annual non-Medicare eligible HMO medical cost trend rate for 2011 of 8.4% and 2012 of 7.8% (PPO – 2011 of 9.0% and 2012 of 8.3%) decreasing to 4.5% on year 2017, a 3% general inflation rate, and a 3.25% aggregate payroll increase. The UAAL is being amortized as a level percentage of projected payroll over 30 years on a closed group basis.

NOTE 13 NET ASSETS AND FUND BALANCE RESERVATIONS

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

Net Assets

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

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

Restricted describes the portion of Net Assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the Agency cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income housing purposes.

Unrestricted describes the portion of Net Assets which are not restricted as to use.

Included in restricted net assets are those which are restricted due to enabling legislation. The total amount of restricted net assets due to enabling legislation is \$6,038,248.

Fund Balances

Fund balances consist of reserved and unreserved amounts. Reserved fund balances represent that portion of fund balance which is legally segregated.

The City has established certain fund balance reserve accounts to report amounts which represent resources not available for appropriation.

- a. Amounts reserved for long-term advances indicate that repayments are not available as a resource to meet expenditures of the current fiscal year.

NOTE 13 NET ASSETS AND FUND BALANCE RESERVATIONS (CONTINUED)

- b. The reserve for notes receivable indicates that repayments are not available as a resource to meet expenditures of the current fiscal year.
- c. Amounts reserved for continuing projects in governmental funds are unexpended appropriations on incomplete capital improvement projects which have been carried forward into the new fiscal year.
- d. The reserve for housing represents the 20% housing set aside money in the Lynwood Redevelopment Agency.
- e. The reserve for retirement represents amounts set aside to be used to fund employees' retirement in the future.
- f. The reserve for debt service represents funds available for the payment of principal and interest on long-term debt.
- g. The reserve for land held for resale in the capital projects funds is equal to the amount of land inventory available for sale to developers for development purposes in future years.
- h. The reserve for prepaid items is equal to the amount of prepaid items.

The reserve for encumbrances represents purchase orders that were issued, but invoices which were not received nor paid for goods and services prior to June 30, 2009.

NOTE 14 RISK MANAGEMENT

The City is a member of Independent Cities Risk Management Authority (ICRMA). The Independent Cities Risk Management Authority (ICRMA) was established in 1980 to provide excess insurance coverage, risk management and self-insurance services for California cities. ICRMA is a Joint Powers Authority JPA directed by a Governing Board consisting of one representative from each Member City. ICRMA offers members excess liability, excess workers' compensation, property and special events coverage. Currently there are twenty-two member cities. ICRMA maintains a management services agreement with Bickmore Risk Services to provide staff services to the Authority.

Liability Program

ICRMA provides coverage on an occurrence basis to Members of the Liability Program between the Members' Self-Insured Retentions (SIR's) and \$2 million. The City of Lynwood currently has a SIR of \$200,000. Members pay an annual premium consisting of two components:

- o risk premium - to fund losses as estimated by ICRMA's independent actuary and to fund the cost of reinsurance
- o administrative premium - to pay management and operations costs

NOTE 14 RISK MANAGEMENT (CONTINUED)

The combination of self-funding and the ability to attract reinsurance provides ICRMA Members with affordable and broad coverage in all stages of the commercial insurance market. The Liability Program Bylaws set forth claims handling and risk management guidelines and other program terms and conditions. Currently, coverage is provided as noted below:

	ICRMA	Reinsurer
Public Officials Errors & Omissions Liability	\$2,000,000 each occurrence*	\$18,000,000 each occurrence & annual aggregate excess of ICRMA
Employment Practices Liability	\$2,000,000 each occurrence*	\$18,000,000 each occurrence & annual aggregate excess of ICRMA
Other Liability	\$2,000,000 each occurrence*	\$18,000,000 each occurrence excess of ICRMA

*Less City of Lynwood's Self Insured Retention of \$200,000 each occurrence

Workers' Compensation Program

The Workers' Compensation Program combines self-funding and group purchased excess insurance. Sixteen ICRMA Members participate in this program. Members gain lower costs by combining to purchase excess coverage as one large entity and they gain cost stability by joining together to fund losses between the Members' SIRs and the excess insurance attachment point.

Currently, the ICRMA Workers' Compensation program covers the difference between the City's \$500,000 SIR and \$5 million each accident. Commercial excess insurance attaches above the ICRMA \$5 million limit and extends to \$100 million each accident.

Members pay an annual premium consisting of two components:

- risk premium - to fund losses as estimated by ICRMA's independent actuary and to fund the cost of excess insurance.
- administrative premium - to pay management and operations costs.

All Risk Property Program

The City of Lynwood participates in the Property Insurance Program including earthquake and flood insurance. The property coverage limit is \$125 million with a \$10,000 per loss deductible for perils other than flood and earthquake. The deductible for flood caused by Named Storms is 5% of insured values, \$1 million minimum and \$100,000 for other floods. The deductible for earthquake is 5% of insured value per location, minimum \$100,000. Due to the cost of earthquake insurance, the city only covers essential buildings for this insurance. Premiums for these policies are paid annually and are not subject to retroactive adjustments.

NOTE 14 RISK MANAGEMENT (CONTINUED)

While the ultimate amount of losses incurred through June 30, 2009 are dependent on future developments, based upon information from the City Attorney, outside counsel, third party administrators, and others involved with the administration of the programs, management believes that the designation is adequate to cover such losses. Costs relating to the litigation of claims are expensed as incurred. Losses for claims incurred but not reported are recorded when the probable amount of loss can be reasonably estimated.

The following is a schedule of changes in claims and judgments for the fiscal year ended June 30, 2009:

	Workers' Compensation	General Liability	Total
Claims and judgments at July 1, 2008	\$ 3,150,847	\$ 738,148	\$ 3,888,995
Claims payment	(339,653)	(195,046)	(534,699)
Claims incurred and changes in estimates	(908,615)	1,122,158	213,543
Claims and judgments at June 30, 2009	\$ 1,902,579	\$ 1,665,260	\$ 3,567,839

As of June 30, 2009 the unpaid workers' compensation claims in the amount of \$1,902,579 was reported in the self-insurance fund. The unpaid general liability claims in the amount of \$1,665,260 was reported as long-term debt.

The City purchases fidelity coverage for its key officials in the amounts of \$10,000 to \$50,000 with no deductible. Premiums for these policies are paid annually and are not subject to retroactive adjustments.

During the past three fiscal (claim) years, none of the above programs of protection have had statements or judgments that exceeded pooled or insured coverage.

There have been no significant reductions in pooled or insured liability coverage from the prior year.

NOTE 15 DEFERRED COMPENSATION PLANS

The City offers a deferred compensation plan (Plan), created in accordance with the Internal Revenue Code Section 457, to its employees. Amounts deferred may not be paid to the employee during employment with the City, except for a catastrophic circumstance creating an undue financial hardship for the employee. The Plan is administered by an independent financial institution that has fiduciary responsibilities over the plan assets. Consistent with the amended IRC Section 457, which took effect on January 1, 1997, and GASB Statement No. 32, the City no longer reports the Plan assets and liabilities on its financial statements.

NOTE 16 COMMITMENTS AND CONTINGENCIES

Contingencies

The City is a defendant in eminent domain and other personal injury and employee/former employee lawsuits of a nature common to many similar jurisdictions. City management believes that the potential claims against the City, not covered by insurance, resulting from such litigation would not materially affect the financial statements of the City.

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 result in expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

The City is currently involved in various lawsuits with Developers.

Commitments

Single-Family Housing Project:

Case Grande Development, LLC

Pursuant to the Disposition and Development Agreement executed October 27, 2005 between Casa Grande Development (Developer) and Lynwood Redevelopment Agency (Agency), the following is a summary of the Agency's obligation to the development:

- Agency's cost to purchase land on the Casa Grande site shall not exceed \$5,813,842.
- Upon notice, the Agency will be responsible for a cost not to exceed \$1,000,000 for the remediation work, if the remediation work can be completed in 90 days and does not exceed the \$1,000,000 amount. The cost may exceed \$1,000,000 if it is mutually agreed upon by both the Agency and the Developer to extend the completion date or the Agency or the Developer or both agree to finance the balance of the remediation work.
- The Agency's total obligation to this project is \$6,813,842.

4267 Fernwood

The City has entered into a Disposition and Development Agreement (DDA) with Habitat for Humanity to build three very low income housing units. The Agency has contributed the land associated with this DDA and has committed to contribute up to \$221,000 for the development of the project.

11300 Atlantic Seniors

The City has entered into a Disposition and Development Agreement (DDA) with Cedars Engineering Construction, Inc. for the rehabilitation of certain property with the Redevelopment Project Area A that is owned by the Agency and the rehabilitation thereon of an affordable residential housing project consisting of 14 senior rental units (the Project) and one (1) lower income manager unit. The Agency will provide financial assistance of \$710,000 for the combined Insurance Payment Amount (see Note 3) and the Rehabilitation Loan made by the Agency to fund the costs of the Project. In addition, the Agency shall provide a Rental Subsidy amount for the very low and lower income units.

NOTE 16 COMMITMENTS AND CONTINGENCIES (CONTINUED)

3076 Redwood

The Agency entered into a Loan Agreement with Habitat for Humanity of Greater Los Angeles to purchase foreclosed homes with Federal HOME funds and 20% Housing Set Aside funds; rehabilitate said home with 20% Housing Set Aside funds; and deed restrict and resell to a low income household. 3076 Redwood was purchased for \$315,000. \$61,906 of 20% Housing Set Aside funds were budgeted and utilized for rehabilitation of the unit.

5525 Clark

The Agency entered into a Loan Agreement with Habitat for Humanity of Greater Los Angeles to purchase foreclosed homes with Federal HOME funds and 20% Housing Set Aside funds; rehabilitate said home with 20% Housing Set Aside funds; and deed restrict and resell to a low income household. 5525 Clark was purchased for \$299,500. \$48,970 of 20% Housing Set Aside funds were budgeted and utilized for rehabilitation of the unit.

3250 Magnolia

The Agency entered into an Agreement with AOF Pacific Affordable Homes to rehabilitate, manage, and purchase 3250 Magnolia. The Agency paid \$129,000 towards the rehabilitation of the project and acquired three low income rentals.

4237 Imperial

The Agency entered into a Loan Agreement with Habitat for Humanity to build ten low income ownership homes. The Agency is obligated to pay \$454,000 of Housing Set aside funds towards the building of the homes.

3254 Palm

The Agency entered into a Loan Agreement with Habitat for Humanity to build a low income triplex for sale to low income households. Pursuant to the Loan Agreement the Agency shall contribute the land and \$243,100 to build the affordable homes.

A Brush With Kindness

The Agency initiated a new Agreement to rehabilitate ten homes in the City. The Agency obligated \$75,000 to implement the program.

Multi-Family Housing Project:

Park Place

The Agency entered into an Exclusive Negotiation Agreement (ENA) with AMCAL Multi-Housing, Inc. (Developer) on June 16, 2009 to build 99 apartment units. Park Place will include a community center, computer lab, child care facility, several tot lots, landscaped gardens and a swimming pool and spa area. The project will be built using the latest environmental and sustainable building methods and will include energy efficiency features. The unit breakdown is as follows:

- 10 Extremely Low (30% AMI or less) units
- 59 Very Low (50% AMI or less) units
- 29 Low (60% AMI or less) units
- 1 non restricted manager unit

NOTE 16 COMMITMENTS AND CONTINGENCIES (CONTINUED)

The total project cost is estimated at \$28,086,276 and the Developer is asking the Agency for a \$4,950,000 loan in addition to approximately one acre of land owned by the Agency within the project site valued at \$1,960,000. A Developer Disposition Agreement (DDA) will be negotiated in FY2009-10.

Others

There are certain claims against the Agency which have been denied and referred to the Agency insurance carrier. The Agency believes that none of these claims will exceed insurance coverage.

Under the terms of federal, county, and state grants, periodic audits are required and certain costs may be questioned as not appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. If expenditures were disallowed, the Agency believes such disallowances, if any, would be immaterial.

NOTE 17 COMMITMENTS OF AGENCY TAX INCREMENT

On June 21, 1983, the Agency entered into an agreement with the City of Lynwood for the acquisition and construction of certain water main improvements in the Alameda Project Area. Accordingly, the Agency will be indebted to reimburse the City of Lynwood up to \$185,900 relating to the improvements. The Agency has agreed to finance these water main improvements with tax increment money; however, no expenses have been incurred on this contract as of June 30, 2009.

NOTE 18 PRIOR PERIOD ADJUSTMENTS

The General Fund's Fund Balance has been adjusted for \$957,379 for an understatement of expenditures in the prior fiscal year. Accordingly, HUD Home Program was adjusted for the same amount. The expenditures were initially recorded under HUD Home but was later determined that the said expenditures should be shouldered by the General Fund.

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REQUIRED SUPPLEMENTARY INFORMATION

City of Lynwood
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual (Continued)
General Fund
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes and assessments	\$ 19,404,570	\$ 19,404,570	\$ 19,025,999	\$ (378,571)
Licenses and permits	948,200	903,200	782,452	(120,748)
Fines, forfeitures and penalties	1,128,000	1,128,000	1,154,073	26,073
Use of money and property	397,904	397,904	349,104	(48,800)
Intergovernmental	914,100	1,307,110	318,601	(988,509)
Charges for services	3,369,963	3,021,953	3,319,380	297,427
Administrative support	1,118,246	1,118,246	1,208,409	90,163
Miscellaneous	542,433	543,943	754,841	210,898
Total revenues	<u>27,823,416</u>	<u>27,824,926</u>	<u>26,912,859</u>	<u>(912,067)</u>
Expenditures				
Current:				
General government	5,446,531	5,365,725	4,889,229	476,496
Public safety	15,691,701	15,724,025	15,068,602	655,423
Public works	4,651,177	4,654,158	4,372,216	281,942
Community development	-	3,540	37,521	(33,981)
Parks and recreation	4,021,743	4,070,625	3,535,156	535,469
Total expenditures	<u>29,811,152</u>	<u>29,818,073</u>	<u>27,902,724</u>	<u>1,915,349</u>
Excess of revenues over (under) expenditures	<u>(1,987,736)</u>	<u>(1,993,147)</u>	<u>(989,865)</u>	<u>1,003,282</u>
Other financing sources (uses)				
Transfers in	2,093,341	1,987,692	1,954,712	(32,980)
Transfers out	(1,319,925)	(2,845,702)	(1,372,204)	1,473,498
Net other financing sources (uses)	<u>773,416</u>	<u>(858,010)</u>	<u>582,508</u>	<u>1,440,518</u>
Net change in fund balances	<u>(1,214,320)</u>	<u>(2,851,157)</u>	<u>(407,357)</u>	<u>2,443,800</u>
Fund balances - beginning of year,				
as restated	<u>10,119,762</u>	<u>10,119,762</u>	<u>10,119,762</u>	<u>-</u>
Fund balances - end of year	<u>\$ 8,905,442</u>	<u>\$ 7,268,605</u>	<u>\$ 9,712,405</u>	<u>\$ 2,443,800</u>

City of Lynwood
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
Redevelopment Low/Mod Income Housing Area “A” Special Revenue Fund
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Use of money and property	\$ 40,000	\$ 40,000	\$ 32,487	\$ (7,513)
Total revenues	<u>40,000</u>	<u>40,000</u>	<u>32,487</u>	<u>(7,513)</u>
Expenditures				
Current:				
General government	192,978	290,628	159,109	131,519
Community development	1,682,000	1,584,350	1,828,407	(244,057)
Principal payment	45,900	45,900	48,241	(2,341)
Interest and fiscal charges	137,195	137,195	128,138	9,057
Total expenditures	<u>2,058,073</u>	<u>2,058,073</u>	<u>2,163,895</u>	<u>(105,822)</u>
Excess of revenues over (under) expenditures	(2,018,073)	(2,018,073)	(2,131,408)	(113,335)
Other financing sources				
Transfers in	950,000		1,427,632	1,427,632
Net change in fund balances	(1,068,073)	(2,018,073)	(703,776)	1,314,297
Fund balances - beginning of year	<u>6,221,473</u>	<u>6,221,473</u>	<u>6,221,473</u>	<u>-</u>
Fund balances - end of year	<u>\$ 5,153,400</u>	<u>\$ 4,203,400</u>	<u>\$ 5,517,697</u>	<u>\$ 1,314,297</u>

City of Lynwood
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
HUD Home Program Special Revenue Fund
Year ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,063,721	\$ 1,063,721	\$ 1,460,778	\$ 397,057
Total revenues	<u>1,063,721</u>	<u>1,063,721</u>	<u>1,460,778</u>	<u>397,057</u>
Expenditures				
Current:				
Community development	1,063,721	1,158,508	858,075	300,433
Capital outlay	-	1,447,984	1,397,582	50,402
Total expenditures	<u>1,063,721</u>	<u>2,606,492</u>	<u>2,255,657</u>	<u>350,835</u>
Excess of revenues over (under) expenditures	-	(1,542,771)	(794,879)	747,892
Fund balances - beginning of year	<u>1,632,697</u>	<u>1,632,697</u>	<u>1,632,697</u>	-
Fund balances - end of year	<u>\$ 1,632,697</u>	<u>\$ 89,926</u>	<u>\$ 837,818</u>	<u>\$ 747,892</u>

**City of Lynwood
California Public Retirement System
Schedules of Funding Progress
June 30, 2009**

The schedules of funding progress presented below, present multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Miscellaneous Plan

Actuarial Valuation Date	Entry Age Actuarial Accrued Liability (AAL) (A)	Actuarial Asset Value (B)	Unfunded Actuarial Accrued Liability (Excess Assets) [(A)-(B)] (UAAL) (C)	Funded Ratio [(B)/(A)] (D)	Covered Payroll (E)	Unfunded Actuarial Accrued Liability as Percentage of Covered Payroll {[(A)-(B)]/(E)} (F)
June 30, 2006	\$ 48,349,357	\$ 41,514,494	\$ 6,834,863	85.9%	\$ 7,977,729	85.7%
June 30, 2007	51,227,954	49,682,719	1,545,235	97.0%	8,447,984	18.3%
June 30, 2008	55,638,251	47,228,203	8,410,048	84.9%	8,925,184	94.2%

Safety Plan

Actuarial Valuation Date	Entry Age Actuarial Accrued Liability (AAL) (A)	Actuarial Asset Value (B)	Unfunded Actuarial Accrued Liability (Excess Assets) [(A)-(B)] (UAAL) (C)	Funded Ratio [(B)/(A)] (D)	Covered Payroll (E)	Unfunded Actuarial Accrued Liability as Percentage of Covered Payroll {[(A)-(B)]/(E)} (F)
June 30, 2006	\$ 389,558,550	\$ 371,203,956	\$ 18,354,594	95.3%	-	0.0%
June 30, 2007	391,672,319	377,230,242	14,442,077	96.3%	-	0.0%
June 30, 2008	399,268,718	390,402,716	8,866,002	97.8%	-	0.0%

NOTE 1 BUDGETARY CONTROL AND ACCOUNTING

The City's basis of budgeting for its major fund groups (General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Funds, and Capital Projects Funds) is modified accrual, which is the same as accounting principles generally accepted in the United States of America.

Revenues are budgeted according to when they are both measurable and available. Revenues are considered to be available when they are collected within the current period, or soon enough thereafter to pay liabilities of the current period. The City considers property taxes, franchise taxes, licenses, and interest associated with the current fiscal year period susceptible to accrual if they are collected within 60 days of the end of the current fiscal year. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received. Expenditures are budgeted according to when the liability is incurred, regardless of the timing of related cash flow. The exceptions are debt service, compensated absences, claims and judgments, which are budgeted as expenditures according to when the payments are due.

The following procedures establish the budgetary date reflected in the financial statements:

The City Council approves each fiscal year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the City Council. Supplemental appropriations, where required during the period, are also approved by the City Council. Budget transfers that affect the total appropriations for any fund require City Council approval. Budget transfers within a budget code with no change in appropriation are approved by the City Manager only and do not require approval by the City Council.

A budget code could be a program or a division of a department or a department. In most cases, expenditures may not legally exceed appropriations at the budget code level for the General fund, and fund level for Special Revenue, Capital Projects, and Debt Service Funds.

Legally adopted budgets for all governmental funds are established on a basis consistent with accounting principles generally accepted in the United States of America. At fiscal year-end, all operating budget appropriations lapse with the exception of encumbered and continuing appropriations. During the fiscal year, several supplementary appropriations were necessary.

Budgets are adopted for all general, special revenue, capital projects, and debt service funds except for the State of California CEC Grant special revenue fund, State Homeland Security Grant special revenue fund, Prop 40 Grant special revenue fund, Lynwood Information, Inc. special revenue fund.

SUPPLEMENTARY INFORMATION

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Redevelopment Project Area "A" Capital Projects Fund
Year ended June 30, 2009

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Use of money and property	\$ -	\$ 4,969	\$ 4,969
Miscellaneous	14,200	11,800	(2,400)
Total revenues	<u>14,200</u>	<u>16,769</u>	<u>2,569</u>
Expenditures			
Current:			
General government	809,233	644,848	164,385
Community development	1,886,339	1,468,480	417,859
Capital outlay	6,000	1,811	4,189
Debt service:			
Principal payment	80,000	12,203	67,797
Interest and fiscal charges	-	67,651	(67,651)
Total expenditures	<u>2,781,572</u>	<u>2,194,993</u>	<u>586,579</u>
Excess of revenues over (under) expenditures	(2,767,372)	(2,178,224)	589,148
Other financing sources (uses)			
Transfers in	<u>2,696,223</u>	<u>2,182,581</u>	<u>(513,642)</u>
Net change in fund balances	(71,149)	4,357	75,506
Fund balances - beginning of year	<u>2,035,023</u>	<u>2,035,023</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,963,874</u>	<u>\$ 2,039,380</u>	<u>\$ 75,506</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Capital Improvement Projects Capital Projects Fund
Year ended June 30, 2009

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ -	\$ 34,485	\$ 34,485
Total revenues	<u>-</u>	<u>34,485</u>	<u>34,485</u>
Expenditures			
Capital outlay	25,810,229	4,744,444	21,065,785
Total expenditures	<u>25,810,229</u>	<u>4,744,444</u>	<u>21,065,785</u>
Excess of revenues over (under) expenditures	(25,810,229)	(4,709,959)	21,100,270
Other financing sources			
Transfers in	22,860,574	4,532,781	(18,327,793)
Net change in fund balances	(2,949,655)	(177,178)	2,772,477
Fund balances - beginning of year	<u>1,908,035</u>	<u>1,908,035</u>	<u>-</u>
Fund balances - end of year	<u>\$ (1,041,620)</u>	<u>\$ 1,730,857</u>	<u>\$ 2,772,477</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
2002 HUD Section 108 Loan Capital Projects Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Use of money and property	\$ 214,699	\$ 41,001	\$ (173,698)
Total revenues	<u>214,699</u>	<u>41,001</u>	<u>(173,698)</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	214,699	41,001	(173,698)
Fund balances - beginning of year	<u>6,367,120</u>	<u>6,367,120</u>	<u>-</u>
Fund balances - end of year	<u>\$ 6,581,819</u>	<u>\$ 6,408,121</u>	<u>\$ (173,698)</u>

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SPECIAL REVENUE FUNDS

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

Retirement Fund - This fund accounts for revenue received from property tax levy to cover retirement costs.

Traffic Safety Fund - This fund accounts for Gas Tax transfers and Street sweeping fees, which are used to cover cost of street and traffic signal maintenance.

Gas Tax Fund - This fund accounts for Gas Tax revenue received from the State of California to cover costs of street maintenance and improvements.

AB2928/Traffic Congestion Relief Fund - This fund accounts for revenue received from the State of California to be used for street and highway pavement maintenance, rehabilitation, and reconstruction of necessary associated facilities such as drainage and traffic control devices.

STP Fund - This fund accounts for revenue received from the Federal Government and administered by the State of California to assist the City in the cost of major street reconstruction projects.

SB 821 Fund - This fund accounts for revenue received from the State of California for the development of bicycle and pedestrian facilities.

Prop "A" & Prop "C" Funds - These funds are used to record the City's portion of sales tax dedicated to transportation programs. These programs include the Dial-ATaxi service for senior citizens and the handicapped, the trolley system, MTA bus fare discounts, and transit route projects/programs.

Air Quality Improvement Fund - This fund accounts for AB 2766 revenues collected by the State of California on motor vehicle license registration fees. Revenues are used solely for the purpose of reducing air pollution from mobile sources.

State COPS Program Fund - This fund accounts for the California statewide sales and use tax allocated by the State for local public safety services.

Sheriff Drug Seizure Fund - This fund accounts for revenue received from the Lynwood Sheriff Department's drug confiscations. These monies are used to fund various law enforcement and public safety programs.

Lighting Maintenance Fund - This is a special assessment fund whereby revenue is received from the County of Los Angeles for which an assessment has been charged against property owners' front footage. Monies in this fund are used to pay the cost of maintenance and operations of the citywide streetlights.

Landscape Maintenance Fund - This is a special assessment fund whereby revenue is received from the County of Los Angeles for which an assessment has been charged against property owners' front footage. Monies in this fund are used to provide services such as tree maintenance, park maintenance, and capital improvements.

Impact Fees Fund - This fund accounts for the fees collected from new developments, which will be used to construct public infrastructure.

Public Art Fund - This fund accounts for the fees collected from new developments in-lieu of the developer placing an art piece. Funds will be used for the placement of public art.

Litter Abatement Fund - This fund accounts for Environmental Service Fees and Street Sweeping Charges for the City. This revenue funds a portion of the cost for the Right of Way Division and Stormwater Division.

HUD 108 Loan Fund - This fund accounts for loan monies received from HUD to assist in funding the construction of a new community center and street improvements.

Housing and Urban Development (HUD) Fund - This fund accounts for revenue received from the Federal Government's Community Development Block Grant Program. The City utilizes this grant to provide community programs such as housing rehabilitation loans, code enforcement, and capital improvement projects.

Business Improvement District Fund - This fund accounts for special tax assessments imposed on businesses in the District to promote various activities within the District.

Beverage Container Recycling Grant Fund- This fund accounts for grants received from the State of California for the purpose of implementing a Beverage Container Recycling Program.

LA. County Park Maintenance Grant Fund - This fund accounts for grant funds allocated by the County of Los Angeles for park landscape and maintenance.

Brownfield Grant – This fund accounts for grant funds allocated by the Federal Environmental Protection Assistance that provides funding for cleanup of sites.

Used Oil Recycling Grant Fund - This fund accounts for grants received by the City of Lynwood from the California Integrated Waste Management Board to cover costs associated with local or regional used oil collection programs.

Per Capita Grant 2000 Fund - This grant from the State of California can be utilized for the acquisition, development, improvement, rehabilitation, restoration, enhancement, and interpretation of local parks and recreational lands and facilities.

TEA/ISTEA Grant Fund- This fund accounts for amounts due to the City for monies advanced to assist in transportation improvement projects.

Safe School Route Grant Fund - This fund accounts for federal funds which will be used in installing lighted crosswalks in the vicinity of various schools.

State of California CEC Grant – This fund accounts for the California Energy Commission grant award from the State of California.

Dupont/Lead Safety Grant Fund - This fund accounts for funds received to assist in the elimination of lead based paint and materials.

State Homeland Security Grant Fund - This fund accounts for grants received from the State and Federal governments to provide assistance to the City in recognizing and preventing terrorist acts.

Prop 40 Grant – This fund accounts for amounts received from the State to be used for parks.

Prop 1B Fund - This fund accounts for grants received from the State government to make safety improvements and repair to state highways, upgrade freeways to reduce congestion, repair local streets and roads, upgrade highways along major transportation corridors, improve seismic safety of local bridges, expand public transit, help complete the state's network of car pool lanes and reduce air pollution.

Justice Assistance Fund - This fund accounts for the financial assistance received from the U.S. Department of Justice to be used for supporting a broad range of activities to prevent and control crime and to improve the criminal justice system.

State Transportation Partnership Fund - This fund accounts for amounts due from the State for money advanced by the City for transportation costs.

Roberti-Zberg Harris Fund – This fund represents a grant from the State of California that can be used for the acquisition and/or development of high priority projects that satisfy the most urgent park and recreation needs specifically in the most heavily populated and most economically disadvantaged areas in Lynwood.

Lynwood Information, Inc. Fund - This fund accounts for transactions of the public service corporation for the public access cable television and other media services for the City.

Redevelopment Low/Mod Housing Alameda Area Fund - This fund accounts for the housing bond proceeds and the 20% set-aside of tax increment revenues used for low and moderate-income housing projects.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for and the payment of the City's long-term debt, principal and interest.

City of Lynwood Fund - This fund accounts for a debt service reserve held by a trustee as well as payments on all interest and principal on outstanding debt incurred by the City of Lynwood.

Tax Increment Area "A" Fund, Special Funds Area "A" Fund, and Alameda Area Fund - These funds account for tax increment revenues collected by the County of Los Angeles and remitted to the Agency. Monies in these funds are used to repay principal and interest on debt service and redevelopment capital project and administrative expenses.

Public Financing Authority Fund - This fund accounts for the proceeds of debt issued by the City and Agency, debt service payments, and administration for long-term debt.

CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for resources used for the acquisition and construction of capital facilities by the City, except those financed by Proprietary Funds.

Park Replacement Capital Projects Fund - This fund accounts for grants received by various governmental agencies to replace and rehabilitate John D. Ham Park Youth Community Center and Park.

Capital Project Loan Fund - Accounts for loan proceeds which are used to rehabilitate City Hall facilities (i.e. City Hall, Bateman Hall Building, etc.).

2003 Lease Refunding Bonds Fund - Accounts for proceeds which are used to fund certain projects within the City (corporate yard land purchase and improvements to the City owned property).

Redevelopment Project Area "A" Taxable Bond Proceeds Capital Projects Funds - This fund accounts for redevelopment project capital outlays in each of their respective project areas.

Redeveloped Project Alameda Area Fund - Accounts for loans and advances from the City of Lynwood, bond proceeds available for project improvements, interest income on invested funds, and certain miscellaneous income. The monies expended in this fund are primarily used for acquisition, administrative expenses, construction, and improvements to the project areas.

	Special Revenue Funds			
	Retirement	Traffic Safety	Gas Tax	AB 2928 Traffic Congestion Relief
ASSETS				
Cash and investments	\$ 727,987	\$ -	\$ 149,977	\$ 335,627
Receivables:				
Intergovernmental	113,232	-	94,347	-
Accounts	-	-	-	147,460
Interest	-	-	315	847
Notes and loans	-	-	-	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Land held for resale	-	-	-	-
Total assets	\$ 841,219	\$ -	\$ 244,639	\$ 483,934
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	\$ 176	\$ 58,887	\$ -	\$ -
Due to other funds	-	1,079,420	-	-
Deferred revenue	-	-	-	-
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	176	1,138,307	-	-
Fund balances (deficits)				
Reserved				
Reserved for land held for resale	-	-	-	-
Reserved for projects	-	-	-	-
Reserved for housing	-	-	-	-
Reserved for retirement	841,043	-	-	-
Reserved for debt service	-	-	-	-
Reserved for encumbrances	-	-	-	-
Unreserved reported in:				
Undesignated	-	(1,138,307)	244,639	483,934
Total fund balances (deficits)	841,043	(1,138,307)	244,639	483,934
Total liabilities and fund balances	\$ 841,219	\$ -	\$ 244,639	\$ 483,934

**City of Lynwood
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009**

Special Revenue Funds

STP Grant	SB 821	Prop A	Prop C	Air Quality Improvement	State COPS Program	Sheriff Drug Seizure
\$ -	\$ -	\$ 1,661,248	\$ 3,751,989	\$ 95,749	\$ 11,572	\$ 53,171
110,671	-	56,870	310,000	-	-	-
-	-	4,945	9,826	248	69	157
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 110,671</u>	<u>\$ -</u>	<u>\$ 1,723,063</u>	<u>\$ 4,071,815</u>	<u>\$ 95,997</u>	<u>\$ 11,641</u>	<u>\$ 53,328</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,641	\$ 18,778
116,551	27,776	-	-	-	-	-
110,671	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>227,222</u>	<u>27,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,641</u>	<u>18,778</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(116,551)</u>	<u>(27,776)</u>	<u>1,723,063</u>	<u>4,071,815</u>	<u>95,997</u>	<u>-</u>	<u>34,550</u>
<u>(116,551)</u>	<u>(27,776)</u>	<u>1,723,063</u>	<u>4,071,815</u>	<u>95,997</u>	<u>-</u>	<u>34,550</u>
<u>\$ 110,671</u>	<u>\$ -</u>	<u>\$ 1,723,063</u>	<u>\$ 4,071,815</u>	<u>\$ 95,997</u>	<u>\$ 11,641</u>	<u>\$ 53,328</u>

(Continued)

					Special Revenue Funds					
					Lighting Maintenance	Landscape Maintenance	Impact Fees	Public Art		
ASSETS										
Cash and investments	\$	-	\$	-	\$	610,637	\$	294,802		
Receivables:										
Intergovernmental		33,684		-		-		-		
Accounts		-		35,648		-		-		
Interest		-		-		1,480		727		
Notes and loans		-		-		-		-		
Due from other funds		-		-		-		-		
Restricted assets:										
Cash and investments		-		-		-		-		
Cash and investments with fiscal agents		-		-		-		-		
Land held for resale		-		-		-		-		
Total assets	\$	33,684	\$	35,648	\$	612,117	\$	295,529		
LIABILITIES AND FUND BALANCES										
Liabilities										
Accounts payable and accrued liabilities	\$	59,305	\$	12,296	\$	-	\$	15,400		
Due to other funds		762,485		786,587		-		-		
Deferred revenue		-		-		-		-		
Deposits		-		-		-		-		
Advances from other funds		-		-		-		-		
Total liabilities		821,790		798,883		-		15,400		
Fund balances (deficits)										
Reserved										
Reserved for land held for resale		-		-		-		-		
Reserved for projects		-		-		-		-		
Reserved for housing		-		-		-		-		
Reserved for retirement		-		-		-		-		
Reserved for debt service		-		-		-		-		
Reserved for encumbrances		-		-		-		-		
Unreserved reported in:										
Undesignated		(788,106)		(763,235)		612,117		280,129		
Total fund balances (deficits)		(788,106)		(763,235)		612,117		280,129		
Total liabilities and fund balances	\$	33,684	\$	35,648	\$	612,117	\$	295,529		

**City of Lynwood
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
June 30, 2009**

Special Revenue Funds						
Litter Abatement	HUD 108 Loan	Housing Community Development (HUD)	Business Improvement District	Beverage Container Recycling Grant	LA County Park Maintenance Grant	Brownfield Grant
\$ 176,879	\$ 169,852	\$ -	\$ 30,604	\$ 153,210	\$ 168,504	\$ -
1,025	-	901,052	-	-	-	28,123
-	-	-	-	-	-	-
-	-	-	-	386	438	-
-	-	585,261	-	-	-	-
10,167	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 188,071</u>	<u>\$ 169,852</u>	<u>\$ 1,486,313</u>	<u>\$ 30,604</u>	<u>\$ 153,596</u>	<u>\$ 168,942</u>	<u>\$ 28,123</u>
\$ 42,273	\$ -	\$ 8,092	\$ 12,083	\$ -	\$ -	\$ 30,648
-	-	852,402	-	-	-	18,752
-	-	1,193,169	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>42,273</u>	<u>-</u>	<u>2,053,663</u>	<u>12,083</u>	<u>-</u>	<u>-</u>	<u>49,400</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
145,798	169,852	(567,350)	18,521	153,596	168,942	(21,277)
<u>145,798</u>	<u>169,852</u>	<u>(567,350)</u>	<u>18,521</u>	<u>153,596</u>	<u>168,942</u>	<u>(21,277)</u>
<u>\$ 188,071</u>	<u>\$ 169,852</u>	<u>\$ 1,486,313</u>	<u>\$ 30,604</u>	<u>\$ 153,596</u>	<u>\$ 168,942</u>	<u>\$ 28,123</u>

(Continued)

	Special Revenue Funds			
	Used Oil Recycling Grant	Per Capita Grant 2000	TEA/ ISTEA Grant	Safe School Route
ASSETS				
Cash and investments	\$ 27,046	\$ -	\$ -	\$ -
Receivables:				
Intergovernmental	-	-	-	298,961
Accounts	-	-	-	-
Interest	75	-	-	-
Notes and loans	-	-	-	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Land held for resale	-	-	-	-
Total assets	\$ 27,121	\$ -	\$ -	\$ 298,961
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	\$ 598	\$ -	\$ -	\$ -
Due to other funds	-	61,554	280,392	298,961
Deferred revenue	-	-	-	298,961
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	598	61,554	280,392	597,922
Fund balances (deficits)				
Reserved				
Reserved for land held for resale	-	-	-	-
Reserved for projects	-	-	-	-
Reserved for housing	-	-	-	-
Reserved for retirement	-	-	-	-
Reserved for debt service	-	-	-	-
Reserved for encumbrances	-	-	-	-
Unreserved reported in:				
Undesignated	26,523	(61,554)	(280,392)	(298,961)
Total fund balances (deficits)	26,523	(61,554)	(280,392)	(298,961)
Total liabilities and fund balances	\$ 27,121	\$ -	\$ -	\$ 298,961

**City of Lynwood
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
June 30, 2009**

Special Revenue Funds						
State of California CEC Grant	DuPont Lead Safety Grant	State Homeland Security Grant	Prop 40 Grant	Prop 1B	Justice Assistance	State Transportation Partnership
\$ -	\$ 103,826	\$ -	\$ -	\$ 947,315	\$ -	\$ -
-	-	-	-	-	36,154	95,656
-	261	-	-	3,366	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 104,087</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 950,681</u>	<u>\$ 36,154</u>	<u>\$ 95,656</u>
\$ -	\$ -	\$ -	\$ -	\$ -	25,472	\$ -
4,079	-	-	-	-	66,680	95,656
-	-	-	-	-	36,154	95,656
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>4,079</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,306</u>	<u>191,312</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(4,079)</u>	<u>104,087</u>	<u>-</u>	<u>-</u>	<u>950,681</u>	<u>(92,152)</u>	<u>(95,656)</u>
<u>(4,079)</u>	<u>104,087</u>	<u>-</u>	<u>-</u>	<u>950,681</u>	<u>(92,152)</u>	<u>(95,656)</u>
<u>\$ -</u>	<u>\$ 104,087</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 950,681</u>	<u>\$ 36,154</u>	<u>\$ 95,656</u>

(Continued)

City of Lynwood
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
June 30, 2009

	Special Revenue Fund			
	Roberti-Zberg Harris	Lynwood Information, Inc.	Redevelopment Low/Mod Income Housing Alameda Area	City of Lynwood
ASSETS				
Cash and investments	\$ -	\$ -	\$ 1,436,614	\$ -
Receivables:				
Intergovernmental	-	-	-	-
Accounts	-	-	-	-
Interest	-	-	686	-
Notes and loans	-	-	-	-
Due from other funds	-	-	48,038	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	1,144,711
Land held for resale	-	-	-	-
Total assets	\$ -	\$ -	\$ 1,485,338	\$ 1,144,711
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 50,150	\$ 87,369
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	-	-	50,150	87,369
Fund balances (deficits)				
Reserved				
Reserved for land held for resale	-	-	-	-
Reserved for projects	-	-	-	-
Reserved for housing	-	-	1,435,188	-
Reserved for retirement	-	-	-	-
Reserved for debt service	-	-	-	1,057,342
Reserved for encumbrances	-	-	-	-
Unreserved reported in:				
Undesignated	-	-	-	-
Total fund balances (deficits)	-	-	1,435,188	1,057,342
Total liabilities and fund balances	\$ -	\$ -	\$ 1,485,338	\$ 1,144,711

**City of Lynwood
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
June 30, 2009**

Debt Service Funds				Capital Projects Funds		
Public Financing Authority	Tax Increment Area "A"	Special Funds Area "A" Alameda	Tax Increment Alameda Area	Park Replacement	Capital Grant Loan	2003 Lease Revenue Refunding
\$ -	\$ 2,381,668	\$ -	\$ 362,908	\$ -	\$ -	\$ -
-	196,786	-	240,188	-	-	-
-	-	-	4,535	-	-	-
-	3,336	-	792	-	-	-
-	-	-	99,772	-	-	-
-	217,954	-	14,876	-	-	-
-	-	-	-	-	-	-
-	-	1,139,158	-	-	1,332,918	1,355,012
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 2,799,744</u>	<u>\$ 1,139,158</u>	<u>\$ 723,071</u>	<u>\$ -</u>	<u>\$ 1,332,918</u>	<u>\$ 1,355,012</u>
\$ -	\$ 248	\$ -	\$ -	\$ -	\$ -	\$ -
-	114,993	-	48,038	2,572,247	91,503	148,711
-	-	-	99,772	-	-	-
-	-	-	-	-	-	-
-	1,068,947	-	52,889	-	-	-
-	<u>1,184,188</u>	-	<u>200,699</u>	<u>2,572,247</u>	<u>91,503</u>	<u>148,711</u>
-	-	-	-	-	-	-
-	-	-	-	-	1,241,415	1,206,301
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,615,556	1,139,158	522,372	-	-	-
-	-	-	-	-	-	-
-	-	-	-	(2,572,247)	-	-
-	<u>1,615,556</u>	<u>1,139,158</u>	<u>522,372</u>	<u>(2,572,247)</u>	<u>1,241,415</u>	<u>1,206,301</u>
<u>\$ -</u>	<u>\$ 2,799,744</u>	<u>\$ 1,139,158</u>	<u>\$ 723,071</u>	<u>\$ -</u>	<u>\$ 1,332,918</u>	<u>\$ 1,355,012</u>

(Continued)

City of Lynwood
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
June 30, 2009

	Capital Projects Funds		
	Redevelopment Project Area "A" Taxable Bond Proceeds	Redevelopment Project Alameda Area	Total Nonmajor Governmental Funds
ASSETS			
Cash and investments	\$ 44,130	\$ 282,858	\$ 13,978,173
Receivables:			
Intergovernmental	-	-	2,516,749
Accounts	-	103	187,746
Interest	-	-	27,954
Notes and loans	-	-	685,033
Due from other funds	-	-	291,035
Restricted assets:			
Cash and investments	-	-	-
Cash and investments with fiscal agents	-	-	4,971,799
Land held for resale	-	-	-
Total assets	\$ 44,130	\$ 282,961	\$ 22,658,489
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	\$ -	\$ 281,745	\$ 715,161
Due to other funds	-	-	7,426,787
Deferred revenue	-	-	1,834,383
Deposits	-	-	-
Advances from other funds	-	-	1,121,836
Total liabilities	-	281,745	11,098,167
 Fund balances (deficits)			
Reserved			
Reserved for land held for resale	-	-	-
Reserved for projects	-	-	2,447,716
Reserved for housing	-	-	1,435,188
Reserved for retirement	-	-	841,043
Reserved for debt service	-	-	4,334,428
Reserved for encumbrances	-	-	-
Unreserved reported in:			
Undesignated	44,130	1,216	2,501,947
Total fund balances (deficits)	44,130	1,216	11,560,322
Total liabilities and fund balances	\$ 44,130	\$ 282,961	\$ 22,658,489

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	Special Revenue Funds			
	Retirement	Traffic Safety	Gas Tax	AB 2928 Traffic Congestion Relief
Revenues				
Taxes and assessments	\$ 2,825,857	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	-	-	7,294	1,423
Intergovernmental	-	-	1,155,824	618,968
Charges for services	-	-	-	-
Program income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>2,825,857</u>	<u>-</u>	<u>1,163,118</u>	<u>620,391</u>
Expenditures				
Current:				
General government	740,547	-	-	-
Public safety	-	1,782,533	-	-
Public works	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Pass through to other agencies	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal payment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>740,547</u>	<u>1,782,533</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>2,085,310</u>	<u>(1,782,533)</u>	<u>1,163,118</u>	<u>620,391</u>
Other financing sources (uses)				
Transfers in	-	1,342,604	-	-
Transfers out	(1,716,192)	-	(1,342,604)	(138,606)
Net other financing sources (uses)	<u>(1,716,192)</u>	<u>1,342,604</u>	<u>(1,342,604)</u>	<u>(138,606)</u>
Net change in fund balances	369,118	(439,929)	(179,486)	481,785
Fund balances (deficits) - beginning of year, as restated	471,925	(698,378)	424,125	2,149
Fund balances (deficits) - end of year	<u>\$ 841,043</u>	<u>\$ (1,138,307)</u>	<u>\$ 244,639</u>	<u>\$ 483,934</u>

City of Lynwood
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year ended June 30, 2009

Special Revenue Funds

STP Grant	SB 821	Prop A	Prop C	Air Quality Improvement	State COPS Program	Sheriff Drug Seizure
\$ -	\$ -	\$ 1,112,305	\$ 1,037,073	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	478	28,229	61,987	1,996	1,159	6,126
-	59,446	-	-	62,555	87,475	1,186
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>59,924</u>	<u>1,140,534</u>	<u>1,099,060</u>	<u>64,551</u>	<u>88,634</u>	<u>7,312</u>
-	-	-	-	-	-	-
-	-	-	-	-	151,877	59,230
110,671	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>110,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,877</u>	<u>59,230</u>
<u>(110,671)</u>	<u>59,924</u>	<u>1,140,534</u>	<u>1,099,060</u>	<u>64,551</u>	<u>(63,243)</u>	<u>(51,918)</u>
-	-	-	-	-	-	-
(5,880)	(87,700)	(826,989)	(985,850)	(100,000)	-	-
<u>(5,880)</u>	<u>(87,700)</u>	<u>(826,989)</u>	<u>(985,850)</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>
(116,551)	(27,776)	313,545	113,210	(35,449)	(63,243)	(51,918)
-	-	1,409,518	3,958,605	131,446	63,243	86,468
<u>\$ (116,551)</u>	<u>\$ (27,776)</u>	<u>\$ 1,723,063</u>	<u>\$ 4,071,815</u>	<u>\$ 95,997</u>	<u>\$ -</u>	<u>\$ 34,550</u>

(Continued)

	Special Revenue Funds			
	Lighting Maintenance	Landscape Maintenance	Impact Fees	Public Art
Revenues				
Taxes and assessments	\$ 1,049,683	\$ 1,085,669	\$ 188,209	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	-	-	8,124	4,231
Intergovernmental	-	-	-	-
Charges for services	-	-	-	25,849
Program income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>1,049,683</u>	<u>1,085,669</u>	<u>196,333</u>	<u>30,080</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	976,840	1,108,681	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Pass through to other agencies	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal payment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>976,840</u>	<u>1,108,681</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>72,843</u>	<u>(23,012)</u>	<u>196,333</u>	<u>30,080</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(221,127)	(179,334)	-	-
Net other financing sources (uses)	<u>(221,127)</u>	<u>(179,334)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(148,284)	(202,346)	196,333	30,080
Fund balances (deficits) - beginning of year, as restated	(639,822)	(560,889)	415,784	250,049
Fund balances (deficits) - end of year	<u>\$ (788,106)</u>	<u>\$ (763,235)</u>	<u>\$ 612,117</u>	<u>\$ 280,129</u>

City of Lynwood
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
Year ended June 30, 2009

Special Revenue Funds						
Litter Abatement	HUD 108 Loan	Housing Community Development (HUD)	Business Improvement District	Beverage Container Recycling Grant	LA County Park Maintenance Grant	Brownfield Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	133,017	-	-	-
-	1,087	-	-	2,331	3,256	-
-	-	1,371,540	-	19,195	-	39,402
366,777	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>366,777</u>	<u>1,087</u>	<u>1,371,540</u>	<u>133,017</u>	<u>21,526</u>	<u>3,256</u>	<u>39,402</u>
-	-	337,142	-	-	-	-
-	-	-	-	-	-	-
227,139	-	366,896	-	-	-	-
-	-	142,147	73,250	-	-	60,679
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	585,000	-	-	-	-
-	-	481,006	-	-	-	-
<u>227,139</u>	<u>-</u>	<u>1,912,191</u>	<u>73,250</u>	<u>-</u>	<u>-</u>	<u>60,679</u>
<u>139,638</u>	<u>1,087</u>	<u>(540,651)</u>	<u>59,767</u>	<u>21,526</u>	<u>3,256</u>	<u>(21,277)</u>
-	-	-	-	-	-	-
-	-	(26,699)	-	-	(67,672)	-
-	-	(26,699)	-	-	(67,672)	-
<u>139,638</u>	<u>1,087</u>	<u>(567,350)</u>	<u>59,767</u>	<u>21,526</u>	<u>(64,416)</u>	<u>(21,277)</u>
6,160	168,765	-	(41,246)	132,070	233,358	-
<u>\$ 145,798</u>	<u>\$ 169,852</u>	<u>\$ (567,350)</u>	<u>\$ 18,521</u>	<u>\$ 153,596</u>	<u>\$ 168,942</u>	<u>\$ (21,277)</u>

(Continued)

	Special Revenue Funds			
	Used Oil Recycling Grant	Per Capita Grant 2000	TEA/ ISTEA Grant	Safe School Route
Revenues				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	434	-	-	-
Intergovernmental	11,918	231,958	48,941	-
Charges for services	-	-	-	-
Program income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>12,352</u>	<u>231,958</u>	<u>48,941</u>	<u>-</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	298,961
Public works	14,937	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Pass through to other agencies	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal payment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>14,937</u>	<u>-</u>	<u>-</u>	<u>298,961</u>
Excess of revenues over (under) expenditures	<u>(2,585)</u>	<u>231,958</u>	<u>48,941</u>	<u>(298,961)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	(293,512)	(2,802)	-
Net other financing sources (uses)	<u>-</u>	<u>(293,512)</u>	<u>(2,802)</u>	<u>-</u>
Net change in fund balances	(2,585)	(61,554)	46,139	(298,961)
Fund balances (deficits) - beginning of year, as restated	29,108	-	(326,531)	-
Fund balances (deficits) - end of year	<u>\$ 26,523</u>	<u>\$ (61,554)</u>	<u>\$ (280,392)</u>	<u>\$ (298,961)</u>

City of Lynwood
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
Year ended June 30, 2009

Special Revenue Funds						
State of California CEC Grant	DuPont Lead Safety Grant	State Homeland Security Grant	Prop 40 Grant	Prop 1B	Justice Assistance	State Transportation Partnership
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	1,582	-	-	24,211	-	-
-	-	-	-	1,087,785	-	-
-	-	-	-	-	-	-
-	-	2,890	-	-	-	-
<u>-</u>	<u>1,582</u>	<u>2,890</u>	<u>-</u>	<u>1,111,996</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	92,152	-
-	-	-	360	-	-	95,656
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>360</u>	<u>-</u>	<u>92,152</u>	<u>95,656</u>
<u>-</u>	<u>1,582</u>	<u>2,890</u>	<u>(360)</u>	<u>1,111,996</u>	<u>(92,152)</u>	<u>(95,656)</u>
-	-	-	360	-	-	-
<u>(4,079)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,352,866)</u>	<u>-</u>	<u>-</u>
<u>(4,079)</u>	<u>-</u>	<u>-</u>	<u>360</u>	<u>(1,352,866)</u>	<u>-</u>	<u>-</u>
(4,079)	1,582	2,890	-	(240,870)	(92,152)	(95,656)
-	102,505	(2,890)	-	1,191,551	-	-
<u>\$ (4,079)</u>	<u>\$ 104,087</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 950,681</u>	<u>\$ (92,152)</u>	<u>\$ (95,656)</u>

(Continued)

	Special Revenue Funds			
	Roberti-Zberg Harris	Lynwood Information, Inc.	Redevelopment Low/Mod Income Housing Alameda Area	City of Lynwood
Revenues				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	-	176	12,406	3,936
Intergovernmental	316,960	-	-	-
Charges for services	-	-	-	-
Program income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>316,960</u>	<u>176</u>	<u>12,406</u>	<u>3,936</u>
Expenditures				
Current:				
General government	-	-	74,123	-
Public safety	-	-	-	-
Public works	-	-	-	-
Community development	-	104,894	90,926	-
Parks and recreation	-	-	-	-
Pass through to other agencies	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal payment	-	-	13,300	1,152,510
Interest and fiscal charges	-	-	24,557	213,981
Total expenditures	<u>-</u>	<u>104,894</u>	<u>202,906</u>	<u>1,366,491</u>
Excess of revenues over (under) expenditures	<u>316,960</u>	<u>(104,718)</u>	<u>(190,500)</u>	<u>(1,362,555)</u>
Other financing sources (uses)				
Transfers in	-	-	279,239	1,233,149
Transfers out	(316,960)	-	-	-
Net other financing sources (uses)	<u>(316,960)</u>	<u>-</u>	<u>279,239</u>	<u>1,233,149</u>
Net change in fund balances	-	(104,718)	88,739	(129,406)
Fund balances (deficits) - beginning of year, as restated	-	104,718	1,346,449	1,186,748
Fund balances (deficits) - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,435,188</u>	<u>\$ 1,057,342</u>

City of Lynwood
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
Year ended June 30, 2009

Debt Service Funds				Capital Projects Funds		
Public Financing Authority	Tax Increment Area "A"	Special Funds Area "A" Alameda	Tax Increment Alameda Area	Park Replacement	Capital Project Loan	2003 Lease Revenue Refunding
\$ -	\$ 4,977,049	\$ -	\$ 1,123,225	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	18,204	5,995	5,865	-	8,260	6,455
-	-	-	-	-	-	-
-	45,966	-	-	-	-	-
-	127	-	-	-	-	-
-	<u>5,041,346</u>	<u>5,995</u>	<u>1,129,090</u>	-	<u>8,260</u>	<u>6,455</u>
10,486	8,101	-	5,654	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	526,011	-	26,041	-	-	-
-	-	-	-	-	-	-
-	246,759	-	21,700	-	-	-
-	530,392	121,075	30,189	-	-	-
<u>10,486</u>	<u>1,311,263</u>	<u>121,075</u>	<u>83,584</u>	-	-	-
<u>(10,486)</u>	<u>3,730,083</u>	<u>(115,080)</u>	<u>1,045,506</u>	-	<u>8,260</u>	<u>6,455</u>
10,486	-	-	27	-	-	-
-	(3,610,213)	-	(1,011,645)	(508,136)	(35,470)	(4,723)
<u>10,486</u>	<u>(3,610,213)</u>	<u>-</u>	<u>(1,011,618)</u>	<u>(508,136)</u>	<u>(35,470)</u>	<u>(4,723)</u>
-	119,870	(115,080)	33,888	(508,136)	(27,210)	1,732
-	1,495,686	1,254,238	488,484	(2,064,111)	1,268,625	1,204,569
<u>\$ -</u>	<u>\$ 1,615,556</u>	<u>\$ 1,139,158</u>	<u>\$ 522,372</u>	<u>\$ (2,572,247)</u>	<u>\$ 1,241,415</u>	<u>\$ 1,206,301</u>

(Continued)

City of Lynwood
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds (continued)
Year ended June 30, 2009

	Capital Projects Funds		Total Nonmajor Governmental Funds
	Redevelopment Project Area "A" Taxable Bond Proceeds	Redevelopment Project Alameda Area	
Revenues			
Taxes and assessments	\$ -	\$ -	\$ 13,399,070
Licenses and permits	-	-	133,017
Fines, forfeitures and penalties	-	-	6,126
Use of money and property	430	-	210,735
Intergovernmental	-	-	5,111,967
Charges for services	-	-	392,626
Program income	-	-	45,966
Miscellaneous	-	-	3,017
Total revenues	<u>430</u>	<u>-</u>	<u>19,302,524</u>
Expenditures			
Current:			
General government	-	536,769	1,712,822
Public safety	-	-	2,384,753
Public works	-	-	2,901,180
Community development	-	192,320	664,216
Parks and recreation	-	-	-
Pass through to other agencies	-	-	552,052
Capital outlay	-	1,812	1,812
Debt service:			
Principal payment	-	-	2,019,269
Interest and fiscal charges	-	-	1,401,200
Total expenditures	<u>-</u>	<u>730,901</u>	<u>11,637,304</u>
Excess of revenues over (under) expenditures	<u>430</u>	<u>(730,901)</u>	<u>7,665,220</u>
Other financing sources (uses)			
Transfers in	-	732,379	3,598,244
Transfers out	-	-	(12,839,059)
Net other financing sources (uses)	<u>-</u>	<u>732,379</u>	<u>(9,240,815)</u>
Net change in fund balances	430	1,478	(1,575,595)
Fund balances (deficits) - beginning of year, as restated	<u>43,700</u>	<u>(262)</u>	<u>13,135,917</u>
Fund balances (deficits) - end of year	<u>\$ 44,130</u>	<u>\$ 1,216</u>	<u>\$ 11,560,322</u>

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City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Retirement Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Taxes and assessments	\$ 2,521,201	\$ 2,825,857	\$ 304,656
Total revenues	<u>2,521,201</u>	<u>2,825,857</u>	<u>304,656</u>
Expenditures			
Current:			
General government	740,547	740,547	-
Total expenditures	<u>740,547</u>	<u>740,547</u>	<u>-</u>
Excess of revenues over expenditures	1,780,654	2,085,310	304,656
Other financing uses			
Transfers out	(1,716,192)	(1,716,192)	-
Net change in fund balances	<u>64,462</u>	<u>369,118</u>	<u>304,656</u>
Fund balances - beginning of year	<u>471,925</u>	<u>471,925</u>	<u>-</u>
Fund balances - end of year	<u>\$ 536,387</u>	<u>\$ 841,043</u>	<u>\$ 304,656</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Traffic Safety Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Charges for services	\$ 50,000	\$ -	\$ (50,000)
Total revenues	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Expenditures			
Current:			
Public safety	2,099,667	1,782,533	317,134
Total expenditures	<u>2,099,667</u>	<u>1,782,533</u>	<u>317,134</u>
Excess of revenues over (under) expenditures	(2,049,667)	(1,782,533)	267,134
Other financing sources			
Transfers in	1,978,900	1,342,604	(636,296)
Net change in fund balances	(70,767)	(439,929)	(369,162)
Fund balances - beginning of year	<u>(698,378)</u>	<u>(698,378)</u>	<u>-</u>
Fund balances - end of year	<u>\$ (769,145)</u>	<u>\$ (1,138,307)</u>	<u>\$ (369,162)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Gas Tax Special Revenue Fund
Year ended June 30, 2009

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Use of money and property	\$ 1,000	\$ 7,294	\$ 6,294
Intergovernmental	1,505,600	1,155,824	(349,776)
Total revenues	1,506,600	1,163,118	(343,482)
Expenditures			
Current:			
General government	-	-	-
Total expenditures	-	-	-
Excess of revenues over (under) expenditures	1,506,600	1,163,118	(343,482)
Other financing uses			
Transfers out	(1,506,600)	(1,342,604)	163,996
Net change in fund balances	-	(179,486)	(179,486)
Fund balances - beginning of year	424,125	424,125	-
Fund balances - end of year	\$ 424,125	\$ 244,639	\$ (179,486)

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
AB2928 Traffic Congestion Relief Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ 517	\$ 1,423	\$ 906
Intergovernmental	-	618,968	618,968
Total revenues	<u>517</u>	<u>620,391</u>	<u>619,874</u>
 Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	517	620,391	619,874
 Other financing uses			
Transfers out	<u>(24,674)</u>	<u>(138,606)</u>	<u>(113,932)</u>
Net change in fund balances	(24,157)	481,785	505,942
 Fund balances - beginning of year	<u>2,149</u>	<u>2,149</u>	<u>-</u>
 Fund balances - end of year	<u>\$ (22,008)</u>	<u>\$ 483,934</u>	<u>\$ 505,942</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
STP Grant Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ <u>6,779</u>	\$ <u>-</u>	\$ <u>(6,779)</u>
Total revenues	<u>6,779</u>	<u>-</u>	<u>(6,779)</u>
Expenditures			
Current:			
Public works	<u>-</u>	<u>110,671</u>	<u>(110,671)</u>
Total expenditures	<u>-</u>	<u>110,671</u>	<u>(110,671)</u>
Excess of revenues over (under) expenditures	6,779	(110,671)	(117,450)
Other financing sources (uses)			
Transfers out	<u>(1,000,000)</u>	<u>(5,880)</u>	<u>994,120</u>
Net change in fund balances	(993,221)	(116,551)	876,670
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ (993,221)</u>	<u>\$ (116,551)</u>	<u>\$ 876,670</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
SB 821 Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 478	\$ 478
Intergovernmental	30,000	59,446	29,446
Total revenues	<u>30,000</u>	<u>59,924</u>	<u>29,924</u>
 Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	30,000	59,924	29,924
 Other financing sources (uses)			
Transfers out	<u>(35,392)</u>	<u>(87,700)</u>	<u>(52,308)</u>
Net change in fund balances	(5,392)	(27,776)	(22,384)
 Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
 Fund balances - end of year	<u>\$ (5,392)</u>	<u>\$ (27,776)</u>	<u>\$ (22,384)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Prop A Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Taxes and assessments	\$ 1,034,045	\$ 1,112,305	\$ 78,260
Use of money and property	<u>2,400</u>	<u>28,229</u>	<u>25,829</u>
Total revenues	<u>1,036,445</u>	<u>1,140,534</u>	<u>104,089</u>
 Expenditures			
Current:			
General government	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	1,036,445	1,140,534	104,089
 Other financing sources (uses)			
Transfers out	<u>(1,239,739)</u>	<u>(826,989)</u>	<u>412,750</u>
Net change in fund balances	(203,294)	313,545	516,839
 Fund balances - beginning of year	<u>1,409,518</u>	<u>1,409,518</u>	<u>-</u>
 Fund balances - end of year	<u>\$ 1,206,224</u>	<u>\$ 1,723,063</u>	<u>\$ 516,839</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Prop C Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Taxes and assessments	\$ 1,055,000	\$ 1,037,073	\$ (17,927)
Use of money and property	<u>10,000</u>	<u>61,987</u>	<u>51,987</u>
Total revenues	<u>1,065,000</u>	<u>1,099,060</u>	<u>34,060</u>
 Expenditures			
Current:			
General government	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	1,065,000	1,099,060	34,060
 Other financing sources (uses)			
Transfers out	<u>(4,534,731)</u>	<u>(985,850)</u>	<u>3,548,881</u>
Net change in fund balances	(3,469,731)	113,210	3,582,941
 Fund balances - beginning of year	<u>3,958,605</u>	<u>3,958,605</u>	<u>-</u>
 Fund balances - end of year	<u>\$ 488,874</u>	<u>\$ 4,071,815</u>	<u>\$ 3,582,941</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Air Quality Improvement Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ 1,000	\$ 1,996	\$ 996
Intergovernmental	80,000	62,555	(17,445)
Total revenues	<u>81,000</u>	<u>64,551</u>	<u>(16,449)</u>
 Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	81,000	64,551	(16,449)
 Other financing sources (uses)			
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net change in fund balances	(19,000)	(35,449)	(16,449)
 Fund balances - beginning of year	<u>131,446</u>	<u>131,446</u>	<u>-</u>
 Fund balances - end of year	<u>\$ 112,446</u>	<u>\$ 95,997</u>	<u>\$ (16,449)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
State COPS Program Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 1,159	\$ 1,159
Intergovernmental	105,000	87,475	(17,525)
Total revenues	<u>105,000</u>	<u>88,634</u>	<u>(16,366)</u>
 Expenditures			
Current:			
Public safety	183,618	151,877	31,741
Total expenditures	<u>183,618</u>	<u>151,877</u>	<u>31,741</u>
Excess of revenues over (under) expenditures	(78,618)	(63,243)	15,375
 Fund balances - beginning of year	<u>63,243</u>	<u>63,243</u>	<u>-</u>
 Fund balances - end of year	<u>\$ (15,375)</u>	<u>\$ -</u>	<u>\$ 15,375</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Sheriff Drug Seizure Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Fines, forfeitures and penalties	\$ 800	\$ 6,126	\$ 5,326
Use of money and property	<u>10,000</u>	<u>1,186</u>	<u>(8,814)</u>
Total revenues	<u>10,800</u>	<u>7,312</u>	<u>(3,488)</u>
 Expenditures			
Current:			
Public safety	<u>75,410</u>	<u>59,230</u>	<u>16,180</u>
Total expenditures	<u>75,410</u>	<u>59,230</u>	<u>16,180</u>
Excess of revenues over (under) expenditures	(64,610)	(51,918)	12,692
 Other financing sources (uses)			
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(64,610)	(51,918)	12,692
 Fund balances - beginning of year	<u>86,468</u>	<u>86,468</u>	<u>-</u>
 Fund balances - end of year	<u>\$ 21,858</u>	<u>\$ 34,550</u>	<u>\$ 12,692</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Lighting Maintenance Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Taxes and assessments	\$ 1,119,576	\$ 1,049,683	\$ (69,893)
Total revenues	<u>1,119,576</u>	<u>1,049,683</u>	<u>(69,893)</u>
Expenditures			
Current:			
Public works	999,790	976,840	22,950
Total expenditures	<u>999,790</u>	<u>976,840</u>	<u>22,950</u>
Excess of revenues over (under) expenditures	119,786	72,843	(46,943)
Other financing sources (uses)			
Transfers in	142,566	-	(142,566)
Transfers out	<u>(1,468,928)</u>	<u>(221,127)</u>	<u>1,247,801</u>
Net other financing sources (uses)	<u>(1,326,362)</u>	<u>(221,127)</u>	<u>1,105,235</u>
Net change in fund balances	(1,206,576)	(148,284)	1,058,292
Fund balances - beginning of year	<u>(639,822)</u>	<u>(639,822)</u>	<u>-</u>
Fund balances - end of year	<u>\$ (1,846,398)</u>	<u>\$ (788,106)</u>	<u>\$ 1,058,292</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Landscape Maintenance Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Taxes and assessments	\$ 1,162,597	\$ 1,085,669	\$ (76,928)
Total revenues	<u>1,162,597</u>	<u>1,085,669</u>	<u>(76,928)</u>
Expenditures			
Current:			
Public works	1,448,772	1,108,681	340,091
Total expenditures	<u>1,448,772</u>	<u>1,108,681</u>	<u>340,091</u>
Excess of revenues over (under) expenditures	(286,175)	(23,012)	263,163
Other financing sources (uses)			
Transfers in	524,658	-	(524,658)
Transfers out	<u>(238,450)</u>	<u>(179,334)</u>	<u>59,116</u>
Net other financing sources (uses)	<u>286,208</u>	<u>(179,334)</u>	<u>(465,542)</u>
Net change in fund balances	33	(202,346)	(202,379)
Fund balances - beginning of year	<u>(560,889)</u>	<u>(560,889)</u>	<u>-</u>
Fund balances - end of year	<u>\$ (560,856)</u>	<u>\$ (763,235)</u>	<u>\$ (202,379)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Impact Fees Special Revenue Fund
Year ended June 30, 2009

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes and assessments	\$ 157,000	\$ 188,209	\$ 31,209
Use of money and property	232	8,124	7,892
Total revenues	157,232	196,333	39,101
Expenditures			
Current:			
General government	-	-	-
Total expenditures	-	-	-
Excess of revenues over (under) expenditures	157,232	196,333	39,101
Fund balances - beginning of year	415,784	415,784	-
Fund balances - end of year	\$ 573,016	\$ 612,117	\$ 39,101

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Public Art Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 4,231	\$ 4,231
Charges for services	81,400	25,849	(55,551)
Total revenues	<u>81,400</u>	<u>30,080</u>	<u>(51,320)</u>
 Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	81,400	30,080	(51,320)
 Fund balances - beginning of year	<u>250,049</u>	<u>250,049</u>	<u>-</u>
 Fund balances - end of year	<u>\$ 331,449</u>	<u>\$ 280,129</u>	<u>\$ (51,320)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Litter Abatement Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Charges for services	\$ 268,500	\$ 366,777	\$ 98,277
Total revenues	<u>268,500</u>	<u>366,777</u>	<u>98,277</u>
 Expenditures			
Current:			
Public works	262,567	227,139	35,428
Total expenditures	<u>262,567</u>	<u>227,139</u>	<u>35,428</u>
Excess of revenues over (under) expenditures	5,933	139,638	133,705
 Fund balances - beginning of year	<u>6,160</u>	<u>6,160</u>	<u>-</u>
 Fund balances - end of year	<u>\$ 12,093</u>	<u>\$ 145,798</u>	<u>\$ 133,705</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
HUD 108 Loan Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ 5,000	\$ 1,087	\$ (3,913)
Total revenues	<u>5,000</u>	<u>1,087</u>	<u>(3,913)</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	5,000	1,087	(3,913)
Fund balances - beginning of year	<u>168,765</u>	<u>168,765</u>	<u>-</u>
Fund balances - end of year	<u>\$ 173,765</u>	<u>\$ 169,852</u>	<u>\$ (3,913)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Housing Community Development (HUD) Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 2,428,640	\$ 1,371,540	\$ (1,057,100)
Total revenues	<u>2,428,640</u>	<u>1,371,540</u>	<u>(1,057,100)</u>
Expenditures			
Current:			
General government	408,968	337,142	71,826
Public works	520,000	366,896	153,104
Community development	142,300	142,147	153
Debt service:			-
Principal payment	285,000	585,000	(300,000)
Interest and fiscal charges	322,646	481,006	(158,360)
Total expenditures	<u>1,678,914</u>	<u>1,912,191</u>	<u>(233,277)</u>
Excess of revenues over (under) expenditures	749,726	(540,651)	(1,290,377)
Other financing sources (uses)			
Transfers out	(170,000)	(26,699)	143,301
Net change in fund balances	579,726	(567,350)	(1,147,076)
Fund balances - beginning of year	-	-	-
Fund balances - end of year	<u>\$ 579,726</u>	<u>\$ (567,350)</u>	<u>\$ (1,147,076)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Business Improvement District Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Licenses and permits	\$ 125,000	\$ 133,017	\$ 8,017
Total revenues	<u>125,000</u>	<u>133,017</u>	<u>8,017</u>
Expenditures			
Current:			
Community development	125,000	73,250	51,750
Total expenditures	<u>125,000</u>	<u>73,250</u>	<u>51,750</u>
Excess of revenues over (under) expenditures	-	59,767	59,767
Fund balances - beginning of year	<u>(41,246)</u>	<u>(41,246)</u>	-
Fund balances - end of year	<u><u>\$ (41,246)</u></u>	<u><u>\$ 18,521</u></u>	<u><u>\$ 59,767</u></u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Beverage Container Recycling Grant Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 2,331	\$ 2,331
Intergovernmental	15,000	19,195	4,195
Total revenues	<u>15,000</u>	<u>21,526</u>	<u>6,526</u>
Expenditures			
Current:			
Public works	40,724	-	40,724
Total expenditures	<u>40,724</u>	<u>-</u>	<u>40,724</u>
Excess of revenues over (under) expenditures	(25,724)	21,526	47,250
Fund balances - beginning of year	<u>132,070</u>	<u>132,070</u>	<u>-</u>
Fund balances - end of year	<u>\$ 106,346</u>	<u>\$ 153,596</u>	<u>\$ 47,250</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
LA County Park Maintenance Grant Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 3,256	\$ 3,256
Total revenues	<u>-</u>	<u>3,256</u>	<u>3,256</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	-	3,256	3,256
Other financing sources (uses)			
Transfers out	<u>(152,926)</u>	<u>(67,672)</u>	<u>85,254</u>
Net change in fund balances	(152,926)	(64,416)	88,510
Fund balances - beginning of year	<u>233,358</u>	<u>233,358</u>	<u>-</u>
Fund balances - end of year	<u>\$ 80,432</u>	<u>\$ 168,942</u>	<u>\$ 88,510</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Brownfield Grant Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ -	\$ 39,402	\$ 39,402
Total revenues	<u>-</u>	<u>39,402</u>	<u>39,402</u>
 Expenditures			
Current:			
Community development	400,000	60,679	339,321
Total expenditures	<u>400,000</u>	<u>60,679</u>	<u>339,321</u>
Excess of revenues over (under) expenditures	(400,000)	(21,277)	378,723
 Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
 Fund balances - end of year	<u>\$ (400,000)</u>	<u>\$ (21,277)</u>	<u>\$ 378,723</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Used Oil Recycling Grant Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 434	\$ 434
Intergovernmental	20,000	11,918	(8,082)
Total revenues	<u>20,000</u>	<u>12,352</u>	<u>(7,648)</u>
 Expenditures			
Current:			
Public works	21,530	14,937	6,593
Total expenditures	<u>21,530</u>	<u>14,937</u>	<u>6,593</u>
Excess of revenues over (under) expenditures	(1,530)	(2,585)	(1,055)
 Fund balances - beginning of year	<u>29,108</u>	<u>29,108</u>	<u>-</u>
 Fund balances - end of year	<u>\$ 27,578</u>	<u>\$ 26,523</u>	<u>\$ (1,055)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Per Capita Grant 2000 Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 215,000	\$ 231,958	\$ 16,958
Total revenues	<u>215,000</u>	<u>231,958</u>	<u>16,958</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	215,000	231,958	16,958
Other financing sources (uses)			
Transfers out	(649,774)	(293,512)	356,262
Net change in fund balances	<u>(434,774)</u>	<u>(61,554)</u>	<u>373,220</u>
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ (434,774)</u>	<u>\$ (61,554)</u>	<u>\$ 373,220</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
TEA/ISTEA Grant Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 2,376,799	\$ 48,941	\$ (2,327,858)
Total revenues	<u>2,376,799</u>	<u>48,941</u>	<u>(2,327,858)</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	2,376,799	48,941	(2,327,858)
Other financing sources (uses)			
Transfers out	<u>(2,373,469)</u>	<u>(2,802)</u>	<u>2,370,667</u>
Net change in fund balances	3,330	46,139	42,809
Fund balances - beginning of year	<u>(326,531)</u>	<u>(326,531)</u>	<u>-</u>
Fund balances - end of year	<u>\$ (323,201)</u>	<u>\$ (280,392)</u>	<u>\$ 42,809</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Safe School Route Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
Public safety	-	298,961	(298,961)
Total expenditures	<u>-</u>	<u>298,961</u>	<u>(298,961)</u>
Excess of revenues over (under) expenditures	-	(298,961)	(298,961)
Other financing sources (uses)			
Transfers out	1,039	-	(1,039)
Net change in fund balances	<u>1,039</u>	<u>(298,961)</u>	<u>(300,000)</u>
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,039</u>	<u>\$ (298,961)</u>	<u>\$ (300,000)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
State of California CEC Grant Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	-	-	-
Other financing sources (uses)			
Transfers out	-	(4,079)	(4,079)
Net change in fund balances	<u>-</u>	<u>(4,079)</u>	<u>(4,079)</u>
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ (4,079)</u>	<u>\$ (4,079)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
DuPont Lead Safety Grant Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 1,582	\$ 1,582
Total revenues	<u>-</u>	<u>1,582</u>	<u>1,582</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	-	1,582	1,582
Other financing sources (uses)			
Transfers out	<u>(92,424)</u>	<u>-</u>	<u>92,424</u>
Net change in fund balances	(92,424)	1,582	94,006
Fund balances - beginning of year	<u>102,505</u>	<u>102,505</u>	<u>-</u>
Fund balances - end of year	<u>\$ 10,081</u>	<u>\$ 104,087</u>	<u>\$ 94,006</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
State Homeland Security Grant Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Miscellaneous	\$ -	\$ 2,890	\$ 2,890
Total revenues	<u>-</u>	<u>2,890</u>	<u>2,890</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	-	2,890	2,890
Fund balances - beginning of year	<u>(2,890)</u>	<u>(2,890)</u>	<u>-</u>
Fund balances - end of year	<u>\$ (2,890)</u>	<u>\$ -</u>	<u>\$ 2,890</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Prop 40 Grant Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
Public works	-	360	(360)
Total expenditures	<u>-</u>	<u>360</u>	<u>(360)</u>
Excess of revenues over (under) expenditures	-	(360)	(360)
Other financing sources (uses)			
Transfers in	-	360	360
Net change in fund balances	-	-	-
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Prop 1B Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 24,211	\$ 24,211
Intergovernmental	<u>1,176,905</u>	<u>1,087,785</u>	<u>(89,120)</u>
Total revenues	<u>1,176,905</u>	<u>1,111,996</u>	<u>(64,909)</u>
 Expenditures			
Current:			
Public works	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	1,176,905	1,111,996	(64,909)
 Other financing sources (uses)			
Transfers out	<u>(1,176,905)</u>	<u>(1,352,866)</u>	<u>(175,961)</u>
Net change in fund balances	-	(240,870)	(240,870)
 Fund balances - beginning of year	<u>1,191,551</u>	<u>1,191,551</u>	<u>-</u>
 Fund balances - end of year	<u>\$ 1,191,551</u>	<u>\$ 950,681</u>	<u>\$ (240,870)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Justice Assistance Special Revenue Fund
Year ended June 30, 2009

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$ 60,000	\$ -	\$ (60,000)
Total revenues	60,000	-	(60,000)
Expenditures			
Current:			
Public safety	60,000	92,152	(32,152)
Total expenditures	60,000	92,152	(32,152)
Excess of revenues over (under) expenditures	-	(92,152)	(92,152)
Fund balances - beginning of year	-	-	-
Fund balances - end of year	\$ -	\$ (92,152)	\$ (92,152)

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
State Transportation Partnership Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 1,000,000	\$ -	\$ (1,000,000)
Total revenues	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
Expenditures			
Current:			
Public works	-	95,656	(95,656)
Total expenditures	<u>-</u>	<u>95,656</u>	<u>(95,656)</u>
Excess of revenues over (under) expenditures	1,000,000	(95,656)	(1,095,656)
Other financing sources (uses)			
Transfers out	<u>(424,058)</u>	<u>-</u>	<u>424,058</u>
Net change in fund balances	575,942	(95,656)	(671,598)
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ 575,942</u>	<u>\$ (95,656)</u>	<u>\$ (671,598)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Roberti-Zberg Harris Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ -	\$ 316,960	\$ 316,960
Total revenues	<u>-</u>	<u>316,960</u>	<u>316,960</u>
 Expenditures			
Current:			
Public works	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	-	316,960	316,960
 Other financing sources (uses)			
Transfers out	<u>(396,201)</u>	<u>(316,960)</u>	<u>79,241</u>
Net change in fund balances	(396,201)	-	396,201
 Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
 Fund balances - end of year	<u>\$ (396,201)</u>	<u>\$ -</u>	<u>\$ 396,201</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Lynwood Information, Inc. Special Revenue Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 176	\$ 176
Total revenues	<u>-</u>	<u>176</u>	<u>176</u>
 Expenditures			
Current:			
Community development	-	104,894	(104,894)
Total expenditures	<u>-</u>	<u>104,894</u>	<u>(104,894)</u>
Excess of revenues over (under) expenditures	-	(104,718)	(104,718)
 Fund balances - beginning of year	<u>104,718</u>	<u>104,718</u>	<u>-</u>
 Fund balances - end of year	<u>\$ 104,718</u>	<u>\$ -</u>	<u>\$ (104,718)</u>

City of Lynwood

**Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual**

Redevelopment Low/Mod Income Housing Alameda Area Special Revenue Fund

Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ 14,000	\$ 12,406	\$ (1,594)
Total revenues	<u>14,000</u>	<u>12,406</u>	<u>(1,594)</u>
Expenditures			
Current:			
General government	39,705	74,123	(34,418)
Community development	491,826	90,926	400,900
Debt service:			
Principal payment	13,487	13,300	187
Interest and fiscal charges	-	24,557	(24,557)
Total expenditures	<u>545,018</u>	<u>202,906</u>	<u>342,112</u>
Excess of revenues over (under) expenditures	(531,018)	(190,500)	340,518
Other financing sources (uses)			
Transfers in	<u>168,000</u>	<u>279,239</u>	<u>111,239</u>
Net change in fund balances	(363,018)	88,739	451,757
Fund balances - beginning of year	<u>1,346,449</u>	<u>1,346,449</u>	<u>-</u>
Fund balances - end of year	<u>\$ 983,431</u>	<u>\$ 1,435,188</u>	<u>\$ 451,757</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
City of Lynwood Debt Service Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 3,936	\$ 3,936
Total revenues	<u>-</u>	<u>3,936</u>	<u>3,936</u>
Expenditures			
Debt service:			-
Principal payment	824,475	1,152,510	(328,035)
Interest and fiscal charges	<u>542,013</u>	<u>213,981</u>	<u>328,032</u>
Total expenditures	<u>1,366,488</u>	<u>1,366,491</u>	<u>(3)</u>
Excess of revenues over (under) expenditures	(1,366,488)	(1,362,555)	3,933
Other financing sources (uses)			
Transfers in	<u>1,366,488</u>	<u>1,233,149</u>	<u>(133,339)</u>
Net change in fund balances	-	(129,406)	(129,406)
Fund balances - beginning of year	<u>1,186,748</u>	<u>1,186,748</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,186,748</u>	<u>\$ 1,057,342</u>	<u>\$ (129,406)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Public Financing Authority Debt Service Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
General government	11,237	10,486	751
Total expenditures	<u>11,237</u>	<u>10,486</u>	<u>751</u>
Excess of revenues over (under) expenditures	(11,237)	(10,486)	751
Other financing sources (uses)			
Transfers in	<u>11,237</u>	<u>10,486</u>	<u>(751)</u>
Net change in fund balances	-	-	-
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Tax Increment Area “A” Debt Service Fund
Year ended June 30, 2009

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes and assessments	\$ 4,240,000	\$ 4,977,049	\$ 737,049
Use of money and property	30,000	18,204	(11,796)
Program income	45,950	45,966	16
Miscellaneous	-	127	127
Total revenues	4,315,950	5,041,346	725,396
Expenditures			
Current:			
General government	-	8,101	(8,101)
Pass through to other agencies	-	526,011	(526,011)
Debt service:			-
Principal payment	330,000	246,759	83,241
Interest and fiscal charges	787,552	530,392	257,160
Total expenditures	1,117,552	1,311,263	(193,711)
Excess of revenues over (under) expenditures	3,198,398	3,730,083	531,685
Other financing sources (uses)			
Transfers out	(3,646,223)	(3,610,213)	36,010
Net change in fund balances	(447,825)	119,870	567,695
Fund balances - beginning of year	1,495,686	1,495,686	-
Fund balances - end of year	\$ 1,047,861	\$ 1,615,556	\$ 567,695

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Special Fund Area “A” Alameda Debt Service Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ 24,000	\$ 5,995	\$ (18,005)
Total revenues	<u>24,000</u>	<u>5,995</u>	<u>(18,005)</u>
Expenditures			
Debt service:			-
Interest and fiscal charges	24,000	121,075	(97,075)
Total expenditures	<u>24,000</u>	<u>121,075</u>	<u>(97,075)</u>
Excess of revenues over (under) expenditures	-	(115,080)	(115,080)
Fund balances - beginning of year	<u>1,254,238</u>	<u>1,254,238</u>	-
Fund balances - end of year	<u>\$ 1,254,238</u>	<u>\$ 1,139,158</u>	<u>\$ (115,080)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Tax Increment Alameda Area Debt Service Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Taxes and assessments	\$ 832,000	\$ 1,123,225	\$ 291,225
Use of money and property	8,000	5,865	(2,135)
Miscellaneous	27,200	-	(27,200)
Total revenues	<u>867,200</u>	<u>1,129,090</u>	<u>261,890</u>
Expenditures			
Current:			
General government	-	5,654	(5,654)
Pass through to other agencies	-	26,041	(26,041)
Debt service:			
Principal payment	22,004	21,700	304
Interest and fiscal charges	43,125	30,189	12,936
Total expenditures	<u>65,129</u>	<u>83,584</u>	<u>(18,455)</u>
Excess of revenues over (under) expenditures	<u>802,071</u>	<u>1,045,506</u>	<u>243,435</u>
Other financing sources (uses)			
Transfers in	-	27	27
Transfers out	(835,153)	(1,011,645)	(176,492)
Net other financing sources (uses)	<u>(835,153)</u>	<u>(1,011,618)</u>	<u>(176,465)</u>
Net change in fund balances	(33,082)	33,888	66,970
Fund balances - beginning of year	<u>488,484</u>	<u>488,484</u>	<u>-</u>
Fund balances - end of year	<u>\$ 455,402</u>	<u>\$ 522,372</u>	<u>\$ 66,970</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Park Replacement Capital Projects Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 4,040,000	\$ -	\$ (4,040,000)
Total revenues	<u>4,040,000</u>	<u>-</u>	<u>(4,040,000)</u>
Expenditures			
Current:			
Public works	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	4,040,000	-	(4,040,000)
Other financing sources (uses)			
Transfers out	<u>(2,928,241)</u>	<u>(508,136)</u>	<u>2,420,105</u>
Net change in fund balances	1,111,759	(508,136)	(1,619,895)
Fund balances - beginning of year	<u>(2,064,111)</u>	<u>(2,064,111)</u>	<u>-</u>
Fund balances - end of year	<u>\$ (952,352)</u>	<u>\$ (2,572,247)</u>	<u>\$ (1,619,895)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Capital Grant Loan Capital Projects Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 8,260	\$ 8,260
Total revenues	<u>-</u>	<u>8,260</u>	<u>8,260</u>
Expenditures			
Current:			
Public works	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	-	8,260	8,260
Other financing sources (uses)			
Transfers out	<u>(1,126,037)</u>	<u>(35,470)</u>	<u>1,090,567</u>
Net change in fund balances	(1,126,037)	(27,210)	1,098,827
Fund balances - beginning of year	<u>1,268,625</u>	<u>1,268,625</u>	<u>-</u>
Fund balances - end of year	<u>\$ 142,588</u>	<u>\$ 1,241,415</u>	<u>\$ 1,098,827</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
2003 Lease Revenue Refunding Capital Projects Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 6,455	\$ 6,455
Total revenues	<u>-</u>	<u>6,455</u>	<u>6,455</u>
Expenditures			
Current:			
Public works	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	-	6,455	6,455
Other financing sources (uses)			
Transfers out	<u>(692,177)</u>	<u>(4,723)</u>	<u>687,454</u>
Net change in fund balances	(692,177)	1,732	693,909
Fund balances - beginning of year	<u>1,204,569</u>	<u>1,204,569</u>	<u>-</u>
Fund balances - end of year	<u>\$ 512,392</u>	<u>\$ 1,206,301</u>	<u>\$ 693,909</u>

City of Lynwood

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Redevelopment Project Area “A” Taxable Bond Proceeds Capital Projects Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 430	\$ 430
Total revenues	<u>-</u>	<u>430</u>	<u>430</u>
Expenditures			
Current:			
Public works	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	-	430	430
Other financing sources (uses)			
Transfers out	-	-	-
Net change in fund balances	-	430	430
Fund balances - beginning of year	<u>43,700</u>	<u>43,700</u>	<u>-</u>
Fund balances - end of year	<u>\$ 43,700</u>	<u>\$ 44,130</u>	<u>\$ 430</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Redevelopment Project Alameda Area Capital Projects Fund
Year ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
General government	670,580	536,769	133,811
Community development	211,250	192,320	18,930
Capital outlay	5,000	1,812	3,188
Total expenditures	<u>886,830</u>	<u>730,901</u>	<u>155,929</u>
Excess of revenues over (under) expenditures	(886,830)	(730,901)	155,929
Other financing sources (uses)			
Transfers in	667,153	732,379	65,226
Net change in fund balances	(219,677)	1,478	221,155
Fund balances - beginning of year	<u>(262)</u>	<u>(262)</u>	<u>-</u>
Fund balances - end of year	<u>\$ (219,939)</u>	<u>\$ 1,216</u>	<u>\$ 221,155</u>

Internal service funds are used to account for transactions related to the City's garage department, information technology, and for its self-insurance programs. These services are provided to other departments on a cost reimbursement basis.

Garage Fund - This fund accounts for reimbursements from City departments for the cost of upkeep on City vehicles.

Self-Insurance Fund - This fund accounts for reimbursements from City departments for the cost of insurance premiums, claims and administration.

Information Technology Fund - This fund accounts for all information technology costs to the City. Funding sources are 50% from the General Fund and 50% from the Water Fund.

City of Lynwood
Combining Statement of Net Assets
Internal Service Funds
June 30, 2009

	Internal Service Fund			
	Garage	Information Technology	Self-Insurance	Totals
ASSETS				
Current assets				
Cash and investments	\$ 389,612	\$ 80,102	\$ -	\$ 469,714
Receivables:				
Accounts	-	-	714	714
Total current assets	<u>389,612</u>	<u>80,102</u>	<u>714</u>	<u>470,428</u>
Noncurrent assets				
Restricted assets:				
Deposit in trust	-	-	80,000	80,000
Capital assets, depreciated, net	689,898	542,528	-	1,232,426
Total noncurrent assets	<u>689,898</u>	<u>542,528</u>	<u>80,000</u>	<u>1,312,426</u>
Total assets	<u>1,079,510</u>	<u>622,630</u>	<u>80,714</u>	<u>1,782,854</u>
LIABILITIES				
Current liabilities				
Accounts payable	32,975	-	142,610	175,585
Due to other funds	-	-	1,335,378	1,335,378
Total current liabilities	<u>32,975</u>	<u>-</u>	<u>1,477,988</u>	<u>1,510,963</u>
Noncurrent liabilities				
Noncurrent portion of long-term debt:				
Claims payable	-	-	1,902,579	1,902,579
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>1,902,579</u>	<u>1,902,579</u>
NET ASSETS				
Invested in capital assets, net of related debt	689,898	542,528	-	1,232,426
Unrestricted	356,637	80,102	(3,299,853)	(2,863,114)
Total net assets	<u>\$ 1,046,535</u>	<u>\$ 622,630</u>	<u>\$ (3,299,853)</u>	<u>\$ (1,630,688)</u>

City of Lynwood
Combining Statement of Revenues, Expenses and Changes in Net Assets
Internal Service Funds
Year ended June 30, 2009

	Internal Service Fund			
	Garage	Information Technology	Self-Insurance	Total
Operating revenues				
Sales and service charges	\$ 421,092	\$ 34,182	\$ 1,778,421	\$ 2,233,695
Tota operating revenues	<u>421,092</u>	<u>34,182</u>	<u>1,778,421</u>	<u>2,233,695</u>
Operating expenses				
Insurance	-	-	520,059	520,059
Claims	-	-	599,125	599,125
Garage	287,887	-	-	287,887
Depreciation	35,151	-	-	35,151
Total operating expenses	<u>323,038</u>	<u>-</u>	<u>1,119,184</u>	<u>1,442,222</u>
Change in net assets	98,054	34,182	659,237	791,473
Total net assets (deficit) - beginning of year	<u>948,481</u>	<u>588,448</u>	<u>(3,959,090)</u>	<u>(2,422,161)</u>
Total net assets (deficit) - end of year	<u>\$ 1,046,535</u>	<u>\$ 622,630</u>	<u>\$ (3,299,853)</u>	<u>\$ (1,630,688)</u>

City of Lynwood
Combining Statement of Cash Flows
Internal Service Funds
Year ended June 30, 2009

	Internal Service Fund			
	Garage	Information Technology	Self-Insurance	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 421,092	\$ 34,182	\$ 1,778,421	\$ 2,233,695
Payments to suppliers	(298,343)	(68,793)	(635,030)	(1,002,166)
Payments for claims	-	-	(1,063,391)	(1,063,391)
Payments to employees	(8,291)	(34,182)	-	(42,473)
Net cash provided by (used in) operating activities	<u>114,458</u>	<u>(68,793)</u>	<u>80,000</u>	<u>125,665</u>
Cash flows from investing activities				
Deposit in trust	-	-	(80,000)	(80,000)
Net increase (decrease) in cash and investments	114,458	(68,793)	-	45,665
Cash and investments - beginning of year	275,154	148,895	-	424,049
Cash and investments - end of year	<u>\$ 389,612</u>	<u>\$ 80,102</u>	<u>\$ -</u>	<u>\$ 469,714</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income	\$ 98,054	\$ 34,182	\$ 659,237	\$ 791,473
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	35,151	-	-	35,151
Changes in operating assets and liabilities:				
(Increase) decrease in accounts receivables		-	(714)	(714)
Increase (decrease) in accounts payable	(18,747)	(102,975)	(114,971)	(236,693)
Increase (decrease) in claims payable	-	-	(1,248,267)	(1,248,267)
Increase (decrease) in deposits	-	-	-	-
Increase (decrease) in due to other funds	-	-	784,715	784,715
Total adjustments	<u>16,404</u>	<u>(102,975)</u>	<u>(579,237)</u>	<u>(665,808)</u>
Net cash provided by (used in) operating activities	<u>\$ 114,458</u>	<u>\$ (68,793)</u>	<u>\$ 80,000</u>	<u>\$ 125,665</u>

City of Lynwood
Statement of Changes in Assets and Liabilities
Agency Fund
Year ended June 30, 2009

State Deferred Payment Loan Program

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
ASSETS				
Receivables:				
Notes and loans	\$ 54,506	\$ -	\$ -	\$ 54,506
Total assets	<u>\$ 54,506</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,506</u>
 LIABILITIES				
Deferred revenue	\$ 54,506	\$ -	\$ -	\$ 54,506
Total liabilities	<u>\$ 54,506</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,506</u>

STATISTICAL SECTION

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Financial Trends These tables contain trend information that may assist the reader in the City's current financial performance by placing it in historical perspective.	162-168
Revenue Capacity These tables contain information that may help in assessing the viability of the City's most significant revenue sources.	169--178
Debt Capacity These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	179-186
Demographic and Economic Information These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	187-188
Operating Information These tables contain service and infrastructure indicators that may inform one's understanding on how the information in the City's financial statements relate to the services that the City provides and the activities that it performs.	189-191

City of Lynwood
Net Assets by Component
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Governmental activities							
Invested in capital assets, net of related debt	\$ 32,840,261	\$ 36,637,087	\$ 36,453,679	\$ 71,070,677	\$ 79,540,927	\$ 85,074,079	\$ 88,707,464
Restricted	23,958,817	57,487,760	57,339,342	34,546,018	33,396,865	34,777,084	19,520,953
Unrestricted	6,275,255	1,230,937	1,002,841	24,793	4,340,631	3,283,514	16,293,599
Total governmental activities net assets	63,074,333	95,355,784	94,795,862	105,641,488	117,278,423	123,134,677	124,522,016
Business-type activities							
Invested in capital assets, net of related debt	2,801,882	4,824,744	3,960,818	2,247,256	(2,167,357)	(3,167,553)	(7,686,833)
Restricted	7,086,817	12,896,690	11,961,502	9,707,252	4,891,486	988,286	1,900,804
Unrestricted	1,246,735	(4,685,335)	(5,719,044)	(3,107,059)	1,610,454	9,258,275	14,791,755
Total business-type activities net assets	11,135,434	13,036,099	10,203,276	8,847,449	4,334,583	7,079,008	9,005,726
Primary government							
Invested in capital assets, net of related debt	35,642,143	41,461,831	40,414,497	73,317,933	77,373,570	81,906,526	81,020,631
Restricted	31,045,634	70,384,450	69,300,844	44,253,270	38,288,351	35,765,370	21,421,757
Unrestricted	7,521,990	(3,454,398)	(4,716,203)	(3,082,266)	5,951,085	12,541,789	31,085,354
Total primary government net assets	\$ 74,209,767	\$ 108,391,883	\$ 104,999,138	\$ 114,488,937	\$ 121,613,006	\$ 130,213,685	\$ 133,527,742

GASB 34 was implemented for the fiscal year ended June 30, 2003.
Information prior to implementation of GASB 34 is not available.

Source: City of Lynwood

City of Lynwood
Changes in Net Assets – Expenses and Program Revenues
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities:							
General government	\$ 5,620,554	\$ 7,942,266	\$ 6,936,325	\$ 6,213,553	\$ 8,117,721	\$ 9,942,569	\$ 12,089,347
Public safety	12,658,884	13,533,160	13,182,693	13,922,118	15,505,809	15,696,589	17,461,248
Public works	5,812,021	5,333,050	5,791,864	5,363,619	5,294,634	7,344,547	8,213,775
Redevelopment	4,201,124	3,048,594	7,550,558	4,694,655	6,390,638	5,406,955	3,028,869
Parks and recreation	2,298,800	2,671,467	2,761,444	2,840,996	3,312,944	3,160,255	3,620,892
Interest on long-term debt	2,345,787	2,329,344	2,235,271	2,377,448	1,984,742	1,941,003	1,728,377
Unallocated Depreciation	515,339	725,591	-	-	1,025,821	1,048,750	- *
Total governmental activities expenses	<u>33,452,509</u>	<u>35,583,472</u>	<u>38,458,155</u>	<u>35,412,389</u>	<u>41,632,309</u>	<u>44,540,668</u>	<u>46,142,508</u>
Business-type activities:							
Water	5,781,285	6,111,741	6,517,910	6,168,104	6,544,735	6,485,599	7,717,008
Transit	1,195,792	1,352,061	1,320,016	1,227,619	1,144,485	1,040,822	1,081,676
Total business-type activities expenses	<u>6,977,077</u>	<u>7,463,802</u>	<u>7,837,926</u>	<u>7,395,723</u>	<u>7,689,220</u>	<u>7,526,421</u>	<u>8,798,684</u>
Total primary government expenses	<u>\$ 40,429,586</u>	<u>\$ 43,047,274</u>	<u>\$ 46,296,081</u>	<u>\$ 42,808,112</u>	<u>\$ 49,321,529</u>	<u>\$ 52,067,089</u>	<u>\$ 54,941,192</u>
Program Revenues (see Schedule 3)							
Governmental activities:							
Charges for services:							
General government	\$ -	\$ -	\$ 369,070	\$ 693,390	\$ 1,652,328	\$ 352,691	\$ 1,667,834
Public safety	969,066	796,674	829,237	1,024,589	514,552	1,682,637	1,587,339
Public works	4,926,535	6,186,410	7,202,653	4,607,579	3,853,232	3,281,415	2,436,899
Community development	18,338	31,892	5,564	284,119	3,161	-	-
Parks and recreation	223,745	272,792	283,326	317,006	364,681	500,951	434,508
Operating grants and contributions	3,777,768	7,269,731	7,714,006	7,368,051	5,178,618	10,674,374	5,612,899
Capital grants and contributions	4,183,094	32,559,483	575,179	1,648,244	1,703,546	186,401	1,432,067
Total governmental activities program revenues	<u>14,098,546</u>	<u>47,116,982</u>	<u>16,979,035</u>	<u>15,942,978</u>	<u>13,270,118</u>	<u>16,678,469</u>	<u>13,171,546</u>
Business-type activities:							
Charges for services:							
Water	6,599,015	6,614,089	6,503,052	5,833,964	7,861,420	9,759,112	10,014,463
Transit	4,571	4,617	23,956	11,663	20,073	5,427	13,208
Operating grants and contributions	-	-	-	-	-	-	-
Capital grants and contributions	-	-	-	422,767	-	-	-
Total business-type activities program revenues	<u>6,603,586</u>	<u>6,618,706</u>	<u>6,527,008</u>	<u>6,268,394</u>	<u>7,881,493</u>	<u>9,764,539</u>	<u>10,027,671</u>
Total primary government program revenues	<u>\$ 20,702,132</u>	<u>\$ 53,735,688</u>	<u>\$ 23,506,043</u>	<u>\$ 22,211,372</u>	<u>\$ 21,151,611</u>	<u>\$ 26,443,008</u>	<u>\$ 23,199,217</u>
Net (Expenses)/Revenue							
Governmental activities	\$ (19,353,963)	\$ 11,533,510	\$ (21,479,120)	\$ (19,469,411)	\$ (28,362,191)	\$ (27,862,199)	\$ (32,970,962)
Business-type activities	<u>(373,491)</u>	<u>(845,096)</u>	<u>(1,310,918)</u>	<u>(1,127,329)</u>	<u>192,273</u>	<u>2,238,118</u>	<u>1,228,987</u>
Total primary government net expense	<u>\$ (19,727,454)</u>	<u>\$ 10,688,414</u>	<u>\$ (22,790,038)</u>	<u>\$ (20,596,740)</u>	<u>\$ (28,169,918)</u>	<u>\$ (25,624,081)</u>	<u>\$ (31,741,975)</u>

GASB 34 was implemented for the fiscal year ended June 30, 2003.
Information prior to implementation of GASB 34 is not available.

Source: City of Lynwood

City of Lynwood
Changes in Net Assets – General Revenues
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Taxes							
Property taxes	9,658,238	7,696,553	10,205,679	13,831,194	18,209,991	17,801,044	19,303,986
Utility users tax	4,967,836	5,077,227	5,533,166	5,810,278	6,193,590	6,576,250	5,949,307
Franchise taxes	958,608	2,027,649	1,278,192	1,332,113	1,257,149	1,302,678	1,305,288
Sales taxes	4,384,013	3,075,281	3,198,615	3,247,091	3,688,238	5,401,170	4,391,476
Business license taxes	371,747	384,645	394,083	262,305	407,714	471,907	434,513
Other taxes	88,045	103,270	150,623	93,142	1,327,499	1,433,893	1,600,134
Unrestricted grants and contributions	-	-	-	-	-	-	-
Payments in lieu of taxes	4,170,468	3,315,792	474,591	1,738,552	540,103	361,087	-
Investment earnings	943,852	671,926	1,354,489	1,897,716	2,176,869	1,402,738	638,296
Miscellaneous	1,585,936	591,230	219,998	488,886	1,118,246	239,172	1,250,614
Transfers	(884,910)	(718,944)	1,709,871	780,106	5,312,643	(346,792)	(515,313)
Gain/Loss of Capital Assets	-	-	-	-	-	-	-
Total governmental activities	26,243,833	22,224,629	24,519,307	29,481,383	40,232,042	34,643,147	34,358,301
Business-type activities							
Investment earnings	196,708	112,551	313,212	551,608	607,504	159,515	182,418
Miscellaneous	4,061	3,566	3,363	-	-	-	-
Transfers	884,910	718,944	(1,709,871)	(780,106)	(5,312,643)	346,792	515,313
Total business-type activities	1,085,679	835,061	(1,393,296)	(228,498)	(4,705,139)	506,307	697,731
Total primary government	\$ 27,329,512	\$ 23,059,690	\$ 23,126,011	\$ 29,252,885	\$ 35,526,903	\$ 35,149,454	\$ 35,056,032
Change in Net Assets							
Governmental activities	\$ 6,894,870	\$ 33,758,139	\$ 3,040,187	\$ 10,011,972	\$ 12,703,331	\$ 6,780,948	\$ 2,443,121
Business-type activities	712,188	(10,035)	(2,704,214)	(1,355,827)	(4,512,866)	2,744,425	1,269,827
Total primary government	\$ 7,607,058	\$ 33,748,104	\$ 335,973	\$ 8,656,145	\$ 8,190,465	\$ 9,525,373	\$ 3,712,948

GASB 34 was implemented for the fiscal year ended June 30, 2003.
Information prior to implementation of GASB 34 is not available.

Source: City of Lynwood

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	Fiscal Year			
	2000	2001	2002	2003
General Fund				
Reserved	\$ 2,475,020	\$ 2,585,425	\$ 2,205,644	\$ 1,989,973
Unreserved	8,323,972	8,860,106	8,699,004	11,711,978
Total general fund	<u>\$ 10,798,992</u>	<u>\$ 11,445,531</u>	<u>\$ 10,904,648</u>	<u>\$ 13,701,951</u>
All Other Governmental Funds				
Reserved	\$ 7,784,374	\$ 9,347,509	\$ 9,054,081	\$ 22,422,534
Unreserved, reported in:				
Special revenue funds	8,707,651	6,186,881	5,206,318	1,575,850
Capital projects funds	7,901,684	7,755,740	5,461,571	-
Debt service funds	-	-	-	(816,809)
Total all other governmental funds	<u>\$ 24,393,709</u>	<u>\$ 23,290,130</u>	<u>\$ 19,721,970</u>	<u>\$ 23,181,575</u>

Source: City of Lynwood

City of Lynwood
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year					
2004	2005	2006	2007	2008	2009
\$ 1,962,864	\$ 1,628,825	\$ 1,000,340	\$ 1,412,294	\$ 1,450,866	\$ 164,456
10,399,462	11,691,290	15,512,533	14,891,975	9,626,275	9,547,949
<u>\$ 12,362,326</u>	<u>\$ 13,320,115</u>	<u>\$ 16,512,873</u>	<u>\$ 16,304,269</u>	<u>\$ 11,077,141</u>	<u>\$ 9,712,405</u>
\$ 54,423,105	\$ 54,245,733	\$ 26,536,539	\$ 26,798,572	\$ 17,632,454	\$ 24,765,113
1,368,974	1,616,959	1,867,118	1,641,242	(388,455)	4,899,496
(584,387)	225,465	1,005,908	(11,113)	(37,030)	(1,570,414)
(195,031)	-	-	-	-	-
<u>\$ 55,012,661</u>	<u>\$ 56,088,157</u>	<u>\$ 29,409,565</u>	<u>\$ 28,428,701</u>	<u>\$ 17,206,969</u>	<u>\$ 28,094,195</u>

Source: City of Lynwood

	Fiscal Year			
	2000	2001	2002	2003
Revenues				
Taxes	\$ 17,335,051	\$ 19,080,026	\$ 19,495,439	\$ 21,128,956
Licenses, fees, and permits	188,586	202,334	254,271	454,611
Fines and penalties	484,733	792,935	776,010	811,231
Use of money and property	1,436,631	1,806,237	1,206,049	1,027,588
Intergovernmental	8,122,999	9,396,980	8,413,014	12,486,772
Charges for services	4,867,813	5,014,112	5,397,825	4,853,504
Administrative support	285,000	-	288,909	2,469,978
Program income	-	-	-	-
Other revenues	1,830,081	2,628,961	2,486,714	849,567
Sale of real estate	-	-	-	-
Loan repayment	-	-	210,000	-
Total revenues	34,550,894	38,921,585	38,528,231	44,082,207
Expenditures				
General government	5,802,827	7,954,422	7,998,353	5,470,466
Public safety	9,121,454	11,874,087	11,690,690	12,750,489
Public works	4,938,247	4,989,919	4,982,360	6,009,954
Community development	10,115,866	7,532,248	9,061,949	5,687,161
Parks and recreation	-	-	-	2,209,511
Pass through to other agencies	-	-	-	-
Capital outlay	3,868,968	7,597,442	5,131,272	7,538,476
Real estate acquisition	1,146,887	-	2,075,547	-
Debt service				
Interest	1,295,782	1,843,283	1,829,488	1,965,260
Principal	506,570	723,887	770,006	584,038
Bond issue costs	803,817	48,350	-	-
Payments to escrow agents	4,239,810	-	-	-
Total expenditures	41,840,228	42,563,638	43,539,665	42,215,355
Excess of revenues over (under) expenditures	(7,289,334)	(3,642,053)	(5,011,434)	1,866,852
Other Financing Sources (Uses)				
Bonds proceeds	13,480,997	-	-	-
Premium on bond issuance	2,720,280	-	-	-
Payments to escrow agent	(2,720,280)	-	-	-
Proceeds from loan	1,300,000	-	-	-
Loan repayment	1,383,351	-	-	-
Transfers in	8,806,080	13,807,397	10,388,722	13,777,876
Transfers out	(8,466,007)	(13,090,279)	(10,875,724)	(14,954,778)
Total other financing sources (uses)	16,504,421	717,118	(487,002)	(1,176,902)
Net change in fund balances	\$ 9,215,087	\$ (2,924,935)	\$ (5,498,436)	\$ 689,950
Debt service as a percentage of noncapital expenditures	16.36%	6.14%	5.97%	6.04%

Source: City of Lynwood

City of Lynwood
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

		Fiscal Year									
		2004	2005	2006	2007	2008	2009				
\$	22,954,611	\$	26,978,169	\$	29,252,885	\$	31,084,181	\$	32,765,398	\$	32,425,069
	502,598		607,075		639,142		646,340		354,853		915,469
	796,674		893,895		1,007,352		1,175,169		1,187,753		1,160,199
	639,696		3,347,760		2,137,438		2,176,869		1,481,300		638,296
	40,526,204		6,322,206		7,299,319		6,247,098		9,401,941		6,925,831
	3,732,973		3,106,996		3,338,468		4,285,276		3,840,333		3,712,006
	2,416,859		1,476,834		3,228,043		3,060,251		1,310,366		1,208,409
	-		-		-		267,585		49,273		45,966
	278,324		451,571		135,177		1,456,338		660,694		769,658
	-		-		-		833,480		-		-
	-		-		-		-		-		-
	<u>71,847,939</u>		<u>43,184,506</u>		<u>47,037,824</u>		<u>51,232,587</u>		<u>51,051,911</u>		<u>47,800,903</u>
	6,671,970		5,897,451		6,615,223		7,527,419		8,328,291		7,406,008
	13,522,180		12,763,219		13,900,407		15,505,809		15,696,589		17,453,355
	5,688,359		4,394,322		5,124,278		6,042,820		7,344,547		7,273,396
	4,852,042		7,487,623		6,393,455		7,935,098		5,552,608		4,856,699
	2,588,372		2,601,140		2,785,317		3,312,944		3,160,255		3,535,156
	-		-		-		-		-		552,052
	4,390,038		6,050,387		34,153,313		13,311,825		5,983,029		6,145,649
	-		-		-		-		-		-
	1,934,549		2,017,357		2,207,102		1,174,979		1,335,594		1,596,989
	440,438		1,122,553		975,682		1,826,207		1,768,237		2,079,713
	351,369		-		-		-		-		-
	-		-		-		-		-		-
	<u>40,439,317</u>		<u>42,334,052</u>		<u>72,154,777</u>		<u>56,637,101</u>		<u>49,169,150</u>		<u>50,899,017</u>
	<u>31,408,622</u>		<u>850,454</u>		<u>(25,116,953)</u>		<u>(5,404,514)</u>		<u>1,882,761</u>		<u>(3,098,114)</u>
	8,630,000		-		-		-		-		-
	74,214		-		-		-		-		-
	(7,067,541)		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	11,272,762		13,085,974		41,023,249		26,879,932		15,795,814		13,695,950
	<u>(13,173,740)</u>		<u>(11,903,143)</u>		<u>(40,493,902)</u>		<u>(22,078,219)</u>		<u>(20,565,918)</u>		<u>(14,211,263)</u>
	<u>(264,305)</u>		<u>1,182,831</u>		<u>529,347</u>		<u>4,801,713</u>		<u>(4,770,104)</u>		<u>(515,313)</u>
\$	<u>31,144,317</u>	\$	<u>2,033,285</u>	\$	<u>(24,587,606)</u>	\$	<u>(602,801)</u>	\$	<u>(2,887,343)</u>	\$	<u>(3,613,427)</u>
	6.74%		7.42%		4.41%		5.30%		6.31%		7.22%

City of Lynwood
Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years

Fiscal Year	Property	Sales Taxes	Utility Users Tax	Franchise	Property Transfer	Other	Total
2000	\$ 8,081,827	\$ 3,158,318	\$ 3,566,091	\$ 889,304	\$ 66,458	\$ 1,573,053	\$ 17,335,051
2001	8,611,329	3,513,929	4,065,631	924,140	82,434	1,882,743	19,080,206
2002	9,013,828	3,152,678	4,336,947	863,190	137,221	1,991,575	19,495,439
2003	9,756,399	3,366,567	4,967,836	958,608	88,045	1,991,501	21,128,956
2004	9,895,303	3,850,286	5,077,227	1,227,649	103,270	2,800,876	22,954,611
2005	14,015,024	4,149,973	5,533,166	1,216,656	150,623	1,912,727	26,978,169
2006	13,831,194	3,247,091	5,810,278	1,332,113	262,305	4,769,904	29,252,885
2007	18,209,991	3,688,238	6,193,590	1,257,149	407,714	1,327,499	31,084,181
2008	17,801,044	5,401,170	6,576,250	1,302,678	471,907	1,433,893	32,986,942
2009	19,303,986	4,391,476	5,949,307	1,305,288	434,513	1,600,134	32,984,704
Change							
2000-2009	58.1%	28.1%	40.1%	31.9%	84.7%	1.7%	47.4%

Source: City of Lynwood

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	Fiscal Year			
	2000	2001	2002	2003
Residential	\$ 1,082,038,556	\$ 1,120,004,508	\$ 1,175,340,933	\$ 1,226,896,242
Commercial	152,406,985	154,492,760	158,893,529	167,814,148
Industrial	130,290,804	137,303,692	149,075,762	167,989,151
Government	219,730	30,000	33,600	38,822
Institutional	11,602,939	11,736,110	16,747,221	86,817,332
Miscellaneous	4,006,760	4,015,497	4,095,787	4,177,680
Recreational	303,747	309,818	316,011	448,517
Vacant Land	17,128,598	16,982,861	11,913,213	13,816,735
SBE Nonunitary	116,555	107,896	118,100	113,701
Possessory Int.	3,766,529	1,892,724	11,521,308	3,858,929
Unsecured	63,480,913	59,205,717	60,097,988	79,682,144
Less: Tax Exempt	(14,814,132)	(15,281,591)	(14,610,159)	(14,219,966)
Unknown	-	-	-	-
TOTALS	1,450,547,984	1,490,799,992	1,573,543,293	1,737,433,435
Total Direct Rate	0.63654%	0.39651%	0.38275%	0.42779%

Source: HDL, Coren Cole

**City of Lynwood
Assessed Value
Last Ten Fiscal Years**

		Fiscal Year									
		2004	2005	2006	2007	2008	2009				
\$	1,310,009,169	\$	1,405,031,881	\$	1,548,641,607	\$	1,762,235,639	\$	1,963,305,319	\$	2,057,002,958
	179,860,921		187,518,358		234,685,857		250,214,463		273,733,571		291,616,514
	172,530,335		178,999,129		175,850,603		180,517,681		192,759,499		211,284,405
	39,620		985,000		-		-		-		-
	17,108,202		17,251,962		14,856,434		14,503,805		21,072,234		21,610,145
	280,487		32,194		32,835		1,440,488		1,469,295		1,498,674
	202,485		206,264		210,388		284,668		290,360		296,166
	15,349,735		26,096,792		20,682,997		23,696,736		25,022,230		26,945,416
	907,822		902,410		906,787		831,966		729		717
	3,937,652		3,893,265		4,199,252		4,601,816		4,262,361		4,376,567
	76,819,836		76,884,821		78,080,903		79,689,348		82,205,276		83,586,372
	(13,205,320)		(18,979,457)		(21,827,731)		(27,645,498)		(30,246,612)		(29,585,217)
	74,460		8,198,017		1,446,975		693,974		-		1,837,302
	1,763,915,404		1,887,020,636		2,057,766,907		2,291,065,086		2,533,874,262		2,670,470,019
	0.39575%		0.40396%		0.41059%		0.40357%		0.40563%		0.41042%

City of Lynwood
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Fiscal Year	City Direct Rate	Overlapping Rates				
	Basic Rate	Lynwood School District	Flood Control District	Los Angeles County	Metropolitan Water District	Compton Community College District
2000	1.000000%	0.000000%	0.001765%	0.001422%	0.008900%	0.000000%
2001	1.000000%	0.000089%	0.001552%	0.001314%	0.008800%	0.000000%
2002	1.000000%	0.000104%	0.001073%	0.001128%	0.007700%	0.000000%
2003	1.000000%	0.000000%	0.000881%	0.001033%	0.006700%	0.000000%
2004	1.000000%	0.061331%	0.000462%	0.000992%	0.006100%	0.027143%
2005	1.000000%	0.048275%	0.000049%	0.000795%	0.005200%	0.020514%
2006	1.000000%	0.043175%	0.000052%	0.125000%	0.004700%	0.019747%
2007	1.000000%	0.043175%	0.000052%	0.000663%	0.004700%	0.019747%
2008	1.000000%	0.043700%	0.000000%	0.000000%	0.004500%	0.010410%
2009	1.000000%	0.044979%	0.000000%	0.000000%	0.004300%	0.023940%

Source: Los Angeles County Auditor-Controller

**City of Lynwood
Principal Property Tax Payers
Current Year and Nine Years Ago**

Taxpayer	2000			2009		
	Property Tax Revenue	Rank	Assessed Value of Taxable Property	Property Tax Revenue	Rank	Assessed Value of Taxable Property
Placo Investment				\$ 260,797	1	\$ 23,805,113
2700 East Imperial Highway Inc.				215,022	2	23,323,056
Lynwood Alameda Corporation	\$ 149,472	1	\$ 16,208,938	162,289	3	21,222,970
Earl M. Jorgensen Company	90,733	6	8,367,201	161,461	4	16,682,248
St. Francis Medical Center Foundation	123,474	2	124,419,376	158,291	5	15,399,073
Albi Lynwood Investment LLC				154,000	6	15,911,355
OCB Restaurant Company LLC				149,180	7	19,508,700
Universal Molding Company	96,721	5	8,906,567	134,688	8	13,916,027
805 Propert LLC				108,616	9	11,222,274
Urban LLC				99,665	10	10,297,465
EMIF California Limited Partnership	113,495	3	8,665,994			
McWhorter Inc.	112,836	4	12,236,078			
Economic Resources Corporation	76,644	7	8,240,257			
Rich Konto Inc.	62,051	8	5,714,000			
Philadelphia Gear Corporation	59,163	9	5,448,076			
Southern California Airgas	58,341	10	7,948,022			
Top Ten Totals	942,930		206,154,509	1,604,009		171,288,281
City Totals			1,465,362,116			2,700,055,236

Source: HDL, Coren Cole

**City of Lynwood
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Other Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	\$ 1,305,930	\$ 1,232,313	94.36%	\$ 252,934	\$ 1,485,247	113.73%
2001	1,320,000	1,264,308	95.78%	88,521	1,352,829	102.49%
2002	1,381,070	1,312,567	95.04%	95,836	1,408,403	101.98%
2003	1,435,563	1,478,210	102.97%	112,208	1,590,418	110.79%
2004	1,529,632	1,446,731	94.58%	123,679	1,570,410	102.67%
2005	1,628,787	1,121,313	68.84%	293,270	1,414,583	86.85%
2006	1,785,744	1,335,441	74.78%	458,772	1,794,213	100.47%
2007	2,016,965	1,874,289	92.93%	395,019	2,269,308	112.51%
2008	2,234,886	2,113,315	94.56%	325,810	2,439,125	109.14%
2009	2,340,660	2,113,570	90.30%	260,479	2,374,049	101.43%

NOTE:

* Other Collections may include prior years delinquencies, interest and penalties, tax redemption, and supplemental taxes.

Source: HDL Coren Cole
City Finance Department

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	Calendar Year			
	2000	2001	2002	2003
Apparel Stores	\$ 4,676	\$ 5,894	\$ 8,136	\$ 8,802
General Merchandise	1,827	1,804	1,718	1,790
Food Stores	33,439	32,998	29,854	29,592
Eating and Drinking Places	26,357	31,693	31,298	33,548
Building Materials	22,642	19,985	20,549	19,645
Auto Dealers and Supplies	15,473	18,602	18,854	22,152
Service Stations	27,974	36,636	39,619	38,684
Other Retail Stores	28,275	25,254	24,741	26,901
All Other Outlets	59,629	73,226	57,379	62,926
Total	220,292	246,092	232,148	244,040

Source: HDL Coren Cole

**City of Lynwood
Taxable Sales by Category
Last Ten Calendar Years
(in thousands of dollars)**

		Calendar Year									
		<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>				
\$	13,929	\$	14,044	\$	16,034	\$	16,388	\$	16,341	\$	14,828
	2,721		3,563		3,473		3,489		3,398		3,412
	29,227		30,347		30,061		31,200		30,747		31,433
	41,165		48,432		51,306		56,074		57,267		55,839
	22,480		28,314		31,626		32,968		32,302		25,362
	25,043		27,342		30,389		28,974		22,668		15,206
	45,527		50,409		55,558		61,236		62,998		66,665
	30,818		34,018		42,677		47,940		49,939		48,446
	<u>56,384</u>		<u>71,441</u>		<u>76,733</u>		<u>75,022</u>		<u>88,214</u>		<u>89,604</u>
	<u>267,294</u>		<u>307,910</u>		<u>337,857</u>		<u>353,291</u>		<u>363,874</u>		<u>350,795</u>

City of Lynwood
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Los Angeles County</u>
2000	1%	1%
2001	1%	1%
2002	1%	1%
2003	1%	1%
2004	1%	1%
2005	1%	1%
2006	1%	1%
2007	1%	1%
2008	1%	1%
2009	1%	1%

Source: HDL Coren Cole

**City of Lynwood
Principal Sales Tax Remitters
Current Year and Nine Years Ago**

2009	
Tax Remitter	Business Category
Ace Machine Shop	Heavy Industrial
Ahmed Union Services	Service Stations
Airgas West	Heavy Industrial
Arco	Service Stations
Auto Zone	Automotive Supply Stores
Chevron	Service Stations
Chevron	Service Stations
CVS Pharmacy	Drug Stores
Del Steel	Contractors
Food 4 Less	Grocery Stores Liquor
J & S Union 76	Service Stations
Jones Lumber	Lumber/Building Materials
King Taco	Restaurants No Alcohol
La Curacao	Home Furnishings
McDonalds	Restaurants No Alcohol
Rapid Gas	Service Stations
Rite Aid	Drug Stores
Shell	Service Stations
Smart & Final	Grocery Stores Liquor
Superior Super Warehouse	Grocery Stores Liquor
TJs Metal	Contractors
Union 76	Service Stations
Valu Plus	Grocery Stores Liquor
Verizon Wireless	Electronics/Appliance Stores
Walgreens	Drug Stores

2000	
Tax Remitter	Business Category
Ahmed Union Services	Service Stations
Airgas West	Heavy Industrial
Atlantic Chevron	Service Stations
Auto Zone	Automotive Supply Stores
Earle M Jorgensen	Heavy Industrial
Food 4 Less	Grocery Stores Liquor
G & M Oil	Service Stations
Goldenberg Plywood & Lumber	Lumber/Building Materials
Helen Grace Candies	Candy/Nut Stores
Imaging Supplies & Equip	Business Services
J & S Union 76	Service Stations
Jones Lumber	Lumber/Building Materials
K Wantanabe	Automotive Supply Stores
L B Foster Company	Heavy Industrial
McDonalds	Restaurants No Alcohol
Oles Enterprises	Used Automobile Dealers
Pizza Hut	Restaurants No Alcohol
Rapid Gas	Service Stations
Rite Aid	Drug Stores
Shell	Service Stations
Staub Metals	Light Industrial/Printers
Superior Super Warehouse	Grocery Stores Liquor
Taco Bell	Restaurants No Alcohol
Union 76	Service Stations
Valu Plus	Grocery Stores Liquor

NOTE: California Law prohibits further detail.

Source: HDL Coren Cole

City of Lynwood
Ratios of General Bonded Debt Outstanding
Last Seven Fiscal Years

General Bonded Debt Outstanding				
<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Redevelopment Bonds</u>	<u>Total</u>	<u>Per Capita</u>
2003	\$ 23,095,147	\$ 21,365,000	\$ 44,460,147	\$31,059
2004	\$ 31,156,369	\$ 21,130,000	\$ 52,286,369	\$32,741
2005	\$ 32,187,306	\$ 20,655,000	\$ 52,842,306	\$34,157
2006	\$ 30,905,577	\$ 20,150,000	\$ 51,055,577	\$37,362
2007	\$ 28,013,865	\$ 23,743,610	\$ 51,757,475	\$39,794
2008	\$ 26,973,177	\$ 22,627,950	\$ 49,601,127	N/A
2009	\$ 25,036,364	\$ 22,627,950	\$ 47,664,314	N/A

Source: City of Lynwood

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Governmental Activities

Fiscal Year	Tax Allocation Bonds	HUD Loan Payable	Claims Payable	Revenue Bonds	Capital Leases Payable	Compensated Bonds
2000	\$14,970,000	N/A	\$719,730	\$11,235,000	\$3,515,115	N/A
2001	\$14,780,000	N/A	\$760,589	\$7,621,000	\$3,207,342	N/A
2002	\$14,580,000	N/A	\$642,726	\$10,760,000	\$2,878,057	\$875,562
2003	\$14,365,000	\$7,000,000	\$668,914	\$10,505,000	\$2,566,301	\$1,074,208
2004	\$14,130,000	\$7,000,000	\$696,169	\$12,390,000	\$2,151,859	\$1,438,271
2005	\$13,880,000	\$6,775,000	\$2,876,572	\$11,920,000	\$1,753,372	\$1,442,380
2006	\$13,615,000	\$6,535,000	\$2,787,663	\$11,445,000	\$1,331,531	\$1,149,901
2007	\$13,325,000	\$6,280,000	\$3,503,418	\$10,965,000	\$946,716	\$1,164,768
2008	\$13,020,000	\$6,010,000	\$3,888,995	\$10,475,000	\$495,431	\$1,550,429
2009	\$12,690,000	\$5,725,000	\$3,567,839	\$9,975,000	\$170,956	\$1,545,059

Source: City of Lynwood

City of Lynwood
Ratios by Outstanding Debt by Type
Last Ten Fiscal Years

Business-type Activities

Water Revenue Bonds	Compensated Absences	Total Primary Government	Percentage of Personal Income	Debt Per Capita
\$9,841,933	N/A	\$40,281,778	1.99%	0.17%
\$9,629,666	N/A	\$35,998,597	1.69%	0.20%
\$9,494,799	\$84,271	\$39,315,415	1.80%	0.18%
\$9,354,932	\$116,167	\$45,650,522	2.02%	0.16%
\$15,918,341	\$155,473	\$53,880,113	2.26%	0.14%
\$15,637,362	\$174,317	\$54,459,003	2.19%	0.13%
\$15,341,383	\$202,830	\$52,408,308	1.92%	0.14%
\$15,035,404	\$214,457	\$51,434,763	1.77%	0.14%
\$14,709,425	\$245,152	\$50,394,432	N/A	0.15%
\$14,369,425	\$289,845	\$48,333,124	N/A	0.15%

City of Lynwood
Direct and Overlapping Governmental Activities Debt
June 30, 2008

2008-09 Assessed Valuation: \$2,700,055,236
 Redevelopment Incremental Valuation: 535,612,029
 Adjusted Assessed Valuation: \$2,164,443,207

<u>Overlapping Tax and Assessment Debt:</u>	<u>Total Debt</u> <u>6/30/09</u>	<u>% Applicable (1)</u>	<u>City's Share of</u> <u>Debt 6/30/09</u>
Los Angeles County Flood Control District	\$84,705,000	0.237%	\$200,751
Metropolitan Water District	\$293,425,000	0.117%	\$343,307
Compton Community College District	\$36,390,000	16.907%	\$6,152,457
Los Angeles Community College District	\$2,408,605,000	0.001%	\$24,086
Compton and Los Angeles Unified School Districts	\$8,116,638,084	0.001% & 0.441%	\$391,006
Lynwood Unified School District	\$18,784,801	97.552%	\$18,324,949
Los Angeles County Regional Park and Open Space Assessment District	\$246,875,000	0.232%	\$572,750
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			<u>\$26,009,306</u>

DIRECT AND OVERLAPPING GENERAL FUND DEBT

Los Angeles County General Fund Obligations	\$928,941,195	0.232%	\$2,155,144
Los Angeles County Pension Obligations	\$235,690,861	0.232%	\$546,803
Los Angeles County Superintendent of Schools Certificates of Participation	\$15,904,264	0.232%	\$36,898
Compton and Los Angeles Unified School District Certificates of Participation	\$491,096,710	0.001% & 0.441%	\$228,189
Lynwood Unified School District Certificates of Participation	\$23,280,000	97.552%	\$22,710,106
City of Lynwood General Fund Obligations	\$9,975,000	100%	\$9,975,000
Los Angeles County Sanitation District No. 1 Authority	\$23,650,494	11.270%	\$2,665,411
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			<u>\$38,317,551</u>
Less: Los Angeles Unified School District QZABs supported by investment fund			<u>\$222</u>
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			<u>\$38,317,329</u>

GROSS COMBINED TOTAL DEBT \$64,326,857 (2)
 NET COMBINED TOTAL DEBT \$64,326,635

- (1) Percentage of overlapping agency's assessed valuation located within boundaries of the city.
 (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to 2008-09 Assessed Valuation:

Total Overlapping Tax and Assessment Debt0.96%

Ratios to Adjusted Assessed Valuation:

Combined Direct Debt (\$9,975,000).....0.46%

Gross Combined Total Debt.....2.97%

Net Combined Total Debt.....2.97%

STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/09: \$0

Source: California Municipal Statistics

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	Fiscal Year			
	2000	2001	2002	2003
Assessed Valuation	\$ 1,450,547,984	\$ 1,490,799,992	\$ 1,573,543,293	\$ 1,737,433,435
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	\$ 362,636,996.00	\$ 372,699,998.00	\$ 393,385,823.25	\$ 434,358,358.75
Debt limit percentage	15%	15%	15%	15%
Debt limit	\$ 54,395,549.40	\$ 55,904,999.70	\$ 59,007,873.49	\$ 65,153,753.81
Total net debt applicable to the limit: General obligation bonds	-	-	-	-
Legal debt margin	\$ 54,395,549.40	\$ 55,904,999.70	\$ 59,007,873.49	\$ 65,153,753.81

Source: County of Los Angeles Auditor-Controller

**City of Lynwood
Legal Debt Margin Information
Last Ten Fiscal Years**

Fiscal Year					
2004	2005	2006	2007	2008	2009
\$ 1,763,915,404	\$ 1,887,020,636	\$ 2,057,766,907	\$ 2,291,065,086	\$ 2,811,856,366	\$ 2,700,055,236
25%	25%	25%	25%	25%	25%
\$ 440,978,851.00	\$ 471,755,159.00	\$ 514,441,726.75	\$ 572,766,271.50	\$ 702,964,091.50	\$ 675,013,809.00
15%	15%	15%	15%	15%	15%
\$ 66,146,827.65	\$ 70,763,273.85	\$ 77,166,259.01	\$ 85,914,940.73	\$ 105,444,613.73	\$ 101,252,071.35
-	-	-	-	-	-
\$ 66,146,827.65	\$ 70,763,273.85	\$ 77,166,259.01	\$ 85,914,940.73	\$ 105,444,613.73	\$ 101,252,071.35

Water Revenue Bonds					
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service	
				Principal	Interest
2004	\$ 6,609,105	\$ 5,504,084	\$ 1,105,021	\$ 155,000	\$ 576,545
2005	6,739,350	5,355,881	1,383,469	285,000	871,564
2006	6,119,611	5,248,296	871,315	300,000	860,348
2007	7,508,363	5,431,047	2,077,316	310,000	848,297
2008	8,754,610	8,032,506	722,104	330,000	835,117
2009	10,103,333	9,875,488	227,845	340,000	820,454

Source: City of Lynwood

**City of Lynwood
Pledged-Revenue Coverage
Last Five Fiscal Years**

Public Finance Authority Revenue Bonds		Tax Allocation Bonds		Other Debt	
Debt Service		Debt Service		Debt Service	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 270,000	\$ 615,538	\$ 235,000	\$ 886,870	\$ 414,442	\$ 497,754
470,000	565,678	250,000	869,997	623,487	473,144
475,000	556,195	265,000	852,012	661,841	444,608
480,000	545,490	290,000	832,242	702,821	410,967
490,000	533,775	305,000	810,664	721,285	378,481
500,000	519,910	330,000	787,552	621,678	412,400

**City of Lynwood
Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	Population¹	Personal Income (thousands of dollars)	Per Capita Personal Income²	School Enrollment³	Unemployment Rate⁴
2000	69,845	\$2,025,714,535	\$29,003	17,520	8.9%
2001	70,801	\$2,124,738,010	\$30,010	18,237	9.1%
2002	71,798	\$2,179,284,694	\$30,353	18,786	11.5%
2003	72,610	\$2,255,193,990	\$31,059	19,464	12.0%
2004	72,853	\$2,385,280,073	\$32,741	19,658	11.2%
2005	72,787	\$2,486,185,559	\$34,157	19,072	8.8%
2006	73,044	\$2,729,069,928	\$37,362	17,772	7.8%
2007	73,171	\$2,911,766,774	\$39,794	17,571	8.2%
2008	73,147	N/A	N/A	17,341	11.8%
2009	73,174	N/A	N/A	16,968	17.7%

- Sources:
- ¹ California Department of Finance
<http://www.dof.ca.gov/HTML/DEMOGRAP/ReportsPapers/ReportsPapers.asp>
 Official estimate as of January 1st of each calendar year except 2006, which is a preliminary estimate that is subject to change.
 - ² Bureau of Economic Analysis
 Los Angeles-Long Beach-Glendale are data (City of Lynwood data not available)
<http://www.bea.gov/regional/reis/scb.cfm>
 Per Capita Personal Income was unavailable for calendar year 2007 and 2008.
 - ³ Lynwood Unified School District
 - ⁴ California Employment Development Department Labormarketinfo
<http://www.labormarketinfo.edd.ca.gov/cgi/dataanalysis/labForceReport.asp?menuchoice=LABFORCE>

**City of Lynwood
Principal Employers**

<u>Employer</u>	<u>2007</u>		<u>2008</u>		<u>2009</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
Superior Warehouse Grocers Inc.	196	1			190	1
Jorgensen Earle M. Company					176	2
Aaron Industries Inc.	140	2			150	3
Country Villa Lynwood Health Care	85	9			120	4
Marlinda Nursing Home					110	5
Airgas West	89	8	96	3	96	6
Universal Molding Co. Inc.	114	3	92	4	92	7
Valu-Plus			87	5	87	8
Marlinda West Nursing Homes			80	6	80	9
Food 4 Less			76	7	76	10
Jones Lumber			123	1		
McDonalds	83	10	102	2		
Perfect Fit Industries			65	8		
La Curacao			65	9		
West Tex Corporation			61	10		
DV Industries Inc.	109	4				
Elite Slides	103	5				
St. Francis Medical Center	100	6				
Midas Express (Los Angeles) Inc.	90	7				

Source: Business License

City of Lynwood
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>Full-time Equivalent Employees as of June 30</u>									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Government										
City Council	5	5	5	5	5	12	12	12	7	2.5
City Manager	12	12	12	12	12	9	11	11	11	7
City Clerk	3	3	3	4	4	4	4	3	3	3.5
City Treasurer	1	1	2	2	2	2	2	2	1.5	1.5
Finance & Administration	22	22	24	41	41	25	26	24	23.5	23.5
Human Resources	6	6	6	6	6	18	19	20	13.5	11.5
Public Works	102	104	96	102	102	62	72	68	68	55.5
Redevelopment	19	19	15	12	12	7	7	11	11	9
Development Services	0	0	16	23	23	19	20	23	21	17.5
Neighborhood Services	0	0	0	0	0	40	40	40	39.5	38
Parks and Recreation	138	144	95	100	100	87	105	101	58	59.5

Source: City of Lynwood

City of Lynwood
Operating Indicators by Function/Program
Last Four Fiscal Years

	Fiscal Year			
	2006	2007	2008	2009
<u>Function / Program</u>				
General government				
Building permits issued	2,100	3,600	2,182	1,570
Building inspections conducted	6,300	1,560	5,325	3,794
Sheriff				
Physical arrests	2,251	2,397	3,782	4344
Fire				
Emergency responses	4,716	3,062	3,654	3458
Fires extinguished	273	200	168	157
Inspections	830	1,579	1,135	1728
Refuse collection				
Refuse collected (tons per day)	228	153	75	63
Recyclables collected (tons per day)	94	56	65	41
Other public works				
Potholes repaired	73,000	12,000	15,800	5800
Water				
Water main breaks	4	7	6	8
Average daily consumption (thousands of gallons)	5,660	5,500	5,640	5,600

Source: City of Lynwood

City of Lynwood
Capital Asset Statistics by Function/Program
Last Five Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Sheriff					
Stations	1	1	1	1	1
Zone offices	0	0	0	0	0
Patrol units	0	0	17	23	24
Fire Stations	2	2	2	2	2
Other public works					
Streets (miles)	85	85	90	90	90
Streetlights	2,300	2,300	2,300	2,300	4175
Parks and recreation					
Acreage	35	35	35	39*	39*
Playgrounds	6	6	6	5	5
Baseball/softball diamonds	3	3	3	4	4
Soccer/football fields	2	2	2	3	3
Community Centers	2	2	3	3	3
Water					
Water mains (miles)	85	85	90	90	90
Fire hydrants	1,100	1,100	1,100	1,100	1,100
Storage capacity (thousands of gallons)	3,000	3,000	3,000	3,000	3,000
Wastewater					
Sanitary sewers (miles)	81	81	81	81	82
Storm sewers (miles)	2	2	2	2	2

* Note total park acreage does include the addition of Ham Park, Rose Park, and Lynwood Meadows Park.

Source: City of Lynwood