

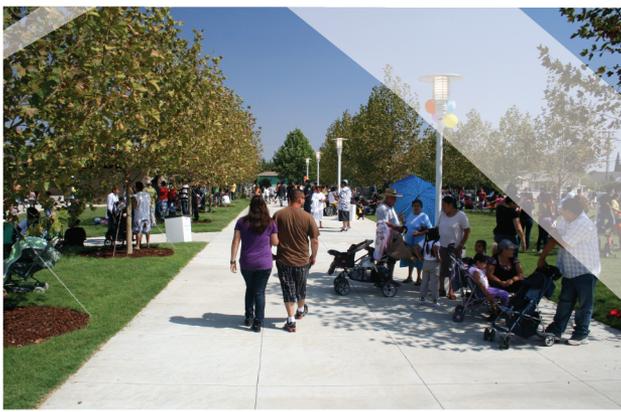


  
**CITY OF LYNWOOD**  
*A City Meeting Challenges*

C A F R

Comprehensive Annual  
Financial Report

YEAR ENDING JUNE 30, 2010





# CITY OF LYNWOOD CALIFORNIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 2010

### **ELECTED OFFICIALS**

Aide Castro • Mayor  
Jim Morton • Mayor Pro-Tem  
Alfredo Flores • Council Member  
Maria Teresa Santillan • Council Member  
Ramon Rodriguez • Council Member

Maria Quinonez • City Clerk  
Salvador Alatorre • City Treasurer



**CITY OF LYNWOOD**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**CITY MANAGEMENT**

Roger L. Haley – City Manager  
Robert S. Torrez – Assistant City Manager  
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  
Christy Valencia – Finance Manager  
Lorry Hempe – Budget and Intergovernmental Manager  
May Tan – Accounting/Auditing Supervisor  
Maria Luna – Billing & Collections Supervisor  
Miguel Angel Cervantes – Administrative Aide  
Jaime Rivas – Payroll Specialist  
Lilly Mojarro – Accounting Technician  
Monica Castellanos – Accounting Technician  
Joe Udeochu – Accounting Technician  
Jamel Goodloe – Graphics Technician



	<u>PAGE</u>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	1
Organizational Chart	6
Certificate of Achievement for Excellence in Financial Reporting (GFOA)	7
<b>FINANCIAL SECTION</b>	
<b>Report of Independent Auditors</b>	8
<b>Management’s Discussion and Analysis</b>	10
<b>Basic Financial Statements</b>	
<b>Government-wide Financial Statements</b>	
Statement of Net Assets	18
Statement of Activities	19
<b>Fund Financial Statements</b>	
Balance Sheet	21
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	23
Statement of Revenues, Expenditures, and Changes in Fund Balances	24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
<b>Proprietary Funds</b>	
Statement of Net Assets	27
Statement of Revenues, Expenses, and Changes in Fund Net Assets	28
Statement of Cash Flows	29
<b>Fiduciary Fund</b>	
Statement of Fiduciary Fund Assets and Liabilities	30
<b>Notes to Financial Statements</b>	31
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – General Fund	76
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – Redevelopment Agency Low/Mod Housing Area “A” Special Revenue Fund	77
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – HUD Home Program Special Revenue Fund	78
California Public Retirement System – Schedules of Funding Progress	79
Notes to Required Supplementary Information	80
<b>SUPPLEMENTARY INFORMATION</b>	
<b>Budgetary Comparison Schedule – Other Major Funds</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – Major Capital Projects Funds	
Redevelopment Agency Low/Mod Housing Area “A” Special Revenue Fund	81
Capital Improvement Projects Capital Projects Fund	82
2002 HUD Section 108 Loan Capital Projects Fund	83

	<u>PAGE</u>
<b>Nonmajor Governmental Funds</b>	
Description of Nonmajor Governmental Funds	84
Combining Balance Sheet	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	97
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Retirement Special Revenue Fund	106
Traffic Safety Special Revenue Fund	107
Gas Tax Special Revenue Fund	108
AB 2928 Traffic Congestion Relief Special Revenue Fund	109
STP Grant Special Revenue Fund	110
SB 821 Special Revenue Fund	111
Prop A Special Revenue Fund	112
Prop C Special Revenue Fund	113
Measure R Special Revenue Fund	114
Air Quality Improvement Special Revenue Fund	115
State COPS Program Special Revenue Fund	116
Sheriff Drug Seizure Special Revenue Fund	117
Lighting Maintenance Special Revenue Fund	118
Landscape Maintenance Special Revenue Fund	119
Impact Special Fees Revenue Fund	120
Public Art Special Revenue Fund	121
Litter Abatement Special Revenue Fund	122
HUD 108 Loan Special Revenue Fund	123
Housing Community Development (HUD) Special Revenue Fund	124
Business Improvement Special Revenue Fund	125
Beverage Container Recycling Grant Special Revenue Fund	126
LA County Park Maintenance Grant Special Revenue Fund	127
Brownfield Grant Special Revenue Fund	128
Used Oil Recycling Grant Special Revenue Fund	129
Per Capita Grant 2000 Special Revenue Fund	130
TEA/ISTEA Grant Special Revenue Fund	131
DOE Block Grant Special Revenue Fund	132
Safe School Route Grant Special Revenue Fund	133
State of California CEC Grant Special Revenue Fund	134
DuPont Lead Safety Grant Special Revenue Fund	135
Prop 1B Special Revenue Fund	136
Justice Assistance Special Revenue Fund	137
State Transportation Partnership Special Revenue Fund	138
Roberti-Zberg Harris Special Revenue Fund	139
Redevelopment Agency Low/Mod Housing Alameda Area Special Revenue Fund	140
City of Lynwood Debt Service Fund	141
Public Financing Authority Debt Service Fund	142
Tax Increment Area "A" Debt Service Fund	143
Special Fund Area "A" Alameda Debt Service Fund	144
Tax Increment Alameda Area Debt Service Fund	145

	<u>PAGE</u>
<b>Nonmajor Governmental Funds (continued)</b>	
Park Replacement Capital Projects Fund	146
Capital Grant Loan Capital Projects Fund	147
2003 Lease Refunding Bonds Capital Projects Fund	148
Redevelopment Project Area "A" Taxable Bond Proceeds Fund	149
Redevelopment Project Alameda Area Capital Projects Fund	150
<b>Internal Service Fund</b>	
Description of Internal Service Funds	151
Combining Statement of Net Assets	152
Combining Statement of Revenues, Expenses and Changes in Net Assets	153
Combining Statement of Cash Flows	154
<b>Agency Fund</b>	
Statement of Changes in Assets and Liabilities	155
<b>STATISTICAL SECTION (UNAUDITED)</b>	
Description of Statistical Section Contents	156
Net Assets by Component	157
Changes in Net Assets – Expenses and Program Revenues	158
Changes in Net Assets – General Revenues	159
Fund Balances of Governmental Funds	160
Changes in Fund Balances of Governmental Funds	162
Tax Revenues by Source of Governmental Funds	164
Assessed Value	165
Direct and Overlapping Property Tax Rates	167
Principal Property Taxpayers	168
Property Tax Levies and Collections	169
Taxable Sales by Category	170
Direct and Overlapping Sales Tax Rates	172
Principal Sales Tax Remitters	173
Ratios of General Bonded Debt Outstanding	174
Ratios of Outstanding Debt by Type	175
Direct and Overlapping Governmental Activities Debt	177
Legal Debt Margin Information	178
Pledged Revenue Coverage	180
Demographic and Economic Statistics	182
Principal Employers	183
Full-Time Equivalent City Government Employees by Function/Program	184
Operating Indicators by Function/Program	185
Capital Asset Statistics by Function/Program	186

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City of  
**LYNWOOD**

Incorporated 1921  
11330 Bullis Road, Lynwood, CA 90262  
(310) 603-0220

FINANCE AND ADMINISTRATION  
DEPARTMENT

February 28, 2011

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 2009-10. 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 generally accepted accounting principles in the United States of America (US GAAP), as established by the Governmental Accounting Standards Board (GASB).

Our Comprehensive Annual Financial Report is presented in three sections:

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

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 interested 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 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 objective of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2010, 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, 2010. 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 Statement 46 (GASB 46), Net Assets Restricted by Enabling Legislation – an amendment of GASB Statement 34, requires that 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).

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, it only has 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 its 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 basically an agricultural area in the early 1900's to its present residential and growing industrial and commercial importance. The City covers 4.8 square miles.

The population of Lynwood grew rather slowly in its 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 73,000 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, animal control and health services are provided through a contract by the County of Los Angeles. 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, 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**

For three years now, Lynwood, and every City in America, has been dealing with severe economic recession. Revenues have declined. Labor and public safety costs have increased. The City of Lynwood utilized a combination of budget cuts, some fee increases and the prudent use of reserves to balance the budget. With the declining revenues and increasing costs, City staff worked hard to develop a budget that provides for traditional municipal services, such as parks, recreation, street repair, sidewalk repair and public safety.

The City is also proud to be an All-America Award Winner. The City's Advanced Surveillance Protection Program and Anti-Prostitution marches, along with services to the community with A Brush with Kindness and the Lynwood Sports Associations, contributed to its success of becoming a nationally recognized 2010 All-America City Award Winner. The City is one of the ten cities across the nation to receive the prestigious award

### **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 its membership in the Independent Cities Risk Management Authority (ICRMA). The ICRMA is a joint powers authority which consists of 23 cities, whose 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 Worker's Comp limit is \$10,000,000 with the City's retention of \$325,000 for each accident. General liability coverage is \$20,000,000 with the City's retention set at \$500,000 for each 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 ICRMA Property Insurance Program including earthquake and flood insurance. The "all risk", including earthquake and flood, property coverage is \$135,000 for each occurrence. The property coverage limit is shared by 14 cities with a \$5,000 per loss deductible. The deductible for earthquake and flood is 5% of loss value. 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 have had statements or judgments that exceeded pooled or insured coverage nor has there been any significant reductions in pooled or insured liability coverage from the prior year.

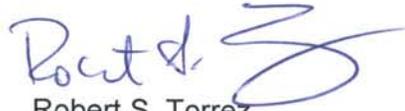
### ACKNOWLEDGEMENTS

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,

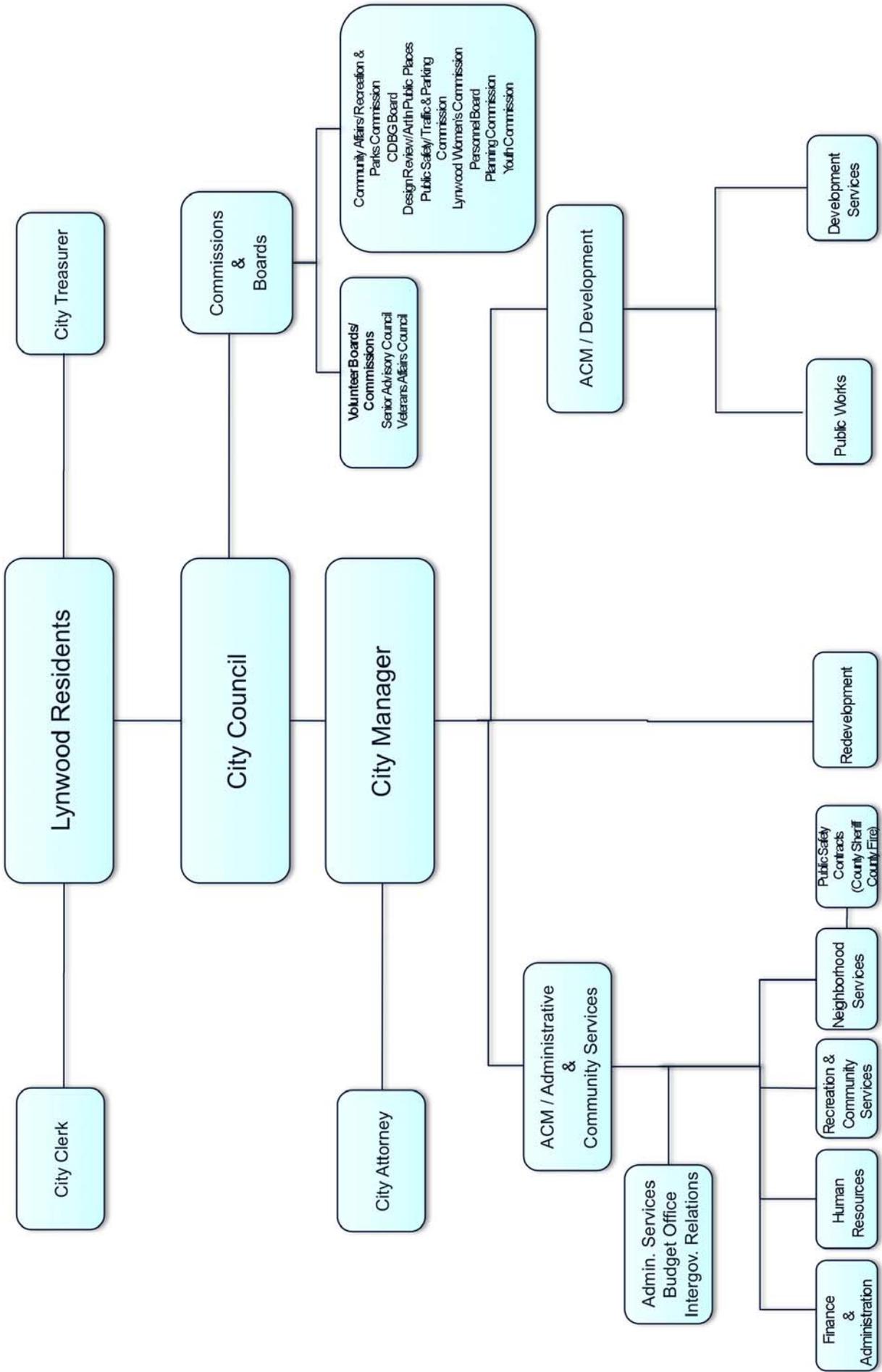


Roger L. Haley,  
City Manager



Robert S. Torrez  
Assistant City Manager







# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Lynwood  
California

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

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



President

Executive Director



## 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, the 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, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lynwood, California, as of June 30, 2010, 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 11, 2011 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 results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The 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 accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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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 11, 2011

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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, 2010. 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, 2010 were \$209 million and total liabilities were \$69.3 million. The assets exceeded liabilities by \$139.7 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 \$1.7 million. The transfers totaled over \$396,000. The year-end fund balance for the General Fund was over \$7.9 million of which \$650,000 was reserved for long-term advances and \$326,900 as contingency fund.
- Total revenues from all sources were \$60.9 million and total expenditures were \$57.5 million. Of the total revenues, program revenues were \$27.8 million. Program revenues are broken into three categories: Charges for services slightly over \$19.6 million; operating contributions and grants at \$4.4 million; and capital contributions and grants at \$3.8 million.

### **ROAD MAP FOR THE FY 2009-2010 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, and the Lynwood Utility Authority). The activities are presented using the integrated approach prescribed by the Governmental 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 a net impact.

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 a way 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 two separate legal entities - the Lynwood Redevelopment Agency and the Lynwood Public Financing Authority. 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 departments 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 2009-10 (CURRENT)			Fiscal Year 2008-09 (PRIOR)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>						
Current Assets & Other Assets	\$ 50,029,226	\$ 24,361,070	\$ 74,390,296	\$ 50,337,568	\$ 23,281,778	\$ 73,619,346
Capital Assets	126,982,046	7,631,371	134,613,417	117,268,420	7,698,167	124,966,587
<b>Total assets</b>	<b>177,011,272</b>	<b>31,992,441</b>	<b>209,003,713</b>	<b>167,605,988</b>	<b>30,979,945</b>	<b>198,585,933</b>
<b>Liabilities:</b>						
Other Liabilities	9,490,074	944,552	10,434,626	7,410,507	694,693	8,105,200
Long-Term Debt Outstanding	37,854,461	21,026,843	58,881,304	35,673,465	21,279,526	56,952,991
<b>Total liabilities</b>	<b>47,344,535</b>	<b>21,971,395</b>	<b>69,315,930</b>	<b>43,083,972</b>	<b>21,974,219</b>	<b>65,058,191</b>
<b>Net Assets:</b>						
Invested in capital assets, net of related debt	111,831,946	1,716,371	113,548,317	88,707,464	2,111,358	90,818,822
Restricted	14,825,579	6,454,343	21,279,922	19,520,953	1,900,804	21,421,757
Unrestricted	3,009,212	1,850,332	4,859,544	16,293,599	4,993,564	21,287,163
<b>Total net assets</b>	<b>\$ 129,666,737</b>	<b>\$ 10,021,046</b>	<b>\$ 139,687,783</b>	<b>\$ 124,522,016</b>	<b>\$ 9,005,726</b>	<b>\$ 133,527,742</b>

The City's overall assets increased to \$209 million in FY 2009-10, and the overall liabilities increased to \$69.3 million over the same period. The increase in net assets is due to the increase in capital assets; \$2.8 million of the increase is for Ham Park. The business-type activities' current assets went up by more than \$1 million due to the revenues generated for the fiscal year exceeded its expenditures. The net assets increased from \$133.5 million to \$139.7 million. The Governmental Activities net assets increased by over \$5.1 million, while the Business-type Activities increased by over \$1 million.

**Table 2  
Changes in Net Assets**

	Fiscal Year 2009-10 (CURRENT)			Fiscal Year 2008-09 (PRIOR)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
<b>REVENUES</b>						
<b>Program Revenues</b>						
Charges for services	\$ 9,885,665	\$ 9,770,786	\$ 19,656,451	\$ 6,126,580	\$ 10,027,671	\$ 16,154,251
Operating Contributions and grants	4,369,982		4,369,982	5,612,899		5,612,899
Capital contributions and grants	3,774,852		3,774,852	1,432,067		1,432,067
Subtotal	18,030,499	9,770,786	27,801,285	13,171,546	10,027,671	23,199,217
<b>General Revenues</b>						
Property taxes	18,711,265		18,711,265	19,303,986		19,303,986
Utility users tax	5,878,709		5,878,709	5,949,307		5,949,307
Sales taxes	5,304,325		5,304,325	4,391,476		4,391,476
Franchise taxes	1,232,463		1,232,463	1,305,288		1,305,288
Business license taxes	420,200		420,200	434,513		434,513
Other taxes	152,742		152,742	1,600,134		1,600,134
Use of money and property	402,786	100,992	503,778	638,296	182,418	820,714
Other	870,321		870,321	1,250,614		1,250,614
Transfers	475,854	(475,854)	0	(515,313)	515,313	0
<b>Total</b>	<b>\$ 51,479,164</b>	<b>\$ 9,395,924</b>	<b>\$ 60,875,088</b>	<b>\$ 47,529,847</b>	<b>\$ 10,725,402</b>	<b>\$ 58,255,249</b>
<b>EXPENSES</b>						
General government	14,177,616		14,177,616	12,089,347		12,089,347
Public safety	17,331,341		17,331,341	17,461,248		17,461,248
Public works	8,374,895		8,374,895	8,213,775		8,213,775
Community development	4,269,655		4,269,655	3,028,869		3,028,869
Parks and recreation	3,462,998		3,462,998	3,620,892		3,620,892
Interest on long-term	1,527,767		1,527,767	1,728,377		1,728,377
Unallocated depreciation			0			0
Water		7,356,688	7,356,688		7,717,008	7,717,008
Transit		1,023,916	1,023,916		1,081,676	1,081,676
<b>Total</b>	<b>\$ 49,144,272</b>	<b>\$ 8,380,604</b>	<b>\$ 57,524,876</b>	<b>\$ 46,142,508</b>	<b>\$ 8,798,684</b>	<b>\$ 54,941,192</b>
Change in net assets	2,334,892	1,015,320	3,350,212	1,387,339	1,926,718	3,314,057
Net assets at beginning of fiscal year	124,522,016	9,005,726	133,527,742	123,134,677	7,079,008	130,213,685
Prior period adjustments	2,809,829		2,809,829	0		0
<b>Net assets at the beginning of fiscal year restated</b>	<b>127,331,845</b>	<b>9,005,726</b>	<b>136,337,571</b>	<b>123,134,677</b>	<b>7,079,008</b>	<b>130,213,685</b>
<b>Net assets at end of fiscal year</b>	<b>\$ 129,666,737</b>	<b>\$ 10,021,046</b>	<b>\$ 139,687,783</b>	<b>\$ 124,522,016</b>	<b>\$ 9,005,726</b>	<b>\$ 133,527,742</b>

The City's overall net assets increased since the beginning of the year, from \$133.5 million to \$139.7 million. The reason for the increase is the positive difference between the actual revenues of \$60.9 million and the actual expenditures of \$57.5 million. The City also booked construction in progress of \$2.8 million as a prior period adjustment. As reflected in the above table, the positive revenue/expenditure difference is a net \$3.4 million. Governmental Activities has a surplus of over \$2.3 million; and Business-Type Activities has surplus of over \$1 million.

Compared to FY 2008-09, the City's overall revenues increased from \$58.3 million to \$60.9 million. The overall expenditures increased from \$54.9 million to \$57.5 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

FUNCTIONS/ PROGRAMS	Fiscal Year 2009-10 (CURRENT)			Fiscal Year 2008-09 (PRIOR)		
	Expenses	Program Revenues	Net (Expense) Revenue	Expenses	Program Revenues	Net (Expense) Revenue
General government	\$ 14,177,616	\$ 4,131,395	\$ (10,046,221)	\$ 12,089,347	\$ 1,667,834	\$ (10,421,513)
Public safety	17,331,341	2,950,042	(14,381,299)	17,461,248	1,674,814	(15,786,434)
Public works	8,374,895	4,073,752	(4,301,143)	8,213,775	6,451,499	(1,762,276)
Community development	4,269,655	4,327,518	57,863	3,028,869	2,909,205	(119,664)
Parks and recreation	3,462,998	2,547,792	(915,206)	3,620,892	468,194	(3,152,698)
Interest on long-term debt	1,527,767		(1,527,767)	1,728,377		(1,728,377)
<b>Total</b>	<b>\$ 49,144,272</b>	<b>\$ 18,030,499</b>	<b>\$ (31,113,773)</b>	<b>\$ 46,142,508</b>	<b>\$ 13,171,546</b>	<b>\$ (32,970,962)</b>

The cost of the City's Governmental Activities increased from \$46.1 million in FY 2008-09 to \$49.1 million in FY 2009-10 primarily due to increased costs of public safety contracts, costs of city-wide services as well as salaries and benefits. The program revenue generated by these activities has increased from \$13.2 million to \$18 million. As a result of the respective changes in the revenues and expenditures, the net cost of the Governmental Activities was \$31.1 million in FY 2009-10, \$1.9 million less than the net cost of \$33 million recorded in FY 2008-09.

Overall, ***the cost of government in FY 2009-10 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 \$1.4 million in FY 2009-10, with the transit services having a net cost of over \$1 million, as opposed to the net revenue of less than \$2.4 million recorded in the water and sewer program.

Table 4  
Business-type Activities  
Net Cost of Services

	Fiscal Year 2009-10 (CURRENT)			Fiscal Year 2008-09 (PRIOR)		
	Expenses	Program Revenues	Net (Expense) Revenue	Expenses	Program Revenues	Net (Expense) Revenue
<b>FUNCTIONS/PROGRAMS</b>						
Water & Sewer	\$ 7,356,688	\$ 9,764,490	\$ 2,407,802	\$ 7,717,008	\$ 10,014,463	\$ 2,297,455
Transit	1,023,916	6,296	(1,017,620)	1,081,676	13,208	(1,068,468)
<b>Total</b>	<b>\$ 8,380,604</b>	<b>\$ 9,770,786</b>	<b>\$ 1,390,182</b>	<b>\$ 8,798,684</b>	<b>\$ 10,027,671</b>	<b>\$ 1,228,987</b>

The cost of the City's Business-type Activities decreased from \$8.8 million in FY 2008-09 to \$8.4 million in FY 2009-10. The program revenue generated by these activities decreased, from \$10 million to \$9.7 million. As a result, the net revenue of the Business-type Activities in FY 2009-10 was \$1.4 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 \$34.1 million, which is a \$3.7 million decrease from the prior fiscal year. The General Fund had a net decrease of \$1.7 million in its fund balance, from \$9.7 million to \$8 million. Of the \$8 million, \$650,000 is reserve for debt service and \$326,900 as contingency set-aside.

**General Fund Budgetary Highlights**

The year-end actual revenues for the General Fund (including transfers in) were \$28.4 million; the actual expenditures (including transfers out) totaled \$30.1 million. The actual revenues including transfers, was \$598,403 below the budgeted estimate, while the actual spending with transfers was \$2 million 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 2009-10, the City had \$134.6 million invested in capital assets. Of this amount, \$127 million is related to Governmental Activities and another \$7.6 million to Business-type Activities. These amounts represent an increase from the previous year (FY 2008-09), when the City's overall capital assets were \$125 million, including \$117.3 million in Governmental Activities and \$7.7 million in Business-type Activities.

**Table 5  
Capital Assets**

	Fiscal Year 2009-10 (CURRENT)			Fiscal Year 2008-09 (PRIOR)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Capital assets not being depreciated	\$ 97,565,342	\$ 37,252	\$ 97,602,594	\$ 88,414,162	\$ 37,252	\$ 88,451,414
Capital assets, net of accumulated depreciation	29,416,704	7,594,119	37,010,823	28,854,258	7,660,915	36,515,173
<b>Total</b>	<b>\$ 126,982,046</b>	<b>\$ 7,631,371</b>	<b>\$ 134,613,417</b>	<b>\$ 117,268,420</b>	<b>\$ 7,698,167</b>	<b>\$ 124,966,587</b>

The City has a number of capital projects planned or in progress. The City's major projects include several street improvements. 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 \$37.9 million in tax allocation and revenue bonds, a HUD loan, claims payable, compensated absences, and accrual for Postemployment benefits. Another \$21 million was outstanding for the business-type activities.

**Table 6  
Outstanding Long-Term Debt**

	Balance at July 1, 2009	Additions	Repayments	Balance at June 30, 2010	Due Within One Year
<b>Governmental Activities:</b>					
Compensated absences	\$ 1,545,059	\$ 1,011,726	\$ (158,794)	\$ 2,397,991	\$ 1,048,493
Other Postemployment benefits	1,973,597	2,551,076	(449,092)	4,075,581	\$ -
Capital leases payable	170,956	-	(170,956)	-	-
Tax Allocation bonds	12,690,000	-	(355,000)	12,335,000	375,000
HUD loan payable	5,725,000	-	(300,000)	5,425,000	320,000
Claims payable	3,567,839	5,171,609	(4,939,187)	3,800,261	950,065
Note Payable - Grae	602,798	-	(13,546)	589,252	15,036
CEC Loan	-	265,100	-	265,100	34,185
Revenue bonds	9,975,000	-	(515,000)	9,460,000	535,000
refunding	(576,784)	83,060	-	(493,724)	-
<b>Total</b>	<b>\$ 35,673,465</b>	<b>\$ 9,082,571</b>	<b>\$ (6,901,575)</b>	<b>\$ 37,854,461</b>	<b>\$ 3,277,779</b>
<b>Business-type Activities:</b>					
<b>Water Fund:</b>					
Compensated absences	\$ 289,845	\$ 243,436	\$ (217,384)	\$ 315,897	\$ 236,923
Revenue bonds	21,279,485	4,806	(300,000)	20,984,291	310,000
Deferred amount on refunding	(289,804)	16,459	-	(273,345)	-
<b>Total</b>	<b>\$ 21,279,526</b>	<b>\$ 264,701</b>	<b>\$ (517,384)</b>	<b>\$ 21,026,843</b>	<b>\$ 546,923</b>

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

For the past three years, the City had to deal with the impacts of a severe economic recession. The Council had reduced expenditure budgets over the years but these savings have been largely negated by increases in the costs of public safety contracts such as law enforcement, fire suppression and animal control services. Each year, the City develops a budget that maintains the core services (law enforcement, fire, and recreation) and meets the community's needs. Law Enforcement and Fire Suppression services remain as top priority; these services are important to the quality of life and safety of the Lynwood community. 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.

Public Safety expenditures continue to offset non-safety budget reductions. These public safety costs amount to over \$13.9 million in general funds. There is an increasing demand for services from residents and businesses. Costs of commodities and services have increased. Finding new revenues and identifying cost containment measures continue to be the major challenges facing the City of Lynwood. City staff continues to work on creative ways to expand the City's revenue base.

## **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.

**City of Lynwood**  
**Statement of Net Assets**  
**June 30, 2010**

	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>			
Cash and investments	\$ 24,538,528	\$ 12,122,983	\$ 36,661,511
Receivables:			
Intergovernmental	2,082,655	-	2,082,655
Accounts	2,641,153	2,205,020	4,846,173
Interest	19,717	12,846	32,563
Notes and loans	6,133,152	-	6,133,152
Prepays and deposits	10,163	-	10,163
Restricted assets:			
Cash and investments	146,536	-	146,536
Cash and investments with fiscal agents	5,360,724	9,264,627	14,625,351
Land held for resale	8,379,162	-	8,379,162
Deferred charges, net of accumulated amortization	717,436	755,594	1,473,030
Capital assets not being depreciated	97,565,342	37,252	97,602,594
Capital assets, net of accumulated depreciation	29,416,704	7,594,119	37,010,823
<b>Total assets</b>	177,011,272	31,992,441	209,003,713
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	7,612,073	774,985	8,387,058
Accrued interest payable	427,350	85,033	512,383
Deferred revenue	656,164	-	656,164
Deposits	794,487	84,534	879,021
Noncurrent liabilities:			
Due within one year	3,277,779	546,923	3,824,702
Due in more than one year	34,576,682	20,479,920	55,056,602
<b>Total liabilities</b>	47,344,535	21,971,395	69,315,930
<b>Net assets:</b>			
Invested in capital assets, net of related debt	111,831,946	1,716,371	113,548,317
Restricted for:			
Retirement	1,040,176	-	1,040,176
Housing	1,492,990	-	1,492,990
Debt service	2,819,595	6,454,343	9,273,938
Development projects	9,472,818	-	9,472,818
Unrestricted	3,009,212	1,850,332	4,859,544
<b>Total net assets</b>	\$ 129,666,737	\$ 10,021,046	\$ 139,687,783

*See notes to financial statements.*

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government	\$ 14,177,616	\$ 4,131,395	\$ -	\$ -
Public safety	17,331,341	1,276,036	1,674,006	-
Public works	8,374,895	2,959,776	372,712	741,264
Community development	4,269,655	1,104,052	2,302,150	921,316
Parks and recreation	3,462,998	414,406	21,114	2,112,272
Interest and fiscal charges	1,527,767	-	-	-
Total governmental activities	<u>49,144,272</u>	<u>9,885,665</u>	<u>4,369,982</u>	<u>3,774,852</u>
<b>Business-type activities:</b>				
Water and sewer	7,356,688	9,764,490	-	-
Transit	1,023,916	6,296	-	-
Total business-type activities	<u>8,380,604</u>	<u>9,770,786</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 57,524,876</u>	<u>\$ 19,656,451</u>	<u>\$ 4,369,982</u>	<u>\$ 3,774,852</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, as restated

Net assets - end of year

**City of Lynwood  
Statement of Activities  
Year ended June 30, 2010**

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
\$ (10,046,221)	\$ -	\$ (10,046,221)
(14,381,299)	-	(14,381,299)
(4,301,143)	-	(4,301,143)
57,863	-	57,863
(915,206)	-	(915,206)
(1,527,767)	-	(1,527,767)
<u>(31,113,773)</u>	<u>-</u>	<u>(31,113,773)</u>
-	2,407,802	2,407,802
-	(1,017,620)	(1,017,620)
-	<u>1,390,182</u>	<u>1,390,182</u>
<u>(31,113,773)</u>	<u>1,390,182</u>	<u>(29,723,591)</u>
18,711,265	-	18,711,265
5,878,709	-	5,878,709
5,304,325	-	5,304,325
1,232,463	-	1,232,463
420,200	-	420,200
152,742	-	152,742
402,786	100,992	503,778
870,321	-	870,321
475,854	(475,854)	-
<u>33,448,665</u>	<u>(374,862)</u>	<u>33,073,803</u>
2,334,892	1,015,320	3,350,212
<u>127,331,845</u>	<u>9,005,726</u>	<u>136,337,571</u>
<u>\$ 129,666,737</u>	<u>\$ 10,021,046</u>	<u>\$ 139,687,783</u>

*See notes to financial statements.*

	General	Special Revenue Funds	
		Redevelopment Low/Mod Income Housing Area "A"	HUD Home Program
<b>ASSETS</b>			
Cash and investments	\$ 752,650	\$ 1,036,182	\$ 128,474
Receivables:			
Intergovernmental	492,981	-	110,638
Accounts	1,563,482	-	2,124
Interest	9,045	-	-
Notes and loans	-	1,796,608	3,577,929
Due from other funds	9,443,758	-	-
Restricted assets:			
Cash and investments	8,454	-	-
Cash and investments with fiscal agents	-	-	-
Advances to other funds	650,000	-	-
Land held for resale	-	5,926,977	497,694
<b>Total assets</b>	<b>\$ 12,920,370</b>	<b>\$ 8,759,767</b>	<b>\$ 4,316,859</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 2,997,297	\$ 250,953	\$ 45,413
Due to other funds	-	19,133	168,440
Due to other governments	-	-	-
Deferred revenue	266,667	1,796,608	3,579,659
Deposits	716,770	-	-
Advances from other funds	957,380	-	-
<b>Total liabilities</b>	<b>4,938,114</b>	<b>2,066,694</b>	<b>3,793,512</b>
<b>Fund balances</b>			
Reserved			
Long-term advances	650,000	-	-
Projects	-	-	-
Housing	-	766,096	-
Retirement	-	-	-
Debt service	-	-	-
Land held for resale	-	5,926,977	497,694
Unreserved, designated for, reported in:			
Special revenue funds	-	-	25,653
Capital projects funds	-	-	-
Contingency set-aside	326,900	-	-
Unreserved, undesignated for, reported in:			
General fund	7,005,356	-	-
<b>Total fund balances</b>	<b>7,982,256</b>	<b>6,693,073</b>	<b>523,347</b>
<b>Total liabilities and fund balances</b>	<b>\$ 12,920,370</b>	<b>\$ 8,759,767</b>	<b>\$ 4,316,859</b>

**City of Lynwood  
Governmental Funds  
Balance Sheet  
June 30, 2010**

Capital Projects Funds				
Redevelopment Project Area "A"	Capital Improvement Projects	2002 HUD Section 108 Loan	Nonmajor Governmental Funds	Total Governmental Funds
\$ 656,449	\$ 2,973,534	\$ 6,411,326	\$ 11,574,401	\$ 23,533,016
-	-	-	1,479,036	2,082,655
-	-	-	1,075,547	2,641,153
12	-	-	10,660	19,717
173,354	-	-	585,261	6,133,152
280,000	-	-	117,070	9,840,828
58,082	-	-	-	66,536
-	424,721	-	4,936,003	5,360,724
957,380	-	-	-	1,607,380
1,082,893	-	-	871,598	8,379,162
<u>\$ 3,208,170</u>	<u>\$ 3,398,255</u>	<u>\$ 6,411,326</u>	<u>\$ 20,649,576</u>	<u>\$ 59,664,323</u>
\$ 913,224	\$ 2,475,152	\$ -	\$ 772,055	\$ 7,454,094
-	-	-	8,047,607	8,235,180
-	-	-	248	248
173,354	230,256	-	1,377,397	7,423,941
77,717	-	-	-	794,487
-	-	-	650,000	1,607,380
<u>1,164,295</u>	<u>2,705,408</u>	<u>-</u>	<u>10,847,307</u>	<u>25,515,330</u>
957,380	-	-	-	1,607,380
-	692,847	6,411,326	2,368,645	9,472,818
-	-	-	726,894	1,492,990
-	-	-	1,040,176	1,040,176
-	-	-	3,246,945	3,246,945
1,082,893	-	-	871,598	8,379,162
-	-	-	4,193,689	4,219,342
3,602	-	-	(2,645,678)	(2,642,076)
-	-	-	-	326,900
-	-	-	-	7,005,356
<u>2,043,875</u>	<u>692,847</u>	<u>6,411,326</u>	<u>9,802,269</u>	<u>34,148,993</u>
<u>\$ 3,208,170</u>	<u>\$ 3,398,255</u>	<u>\$ 6,411,326</u>	<u>\$ 20,649,576</u>	<u>\$ 59,664,323</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, 2010**

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Total governmental fund balances \$ 34,148,993

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds

Governmental capital assets	\$ 147,564,608	
Less accumulated depreciation	<u>(21,768,107)</u>	125,796,501

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

Deferred issuance costs (net of amortization of \$626,771)	717,436	
Deferred loss on refunding (net of amortization of \$797,686)	<u>493,724</u>	1,211,160

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.

6,767,777

Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds:

Tax allocation bonds	(12,335,000)	
Notes payable - Grae Atlantic	(589,252)	
Compensated absences	(2,397,991)	
HUD loan payable	(5,425,000)	
CEC loan	(265,100)	
Claims payable	(2,060,528)	
Revenue bonds	(9,460,000)	
Other postemployment benefits	<u>(4,075,581)</u>	(36,608,452)

Accrued interest payable due on long-term debt has not been reported in the governmental funds.

(427,350)

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

(1,221,892)

Net assets of governmental activities \$ 129,666,737

*See notes to financial statements.*

	General	Special Revenue	
		Redevelopment Low/Mod Income Housing Area "A"	HUD Home Program
<b>Revenues</b>			
Taxes and assessments	\$ 18,781,031	\$ -	\$ -
Licenses and permits	765,165	-	-
Fines, forfeitures and penalties	1,274,636	-	-
Use of money and property	291,990	1,656	42
Intergovernmental	288,105	-	788,293
Charges for services	3,303,965	-	-
Administrative support	1,151,040	-	-
Program income	-	-	-
Miscellaneous	535,339	694,701	-
<b>Total revenues</b>	<b>26,391,271</b>	<b>696,357</b>	<b>788,335</b>
<b>Expenditures</b>			
Current:			
General government	4,542,805	187,370	-
Public safety	15,389,714	-	-
Public works	4,400,337	-	-
Community development	-	1,113,339	588,650
Parks and recreation	3,374,547	-	-
Pass through to other agencies	-	-	-
Capital outlay	17,854	-	-
Debt service:			
Principal payment	-	56,700	-
Interest and fiscal charges	-	125,688	-
<b>Total expenditures</b>	<b>27,725,257</b>	<b>1,483,097</b>	<b>588,650</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(1,333,986)</b>	<b>(786,740)</b>	<b>199,685</b>
<b>Other financing sources (uses)</b>			
Transfers in	1,975,963	1,447,960	-
Transfers out	(2,372,126)	-	-
<b>Net other financing sources (uses)</b>	<b>(396,163)</b>	<b>1,447,960</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(1,730,149)</b>	<b>661,220</b>	<b>199,685</b>
<b>Fund balances - beginning of year, as restated</b>	<b>9,712,405</b>	<b>6,031,853</b>	<b>323,662</b>
<b>Fund balances - end of year</b>	<b>\$ 7,982,256</b>	<b>\$ 6,693,073</b>	<b>\$ 523,347</b>

**City of Lynwood  
Governmental Funds**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year ended June 30, 2010**

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Capital Projects Funds				
Redevelopment Project Area "A"	Capital Improvement Projects	2002 HUD Section 108 Loan	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 13,169,363	\$ 31,950,394
-	-	-	122,394	887,559
-	-	-	1,947	1,276,583
1,888	3,452	3,205	100,553	402,786
-	1,010,424	-	6,086,435	8,173,257
-	-	-	436,765	3,740,730
-	-	-	-	1,151,040
-	-	-	95,477	95,477
68,440	171,910	-	504	1,470,894
<u>70,328</u>	<u>1,185,786</u>	<u>3,205</u>	<u>20,013,438</u>	<u>49,148,720</u>
845,281	1,254,137	-	1,782,681	8,612,274
-	-	-	1,933,484	17,323,198
-	-	-	3,087,436	7,487,773
928,561	-	-	2,881,468	5,512,018
-	-	-	-	3,374,547
-	-	-	250,021	250,021
1,330	8,105,906	-	11,315	8,136,405
13,546	-	-	984,256	1,054,502
66,308	-	-	1,339,447	1,531,443
<u>1,855,026</u>	<u>9,360,043</u>	<u>-</u>	<u>12,270,108</u>	<u>53,282,181</u>
<u>(1,784,698)</u>	<u>(8,174,257)</u>	<u>3,205</u>	<u>7,743,330</u>	<u>(4,133,461)</u>
1,789,193	7,136,247	-	4,711,759	17,061,122
-	-	-	(14,213,142)	(16,585,268)
<u>1,789,193</u>	<u>7,136,247</u>	<u>-</u>	<u>(9,501,383)</u>	<u>475,854</u>
4,495	(1,038,010)	3,205	(1,758,053)	(3,657,607)
2,039,380	1,730,857	6,408,121	11,560,322	37,806,600
<u>\$ 2,043,875</u>	<u>\$ 692,847</u>	<u>\$ 6,411,326</u>	<u>\$ 9,802,269</u>	<u>\$ 34,148,993</u>

*See notes to financial statements.*

**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, 2010**

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Net change in fund balances - total governmental funds \$ (3,657,607)

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	\$ 8,136,405	
Depreciation expense	<u>(1,185,727)</u>	6,950,678

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.		890,131
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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.

Proceeds from notes payable	(265,100)	
Principal repayment of tax allocation bonds	355,000	
Principal retirement of capital leases	170,956	
Principal repayment of HUD loan payable	300,000	
Principal repayment of notes payable - Grae Atlantic	13,546	
Principal repayment of revenue bonds	<u>515,000</u>	1,089,402

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	160,984	
Other postemployment benefits	(2,101,984)	
Net change in claims payable	(395,268)	
Net change in compensated absences	<u>(852,932)</u>	(3,189,200)

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

		<u>408,796</u>
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Change in net assets of governmental activities		<u>\$ 2,334,892</u>
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*See notes to financial statements.*

**City of Lynwood**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2010**

	Business-type Activities - Enterprise Funds			Governmental
	Transit	Water and Sewer	Totals	Internal Service Funds
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and investments	\$ 200,552	\$ 11,922,431	\$ 12,122,983	\$ 1,005,512
Receivables:				
Accounts	-	2,205,020	2,205,020	-
Interest	-	12,846	12,846	-
Prepaid expenses	-	-	-	10,163
<b>Total current assets</b>	<u>200,552</u>	<u>14,140,297</u>	<u>14,340,849</u>	<u>1,015,675</u>
<b>Noncurrent assets</b>				
Restricted assets:				
Deposit in trust	-	-	-	80,000
Cash and investments with fiscal agents	-	9,264,627	9,264,627	-
Deferred issuance costs, net	-	755,594	755,594	-
Capital assets, not depreciated	-	37,252	37,252	-
Capital assets, depreciated, net	-	7,594,119	7,594,119	1,185,545
<b>Total noncurrent assets</b>	<u>-</u>	<u>17,651,592</u>	<u>17,651,592</u>	<u>1,265,545</u>
<b>Total assets</b>	<u>200,552</u>	<u>31,791,889</u>	<u>31,992,441</u>	<u>2,281,220</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	189,554	585,431	774,985	157,731
Accrued interest payable	-	85,033	85,033	-
Deposits	-	84,534	84,534	-
Due to other funds	-	-	-	1,605,648
Current portion of long-term debt	-	546,923	546,923	-
<b>Total current liabilities</b>	<u>189,554</u>	<u>1,301,921</u>	<u>1,491,475</u>	<u>1,763,379</u>
<b>Noncurrent liabilities</b>				
Noncurrent portion of long-term debt:				
Compensated absences	-	78,974	78,974	-
Claims payable	-	-	-	1,739,733
Revenue bonds payable	-	20,400,946	20,400,946	-
<b>Total noncurrent liabilities</b>	<u>-</u>	<u>20,479,920</u>	<u>20,479,920</u>	<u>1,739,733</u>
<b>NET ASSETS (DEFICIT)</b>				
Invested in capital assets, net of related debt	-	1,716,371	1,716,371	1,185,545
Restricted for debt service	-	6,454,343	6,454,343	-
Unrestricted	10,998	1,839,334	1,850,332	(2,407,437)
<b>Total net assets (deficit)</b>	<u>\$ 10,998</u>	<u>\$ 10,010,048</u>	<u>\$ 10,021,046</u>	<u>\$ (1,221,892)</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, 2010**

	Business-type Activities - Enterprise Funds			Governmental Activities
	Transit	Water and Sewer	Totals	Internal Service Funds
<b>Operating revenues</b>				
Sales and service charges	\$ 6,296	\$ 9,764,490	\$ 9,770,786	\$ 2,724,083
<b>Total operating revenues</b>	<u>6,296</u>	<u>9,764,490</u>	<u>9,770,786</u>	<u>2,724,083</u>
<b>Operating expenses</b>				
Administration	-	1,076,885	1,076,885	-
Insurance	-	-	-	600,532
Claims	-	-	-	1,467,984
Water utility	-	4,289,368	4,289,368	-
Sewer utility	-	588,200	588,200	-
Garage	-	-	-	199,890
Transit	1,023,916	-	1,023,916	-
Depreciation	-	330,770	330,770	29,044
<b>Total operating expenses</b>	<u>1,023,916</u>	<u>6,285,223</u>	<u>7,309,139</u>	<u>2,297,450</u>
<b>Operating income (loss)</b>	<u>(1,017,620)</u>	<u>3,479,267</u>	<u>2,461,647</u>	<u>426,633</u>
<b>Nonoperating revenues (expenses)</b>				
Use of money and property	-	100,992	100,992	(17,837)
Interest expense	-	(1,051,922)	(1,051,922)	-
Amortization expense	-	(19,543)	(19,543)	-
<b>Net nonoperating revenues (expenses)</b>	<u>-</u>	<u>(970,473)</u>	<u>(970,473)</u>	<u>(17,837)</u>
Income (loss) before transfers	(1,017,620)	2,508,794	1,491,174	408,796
<b>Transfers</b>				
Transfers in	1,028,618	6,000,000	7,028,618	-
Transfers out	-	(7,504,472)	(7,504,472)	-
Change in net assets	10,998	1,004,322	1,015,320	408,796
<b>Total net assets (deficit) - beginning of year</b>	<u>-</u>	<u>9,005,726</u>	<u>9,005,726</u>	<u>(1,630,688)</u>
<b>Total net assets (deficit) - end of year</b>	<u>\$ 10,998</u>	<u>\$ 10,010,048</u>	<u>\$ 10,021,046</u>	<u>\$ (1,221,892)</u>

*See notes to financial statements.*

**City of Lynwood**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year ended June 30, 2010**

	Business-type Activities - Enterprise Funds			Governmental
	Water and			Activities
	Transit	Sewer	Totals	Internal Service Funds
<b>Cash flows from operating activities:</b>				
Receipts from customers and users	\$ 6,296	\$ 10,668,295	\$ 10,674,591	\$ 2,724,083
Payments to suppliers	(1,024,541)	(6,391,985)	(7,416,526)	(845,562)
Payments for claims	-	-	-	(1,360,560)
Payments to employees	-	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<u>(1,018,245)</u>	<u>4,276,310</u>	<u>3,258,065</u>	<u>517,961</u>
<b>Cash flows from noncapital financing activities:</b>				
Received from other funds	1,028,618	6,000,000	7,028,618	-
Paid to other funds	-	(7,504,472)	(7,504,472)	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<u>1,028,618</u>	<u>(1,504,472)</u>	<u>(475,854)</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>				
Disposal (acquisition) of capital assets	-	(263,974)	(263,974)	17,837
Proceeds from long-term debt	-	-	-	-
Principal payments on long-term debt	-	(272,190)	(272,190)	-
Interest paid on long-term debt	-	(1,033,348)	(1,033,348)	-
<b>Net cash used in capital and related financing activities</b>	<u>-</u>	<u>(1,569,512)</u>	<u>(1,569,512)</u>	<u>17,837</u>
<b>Cash flows from investing activities</b>				
Decrease in cash and investments with fiscal agents	-	533,564	533,564	-
Interest received	-	117,333	117,333	-
<b>Net cash provided by investing activities</b>	<u>-</u>	<u>650,897</u>	<u>650,897</u>	<u>-</u>
<b>Net change in cash and investments</b>	10,373	1,853,223	1,863,596	535,798
<b>Cash and investments - beginning of year</b>	190,179	10,069,208	10,259,387	469,714
<b>Cash and investments - end of year</b>	<u>\$ 200,552</u>	<u>\$ 11,922,431</u>	<u>\$ 12,122,983</u>	<u>\$ 1,005,512</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (1,017,620)	\$ 3,479,267	\$ 2,461,647	\$ 408,796
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	-	330,770	330,770	29,044
Changes in operating assets and liabilities:				
Decrease in accounts receivables	-	277,594	277,594	714
Decrease in due from other funds	-	650,029	650,029	-
Increase in prepaid expenses	-	-	-	(10,163)
Increase (decrease) in accounts payable	(625)	275,235	274,610	(17,854)
Decrease in claims payable	-	-	-	(162,846)
Decrease in deposits	-	(23,818)	(23,818)	-
Increase (decrease) in due to other funds	-	(712,767)	(712,767)	270,270
Total adjustments	<u>(625)</u>	<u>797,043</u>	<u>796,418</u>	<u>109,165</u>
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (1,018,245)</u>	<u>\$ 4,276,310</u>	<u>\$ 3,258,065</u>	<u>\$ 517,961</u>

*See notes to financial statements.*

**City of Lynwood**  
**Statement of Fiduciary Fund Assets and Liabilities**  
**June 30, 2010**

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<b>ASSETS</b>	
Receivables:	
Notes and loans	\$ 54,506
<b>Total assets</b>	<b>\$ <u>54,506</u></b>
 <b>LIABILITIES</b>	
Loans payable	\$ 54,506
<b>Total liabilities</b>	<b>\$ <u>54,506</u></b>

*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

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 issues a separate component unit statements. Upon completion, the financial statements of the said component unit 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.

**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 and Sewer Enterprise Fund - This fund accounts for revenue received from user fees for water and sewer usage. The Water and Sewer 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, 2010.

**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:

<b>Assets</b>	<b>Years</b>
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.

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 which approximates the effective interest and bonds outstanding 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.

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Long-term Obligations (continued)

Amortization of bond premiums or discounts and deferred amounts on refunding is included in interest expense while the amortization of issuance costs is included in amortization 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.

**New Accounting Pronouncements**

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.

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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.

GASB No. 58 - GASB has issued Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*. This Statement establishes accounting and financial reporting guidance for governments that have petitioned for protection from creditors filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2009.

GASB No. 59 - GASB has issued Statement No. 59, *Financial Instruments Omnibus*. This Statement updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010.

GASB No. 60 - GASB has issued Statement No. 60, *Accounting and Financial Reporting for Service Concession*. This Statement establishes recognition, measurement and disclosure requirements for service concession arrangements (SCAs) for both transferors and governmental operators, requiring governments to account for and report SCAs in the same manner. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011.

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

GASB No. 61 - GASB has issued Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2012.

**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, 2010:

Internal Service Fund:		
Self-insurance	\$	3,390,235
Nonmajor Governmental Funds:		
Special Revenue Funds		
Traffic Safety		1,159,841
STP Grant		116,551
SB 821		27,776
Lighting Maintenance		842,975
Landscape Maintenance		624,508
Other Grants		247,893
TEA/ISTEA Grant		280,392
DOE Block Grant		6,105
Safe School Route		298,961
State Transportation Partnership		96,651
Capital Projects Fund:		
Park Replacement		2,689,902

**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

Fund	Final Appropriations	Expenditures	Excess
Nonmajor Governmental Funds:			
Special Revenue Funds:			
Lighting Maintenance	\$ 970,755	\$ 1,024,858	\$ 54,103
Litter Abatement	262,567	293,776	31,209
Debt Service Funds:			
City of Lynwood	1,193,897	1,193,902	5
Special Fund Area "A" Alameda	-	198	198
Tax Increment Alameda Area	111,578	123,516	11,938

**NOTE 3      CASH AND INVESTMENTS**

Cash and investments are reported as follows:

	Governmental Activities	Business-type Activities	Totals
Cash and investments	\$ 24,538,528	\$ 12,122,983	\$ 36,661,511
Restricted cash and investments:			
Cash and investments	146,536	-	146,536
Cash and investments with fiscal agents	5,360,724	9,264,627	14,625,351
	\$ 30,045,788	\$ 21,387,610	\$ 51,433,398

Cash and investments at June 30, 2010 consisted of the following:

Petty cash	\$ 3,790
Deposits	4,531,735
Investments	46,897,873
	\$ 51,433,398

**NOTE 3      CASH AND INVESTMENTS (CONTINUED)**

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.

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.

**NOTE 3      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	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

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	\$ 25,098,998	\$ 25,098,998	\$ -	\$ -	\$ -
Money market funds	7,361,150	7,361,150	-	-	-
Time deposits	237,260	237,260	-	-	-
Held by bond trustees:					
Money market funds	14,200,465	14,200,465	-	-	-
Totals	<u>\$ 46,897,873</u>	<u>\$ 46,897,873</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

d. Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations  
 The City has no investments (including investments held by bond trustees) that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

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

Investment Type	Totals	Minimum Legal Rating	Exempt from Disclosure	AAA	AA	A	Not Rated
State investment pool	\$ 25,098,998	N/A	\$ -	\$ -	\$ -	\$ -	\$ 25,098,998
Money market funds	7,361,150	N/A	-	-	-	-	7,361,150
Time deposits	237,260	N/A	-	-	-	-	237,260
Held by bond trustees:							
Money market funds	14,200,465	N/A	-	14,200,465	-	-	-
Totals	\$ 46,897,873		\$ -	\$ 14,200,465	\$ -	\$ -	\$ 32,697,408

f. Concentration of Credit Risk  
 The investment policy of the City contains limitations on the amount that can be invested in any one issuer. As of June 30, 2010, there was no Investment in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represents 5% or more of total City investments.

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

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

As of June 30, 2010, \$7,441,538 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, 2010, 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	\$ 435,554

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, 2010, the total fair value of LAIF, including accrued interest was approximately \$69.57 billion. The fair value of the City's investment in the pool is \$25.1 million. LAIF's and the City's exposure to risk (credit, market, or legal) is not currently available.

**NOTE 4 LAND HELD FOR RESALE**

The City of Lynwood and Lynwood Redevelopment Agency have acquired several parcels of land as part of their primary purpose to develop or redevelop blighted properties. The City records these parcels as "land held for resale" in its financial records. The property is being carried at its net realizable value which is estimated to be equal to cost. At June 30, 2010, the net realizable value for land held for resale totaled \$8,379,162, with this amount offset by a reservation of fund balance.

**NOTE 5 NOTES AND LOANS RECEIVABLE**

Parcels of land have been sold to commercial real estate developers in exchange for various loans. Such loans have terms ranging from 3 to 10 years, with interest rates ranging from 3% to 10%. The recognition of revenue from the sale of the land has been deferred on such loans until they are repaid since the amounts do not meet the availability criteria. In several loan agreements, a portion of the entire principal amount will be forgiven upon the completion of the project. In this case, an allowance account is established to reduce the balance of loans receivable. Lynwood Redevelopment Agency (the Agency) also extended rehabilitation loans to property owners for the rehabilitation and improvements of commercial buildings. As of June 30, 2010, the long-term receivables balance was \$6,133,152. (This amount is net of an allowance in the amount of \$623,772).

**NOTE 5      NOTES AND LOANS RECEIVABLE (CONTINUED)**

	<u>Outstanding Balance June 30, 2010</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>\$            101,758</p>
<p>In March 2002, the Agency extended a commercial rehabilitation loan in the amount of \$250,000 to a business known as El Gallo Giro. The loan bears simple interest at 10% per annum and is fully due on the tenth anniversary date of the loan agreement.</p>	<p>71,595</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. The leaseholder is currently in default and the Agency has filed a suit against the said leaseholder. An allowance of \$99,772 has been established during the year.</p>	<p>-</p>
<p>In February 2009, the Agency extended a non-interest bearing note in the amount of \$710,000 to a developer for financial assistance on an affordable housing project located at 11300 Atlantic Avenue (the Property). The total amount represents the cash contribution from the Agency for the Insurance Payment of \$454,000 and the Rehabilitation Loan of \$256,000 for the project. 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. The Rehabilitation Loan bears 6% annual interest and all are due and payable by June 30, 2010. An allowance of \$454,000 has been established because of future forgiveness of the Insurance Payment portion of the loan.</p>	<p>15,378</p>

**NOTE 5      NOTES AND LOANS RECEIVABLE (CONTINUED)**

		<u>Outstanding Balance June 30, 2010</u>
<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>	\$	1,051,000
<p>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.</p>		30,126
<p>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.</p>		2,905
<p>The Agency entered into a Loan Agreement with Habitat for Humanity to build 10 low income ownership homes. The Agency is obligated to pay \$454,100 of Housing Set aside funds towards the building of the homes.</p>		454,100
<p>The Agency entered into a Loan Agreement with Habitat for Humanity to build a low income triplex at 3254 Palm Avenue 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.</p>		243,100

**NOTE 5      NOTES AND LOANS RECEIVABLE (CONTINUED)**

	<u>Outstanding Balance June 30, 2010</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>4,163,190</u>
Net long-term receivables	\$ <u>6,133,152</u>

**NOTE 6      ACCOUNTS RECEIVABLE**

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

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
<b>Governmental Activities:</b>			
Intergovernmental	\$ 2,082,655	\$ -	\$ 2,082,655
Accounts (including taxes)	2,641,153	-	2,641,153
Interest	19,717	-	19,717
	<u>\$ 4,743,525</u>	<u>\$ -</u>	<u>\$ 4,743,525</u>
 <b>Business-type Activities:</b>			
Accounts	\$ 2,561,672	\$ 356,652	\$ 2,205,020
Interest	12,846	-	12,846
	<u>\$ 2,574,518</u>	<u>\$ 356,652</u>	<u>\$ 2,217,866</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, 2010 was \$392,398, with amortization expense of \$45,152 for the current fiscal year.

**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, 2010 (net of accumulated amortization of \$99,094) was \$177,795. 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, 2010 was \$135,279.

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, 2010 was \$57,627.

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, 2010 was \$15,976.

In May 2009, the City of Lynwood issued \$5,735,000 of Enterprise Revenue Bonds. Total issue costs relating to the issue was \$174,018. The period of amortization is 240 months and the accumulated amortization as of June 30, 2010 was \$9,789.

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, 2010.

**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, 2010:

**NOTE 8 INTERFUND ACTIVITY (CONTINUED)**

Receivable Fund	Amount	Payable Fund	Amount
Major Funds:		Major Funds:	
General	\$ 9,443,758	Redevelopment Low/Mod Income	
Redevelopment Project		Housing Area "A"	\$ 19,133
Area "A"	280,000	HUD HOME Program	168,440
Nonmajor Funds:		Nonmajor Funds:	
Housing Community Development	26,966	Traffic Safety	1,144,153
Redevelopment Low/Mod		STP Grant	116,551
Income Housing Alameda Area	32,467	SB 821	27,776
Tax Increment Area "A"	37,891	Lighting Maintenance	855,894
Redevelopment Project Alameda Area	19,746	Landscape Maintenance	618,612
		Housing Community Development	236,201
		Brownfield Grant	776,522
		TEA/ISTEA Grant	280,392
		DOE Block Grant	6,105
		Safe School Route	298,961
		State of California CEC Grant	265,100
		State Transportation Partnership	96,651
		Tax Increment Area "A"	296,906
		Tax Increment Alameda Area	54,065
		Park Replacement	2,689,902
		Capital Grant Loan	119,998
		2003 Lease Revenue Refunding	163,818
		Internal Service Fund:	
		Self-insurance	1,605,648
Totals	\$ 9,840,828		\$ 9,840,828

**Advances**

As of June 30, 2010, the funds below have made advances that were not expected to be repaid within on year.

Funds	Advances Receivables	Advances Payable
Major Funds:		
General	\$ 650,000	\$ 957,380
Redevelopment Project Area "A"	957,380	-
Nonmajor Funds:		
Tax Increment Area "A"	-	650,000
Totals	\$ 1,607,380	\$ 1,607,380

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	\$ 1,975,963	\$ 2,372,126
Redevelopment Low/Mod Income		
Housing Area "A"	1,447,960	-
Redevelopment Project Area "A"	1,789,193	-
Capital Improvement Projects	7,136,247	-
Nonmajor Governmental Funds:		
Retirement	-	1,729,122
Traffic Safety	1,784,852	-
Gas Tax	-	1,312,552
AB 2928 Traffic Congestion Relief	-	166,383
Prop A	-	795,459
Prop C	-	2,774,479
Air Quality Improvement	-	100,000
Lighting Maintenance	142,566	238,780
Landscape Maintenance	709,658	238,779
Impact Fees	-	286,378
Housing Community Development	-	219,741
LA County Park Maintenance Grant	-	28,311
Brownfield Grant	-	1,520,678
DOE Block Grant	-	40,401
State of California CEC Grant	-	261,021
Prop 1B	-	267,371
State Transportation Partnership	-	995
Roberti-Zberg Harris	-	15,353
Redevelopment Low/Mod Income		
Housing Alameda Area	171,444	-
City of Lynwood	1,281,142	-
Public Financing Authority	10,081	
Tax increment Area "A"	-	3,237,153
Tax Increment Alameda Area	-	783,460
Park Replacement	-	117,655
Capital Project Loan	-	63,964
2003 Lease Revenue refunding	-	15,107
Redevelopment Project Alameda Area	612,016	-
Major Enterprise Fund:		
Transit	1,028,618	-
Water and Sewer	6,000,000	7,504,472
Totals	\$ 24,089,740	\$ 24,089,740

**City of Lynwood**  
**Notes to Financial Statements**  
**Year ended June 30, 2010**

**NOTE 9 CAPITAL ASSETS**

**Governmental Activities**

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

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
<b>Governmental Activities</b>				
<b>Capital assets not being depreciated</b>				
Land	\$ 35,214,073	\$ 13,024,488	\$ -	\$ 48,238,561
Rights of way	22,904,319	-	-	22,904,319
Trees	287,627	-	-	287,627
Construction in progress	30,008,143	11,093,997	14,967,305	26,134,835
Total capital assets not being depreciated	<u>88,414,162</u>	<u>24,118,485</u>	<u>14,967,305</u>	<u>97,565,342</u>
<b>Capital assets being depreciated:</b>				
Buildings and improvements	10,204,711	128,970	-	10,333,681
Machinery and equipment	1,130,439	61,025	-	1,191,464
Infrastructure				
Roadways, curbs and gutters	26,270,129	1,734,042	-	28,004,171
Sidewalks and medians	5,941,024	-	12	5,941,012
Other street appurtenances	4,657,908	-	128,970	4,528,938
Total capital assets being depreciated	<u>48,204,211</u>	<u>1,924,037</u>	<u>128,982</u>	<u>49,999,266</u>
Less accumulated depreciation for:				
Buildings and improvements	(4,792,602)	(219,688)	-	(5,012,290)
Machinery and equipment	(832,121)	(232,632)	-	(1,064,753)
Infrastructure				
Roadways, curbs and gutters	(10,515,534)	(498,206)	-	(11,013,740)
Sidewalks and medians	(2,386,446)	(140,275)	-	(2,526,721)
Other street appurtenances	(2,055,677)	(94,926)	-	(2,150,603)
Total accumulated depreciation	<u>(20,582,380)</u>	<u>(1,185,727)</u>	<u>-</u>	<u>(21,768,107)</u>
Capital assets being depreciated, net	<u>27,621,831</u>	<u>738,310</u>	<u>128,982</u>	<u>28,231,159</u>
Governmental activities capital assets, net	<u>\$ 116,035,993</u>	<u>\$ 24,856,795</u>	<u>\$ 15,096,287</u>	<u>\$ 125,796,501</u>

**Internal Service Fund (Allocated to Governmental Activities)**

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
<b>Capital assets being depreciated:</b>				
Machinery and equipment	\$ 3,248,357	\$ -	\$ 73,000	\$ 3,175,357
Total capital assets being depreciated	<u>3,248,357</u>	<u>-</u>	<u>73,000</u>	<u>3,175,357</u>
Less accumulated depreciation for:				
Machinery and equipment	(2,015,930)	(29,044)	(55,162)	(1,989,812)
Total accumulated depreciation	<u>(2,015,930)</u>	<u>(29,044)</u>	<u>(55,162)</u>	<u>(1,989,812)</u>
Capital assets being depreciated, net	<u>\$ 1,232,427</u>	<u>\$ (29,044)</u>	<u>\$ 17,838</u>	<u>\$ 1,185,545</u>

**City of Lynwood**  
**Notes to Financial Statements**  
**Year ended June 30, 2010**

**NOTE 9 CAPITAL ASSETS (CONTINUED)**

Total Governmental Activities

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
<b>Governmental Activities</b>				
<b>Capital assets not being depreciated</b>				
Land	\$ 35,214,073	\$ 13,024,488	\$ -	\$ 48,238,561
Rights of way	22,904,319	-	-	22,904,319
Trees	287,627	-	-	287,627
Construction in progress	32,817,973	8,284,167	14,967,305	26,134,835
Total capital assets not being depreciated	<u>91,223,992</u>	<u>21,308,655</u>	<u>14,967,305</u>	<u>97,565,342</u>
<b>Capital assets, being depreciated:</b>				
Buildings and improvements	10,204,711	128,970	-	10,333,681
Machinery and equipment	4,378,796	61,025	73,000	4,366,821
Infrastructure				
Roadways, curbs and gutters	26,270,129	1,734,042	-	28,004,171
Sidewalks and medians	5,941,024	-	12	5,941,012
Other street appurtenances	4,657,908	-	128,970	4,528,938
Total capital assets, being depreciated	<u>51,452,568</u>	<u>1,924,037</u>	<u>201,982</u>	<u>53,174,623</u>
Less accumulated depreciation for:				
Buildings and improvements	(4,792,602)	(219,688)	-	(5,012,290)
Machinery and equipment	(2,848,051)	(261,676)	(55,162)	(3,054,565)
Infrastructure				
Roadways, curbs and gutters	(10,515,534)	(498,206)	-	(11,013,740)
Sidewalks and medians	(2,386,446)	(140,275)	-	(2,526,721)
Other street appurtenances	(2,055,677)	(94,926)	-	(2,150,603)
Total accumulated depreciation	<u>(22,598,310)</u>	<u>(1,214,771)</u>	<u>(55,162)</u>	<u>(23,757,919)</u>
Capital assets, being depreciated, net	<u>28,854,258</u>	<u>709,266</u>	<u>146,820</u>	<u>29,416,704</u>
Governmental Activities Capital Assets, Net	<u>\$ 120,078,250</u>	<u>\$ 22,017,921</u>	<u>\$ 15,114,125</u>	<u>\$ 126,982,046</u>

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

	Governmental	Internal Service	Total
General government	\$ 199,871	\$ -	\$ 199,871
Public safety	8,143	-	8,143
Public works	887,122	29,044	916,166
Community development	2,140	-	2,140
Parks and recreation	88,451	-	88,451
	<u>\$ 1,185,727</u>	<u>\$ 29,044</u>	<u>\$ 1,214,771</u>

**NOTE 9      CAPITAL ASSETS (CONTINUED)**

**Business-type Activities**

Capital asset business-type activity (Water activity) for the year ended June 30, 2010 was as follows:

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
<b>Water Activity:</b>				
<b>Capital assets not being depreciated</b>				
Land	\$ 37,252	\$ -	\$ -	\$ 37,252
Total capital assets not being depreciated	<u>37,252</u>	<u>-</u>	<u>-</u>	<u>37,252</u>
<b>Capital assets being depreciated:</b>				
Buildings and improvements	49,197	-	-	49,197
Infrastructure	13,096,117	263,974	-	13,360,091
Total capital assets being depreciated	<u>13,145,314</u>	<u>263,974</u>	<u>-</u>	<u>13,409,288</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,940)	(710)	-	(10,650)
Infrastructure	(5,474,459)	(330,060)	-	(5,804,519)
Total accumulated depreciation	<u>(5,484,399)</u>	<u>(330,770)</u>	<u>-</u>	<u>(5,815,169)</u>
Capital assets being depreciated, net	<u>7,660,915</u>	<u>(66,796)</u>	<u>-</u>	<u>7,594,119</u>
Water capital assets, net	<u>\$ 7,698,167</u>	<u>\$ (66,796)</u>	<u>\$ -</u>	<u>\$ 7,631,371</u>

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

Business-type Activities:	
Water	\$330,770

**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, 2010:

	Balance June 30, 2009	Additions	Repayments	Balance June 30, 2010	Due Within One Year
<b>Governmental Activities:</b>					
Compensated absences	\$ 1,545,059	\$ 1,011,726	\$ (158,794)	\$ 2,397,991	\$ 1,048,493
Other postemployment benefits	1,973,597	2,551,076	(449,092)	4,075,581	-
Capital leases payable	170,956	-	(170,956)	-	-
Tax allocation bonds	12,690,000	-	(355,000)	12,335,000	375,000
HUD loan payable	5,725,000	-	(300,000)	5,425,000	320,000
Claims payable	3,567,839	5,171,609	(4,939,187)	3,800,261	950,065
Note payable - Grae Atlantic	602,798	-	(13,546)	589,252	15,036
CEC loan	-	265,100	-	265,100	34,185
Revenue bonds	9,975,000	-	(515,000)	9,460,000	535,000
Deferred amount on refunding	(576,784)	83,060	-	(493,724)	-
Total	<u>\$ 35,673,465</u>	<u>\$ 9,082,571</u>	<u>\$ (6,901,575)</u>	<u>\$ 37,854,461</u>	<u>\$ 3,277,779</u>
<b>Business-type Activities:</b>					
Compensated absences	\$ 289,845	\$ 243,436	\$ (217,384)	\$ 315,897	\$ 236,923
Revenue bonds	21,279,485	4,806	(300,000)	20,984,291	310,000
Deferred amount on refunding	(289,804)	16,459	-	(273,345)	-
Total	<u>\$ 21,279,526</u>	<u>\$ 264,701</u>	<u>\$ (517,384)</u>	<u>\$ 21,026,843</u>	<u>\$ 546,923</u>

Governmental activities long-term debt at June 30, 2010 consisted of the following:

Capital Lease Obligation

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 capital lease was paid in full during the year ended June 30, 2010.

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, 2010, the total unpaid principal balance was \$12,335,000.

**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, 2010 was \$5,425,000.

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, 2010 is \$3,800,261.

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, 2010 is \$589,252.

CEC Loan

On May 28, 2008, the State of California, Energy Resources Conservation and Development Commission loaned \$265,100 to the City. The funds are to be used to finance energy efficiency projects. The interest rate charged in the loan 3.95% per annum and final maturity date of the loan is June 22, 2017. Principal and interest payments are due every December and June starting in 2010. The balance of the loan outstanding at June 30, 2010 was \$265,100.

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, 2010 is \$3,760,000.

**NOTE 10      LONG-TERM LIABILITIES (CONTINUED)**

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, 2010 was \$5,700,000.

Business-type long-term debt at June 30, 2010 consisted of the following:

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, 2010 including unamortized premium of \$26,604 was \$5,941,604.

**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 debt or old debt which is 150 months. At June 30, 2010, the accumulated amortization was \$7,835.

The principal balance outstanding at June 30, 2010 including unamortized discount of \$43,138 was \$9,391,862.

**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, 2010, the accumulated amortization was \$12,122.

The principal balance outstanding at June 30, 2009 including unamortized discount of \$84,175 was \$5,650,825.

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, 2010 including interest are as follows:

1999 Tax Allocation Bonds A:			
Year ending June 30,	Principal	Interest	Total
2011	\$ -	\$ 602,482	\$ 602,482
2012	-	602,482	602,482
2013	-	602,482	602,482
2014	395,000	590,929	985,929
2015	420,000	567,090	987,090
2016-2020	2,515,000	2,423,323	4,938,323
2021-2025	3,385,000	1,560,993	4,945,993
2026-2029	3,520,000	430,700	3,950,700
Totals	\$ 10,235,000	\$ 7,380,481	\$ 17,615,481

**NOTE 10      LONG-TERM LIABILITIES (CONTINUED)**

Governmental Long-term Debt Amortization (continued)

1999 Tax Allocation Bonds B			
Year ending June 30,	Principal	Interest	Total
2011	\$ 335,000	\$ 71,336	\$ 406,336
2012	370,000	44,370	414,370
2013	395,000	15,109	410,109
Totals	\$ 1,100,000	\$ 130,815	\$ 1,230,815

1999 Tax Allocation Bonds Alameda			
Year ending June 30,	Principal	Interest	Total
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	55,000	49,928	104,928
2016-2020	325,000	192,938	517,938
2021-2025	440,000	73,395	513,395
Totals	\$ 1,000,000	\$ 546,525	\$ 1,546,525

HUD Section 108 Loan			
Year ending June 30,	Principal	Interest	Total
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	405,000	222,933	627,933
2016-2020	2,440,000	729,352	3,169,352
2021-2022	1,180,000	72,030	1,252,030
Totals	\$ 5,425,000	\$ 2,107,505	\$ 7,532,505

**NOTE 10      LONG-TERM LIABILITIES (CONTINUED)**

Governmental Long-term Debt Amortization (continued)

Public Financing Authority 1999 Lease Revenue Refunding Bonds			
Year ending June 30,	Principal	Interest	Total
2011	\$ -	\$ 236,340	\$ 236,340
2012	-	236,340	236,340
2013	-	236,340	236,340
2014	-	236,340	236,340
2015	-	236,340	236,340
2016-2020	245,000	1,174,044	1,419,044
2021-2025	1,485,000	884,249	2,369,249
2026-2030	2,030,000	336,125	2,366,125
Totals	\$ 3,760,000	\$ 3,576,118	\$ 7,336,118

Public Financing Authority 2003 Lease Revenue Refunding Bonds			
Year ending June 30,	Principal	Interest	Total
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	625,000	154,172	779,172
2016-2019	2,810,000	287,750	3,097,750
Totals	\$ 5,700,000	\$ 1,305,176	\$ 7,005,176

Note Payable - Grae Atlantic			
Year ending June 30,	Principal	Interest	Total
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	22,826	57,028	79,854
2016-2020	157,791	241,479	399,270
2021-2025	265,886	133,384	399,270
2026	71,933	7,913	79,846
Totals	\$ 589,252	\$ 688,404	\$ 1,277,656

**NOTE 10      LONG-TERM LIABILITIES (CONTINUED)**

Governmental Long-term Debt Amortization (continued)

CEC Loan			
Year ending June 30,	Principal	Interest	Total
2011	\$ 34,185	\$ 9,425	\$ 43,610
2012	34,805	8,805	43,610
2013	36,217	7,394	43,611
2014	37,661	5,949	43,610
2015	39,163	4,447	43,610
2016-2017	83,069	4,151	87,220
Totals	\$ 265,100	\$ 40,171	\$ 305,271

Total Long-term Debt			
Year ending June 30,	Principal	Interest	Total
2011	\$ 1,279,221	\$ 1,591,392	\$ 2,870,613
2012	1,361,495	1,522,626	2,884,121
2013	1,429,743	1,447,096	2,876,839
2014	1,483,225	1,370,317	2,853,542
2015	1,566,989	1,291,938	2,858,927
2016-2020	8,575,860	5,053,037	13,628,897
2021-2025	6,755,886	2,724,051	9,479,937
2026-2030	5,621,933	774,738	6,396,671
Totals	\$ 28,074,352	\$ 15,775,195	\$ 43,849,547

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
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	160,000	266,250	426,250
2016-2020	935,000	1,202,000	2,137,000
2021-2025	1,190,000	944,250	2,134,250
2026-2030	1,525,000	615,000	2,140,000
2031-2034	1,515,000	194,000	1,709,000
Plus - premium	26,604	-	26,604
Totals	\$ 5,941,604	\$ 4,154,512	\$ 10,290,116

**NOTE 10      LONG-TERM LIABILITIES (CONTINUED)**

Business-type Long-term Debt Amortization

2008 Enterprise Revenue Bonds			
Year ending June 30,	Principal	Interest	Total
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	205,000	436,831	641,831
2016-2020	1,160,000	2,034,156	3,194,156
2021-2025	1,450,000	1,741,838	3,191,838
2026-2030	1,825,000	1,362,400	3,187,400
2031-2035	2,350,000	848,350	3,198,350
2036-2038	1,725,000	188,663	1,913,663
Less - discount	(43,138)	-	(43,138)
Totals	\$ 9,391,862	\$ 8,443,512	\$ 17,835,374

2009 Enterprise Revenue Bonds			
Year ending June 30,	Principal	Interest	Total
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	105,000	258,800	363,800
2016-2020	575,000	1,232,675	1,807,675
2021-2025	2,285,000	1,000,088	3,285,088
2026-2029	2,595,000	330,488	2,925,488
Less - discount	(84,175)	-	(84,175)
Totals	\$ 5,650,825	\$ 3,873,826	\$ 9,524,651

Total Long-term Debt			
Year ending June 30,	Principal	Interest	Total
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	470,000	961,881	1,431,881
2016-2020	2,670,000	4,468,831	7,138,831
2021-2025	4,925,000	3,686,176	8,611,176
2026-2030	5,945,000	2,307,888	8,252,888
2031-2035	3,865,000	1,042,350	4,907,350
2036-2038	1,725,000	188,663	1,913,663
Less - discount	(100,709)	-	(100,709)
Totals	\$ 20,984,291	\$ 16,665,850	\$ 37,650,141

**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.

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 2009/10 was 18.416% 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 (CONTINUED)**

**Annual Pension Cost**

For the year ended June 30, 2010, the City's annual pension cost of \$1,712,488 and \$767,469 for PERS' miscellaneous and safety plan, respectively, were equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 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 - Miscellaneous Plan

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC contributed	Net Pension Obligation
6/30/2008	\$ 1,660,098	100%	\$ -
6/30/2009	1,678,342	100%	-
6/30/2010	1,712,488	100%	-

Three-Year Trend Information - Safety Plan

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC contributed	Net Pension Obligation
6/30/2008	\$ 746,964	100%	\$ -
6/30/2009	740,547	100%	-
6/30/2010	767,469	100%	-

**NOTE 11      DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Funded Status and Funding Progress**

Miscellaneous Plan

As of June 30, 2009, the most recent actuarial valuation date, the plan was 79.0% funded. The actuarial accrued liability for benefits was \$62,055,419 and the actuarial value of assets was \$48,993,622 resulting in an unfunded actuarial accrued liability (UAAL) of \$13,061,797. The covered payroll (annual payroll of active employees covered by the plan) was \$8,918,829 and the ratio of the UAAL to the covered payroll was 146.4%.

Safety Plan

The City of Lynwood's Safety Plan is part of the Inactive Agency Risk Pool, a cost-sharing multiple-employer defined benefit plan. As of June 30, 2009, the most recent actuarial valuation date, the risk pool was 92.2% funded. The actuarial accrued liability for benefits was \$480,513,699 and the actuarial value of assets was \$442,936,897 resulting in an unfunded actuarial accrued liability (UAAL) of \$37,576,802. 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. As of June 30, 2010, there is no separate audited financial report available for the said plan.

Eligible participants to the plan at June 30, 2010, 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, 2010, 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, 2010, those costs totaled \$449,092.

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, 2010:

**NOTE 12      OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

	Amount
Annual required contribution	\$ 2,482,000
Interest on net <i>OPEB</i> obligation	69,076
Annual <i>OPEB</i> cost (expense)	2,551,076
Contributions to irrevocable trust	-
Premium payments including benefit payments	449,092
Increase in net <i>OPEB</i> obligation	2,101,984
Net <i>OPEB</i> obligation - beginning of year	1,973,597
Net <i>OPEB</i> obligation - end of year	\$ 4,075,581

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.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the type of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the plan members at that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

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.

The City's annual *OPEB* cost, the percentage of annual *OPEB* cost contributed to the plan, and the net *OPEB* obligation for 2010 were:

Fiscal Year Ended	Annual Pension Cost (APC)	Annual Contribution	Percentage of APC contributed	Net Pension Obligation
6/30/2008	N/A	N/A	N/A	N/A
6/30/2009	\$ 2,482,000	\$ 508,403	20%	\$ 2,482,000
6/30/2010	2,551,076	449,092	18%	2,551,076

**NOTE 12 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

The funded status of the plan as of June 30, 2010, 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)	\$	<u>27,232,000</u>
Funded ratio (actuarial value of plan assets AAL)		-
Covered Payroll	\$	<u>9,340,000</u>
UAAL as a percentage of covered payroll		<u>292%</u>
Normal cost	\$	<u>1,480,000</u>

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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 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.

**NOTE 13      NET ASSETS AND FUND BALANCE RESERVATIONS (CONTINUED)**

*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 \$1,040,176.

**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.
- b. 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.
- c. The reserve for housing represents the 20% housing set aside money in the Lynwood Redevelopment Agency.
- d. The reserve for retirement represents amounts set aside to be used to fund employees' retirement in the future.
- e. The reserve for debt service represents funds available for the payment of principal and interest on long-term debt.
- f. 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.

**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.

**NOTE 14      RISK MANAGEMENT (CONTINUED)**

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:

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

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.

**NOTE 14      RISK MANAGEMENT (CONTINUED)**

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.

While the ultimate amount of losses incurred through June 30, 2010 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, 2010:

	<u>Workers'</u> <u>Compensation</u>	<u>General</u> <u>Liability</u>	<u>Total</u>
Claims and judgments at July 1, 2009	\$ 1,902,579	\$ 1,665,260	\$ 3,567,839
Claims payment	3,877,546	1,294,063	5,171,609
Claims incurred and changes in estimates	<u>(4,040,392)</u>	<u>(898,795)</u>	<u>(4,939,187)</u>
Claims and judgments at June 30, 2010	<u>\$ 1,739,733</u>	<u>\$ 2,060,528</u>	<u>\$ 3,800,261</u>

As of June 30, 2010 the unpaid workers' compensation claims in the amount of \$1,739,733 was reported in the self-insurance fund. The unpaid general liability claims in the amount of \$2,060,528 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**

**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 (the 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.

**Multi-Family Housing Project:**

**Park Place**

The Agency extended a note in the amount of \$7,591,398 and a \$191,711 forgivable HOME CHDO loan to AMCAL Multi-Housing, Inc. (Developer) on June 16, 2009 to build the Park Place Project. The Agency loan bears a 3% interest rate to be repaid with 20% of residual receipts. The 99 apartment units will be located at the north west side of Atlantic Avenue and Carlin Avenue and 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

The total project cost is estimated at \$28,086,276.

**NOTE 16    COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Others**

During the year, a trial court ordered the Agency to pay for a plaintiffs' attorneys' fees and costs in the sum of approximately \$600,000 in connection with a case settled in March 2009. The plaintiffs appealed that order and have filed their opening brief in the Court of Appeals requesting for a higher amount. The Agency filed a respondent's brief in October 2010. As of February 11, 2011, the case is still pending. The Agency recorded a liability approximately \$600,000 as of June 30, 2010 since the claim was denied by the Agency's insurance carrier.

There are other claims against the City which have been denied and referred to the City's insurance carrier. The City 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 City 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, 2010.

**NOTE 18    PRIOR PERIOD ADJUSTMENTS**

Government-wide financial statements

During the year, the City corrected the beginning balance of the capital assets – construction in progress balance. The City booked an additional construction in progress amounting to \$2.8 million that was not recognized in prior year.

Governmental funds financial statements

During the year, the City determined that land held for resale amounting to \$514,156 should have been reported under Redevelopment Low/Mod Income Housing Area "A" Special Revenue Fund accounts instead of HUD Home Program Special Revenue Fund accounts. An adjustment was made during the year to correct the land held for resale amount and the fund balance of the Low/Mod Income Housing Area "A" Special Revenue Fund and HUD Home Program Special Revenue Fund.

**NOTE 19    SUBSEQUENT EVENTS**

On August 1, 2010, the City issued \$8,985,000 Lease Revenue Bonds, 2010 Series A (Civic Center Improvement Project). The bonds were issued to finance the acquisition, construction, installation and equipping of certain public capital improvements for the City, refund the outstanding Lynwood Public Financing Authority Lease Revenue Bonds, Series 1999, fund a reserve fund for the bonds and pay cost of issuance of the bonds.

The City has evaluated events subsequent to June 30, 2010 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through February 11, 2011, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**City of Lynwood**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance –**  
**Budget and Actual**  
**General Fund**  
**Year ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes and assessments	\$ 18,424,584	\$ 18,335,593	\$ 18,781,031	\$ 445,438
Licenses and permits	753,600	750,600	765,165	14,565
Fines, forfeitures and penalties	1,157,750	1,157,750	1,274,636	116,886
Use of money and property	397,904	397,904	291,990	(105,914)
Intergovernmental	861,218	926,218	288,105	(638,113)
Charges for services	3,357,534	3,468,487	3,303,965	(164,522)
Administrative support	1,118,246	1,118,246	1,151,040	32,794
Miscellaneous	894,179	810,217	535,339	(274,878)
<b>Total revenues</b>	<u>26,965,015</u>	<u>26,965,015</u>	<u>26,391,271</u>	<u>(573,744)</u>
<b>Expenditures</b>				
Current:				
General government	4,496,224	5,445,584	4,542,805	902,779
Public safety	13,471,450	15,798,968	15,389,714	409,254
Public works	7,991,656	4,764,563	4,400,337	364,226
Community development	-	-	-	-
Parks and recreation	3,728,265	3,728,666	3,374,547	354,119
Capital outlay	-	-	17,854	(17,854)
<b>Total expenditures</b>	<u>29,687,595</u>	<u>29,737,781</u>	<u>27,725,257</u>	<u>2,012,524</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,722,580)</u>	<u>(2,772,766)</u>	<u>(1,333,986)</u>	<u>1,438,780</u>
<b>Other financing sources (uses)</b>				
Transfers in	2,000,622	2,000,622	1,975,963	(24,659)
Transfers out	<u>(2,092,021)</u>	<u>(2,338,990)</u>	<u>(2,372,126)</u>	<u>(33,136)</u>
<b>Net other financing sources (uses)</b>	<u>(91,399)</u>	<u>(338,368)</u>	<u>(396,163)</u>	<u>(57,795)</u>
<b>Net change in fund balances</b>	<u>(2,813,979)</u>	<u>(3,111,134)</u>	<u>(1,730,149)</u>	<u>1,380,985</u>
<b>Fund balances - beginning of year</b>	<u>9,712,405</u>	<u>9,712,405</u>	<u>9,712,405</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 6,898,426</u>	<u>\$ 6,601,271</u>	<u>\$ 7,982,256</u>	<u>\$ 1,380,985</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, 2010**

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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 40,000	\$ 40,000	\$ 1,656	\$ (38,344)
Miscellaneous	-	-	694,701	694,701
<b>Total revenues</b>	<u>40,000</u>	<u>40,000</u>	<u>696,357</u>	<u>656,357</u>
<b>Expenditures</b>				
Current:				
General government	252,026	345,126	187,370	157,756
Community development	4,921,000	4,982,741	1,113,339	3,869,402
Debt service:				
Principal payment	45,900	45,900	56,700	(10,800)
Interest and fiscal charges	137,195	137,195	125,688	11,507
<b>Total expenditures</b>	<u>5,356,121</u>	<u>5,510,962</u>	<u>1,483,097</u>	<u>4,027,865</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(5,316,121)	(5,470,962)	(786,740)	4,684,222
<b>Other financing sources</b>				
Transfers in	3,818,766	3,818,766	1,447,960	(2,370,806)
<b>Net change in fund balances</b>	(1,497,355)	(1,652,196)	661,220	2,313,416
<b>Fund balances - beginning of year</b>	<u>6,031,853</u>	<u>6,031,853</u>	<u>6,031,853</u>	-
<b>Fund balances - end of year</b>	<u>\$ 4,534,498</u>	<u>\$ 4,379,657</u>	<u>\$ 6,693,073</u>	<u>\$ 2,313,416</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, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ 42	\$ 42
Intergovernmental	1,636,225	1,636,225	788,293	(847,932)
<b>Total revenues</b>	<u>1,636,225</u>	<u>1,636,225</u>	<u>788,335</u>	<u>(847,890)</u>
<b>Expenditures</b>				
Current:				
Community development	1,636,225	1,750,267	588,650	1,161,617
<b>Total expenditures</b>	<u>1,636,225</u>	<u>1,750,267</u>	<u>588,650</u>	<u>1,161,617</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	(114,042)	199,685	313,727
<b>Fund balances - beginning of year</b>	323,662	323,662	323,662	-
<b>Fund balances - end of year</b>	<u>\$ 323,662</u>	<u>\$ 209,620</u>	<u>\$ 523,347</u>	<u>\$ 313,727</u>

**City of Lynwood  
California Public Retirement System  
Schedules of Funding Progress  
June 30, 2010**

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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, 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%
June 30, 2009	62,055,419	48,993,622	13,061,797	79.0%	8,918,828	146.5%

**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 data 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 STP Grant Special Revenue Fund and the Safe School Special Revenue Fund.

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**SUPPLEMENTARY INFORMATION**

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**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, 2010**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Use of money and property	\$ -	\$ 1,888	\$ 1,888
Miscellaneous	4,260	68,440	64,180
<b>Total revenues</b>	<u>4,260</u>	<u>70,328</u>	<u>66,068</u>
<b>Expenditures</b>			
Current:			
General government	1,050,657	845,281	205,376
Community development	1,646,103	928,561	717,542
Capital outlay	6,000	1,330	4,670
Debt service:			
Principal payment	80,000	13,546	66,454
Interest and fiscal charges	-	66,308	(66,308)
<b>Total expenditures</b>	<u>2,782,760</u>	<u>1,855,026</u>	<u>927,734</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(2,778,500)	(1,784,698)	993,802
<b>Other financing sources (uses)</b>			
Transfers in	<u>2,890,418</u>	<u>1,789,193</u>	<u>(1,101,225)</u>
<b>Net change in fund balances</b>	111,918	4,495	(107,423)
<b>Fund balances - beginning of year</b>	<u>2,039,380</u>	<u>2,039,380</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 2,151,298</u>	<u>\$ 2,043,875</u>	<u>\$ (107,423)</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, 2010**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Use of money and property	\$ -	\$ 3,452	\$ 3,452
Intergovernmental	-	1,010,424	\$ 1,010,424
Miscellaneous	-	171,910	171,910
<b>Total revenues</b>	<u>-</u>	<u>1,185,786</u>	<u>1,185,786</u>
<b>Expenditures</b>			
Current:			
General government	3,117,265	1,254,137	1,863,128
Capital outlay	27,706,843	8,105,906	19,600,937
<b>Total expenditures</b>	<u>30,824,108</u>	<u>9,360,043</u>	<u>21,464,065</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(30,824,108)	(8,174,257)	22,649,851
<b>Other financing sources</b>			
Transfers in	29,065,859	7,136,247	(21,929,612)
<b>Net change in fund balances</b>	(1,758,249)	(1,038,010)	720,239
<b>Fund balances - beginning of year</b>	1,730,857	1,730,857	-
<b>Fund balances - end of year</b>	<u>\$ (27,392)</u>	<u>\$ 692,847</u>	<u>\$ 720,239</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, 2010**

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Use of money and property	\$ 200,000	\$ 3,205	\$ (196,795)
<b>Total revenues</b>	200,000	3,205	(196,795)
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	-	-	-
<b>Net change in fund balances</b>	200,000	3,205	(196,795)
<b>Fund balances - beginning of year</b>	6,408,121	6,408,121	-
<b>Fund balances - end of year</b>	\$ 6,608,121	\$ 6,411,326	\$ (196,795)

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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.

Measure R - These funds are used to account for revenues and monies spent on critical transit and highway projects.

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 Community 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.

Other Grants – This fund accounts for various grant funds received by the City not included in the other funds.

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.

DOE Block Grant – This fund accounts for the Department of Education grant award from the State of California.

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.

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.

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.

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.

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.

**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 Grant 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.

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	Special Revenue Funds			
	Retirement	Traffic Safety	Gas Tax	AB 2928 Traffic Congestion Relief
<b>ASSETS</b>				
Cash and investments	\$ 888,593	\$ -	\$ 40	\$ 797,788
Receivables:				
Intergovernmental	152,913	-	109,481	-
Accounts	247	1,675	-	183,553
Interest	-	-	378	720
Notes and loans	-	-	-	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
<b>Total assets</b>	<b>\$ 1,041,753</b>	<b>\$ 1,675</b>	<b>\$ 109,899</b>	<b>\$ 982,061</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 1,577	\$ 17,363	\$ -	\$ -
Due to other funds	-	1,144,153	-	-
Due to other governments	-	-	-	-
Deferred revenue	-	-	56,452	-
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>1,577</b>	<b>1,161,516</b>	<b>56,452</b>	<b>-</b>
<b>Fund balances (deficits)</b>				
Reserved				
Reserved for land held for resale	-	-	-	-
Reserved for projects	-	-	-	-
Reserved for housing	-	-	-	-
Reserved for retirement	1,040,176	-	-	-
Reserved for debt service	-	-	-	-
Reserved for encumbrances	-	-	-	-
Unreserved reported in:				
Undesignated	-	(1,159,841)	53,447	982,061
<b>Total fund balances (deficits)</b>	<b>1,040,176</b>	<b>(1,159,841)</b>	<b>53,447</b>	<b>982,061</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,041,753</b>	<b>\$ 1,675</b>	<b>\$ 109,899</b>	<b>\$ 982,061</b>

**City of Lynwood  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2010**

Special Revenue Funds

STP Grant	SB 821	Prop A	Prop C	Measure R	Air Quality Improvement	State COPS Program
\$ -	\$ -	\$ 1,865,468	\$ 1,772,993	\$ 464,820	\$ 79,823	\$ -
110,671	-	-	-	-	-	11,416
-	-	-	540,396	-	22,250	-
-	-	2,083	2,329	376.00	79	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 110,671</u>	<u>\$ -</u>	<u>\$ 1,867,551</u>	<u>\$ 2,315,718</u>	<u>\$ 465,196</u>	<u>\$ 102,152</u>	<u>\$ 11,416</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,833
116,551	27,776	-	-	-	-	-
-	-	-	-	-	-	-
110,671	-	-	230,396	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>227,222</u>	<u>27,776</u>	<u>-</u>	<u>230,396</u>	<u>-</u>	<u>-</u>	<u>8,833</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(116,551)	(27,776)	1,867,551	2,085,322	465,196	102,152	2,583
<u>(116,551)</u>	<u>(27,776)</u>	<u>1,867,551</u>	<u>2,085,322</u>	<u>465,196</u>	<u>102,152</u>	<u>2,583</u>
<u>\$ 110,671</u>	<u>\$ -</u>	<u>\$ 1,867,551</u>	<u>\$ 2,315,718</u>	<u>\$ 465,196</u>	<u>\$ 102,152</u>	<u>\$ 11,416</u>

(Continued)

					Special Revenue Funds					
					Sheriff Drug Seizure	Lighting Maintenance	Landscape Maintenance	Impact Fees		
<b>ASSETS</b>										
Cash and investments	\$	35,348	\$	-	\$	-	\$	392,887		
Receivables:										
Intergovernmental		-		54,520		57,518		-		
Accounts		-		-		-		-		
Interest		33		-		-		558		
Notes and loans		-		-		-		-		
Due from other funds		-		-		-		-		
Restricted assets:										
Cash and investments		-		-		-		-		
Cash and investments with fiscal agents		-		-		-		-		
Advances to other funds		-		-		-		-		
Land held for resale		-		-		-		-		
<b>Total assets</b>	<b>\$</b>	<b>35,381</b>	<b>\$</b>	<b>54,520</b>	<b>\$</b>	<b>57,518</b>	<b>\$</b>	<b>393,445</b>		
<b>LIABILITIES AND FUND BALANCES</b>										
<b>Liabilities</b>										
Accounts payable and accrued liabilities	\$	145	\$	41,601	\$	63,414	\$	-		
Due to other funds		-		855,894		618,612		-		
Due to other governments		-		-		-		-		
Deferred revenue		-		-		-		-		
Deposits		-		-		-		-		
Advances from other funds		-		-		-		-		
<b>Total liabilities</b>		<b>145</b>		<b>897,495</b>		<b>682,026</b>		<b>-</b>		
<b>Fund balances (deficits)</b>										
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		35,236		(842,975)		(624,508)		393,445		
<b>Total fund balances (deficits)</b>		<b>35,236</b>		<b>(842,975)</b>		<b>(624,508)</b>		<b>393,445</b>		
<b>Total liabilities and fund balances</b>	<b>\$</b>	<b>35,381</b>	<b>\$</b>	<b>54,520</b>	<b>\$</b>	<b>57,518</b>	<b>\$</b>	<b>393,445</b>		

**City of Lynwood  
Combining Balance Sheet  
Nonmajor Governmental Funds (continued)  
June 30, 2010**

Special Revenue Funds						
Public Art	Litter Abatement	HUD 108 Loan	Housing Community Development (HUD)	Business Improvement District	Beverage Container Recycling Grant	LA County Park Maintenance Grant
\$ 308,521	\$ 217,515	\$ 169,937	\$ 953	\$ 139,446	\$ 153,327	\$ 141,250
-	-	-	237,637	-	-	-
-	47,658	-	-	-	9,079	-
295	235	-	-	131	153	153
-	-	-	585,261	-	-	-
-	-	-	26,966	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 308,816</u>	<u>\$ 265,408</u>	<u>\$ 169,937</u>	<u>\$ 850,817</u>	<u>\$ 139,577</u>	<u>\$ 162,559</u>	<u>\$ 141,403</u>
\$ -	\$ 3,043	\$ -	\$ 3,362	\$ 30,539	\$ -	\$ -
-	-	-	236,201	-	-	-
-	-	-	-	-	-	-
-	-	-	585,261	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>3,043</u>	<u>-</u>	<u>824,824</u>	<u>30,539</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>308,816</u>	<u>262,365</u>	<u>169,937</u>	<u>25,993</u>	<u>109,038</u>	<u>162,559</u>	<u>141,403</u>
<u>308,816</u>	<u>262,365</u>	<u>169,937</u>	<u>25,993</u>	<u>109,038</u>	<u>162,559</u>	<u>141,403</u>
<u>\$ 308,816</u>	<u>\$ 265,408</u>	<u>\$ 169,937</u>	<u>\$ 850,817</u>	<u>\$ 139,577</u>	<u>\$ 162,559</u>	<u>\$ 141,403</u>

(Continued)

	Special Revenue Funds			
	Other Grants	Used Oil Recycling Grant	Per Capita Grant 2000	TEA/ISTEA Grant
<b>ASSETS</b>				
Cash and investments	\$ -	\$ 13,113	\$ 6,920	\$ -
Receivables:				
Intergovernmental	125,946	-	-	-
Accounts	-	-	-	-
Interest	-	13	-	-
Notes and loans	-	-	-	-
Due from other funds	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	445,287	-	-	-
<b>Total assets</b>	<b>\$ 571,233</b>	<b>\$ 13,126</b>	<b>\$ 6,920</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 42,604	\$ 1,424	\$ -	\$ -
Due to other funds	776,522	-	-	280,392
Due to other governments	-	-	-	-
Deferred revenue	-	-	-	-
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>819,126</b>	<b>1,424</b>	<b>-</b>	<b>280,392</b>
<b>Fund balances (deficits)</b>				
Reserved				
Reserved for land held for resale	445,287	-	-	-
Reserved for projects	-	-	-	-
Reserved for housing	-	-	-	-
Reserved for retirement	-	-	-	-
Reserved for debt service	-	-	-	-
Reserved for encumbrances	-	-	-	-
Unreserved reported in:				
Undesignated	(693,180)	11,702	6,920	(280,392)
<b>Total fund balances (deficits)</b>	<b>(247,893)</b>	<b>11,702</b>	<b>6,920</b>	<b>(280,392)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 571,233</b>	<b>\$ 13,126</b>	<b>\$ 6,920</b>	<b>\$ -</b>

**City of Lynwood  
Combining Balance Sheet  
Nonmajor Governmental Funds (continued)  
June 30, 2010**

Special Revenue Funds						
DOE Block Grant	Safe School Route	State of California CEC Grant	DuPont Lead Safety Grant	Prop 1B	Justice Assistance	State Transportation Partnership
\$ -	\$ -	\$ -	\$ 104,468	\$ 686,778	\$ 298,855	\$ -
-	298,961	-	-	-	-	95,656
-	-	265,100	-	-	-	-
-	-	-	100	814	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 298,961</u>	<u>\$ 265,100</u>	<u>\$ 104,568</u>	<u>\$ 687,592</u>	<u>\$ 298,855</u>	<u>\$ 95,656</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,105	298,961	265,100	-	-	-	96,651
-	298,961	-	-	-	-	95,656
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>6,105</u>	<u>597,922</u>	<u>265,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,307</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(6,105)</u>	<u>(298,961)</u>	<u>-</u>	<u>104,568</u>	<u>687,592</u>	<u>298,855</u>	<u>(96,651)</u>
<u>(6,105)</u>	<u>(298,961)</u>	<u>-</u>	<u>104,568</u>	<u>687,592</u>	<u>298,855</u>	<u>(96,651)</u>
<u>\$ -</u>	<u>\$ 298,961</u>	<u>\$ 265,100</u>	<u>\$ 104,568</u>	<u>\$ 687,592</u>	<u>\$ 298,855</u>	<u>\$ 95,656</u>

(Continued)

**City of Lynwood  
Combining Balance Sheet  
Nonmajor Governmental Funds (continued)  
June 30, 2010**

	Special Revenue Funds		Debt	
	Roberti-Zberg Harris	Redevelopment Low/Mod Income Housing Alameda Area	City of Lynwood	Public Financing Authority
<b>ASSETS</b>				
Cash and investments	\$ 63,888	\$ 1,033,498	\$ -	\$ -
Receivables:				
Intergovernmental	-	-	-	-
Accounts	-	-	-	-
Interest	-	-	-	-
Notes and loans	-	-	-	-
Due from other funds	-	32,467	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	1,144,582	-
Advances to other funds	-	-	-	-
Land held for resale	-	426,311	-	-
<b>Total assets</b>	<b>\$ 63,888</b>	<b>\$ 1,492,276</b>	<b>\$ 1,144,582</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ -	\$ 339,071	\$ -	\$ -
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deferred revenue	-	-	-	-
Deposits	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>339,071</b>	<b>-</b>	<b>-</b>
<b>Fund balances (deficits)</b>				
Reserved				
Reserved for land held for resale	-	426,311	-	-
Reserved for projects	-	-	-	-
Reserved for housing	-	726,894	-	-
Reserved for retirement	-	-	-	-
Reserved for debt service	-	-	1,144,582	-
Reserved for encumbrances	-	-	-	-
Unreserved reported in:				
Undesignated	63,888	-	-	-
<b>Total fund balances (deficits)</b>	<b>63,888</b>	<b>1,153,205</b>	<b>1,144,582</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ 63,888</b>	<b>\$ 1,492,276</b>	<b>\$ 1,144,582</b>	<b>\$ -</b>

**City of Lynwood  
Combining Balance Sheet  
Nonmajor Governmental Funds (continued)  
June 30, 2010**

Service Funds			Capital Projects Funds			
Tax Increment Area "A"	Special Funds Area "A" Alameda	Tax Increment Alameda Area	Park Replacement	Capital Grant Loan	2003 Lease Revenue Refunding	Redevelopment Project Area "A" Taxable Bond Proceeds
\$ 1,346,547	\$ -	\$ 348,095	\$ -	\$ -	\$ -	\$ 44,197
68,615	-	155,702	-	-	-	-
1,054	-	4,535	-	-	-	-
1,834	-	349	-	-	-	27
-	-	-	-	-	-	-
37,891	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,138,960	-	-	1,297,449	1,355,012	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 1,455,941</u>	<u>\$ 1,138,960</u>	<u>\$ 508,681</u>	<u>\$ -</u>	<u>\$ 1,297,449</u>	<u>\$ 1,355,012</u>	<u>\$ 44,224</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
296,906	-	54,065	2,689,902	119,998	163,818	-
248	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
650,000	-	-	-	-	-	-
<u>947,154</u>	<u>-</u>	<u>54,065</u>	<u>2,689,902</u>	<u>119,998</u>	<u>163,818</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	1,177,451	1,191,194	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
508,787	1,138,960	454,616	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(2,689,902)	-	-	44,224
<u>508,787</u>	<u>1,138,960</u>	<u>454,616</u>	<u>(2,689,902)</u>	<u>1,177,451</u>	<u>1,191,194</u>	<u>44,224</u>
<u>\$ 1,455,941</u>	<u>\$ 1,138,960</u>	<u>\$ 508,681</u>	<u>\$ -</u>	<u>\$ 1,297,449</u>	<u>\$ 1,355,012</u>	<u>\$ 44,224</u>

(Continued)

**City of Lynwood  
Combining Balance Sheet  
Nonmajor Governmental Funds (continued)  
June 30, 2010**

	<u>Capital Project Fund</u>	
	Redevelopment Project Alameda Area	Total Nonmajor Governmental Funds
<b>ASSETS</b>		
Cash and investments	\$ 199,333	\$ 11,574,401
Receivables:		
Intergovernmental	-	1,479,036
Accounts	-	1,075,547
Interest	-	10,660
Notes and loans	-	585,261
Due from other funds	19,746	117,070
Restricted assets:		
Cash and investments	-	-
Cash and investments with fiscal agents	-	4,936,003
Advances to other funds	-	-
Land held for resale	-	871,598
<b>Total assets</b>	<b>\$ 219,079</b>	<b>\$ 20,649,576</b>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 219,079	\$ 772,055
Due to other funds	-	8,047,607
Due to other governments	-	248
Deferred revenue	-	1,377,397
Deposits	-	-
Advances from other funds	-	650,000
<b>Total liabilities</b>	<b>219,079</b>	<b>10,847,307</b>
<b>Fund balances (deficits)</b>		
Reserved		
Reserved for land held for resale	-	871,598
Reserved for projects	-	2,368,645
Reserved for housing	-	726,894
Reserved for retirement	-	1,040,176
Reserved for debt service	-	3,246,945
Reserved for encumbrances	-	-
Unreserved reported in:		
Undesignated	-	1,548,011
<b>Total fund balances (deficits)</b>	<b>-</b>	<b>9,802,269</b>
<b>Total liabilities and fund balances</b>	<b>\$ 219,079</b>	<b>\$ 20,649,576</b>

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	Special Revenue Funds			
	Retirement	Traffic Safety	Gas Tax	AB 2928 Traffic Congestion Relief
<b>Revenues</b>				
Taxes and assessments	\$ 2,695,725	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	-	-	887	2,487
Intergovernmental	-	-	1,120,473	662,023
Charges for services	-	-	-	-
Program income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>2,695,725</u>	<u>-</u>	<u>1,121,360</u>	<u>664,510</u>
<b>Expenditures</b>				
Current:				
General government	767,470	-	-	-
Public safety	-	1,806,386	-	-
Public works	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Pass through to other agencies	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal payment	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<u>767,470</u>	<u>1,806,386</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,928,255</u>	<u>(1,806,386)</u>	<u>1,121,360</u>	<u>664,510</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	1,784,852	-	-
Transfers out	<u>(1,729,122)</u>	<u>-</u>	<u>(1,312,552)</u>	<u>(166,383)</u>
<b>Net other financing sources (uses)</b>	<u>(1,729,122)</u>	<u>1,784,852</u>	<u>(1,312,552)</u>	<u>(166,383)</u>
<b>Net change in fund balances</b>	199,133	(21,534)	(191,192)	498,127
<b>Fund balances (deficits) - beginning of year, as restated</b>	841,043	(1,138,307)	244,639	483,934
<b>Fund balances (deficits) - end of year</b>	<u>\$ 1,040,176</u>	<u>\$ (1,159,841)</u>	<u>\$ 53,447</u>	<u>\$ 982,061</u>

**City of Lynwood**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**Year ended June 30, 2010**

Special Revenue Funds

STP Grant	SB 821	Prop A	Prop C	Measure R	Air Quality Improvement	State COPS Program
\$ -	\$ -	\$ 930,627	\$ 771,996	464,492	\$ -	\$ -
-	-	-	-	-	-	-
-	-	9,320	15,990	704	434	-
-	-	-	-	-	105,721	116,393
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>939,947</u>	<u>787,986</u>	<u>465,196</u>	<u>106,155</u>	<u>116,393</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	113,810
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,810</u>
<u>-</u>	<u>-</u>	<u>939,947</u>	<u>787,986</u>	<u>465,196</u>	<u>106,155</u>	<u>2,583</u>
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(795,459)</u>	<u>(2,774,479)</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>(795,459)</u>	<u>(2,774,479)</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>
-	-	144,488	(1,986,493)	465,196	6,155	2,583
<u>(116,551)</u>	<u>(27,776)</u>	<u>1,723,063</u>	<u>4,071,815</u>	<u>-</u>	<u>95,997</u>	<u>-</u>
<u>\$ (116,551)</u>	<u>\$ (27,776)</u>	<u>\$ 1,867,551</u>	<u>\$ 2,085,322</u>	<u>\$ 465,196</u>	<u>\$ 102,152</u>	<u>\$ 2,583</u>

(Continued)

Special Revenue Funds				
	Sheriff Drug Seizure	Lighting Maintenance	Landscape Maintenance	Impact Fees
<b>Revenues</b>				
Taxes and assessments	\$ -	\$ 1,046,512	\$ 1,090,114	\$ 64,767
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	1,947	-	-	-
Use of money and property	160	19,187	14,929	2,939
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Program income	-	-	-	-
Miscellaneous	-	504	-	-
<b>Total revenues</b>	<u>2,107</u>	<u>1,066,203</u>	<u>1,105,043</u>	<u>67,706</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	1,421	-	-	-
Public works	-	1,024,858	1,425,880	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Pass through to other agencies	-	-	-	-
Capital outlay	-	-	11,315	-
Debt service:				
Principal payment	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<u>1,421</u>	<u>1,024,858</u>	<u>1,437,195</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>686</u>	<u>41,345</u>	<u>(332,152)</u>	<u>67,706</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	142,566	709,658	-
Transfers out	-	(238,780)	(238,779)	(286,378)
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>(96,214)</u>	<u>470,879</u>	<u>(286,378)</u>
<b>Net change in fund balances</b>	686	(54,869)	138,727	(218,672)
<b>Fund balances (deficits) - beginning of year, as restated</b>	34,550	(788,106)	(763,235)	612,117
<b>Fund balances (deficits) - end of year</b>	<u>\$ 35,236</u>	<u>\$ (842,975)</u>	<u>\$ (624,508)</u>	<u>\$ 393,445</u>

**City of Lynwood**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds (continued)**  
**Year ended June 30, 2010**

Special Revenue Funds						
Public Art	Litter Abatement	HUD 108 Loan	Housing Community Development (HUD)	Business Improvement District	Beverage Container Recycling Grant	LA County Park Maintenance Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	122,394	-	-
-	-	-	-	-	-	-
1,382	883	85	15,961	243	712	772
-	-	-	1,744,131	-	9,079	-
27,305	409,460	-	-	-	-	-
-	-	-	47,400	-	-	-
-	-	-	-	-	-	-
<u>28,687</u>	<u>410,343</u>	<u>85</u>	<u>1,807,492</u>	<u>122,637</u>	<u>9,791</u>	<u>772</u>
-	-	-	349,921	-	-	-
-	-	-	-	-	-	-
-	293,776	-	328,006	-	-	-
-	-	-	164,767	32,120	828	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	151,714	-	-	-
-	<u>293,776</u>	-	<u>994,408</u>	<u>32,120</u>	<u>828</u>	-
<u>28,687</u>	<u>116,567</u>	<u>85</u>	<u>813,084</u>	<u>90,517</u>	<u>8,963</u>	<u>772</u>
-	-	-	-	-	-	-
-	-	-	(219,741)	-	-	(28,311)
-	-	-	(219,741)	-	-	(28,311)
<u>28,687</u>	<u>116,567</u>	<u>85</u>	<u>593,343</u>	<u>90,517</u>	<u>8,963</u>	<u>(27,539)</u>
280,129	145,798	169,852	(567,350)	18,521	153,596	168,942
<u>\$ 308,816</u>	<u>\$ 262,365</u>	<u>\$ 169,937</u>	<u>\$ 25,993</u>	<u>\$ 109,038</u>	<u>\$ 162,559</u>	<u>\$ 141,403</u>

(Continued)

	Special Revenue Funds			
	Other Grants	Used Oil Recycling Grant	Per Capita Grant 2000	TEA/ISTEA Grant
<b>Revenues</b>				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	-	95	-	-
Intergovernmental	1,478,660	-	68,474	-
Charges for services	-	-	-	-
Program income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>1,478,660</u>	<u>95</u>	<u>68,474</u>	<u>-</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	14,916	-	-
Community development	184,598	-	-	-
Parks and recreation	-	-	-	-
Pass through to other agencies	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal payment	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<u>184,598</u>	<u>14,916</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,294,062</u>	<u>(14,821)</u>	<u>68,474</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(1,520,678)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net other financing sources (uses)</b>	<u>(1,520,678)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(226,616)</u>	<u>(14,821)</u>	<u>68,474</u>	<u>-</u>
<b>Fund balances (deficits) - beginning of year, as restated</b>	<u>(21,277)</u>	<u>26,523</u>	<u>(61,554)</u>	<u>(280,392)</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ (247,893)</u>	<u>\$ 11,702</u>	<u>\$ 6,920</u>	<u>\$ (280,392)</u>

**City of Lynwood**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds (continued)**  
**Year ended June 30, 2010**

Special Revenue Funds						
DOE Block Grant	Safe School Route	State of California CEC Grant	DuPont Lead Safety Grant	Prop 1B	Justice Assistance	State Transportation Partnership
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	481	4,282	30	-
34,296	-	265,100	-	-	402,844	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>34,296</u>	<u>-</u>	<u>265,100</u>	<u>481</u>	<u>4,282</u>	<u>402,874</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	11,867	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,867</u>	<u>-</u>
<u>34,296</u>	<u>-</u>	<u>265,100</u>	<u>481</u>	<u>4,282</u>	<u>391,007</u>	<u>-</u>
-	-	-	-	-	-	-
<u>(40,401)</u>	<u>-</u>	<u>(261,021)</u>	<u>-</u>	<u>(267,371)</u>	<u>-</u>	<u>(995)</u>
<u>(40,401)</u>	<u>-</u>	<u>(261,021)</u>	<u>-</u>	<u>(267,371)</u>	<u>-</u>	<u>(995)</u>
(6,105)	-	4,079	481	(263,089)	391,007	(995)
-	(298,961)	(4,079)	104,087	950,681	(92,152)	(95,656)
<u>\$ (6,105)</u>	<u>\$ (298,961)</u>	<u>\$ -</u>	<u>\$ 104,568</u>	<u>\$ 687,592</u>	<u>\$ 298,855</u>	<u>\$ (96,651)</u>

(Continued)

	Special Revenue Funds			Debt
	Roberti-Zberg Harris	Redevelopment Low/Mod Income Housing Alameda Area	City of Lynwood	Public Financing Authority
<b>Revenues</b>				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	-	1,480	-	-
Intergovernmental	79,241	-	-	-
Charges for services	-	-	-	-
Program income	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>79,241</u>	<u>1,480</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Current:				
General government	-	46,757	-	10,081
Public safety	-	-	-	-
Public works	-	-	-	-
Community development	-	368,588	-	-
Parks and recreation	-	-	-	-
Pass through to other agencies	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal payment	-	15,200	685,956	-
Interest and fiscal charges	-	24,362	507,946	-
<b>Total expenditures</b>	<u>-</u>	<u>454,907</u>	<u>1,193,902</u>	<u>10,081</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>79,241</u>	<u>(453,427)</u>	<u>(1,193,902)</u>	<u>(10,081)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	171,444	1,281,142	10,081
Transfers out	(15,353)	-	-	-
<b>Net other financing sources (uses)</b>	<u>(15,353)</u>	<u>171,444</u>	<u>1,281,142</u>	<u>10,081</u>
<b>Net change in fund balances</b>	63,888	(281,983)	87,240	-
<b>Fund balances (deficits) - beginning of year, as restated</b>	-	1,435,188	1,057,342	-
<b>Fund balances (deficits) - end of year</b>	<u>\$ 63,888</u>	<u>\$ 1,153,205</u>	<u>\$ 1,144,582</u>	<u>\$ -</u>

**City of Lynwood**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds (continued)**  
**Year ended June 30, 2010**

Service Funds			Capital Projects Funds			
Tax Increment Area "A"	Special Funds Area "A" Alameda	Tax Increment Alameda Area	Park Replacement	Capital Project Loan	2003 Lease Revenue Refunding	Redevelopment Project Area "A" Taxable Bond Proceeds
\$ 5,267,610	\$ -	\$ 837,520	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
5,316	-	1,700	-	-	-	94
-	-	-	-	-	-	-
48,077	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>5,321,003</u>	<u>-</u>	<u>839,220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94</u>
108,504	-	14,556	-	-	-	-
-	-	-	-	-	-	-
1,993,341	-	9,386	-	-	-	-
-	-	-	-	-	-	-
214,996	-	35,025	-	-	-	-
-	-	-	-	-	-	-
258,300	-	24,800	-	-	-	-
615,478	198	39,749	-	-	-	-
<u>3,190,619</u>	<u>198</u>	<u>123,516</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,130,384</u>	<u>(198)</u>	<u>715,704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94</u>
-	-	-	-	-	-	-
<u>(3,237,153)</u>	<u>-</u>	<u>(783,460)</u>	<u>(117,655)</u>	<u>(63,964)</u>	<u>(15,107)</u>	<u>-</u>
<u>(3,237,153)</u>	<u>-</u>	<u>(783,460)</u>	<u>(117,655)</u>	<u>(63,964)</u>	<u>(15,107)</u>	<u>-</u>
(1,106,769)	(198)	(67,756)	(117,655)	(63,964)	(15,107)	94
1,615,556	1,139,158	522,372	(2,572,247)	1,241,415	1,206,301	44,130
<u>\$ 508,787</u>	<u>\$ 1,138,960</u>	<u>\$ 454,616</u>	<u>\$ (2,689,902)</u>	<u>\$ 1,177,451</u>	<u>\$ 1,191,194</u>	<u>\$ 44,224</u>

(Continued)

**City of Lynwood**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds (continued)**  
**Year ended June 30, 2010**

	<u>Capital Projects Fund</u>	
	Redevelopment	
	Project	Total Nonmajor
	Alameda	Governmental
	Area	Funds
	<u>                    </u>	<u>                    </u>
<b>Revenues</b>		
Taxes and assessments	\$ -	\$ 13,169,363
Licenses and permits	-	122,394
Fines, forfeitures and penalties	-	1,947
Use of money and property	-	100,553
Intergovernmental	-	6,086,435
Charges for services	-	436,765
Program income	-	95,477
Miscellaneous	-	504
<b>Total revenues</b>	<u>-</u>	<u>20,013,438</u>
<b>Expenditures</b>		
Current:		
General government	485,392	1,782,681
Public safety	-	1,933,484
Public works	-	3,087,436
Community development	127,840	2,881,468
Parks and recreation	-	-
Pass through to other agencies	-	250,021
Capital outlay	-	11,315
Debt service:		
Principal payment	-	984,256
Interest and fiscal charges	-	1,339,447
<b>Total expenditures</b>	<u>613,232</u>	<u>12,270,108</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(613,232)</u>	<u>7,743,330</u>
<b>Other financing sources (uses)</b>		
Transfers in	612,016	4,711,759
Transfers out	<u>-</u>	<u>(14,213,142)</u>
<b>Net other financing sources (uses)</b>	<u>612,016</u>	<u>(9,501,383)</u>
<b>Net change in fund balances</b>	(1,216)	(1,758,053)
<b>Fund balances (deficits) - beginning of year, as restated</b>	<u>1,216</u>	<u>11,560,322</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ -</u>	<u>\$ 9,802,269</u>

**City of Lynwood**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Retirement Special Revenue Fund**  
**Year ended June 30, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Taxes and assessments	\$ 2,496,592	\$ 2,695,725	\$ 199,133
<b>Total revenues</b>	<u>2,496,592</u>	<u>2,695,725</u>	<u>199,133</u>
<b>Expenditures</b>			
Current:			
General government	767,470	767,470	-
<b>Total expenditures</b>	<u>767,470</u>	<u>767,470</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	1,729,122	1,928,255	199,133
<b>Other financing uses</b>			
Transfers out	<u>(1,729,122)</u>	<u>(1,729,122)</u>	<u>-</u>
<b>Net change in fund balances</b>	-	199,133	199,133
<b>Fund balances - beginning of year</b>	<u>841,043</u>	<u>841,043</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 841,043</u>	<u>\$ 1,040,176</u>	<u>\$ 199,133</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, 2010**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Charges for services	\$ 50,000	\$ -	\$ (50,000)
<b>Total revenues</b>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
<b>Expenditures</b>			
Current:			
Public safety	1,949,411	1,806,386	143,025
<b>Total expenditures</b>	<u>1,949,411</u>	<u>1,806,386</u>	<u>143,025</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(1,899,411)	(1,806,386)	93,025
<b>Other financing sources</b>			
Transfers in	1,918,800	1,784,852	(133,948)
<b>Net change in fund balances</b>	19,389	(21,534)	(40,923)
<b>Fund balances - beginning of year</b>	<u>(1,138,307)</u>	<u>(1,138,307)</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ (1,118,918)</u>	<u>\$ (1,159,841)</u>	<u>\$ (40,923)</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ 5,000	\$ 887	\$ (4,113)
Intergovernmental	1,441,500	1,120,473	(321,027)
<b>Total revenues</b>	<u>1,446,500</u>	<u>1,121,360</u>	<u>(325,140)</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	1,446,500	1,121,360	(325,140)
<b>Other financing uses</b>			
Transfers out	<u>(1,446,500)</u>	<u>(1,312,552)</u>	<u>133,948</u>
<b>Net change in fund balances</b>	-	(191,192)	(191,192)
<b>Fund balances - beginning of year</b>	<u>244,639</u>	<u>244,639</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 244,639</u>	<u>\$ 53,447</u>	<u>\$ (191,192)</u>

**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, 2010**

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	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Use of money and property	\$ -	\$ 2,487	\$ 2,487
Intergovernmental	691,884	662,023	(29,861)
<b>Total revenues</b>	691,884	664,510	(27,374)
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	-	-	-
<b>Excess (deficiency) of revenues over expenditures</b>	691,884	664,510	(27,374)
<b>Other financing uses</b>			
Transfers out	(726,945)	(166,383)	560,562
<b>Net change in fund balances</b>	(35,061)	498,127	533,188
<b>Fund balances - beginning of year</b>	483,934	483,934	-
<b>Fund balances - end of year</b>	\$ 448,873	\$ 982,061	\$ 533,188

**City of Lynwood**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**STP Grant Special Revenue Fund**  
**Year ended June 30, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Public works	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	-	-	-
<b>Other financing sources (uses)</b>			
Transfers out	-	-	-
<b>Net change in fund balances</b>	-	-	-
<b>Fund balances - beginning of year</b>	<u>(116,551)</u>	<u>(116,551)</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ (116,551)</u>	<u>\$ (116,551)</u>	<u>\$ -</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 40,000	\$ -	\$ (40,000)
<b>Total revenues</b>	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	40,000	-	(40,000)
<b>Other financing sources (uses)</b>			
Transfers out	-	-	-
<b>Net change in fund balances</b>	40,000	-	(40,000)
<b>Fund balances - beginning of year</b>	<u>(27,776)</u>	<u>(27,776)</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 12,224</u>	<u>\$ (27,776)</u>	<u>\$ (40,000)</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, 2010**

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	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Taxes and assessments	\$ 1,034,045	\$ 930,627	\$ (103,418)
Use of money and property	2,400	9,320	6,920
<b>Total revenues</b>	1,036,445	939,947	(96,498)
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	-	-	-
<b>Excess (deficiency) of revenues over expenditures</b>	1,036,445	939,947	(96,498)
<b>Other financing sources (uses)</b>			
Transfers out	(1,039,739)	(795,459)	244,280
<b>Net change in fund balances</b>	(3,294)	144,488	147,782
<b>Fund balances - beginning of year</b>	1,723,063	1,723,063	-
<b>Fund balances - end of year</b>	\$ 1,719,769	\$ 1,867,551	\$ 147,782

**City of Lynwood**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Prop C Special Revenue Fund**  
**Year ended June 30, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Taxes and assessments	\$ 1,055,000	\$ 771,996	\$ (283,004)
Use of money and property	20,000	15,990	(4,010)
<b>Total revenues</b>	<u>1,075,000</u>	<u>787,986</u>	<u>(287,014)</u>
 <b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Excess (deficiency) of revenues over expenditures</b>	1,075,000	787,986	(287,014)
 <b>Other financing sources (uses)</b>			
Transfers out	<u>(5,069,407)</u>	<u>(2,774,479)</u>	<u>2,294,928</u>
<b>Net change in fund balances</b>	(3,994,407)	(1,986,493)	2,007,914
 <b>Fund balances - beginning of year</b>	<u>4,071,815</u>	<u>4,071,815</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 77,408</u>	<u>\$ 2,085,322</u>	<u>\$ 2,007,914</u>

**City of Lynwood**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Measure R Special Revenue Fund**  
**Year ended June 30, 2010**

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	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Taxes and assessments	\$ -	\$ 464,492	\$ 464,492
Use of money and property	-	704	704
<b>Total revenues</b>	-	465,196	465,196
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	-	-	-
<b>Net change in fund balances</b>	-	465,196	465,196
<b>Fund balances - beginning of year</b>	-	-	-
<b>Fund balances - end of year</b>	\$ -	\$ 465,196	\$ 465,196

**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, 2010**

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	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Use of money and property	\$ 1,000	\$ 434	\$ (566)
Intergovernmental	80,000	105,721	25,721
<b>Total revenues</b>	81,000	106,155	25,155
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	-	-	-
<b>Excess of revenues over expenditures</b>	81,000	106,155	25,155
<b>Other financing sources (uses)</b>			
Transfers out	(100,000)	(100,000)	-
<b>Net change in fund balances</b>	(19,000)	6,155	25,155
<b>Fund balances - beginning of year</b>	95,997	95,997	-
<b>Fund balances - end of year</b>	\$ 76,997	\$ 102,152	\$ 25,155

**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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 105,000	\$ 116,393	\$ 11,393
<b>Total revenues</b>	<u>105,000</u>	<u>116,393</u>	<u>11,393</u>
 <b>Expenditures</b>			
Current:			
Public safety	183,618	113,810	69,808
<b>Total expenditures</b>	<u>183,618</u>	<u>113,810</u>	<u>69,808</u>
<b>Net change in fund balances</b>	(78,618)	2,583	81,201
 <b>Fund balances - beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u><u>\$ (78,618)</u></u>	<u><u>\$ 2,583</u></u>	<u><u>\$ 81,201</u></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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Fines, forfeitures and penalties	\$ 800	\$ 1,947	\$ 1,147
Use of money and property	10,000	160	(9,840)
<b>Total revenues</b>	<u>10,800</u>	<u>2,107</u>	<u>(8,693)</u>
 <b>Expenditures</b>			
Current:			
Public safety	75,410	1,421	73,989
<b>Total expenditures</b>	<u>75,410</u>	<u>1,421</u>	<u>73,989</u>
 <b>Excess (deficiency) of revenues over expenditures</b>	(64,610)	686	65,296
 <b>Other financing sources (uses)</b>			
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	(64,610)	686	65,296
 <b>Fund balances - beginning of year</b>	<u>34,550</u>	<u>34,550</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u><u>\$ (30,060)</u></u>	<u><u>\$ 35,236</u></u>	<u><u>\$ 65,296</u></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, 2010**

	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Taxes and assessments	\$ 1,116,526	\$ 1,046,512	\$ (70,014)
Use of money and property	-	19,187	19,187
Miscellaneous	-	504	504
<b>Total revenues</b>	<u>1,116,526</u>	<u>1,066,203</u>	<u>(50,323)</u>
<b>Expenditures</b>			
Current:			
Public works	970,755	1,024,858	(54,103)
<b>Total expenditures</b>	<u>970,755</u>	<u>1,024,858</u>	<u>(54,103)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	145,771	41,345	(104,426)
<b>Other financing sources (uses)</b>			
Transfers in	142,566	142,566	-
Transfers out	(292,567)	(238,780)	53,787
<b>Net other financing sources (uses)</b>	<u>(150,001)</u>	<u>(96,214)</u>	<u>53,787</u>
<b>Net change in fund balances</b>	(4,230)	(54,869)	(50,639)
<b>Fund balances - beginning of year</b>	(788,106)	(788,106)	-
<b>Fund balances - end of year</b>	<u>\$ (792,336)</u>	<u>\$ (842,975)</u>	<u>\$ (50,639)</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, 2010**

	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Taxes and assessments	\$ 1,162,597	\$ 1,090,114	\$ (72,483)
Use of money and property	-	14,929	14,929
<b>Total revenues</b>	<u>1,162,597</u>	<u>1,105,043</u>	<u>(57,554)</u>
<b>Expenditures</b>			
Current:			
Public works	1,663,772	1,425,880	237,892
Capital outlay	-	11,315	(11,315)
<b>Total expenditures</b>	<u>1,663,772</u>	<u>1,437,195</u>	<u>226,577</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(501,175)	(332,152)	169,023
<b>Other financing sources (uses)</b>			
Transfers in	709,658	709,658	-
Transfers out	(238,779)	(238,779)	-
<b>Net other financing sources (uses)</b>	<u>470,879</u>	<u>470,879</u>	<u>-</u>
<b>Net change in fund balances</b>	(30,296)	138,727	169,023
<b>Fund balances - beginning of year</b>	(763,235)	(763,235)	-
<b>Fund balances - end of year</b>	<u>\$ (793,531)</u>	<u>\$ (624,508)</u>	<u>\$ 169,023</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, 2010**

	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Taxes and assessments	\$ 130,010	\$ 64,767	\$ (65,243)
Use of money and property	5,000	2,939	(2,061)
<b>Total revenues</b>	<u>135,010</u>	<u>67,706</u>	<u>(67,304)</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	135,010	67,706	(67,304)
<b>Other financing uses</b>			
Transfers out	<u>(607,250)</u>	<u>(286,378)</u>	<u>320,872</u>
<b>Net other financing sources (uses)</b>	<u>(607,250)</u>	<u>(286,378)</u>	<u>320,872</u>
<b>Net change in fund balances</b>	(472,240)	(218,672)	253,568
<b>Fund balances - beginning of year</b>	<u>612,117</u>	<u>612,117</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 139,877</u>	<u>\$ 393,445</u>	<u>\$ 253,568</u>

**City of Lynwood**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Public Art Special Revenue Fund**  
**Year ended June 30, 2010**

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	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Use of money and property	\$ 1,900	\$ 1,382	\$ (518)
Charges for services	17,000	27,305	10,305
<b>Total revenues</b>	18,900	28,687	9,787
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	-	-	-
<b>Net change in fund balances</b>	18,900	28,687	9,787
<b>Fund balances - beginning of year</b>	280,129	280,129	-
<b>Fund balances - end of year</b>	\$ 299,029	\$ 308,816	\$ 9,787

**City of Lynwood**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Litter Abatement Special Revenue Fund**  
**Year ended June 30, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ 883	\$ 883
Charges for services	290,400	409,460	119,060
<b>Total revenues</b>	<u>290,400</u>	<u>410,343</u>	<u>119,943</u>
<b>Expenditures</b>			
Current:			
Public works	262,567	293,776	(31,209)
<b>Total expenditures</b>	<u>262,567</u>	<u>293,776</u>	<u>(31,209)</u>
<b>Net change in fund balances</b>	27,833	116,567	88,734
<b>Fund balances - beginning of year</b>	145,798	145,798	-
<b>Fund balances - end of year</b>	<u>\$ 173,631</u>	<u>\$ 262,365</u>	<u>\$ 88,734</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ 5,000	\$ 85	\$ (4,915)
<b>Total revenues</b>	<u>5,000</u>	<u>85</u>	<u>(4,915)</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	5,000	85	(4,915)
<b>Fund balances - beginning of year</b>	<u>169,852</u>	<u>169,852</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 174,852</u>	<u>\$ 169,937</u>	<u>\$ (4,915)</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, 2010**

	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Use of money and property	\$ -	\$ 15,961	\$ 15,961
Intergovernmental	2,252,403	1,744,131	(508,272)
Program income	-	47,400	47,400
<b>Total revenues</b>	<u>2,252,403</u>	<u>1,807,492</u>	<u>(444,911)</u>
<b>Expenditures</b>			
Current:			
General government	368,000	349,921	18,079
Public works	319,825	328,006	(8,181)
Community development	165,000	164,767	233
Debt service:			
Principal payment	300,000	-	300,000
Interest and fiscal charges	310,074	151,714	158,360
<b>Total expenditures</b>	<u>1,462,899</u>	<u>994,408</u>	<u>468,491</u>
<b>Excess of revenues over expenditures</b>	789,504	813,084	23,580
<b>Other financing sources (uses)</b>			
Transfers out	(944,974)	(219,741)	725,233
<b>Net change in fund balances</b>	(155,470)	593,343	748,813
<b>Fund balances - beginning of year</b>	(567,350)	(567,350)	-
<b>Fund balances - end of year</b>	<u>\$ (722,820)</u>	<u>\$ 25,993</u>	<u>\$ 748,813</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, 2010**

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	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Licenses and permits	\$ 125,000	\$ 122,394	\$ (2,606)
Use of money and property	-	243	243
<b>Total revenues</b>	125,000	122,637	(2,363)
<b>Expenditures</b>			
Current:			
Community development	125,000	32,120	92,880
<b>Total expenditures</b>	125,000	32,120	92,880
<b>Net change in fund balances</b>	-	90,517	90,517
<b>Fund balances - beginning of year</b>	18,521	18,521	-
<b>Fund balances - end of year</b>	\$ 18,521	\$ 109,038	\$ 90,517

**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, 2010**

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	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Use of money and property	\$ -	\$ 712	\$ 712
Intergovernmental	-	9,079	9,079
<b>Total revenues</b>	-	9,791	9,791
<b>Expenditures</b>			
Current:			
Community development	40,724	828	39,896
<b>Total expenditures</b>	40,724	828	39,896
<b>Net change in fund balances</b>	(40,724)	8,963	49,687
<b>Fund balances - beginning of year</b>	153,596	153,596	-
<b>Fund balances - end of year</b>	\$ 112,872	\$ 162,559	\$ 49,687

**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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ 772	\$ 772
<b>Total revenues</b>	<u>-</u>	<u>772</u>	<u>772</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	-	772	772
<b>Other financing sources (uses)</b>			
Transfers out	<u>(35,995)</u>	<u>(28,311)</u>	<u>7,684</u>
<b>Net change in fund balances</b>	(35,995)	(27,539)	8,456
<b>Fund balances - beginning of year</b>	<u>168,942</u>	<u>168,942</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 132,947</u>	<u>\$ 141,403</u>	<u>\$ 8,456</u>

**City of Lynwood**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Other Grants Special Revenue Fund**  
**Year ended June 30, 2010**

	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 2,865,829	\$ 1,478,660	\$ (1,387,169)
<b>Total revenues</b>	<u>2,865,829</u>	<u>1,478,660</u>	<u>(1,387,169)</u>
<b>Expenditures</b>			
Current:			
Community development	686,550	184,598	501,952
<b>Total expenditures</b>	<u>686,550</u>	<u>184,598</u>	<u>501,952</u>
<b>Excess (deficiency) of revenues over expenditures</b>	2,179,279	1,294,062	(885,217)
<b>Other financing sources (uses)</b>			
Transfers out	<u>(2,499,129)</u>	<u>(1,520,678)</u>	<u>978,451</u>
<b>Net other financing sources (uses)</b>	<u>(2,499,129)</u>	<u>(1,520,678)</u>	<u>978,451</u>
<b>Net change in fund balances</b>	(319,850)	(226,616)	93,234
<b>Fund balances - beginning of year</b>	<u>(21,277)</u>	<u>(21,277)</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ (341,127)</u>	<u>\$ (247,893)</u>	<u>\$ 93,234</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ 95	\$ 95
Intergovernmental	20,000	-	(20,000)
<b>Total revenues</b>	<u>20,000</u>	<u>95</u>	<u>(19,905)</u>
<b>Expenditures</b>			
Current:			
Public works	20,000	14,916	5,084
<b>Total expenditures</b>	<u>20,000</u>	<u>14,916</u>	<u>5,084</u>
<b>Net change in fund balances</b>	-	(14,821)	(14,821)
<b>Fund balances - beginning of year</b>	<u>26,523</u>	<u>26,523</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 26,523</u>	<u>\$ 11,702</u>	<u>\$ (14,821)</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ -	\$ 68,474	\$ 68,474
<b>Total revenues</b>	<u>-</u>	<u>68,474</u>	<u>68,474</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	-	68,474	68,474
<b>Other financing sources (uses)</b>			
Transfers out	(231,949)	-	231,949
<b>Net change in fund balances</b>	<u>(231,949)</u>	<u>68,474</u>	<u>300,423</u>
<b>Fund balances - beginning of year</b>	(61,554)	(61,554)	-
<b>Fund balances - end of year</b>	<u>\$ (293,503)</u>	<u>\$ 6,920</u>	<u>\$ 300,423</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 2,376,799	\$ -	\$ (2,376,799)
<b>Total revenues</b>	<u>2,376,799</u>	<u>-</u>	<u>(2,376,799)</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	2,376,799	-	(2,376,799)
<b>Other financing sources (uses)</b>			
Transfers out	(2,370,667)	-	2,370,667
<b>Net change in fund balances</b>	<u>6,132</u>	<u>-</u>	<u>(6,132)</u>
<b>Fund balances - beginning of year</b>	<u>(280,392)</u>	<u>(280,392)</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ (274,260)</u>	<u>\$ (280,392)</u>	<u>\$ (6,132)</u>

**City of Lynwood**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**DOE Block Grant Special Revenue Fund**  
**Year ended June 30, 2010**

	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 60,000	\$ 34,296	\$ (25,704)
<b>Total revenues</b>	<u>60,000</u>	<u>34,296</u>	<u>(25,704)</u>
<b>Expenditures</b>			
Current:			
Community development	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	60,000	34,296	(25,704)
<b>Other financing sources (uses)</b>			
Transfers out	<u>(60,000)</u>	<u>(40,401)</u>	<u>19,599</u>
<b>Net other financing sources (uses)</b>	<u>(60,000)</u>	<u>(40,401)</u>	<u>19,599</u>
<b>Net change in fund balances</b>	-	(6,105)	(6,105)
<b>Fund balances - beginning of year</b>	-	-	-
<b>Fund balances - end of year</b>	<u>\$ -</u>	<u>\$ (6,105)</u>	<u>\$ (6,105)</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Public safety	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	-
<b>Other financing sources (uses)</b>			
Transfers out	-	-	-
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances - beginning of year</b>	<u>(298,961)</u>	<u>(298,961)</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ (298,961)</u>	<u>\$ (298,961)</u>	<u>\$ -</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ -	\$ 265,100	\$ 265,100
<b>Total revenues</b>	<u>-</u>	<u>265,100</u>	<u>265,100</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	-	265,100	265,100
<b>Other financing sources (uses)</b>			
Transfers out	(325,921)	(261,021)	64,900
<b>Net change in fund balances</b>	<u>(325,921)</u>	<u>4,079</u>	<u>330,000</u>
<b>Fund balances - beginning of year</b>	(4,079)	(4,079)	-
<b>Fund balances - end of year</b>	<u>\$ (330,000)</u>	<u>\$ -</u>	<u>\$ 330,000</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ 481	\$ 481
<b>Total revenues</b>	<u>-</u>	<u>481</u>	<u>481</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	-	481	481
<b>Other financing sources (uses)</b>			
Transfers out	<u>(92,424)</u>	<u>-</u>	<u>92,424</u>
<b>Net change in fund balances</b>	(92,424)	481	92,905
<b>Fund balances - beginning of year</b>	<u>104,087</u>	<u>104,087</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 11,663</u>	<u>\$ 104,568</u>	<u>\$ 92,905</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ 4,282	\$ 4,282
<b>Total revenues</b>	<u>-</u>	<u>4,282</u>	<u>4,282</u>
<b>Expenditures</b>			
Current:			
Public works	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	4,282	4,282
<b>Other financing sources (uses)</b>			
Transfers out	<u>(1,459,043)</u>	<u>(267,371)</u>	<u>1,191,672</u>
<b>Net change in fund balances</b>	(1,459,043)	(263,089)	1,195,954
<b>Fund balances - beginning of year</b>	<u>950,681</u>	<u>950,681</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ (508,362)</u>	<u>\$ 687,592</u>	<u>\$ 1,195,954</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ 30	\$ 30
Intergovernmental	358,825	402,844	44,019
<b>Total revenues</b>	<u>358,825</u>	<u>402,874</u>	<u>44,049</u>
 <b>Expenditures</b>			
Current:			
Public safety	358,825	11,867	346,958
<b>Total expenditures</b>	<u>358,825</u>	<u>11,867</u>	<u>346,958</u>
<b>Net change in fund balances</b>	-	391,007	391,007
 <b>Fund balances - beginning of year</b>	<u>(92,152)</u>	<u>(92,152)</u>	-
<b>Fund balances - end of year</b>	<u>\$ (92,152)</u>	<u>\$ 298,855</u>	<u>\$ 391,007</u>

**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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Public works	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	-
<b>Other financing sources (uses)</b>			
Transfers out	<u>(1,000,000)</u>	<u>(995)</u>	<u>999,005</u>
<b>Net change in fund balances</b>	(1,000,000)	(995)	999,005
<b>Fund balances - beginning of year</b>	<u>(95,656)</u>	<u>(95,656)</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ (1,095,656)</u>	<u>\$ (96,651)</u>	<u>\$ 999,005</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, 2010**

---

	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ -	\$ 79,241	\$ 79,241
<b>Total revenues</b>	-	79,241	79,241
<b>Expenditures</b>			
Current:			
Public works	-	-	-
<b>Total expenditures</b>	-	-	-
<b>Excess (deficiency) of revenues over expenditures</b>	-	79,241	79,241
<b>Other financing sources (uses)</b>			
Transfers out	(49,240)	(15,353)	33,887
<b>Net change in fund balances</b>	(49,240)	63,888	113,128
<b>Fund balances - beginning of year</b>	-	-	-
<b>Fund balances - end of year</b>	\$ (49,240)	\$ 63,888	\$ 113,128

**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, 2010**

---

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ 14,000	\$ 1,480	\$ (12,520)
<b>Total revenues</b>	<u>14,000</u>	<u>1,480</u>	<u>(12,520)</u>
<b>Expenditures</b>			
Current:			
General government	72,345	46,757	25,588
Community development	1,218,255	368,588	849,667
Debt service:			
Principal payment	13,487	15,200	(1,713)
Interest and fiscal charges	-	24,362	(24,362)
<b>Total expenditures</b>	<u>1,304,087</u>	<u>454,907</u>	<u>849,180</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(1,290,087)	(453,427)	836,660
<b>Other financing sources (uses)</b>			
Transfers in	<u>170,000</u>	<u>171,444</u>	<u>1,444</u>
<b>Net change in fund balances</b>	(1,120,087)	(281,983)	838,104
<b>Fund balances - beginning of year</b>	<u>1,435,188</u>	<u>1,435,188</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 315,101</u>	<u>\$ 1,153,205</u>	<u>\$ 838,104</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, 2010**

	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Use of money and property	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Debt service:			-
Principal payment	685,956	685,956	-
Interest and fiscal charges	507,941	507,946	(5)
<b>Total expenditures</b>	<u>1,193,897</u>	<u>1,193,902</u>	<u>(5)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(1,193,897)	(1,193,902)	(5)
<b>Other financing sources (uses)</b>			
Transfers in	1,193,897	1,281,142	87,245
<b>Net change in fund balances</b>	-	87,240	87,240
<b>Fund balances - beginning of year</b>	<u>1,057,342</u>	<u>1,057,342</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 1,057,342</u>	<u>\$ 1,144,582</u>	<u>\$ 87,240</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
General government	11,159	10,081	1,078
<b>Total expenditures</b>	<u>11,159</u>	<u>10,081</u>	<u>1,078</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(11,159)	(10,081)	1,078
<b>Other financing sources (uses)</b>			
Transfers in	11,159	10,081	(1,078)
<b>Net change in fund balances</b>	-	-	-
<b>Fund balances - beginning of year</b>	-	-	-
<b>Fund balances - end of year</b>	<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, 2010**

	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Taxes and assessments	\$ 5,055,050	\$ 5,267,610	\$ 212,560
Use of money and property	30,000	5,316	(24,684)
Program income	45,950	48,077	2,127
<b>Total revenues</b>	<u>5,131,000</u>	<u>5,321,003</u>	<u>190,003</u>
<b>Expenditures</b>			
Current:			
General government	67,789	108,504	(40,715)
Community development	2,003,901	1,993,341	10,560
Pass through to other agencies	499,000	214,996	284,004
Debt service:			
Principal payment	330,000	258,300	71,700
Interest and fiscal charges	787,552	615,478	172,074
<b>Total expenditures</b>	<u>3,688,242</u>	<u>3,190,619</u>	<u>497,623</u>
<b>Excess of revenues over expenditures</b>	1,442,758	2,130,384	687,626
<b>Other financing sources (uses)</b>			
Transfers out	(6,709,184)	(3,237,153)	3,472,031
<b>Net change in fund balances</b>	(5,266,426)	(1,106,769)	4,159,657
<b>Fund balances - beginning of year</b>	<u>1,615,556</u>	<u>1,615,556</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ (3,650,870)</u>	<u>\$ 508,787</u>	<u>\$ 4,159,657</u>

**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, 2010**

---

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Debt service:			-
Interest and fiscal charges	-	198	(198)
<b>Total expenditures</b>	<u>-</u>	<u>198</u>	<u>(198)</u>
<b>Net change in fund balances</b>	-	(198)	(198)
<b>Fund balances - beginning of year</b>	<u>1,139,158</u>	<u>1,139,158</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 1,139,158</u>	<u>\$ 1,138,960</u>	<u>\$ (198)</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, 2010**

	Final Budget	Actual	Variance with Positive (Negative)
<b>Revenues</b>			
Taxes and assessments	\$ 973,800	\$ 837,520	\$ (136,280)
Use of money and property	8,000	1,700	(6,300)
Miscellaneous	27,200	-	(27,200)
<b>Total revenues</b>	<u>1,009,000</u>	<u>839,220</u>	<u>(169,780)</u>
<b>Expenditures</b>			
Current:			
General government	10,889	14,556	(3,667)
Community development	10,560	9,386	1,174
Pass through to other agencies	25,000	35,025	(10,025)
Debt service:			
Principal payment	22,004	24,800	(2,796)
Interest and fiscal charges	43,125	39,749	3,376
<b>Total expenditures</b>	<u>111,578</u>	<u>123,516</u>	<u>(11,938)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	897,422	715,704	(181,718)
<b>Other financing sources (uses)</b>			
Transfers out	(802,565)	(783,460)	19,105
<b>Net change in fund balances</b>	94,857	(67,756)	(162,613)
<b>Fund balances - beginning of year</b>	<u>522,372</u>	<u>522,372</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 617,229</u>	<u>\$ 454,616</u>	<u>\$ (162,613)</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, 2010**

---

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Public works	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	-
<b>Other financing sources (uses)</b>			
Transfers out	<u>(3,946,341)</u>	<u>(117,655)</u>	<u>3,828,686</u>
<b>Net change in fund balances</b>	(3,946,341)	(117,655)	3,828,686
<b>Fund balances - beginning of year</b>	<u>(2,572,247)</u>	<u>(2,572,247)</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ (6,518,588)</u>	<u>\$ (2,689,902)</u>	<u>\$ 3,828,686</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, 2010**

---

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Public works	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	-
<b>Other financing sources (uses)</b>			
Transfers out	<u>(1,088,727)</u>	<u>(63,964)</u>	<u>1,024,763</u>
<b>Net change in fund balances</b>	(1,088,727)	(63,964)	1,024,763
<b>Fund balances - beginning of year</b>	<u>1,241,415</u>	<u>1,241,415</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 152,688</u>	<u>\$ 1,177,451</u>	<u>\$ 1,024,763</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, 2010**

---

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Public works	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	-
<b>Other financing sources (uses)</b>			
Transfers out	<u>(511,620)</u>	<u>(15,107)</u>	<u>496,513</u>
<b>Net change in fund balances</b>	(511,620)	(15,107)	496,513
<b>Fund balances - beginning of year</b>	<u>1,206,301</u>	<u>1,206,301</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 694,681</u>	<u>\$ 1,191,194</u>	<u>\$ 496,513</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, 2010**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ 94	\$ 94
<b>Total revenues</b>	<u>-</u>	<u>94</u>	<u>94</u>
<b>Expenditures</b>			
Current:			
Public works	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	94	94
<b>Other financing sources (uses)</b>			
Transfers out	-	-	-
<b>Net change in fund balances</b>	-	94	94
<b>Fund balances - beginning of year</b>	<u>44,130</u>	<u>44,130</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u>\$ 44,130</u>	<u>\$ 44,224</u>	<u>\$ 94</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, 2010**

---

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
General government	440,311	485,392	(45,081)
Community development	196,336	127,840	68,496
<b>Total expenditures</b>	<u>636,647</u>	<u>613,232</u>	<u>23,415</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(636,647)	(613,232)	23,415
<b>Other financing sources (uses)</b>			
Transfers in	<u>632,565</u>	<u>612,016</u>	<u>(20,549)</u>
<b>Net change in fund balances</b>	(4,082)	(1,216)	2,866
<b>Fund balances - beginning of year</b>	<u>1,216</u>	<u>1,216</u>	<u>-</u>
<b>Fund balances - end of year</b>	<u><u>\$ (2,866)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,866</u></u>

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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, 2010**

	Internal Service Fund			
	Garage	Information Technology	Self-Insurance	Totals
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and investments	\$ 918,406	\$ 80,102	\$ 7,004	\$ 1,005,512
Receivables:				
Accounts	-	-	-	-
Interest	-	-	-	-
Prepaid expenses	-	-	10,163	10,163
<b>Total current assets</b>	<u>918,406</u>	<u>80,102</u>	<u>17,167</u>	<u>1,015,675</u>
<b>Noncurrent assets</b>				
Restricted assets:				
Deposit in trust	-	-	80,000	80,000
Capital assets, depreciated, net	643,017	542,528	-	1,185,545
<b>Total noncurrent assets</b>	<u>643,017</u>	<u>542,528</u>	<u>80,000</u>	<u>1,265,545</u>
<b>Total assets</b>	<u>1,561,423</u>	<u>622,630</u>	<u>97,167</u>	<u>2,281,220</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	15,710	-	142,021	157,731
Due to other funds	-	-	1,605,648	1,605,648
<b>Total current liabilities</b>	<u>15,710</u>	<u>-</u>	<u>1,747,669</u>	<u>1,763,379</u>
<b>Noncurrent liabilities</b>				
Noncurrent portion of long-term debt:				
Claims payable	-	-	1,739,733	1,739,733
<b>Total noncurrent liabilities</b>	<u>-</u>	<u>-</u>	<u>1,739,733</u>	<u>1,739,733</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	643,017	542,528	-	1,185,545
Unrestricted	902,696	80,102	(3,390,235)	(2,407,437)
<b>Total net assets</b>	<u>\$ 1,545,713</u>	<u>\$ 622,630</u>	<u>\$ (3,390,235)</u>	<u>\$ (1,221,892)</u>

**City of Lynwood**  
**Combining Statement of Revenues, Expenses and Changes in Net Assets**  
**Internal Service Funds**  
**Year ended June 30, 2010**

	Internal Service Fund			
	Garage	Information Technology	Self-Insurance	Total
<b>Operating revenues</b>				
Sales and service charges	\$ 745,949	\$ -	\$ 1,978,134	\$ 2,724,083
<b>Total operating revenues</b>	<u>745,949</u>	<u>-</u>	<u>1,978,134</u>	<u>2,724,083</u>
<b>Operating expenses</b>				
Insurance	-	-	600,532	600,532
Claims	-	-	1,467,984	1,467,984
Garage	199,890	-	-	199,890
Depreciation	29,044	-	-	29,044
Loss on sale of assets	17,837	-	-	17,837
<b>Total operating expenses</b>	<u>246,771</u>	<u>-</u>	<u>2,068,516</u>	<u>2,315,287</u>
Change in net assets	499,178	-	(90,382)	408,796
<b>Total net assets (deficit) - beginning of year</b>	<u>1,046,535</u>	<u>622,630</u>	<u>(3,299,853)</u>	<u>(1,630,688)</u>
<b>Total net assets (deficit) - end of year</b>	<u>\$ 1,545,713</u>	<u>\$ 622,630</u>	<u>\$ (3,390,235)</u>	<u>\$ (1,221,892)</u>

**City of Lynwood**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**Year ended June 30, 2010**

	Internal Service Fund			
	Garage	Information Technology	Self-Insurance	Total
<b>Cash flows from operating activities:</b>				
Receipts from customers and users	\$ 745,949	\$ -	\$ 1,978,134	\$ 2,724,083
Payments to suppliers	(234,992)	-	(610,570)	(845,562)
Payments for claims	-	-	(1,360,560)	(1,360,560)
Payments to employees	-	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>510,957</b>	<b>-</b>	<b>7,004</b>	<b>517,961</b>
<b>Cash flows from investing activities</b>				
Disposal (acquisition) of capital assets	17,837	-	-	17,837
Deposit in trust	-	-	-	-
<b>Net cash provided by (used in) investing activities</b>	<b>17,837</b>	<b>-</b>	<b>-</b>	<b>17,837</b>
<b>Net increase (decrease) in cash and investments</b>	<b>528,794</b>	<b>-</b>	<b>7,004</b>	<b>535,798</b>
<b>Cash and investments - beginning of year</b>	<b>389,612</b>	<b>80,102</b>	<b>-</b>	<b>469,714</b>
<b>Cash and investments - end of year</b>	<b>\$ 918,406</b>	<b>\$ 80,102</b>	<b>\$ 7,004</b>	<b>\$ 1,005,512</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income	\$ 499,178	\$ -	\$ (90,382)	\$ 408,796
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	29,044	-	-	29,044
Changes in operating assets and liabilities:				
(Increase) decrease in accounts receivables	-	-	714	714
(Increase) decrease in prepaid expenses	-	-	(10,163)	(10,163)
Increase (decrease) in accounts payable	(17,265)	-	(589)	(17,854)
Increase (decrease) in claims payable	-	-	(162,846)	(162,846)
Increase (decrease) in deposits	-	-	-	-
Increase (decrease) in due to other funds	-	-	270,270	270,270
Total adjustments	11,779	-	97,386	109,165
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 510,957</b>	<b>\$ -</b>	<b>\$ 7,004</b>	<b>\$ 517,961</b>

**City of Lynwood**  
**Statement of Changes in Assets and Liabilities**  
**Fiduciary Fund**  
**Year ended June 30, 2010**

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	<u>Balance</u>		<u>Balance</u>
	<u>July 1, 2009</u>	<u>Additions</u>	<u>June 30, 2010</u>
		<u>Deletions</u>	
<b>ASSETS</b>			
Receivables:			
Notes and loans	\$ 54,506	\$ -	\$ 54,506
<b>Total assets</b>	<u>\$ 54,506</u>	<u>\$ -</u>	<u>\$ 54,506</u>
<b>LIABILITIES</b>			
Loans payable	\$ 54,506	\$ -	\$ 54,506
<b>Total liabilities</b>	<u>\$ 54,506</u>	<u>\$ -</u>	<u>\$ 54,506</u>

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<b>CONTENTS</b>	<b>PAGE</b>
<b>Financial Trends</b> These tables contain trend information that may assist the reader in the City's current financial performance by placing it in historical perspective.	157-163
<b>Revenue Capacity</b> These tables contain information that may help in assessing the viability of the City's most significant revenue sources.	164-173
<b>Debt Capacity</b> 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.	174-181
<b>Demographic and Economic Information</b> These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	182-183
<b>Operating Information</b> 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.	184-188

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

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Governmental activities</b>								
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	\$111,831,946
Restricted	23,958,817	57,487,760	57,339,342	34,546,018	33,396,865	34,777,084	19,520,953	14,825,579
Unrestricted	6,275,255	1,230,937	1,002,841	24,793	4,340,631	3,283,514	16,293,599	3,009,212
<b>Total governmental activities net assets</b>	<b>63,074,333</b>	<b>95,355,784</b>	<b>94,795,862</b>	<b>105,641,488</b>	<b>117,278,423</b>	<b>123,134,677</b>	<b>124,522,016</b>	<b>129,666,737</b>
<b>Business-type activities</b>								
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)	2,111,358	1,716,371
Restricted	7,086,817	12,896,690	11,961,502	9,707,252	4,891,486	988,286	1,900,804	6,454,343
Unrestricted	1,246,735	(4,685,335)	(5,719,044)	(3,107,059)	1,610,454	9,258,275	4,993,564	1,850,332
<b>Total business-type activities net assets</b>	<b>11,135,434</b>	<b>13,036,099</b>	<b>10,203,276</b>	<b>8,847,449</b>	<b>4,334,583</b>	<b>7,079,008</b>	<b>9,005,726</b>	<b>10,021,046</b>
<b>Primary government</b>								
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	90,818,822	113,548,317
Restricted	31,045,634	70,384,450	69,300,844	44,253,270	38,288,351	35,765,370	21,421,757	21,279,922
Unrestricted	7,521,990	(3,454,398)	(4,716,203)	(3,082,266)	5,951,085	12,541,789	21,287,163	4,859,544
<b>Total primary government net assets</b>	<b>\$74,209,767</b>	<b>\$108,391,883</b>	<b>\$104,999,138</b>	<b>\$114,488,937</b>	<b>\$121,613,006</b>	<b>\$130,213,685</b>	<b>\$133,527,742</b>	<b>\$139,687,783</b>

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 Eight Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Expenses</b>								
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	\$ 14,177,616
Public safety	12,658,884	13,533,160	13,182,693	13,922,118	15,505,809	15,696,589	17,461,248	17,331,341
Public works	5,812,021	5,333,050	5,791,864	5,363,619	5,294,634	7,344,547	8,213,775	8,374,895
Redevelopment	4,201,124	3,048,594	7,550,558	4,694,655	6,390,638	5,406,955	3,028,869	4,269,655
Parks and recreation	2,298,800	2,671,467	2,761,444	2,840,996	3,312,944	3,160,255	3,620,892	3,462,998
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	1,527,767
Unallocated Depreciation	515,339	725,591	-	-	1,025,821	1,048,750	\$0*	-
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>	<u>49,144,272</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	7,356,688
Transit	1,195,792	1,352,061	1,320,016	1,227,619	1,144,485	1,040,822	1,081,676	1,023,916
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>	<u>8,380,604</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>	<u>\$ 57,524,876</u>
<b>Program Revenues</b>								
Governmental activities:								
Charges for services:								
General government	\$ -	\$ -	\$ 369,070	\$ 693,390	\$ 1,652,328	\$ 352,691	\$ 1,667,834	\$ 4,131,395
Public safety	969,066	796,674	829,237	1,024,589	514,552	1,682,637	1,587,339	1,276,036
Public works	4,926,535	6,186,410	7,202,653	4,607,579	3,853,232	3,281,415	2,436,899	2,959,776
Community development	18,338	31,892	5,564	284,119	3,161	-	-	1,104,052
Parks and recreation	223,745	272,792	283,326	317,006	364,681	500,951	434,508	414,406
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	4,369,982
Capital grants and contributions	4,183,094	32,559,483	575,179	1,648,244	1,703,546	186,401	1,432,067	3,774,852
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>	<u>18,030,499</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	9,764,490
Transit	4,571	4,617	23,956	11,663	20,073	5,427	13,208	6,296
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>	<u>9,770,786</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>	<u>\$ 27,801,285</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 Eight Fiscal Years**  
**(accrual basis of accounting)**

	Program Revenues							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Function/Program</b>								
Governmental activities:								
General government	\$ 2,346,940	\$ -	\$ 2,479,554	\$ 693,390	\$ 2,041,391	\$ 1,709,979	\$ 1,667,834	\$ 4,131,395
Public safety	1,668,365	1,074,213	1,121,784	1,486,038	1,491,632	2,158,453	1,674,814	2,950,042
Public works	7,152,687	10,154,324	9,783,918	10,567,318	6,536,513	7,436,575	6,451,499	4,073,752
Redevelopment	4,509,327	3,330,874	2,664,353	2,855,004	2,652,992	4,691,733	2,909,205	4,327,518
Parks and recreation	44,110	32,197,453	587,601	341,228	547,590	681,729	468,194	2,547,792
Interest on long-term debt	-	-	341,825	-	-	-	-	-
Subtotal governmental activities	<u>15,721,429</u>	<u>46,756,864</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>	<u>18,030,499</u>
Business-type activities:								
Water	6,603,586	6,618,706	6,503,052	6,256,731	7,861,420	9,759,112	10,014,463	9,764,490
Transit	4,061	3,566	23,956	11,663	20,073	5,427	13,208	6,296
Subtotal business-type activities	<u>6,607,647</u>	<u>6,622,272</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>	<u>9,770,786</u>
Total primary government	<u>\$ 22,329,076</u>	<u>\$ 53,379,136</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>	<u>\$ 27,801,285</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

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	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<b>General Fund</b>				
Reserved	\$ 2,585,425	\$ 2,205,644	\$ 1,989,973	\$ 1,962,864
Unreserved	8,860,106	8,699,004	11,711,978	10,399,462
Total general fund	<u>\$ 11,445,531</u>	<u>\$ 10,904,648</u>	<u>\$ 13,701,951</u>	<u>\$ 12,362,326</u>
<b>All Other Governmental Funds</b>				
Reserved	\$ 9,347,509	\$ 9,054,081	\$ 22,422,534	\$ 54,423,105
Unreserved, designated for, reported in:				
Special revenue funds	6,186,881	5,206,318	1,575,850	1,368,974
Capital projects funds	7,755,740	5,461,571	-	(584,387)
Debt service funds	-	-	(816,809)	(195,031)
Unreserved, undesignated for, reported in:				
Total all other governmental funds	<u>\$ 23,290,130</u>	<u>\$ 19,721,970</u>	<u>\$ 23,181,575</u>	<u>\$ 55,012,661</u>

Source: City of Lynwood

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

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 1,628,825	\$ 1,000,340	\$ 1,412,294	\$ 1,450,866	\$ 164,456	650,000
11,691,290	15,512,533	14,891,975	9,626,275	9,547,949	7,332,256
<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>	<u>7,982,256</u>
\$ 54,245,733	\$ 26,536,539	\$ 26,798,572	\$ 17,632,454	\$ 24,765,113	24,589,471
1,616,959	1,867,118	1,641,242	(388,455)	4,899,496	4,219,342
225,465	1,005,908	(11,113)	(37,030)	(1,570,414)	(2,642,076)
-	-	-	-	-	-
<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>	<u>26,166,737</u>

Source: City of Lynwood

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<b>Revenues</b>				
Taxes	\$ 19,080,026	\$ 19,495,439	\$ 21,128,956	\$ 22,954,611
Licenses, fees, and permits	202,334	254,271	454,611	502,598
Fines and penalties	792,935	776,010	811,231	796,674
Use of money and property	1,806,237	1,206,049	1,027,588	639,696
Intergovernmental	9,396,980	8,413,014	12,486,772	40,526,204
Charges for services	5,014,112	5,397,825	4,853,504	3,732,973
Administrative support	-	288,909	2,469,978	2,416,859
Program Income	-	-	-	-
Other revenues	2,628,961	2,486,714	849,567	278,324
Sale of Real Estate	-	-	-	-
Loan repayment	-	210,000	-	-
Total revenues	<u>38,921,585</u>	<u>38,528,231</u>	<u>44,082,207</u>	<u>71,847,939</u>
<b>Expenditures</b>				
General government	7,954,422	7,998,353	5,470,466	6,671,970
Public safety	11,874,087	11,690,690	12,750,489	13,522,180
Public works	4,989,919	4,982,360	6,009,954	5,688,359
Community development	7,532,248	9,061,949	5,687,161	4,852,042
Parks and recreation	-	-	2,209,511	2,588,372
Pass Through To Other Agencies	-	-	-	-
Capital outlay	7,597,442	5,131,272	7,538,476	4,390,038
Real estate acquisition	-	2,075,547	-	-
Debt service				
Interest	1,843,283	1,829,488	1,965,260	1,934,549
Principal	723,887	770,006	584,038	440,438
Bond issue costs	48,350	-	-	351,369
Payments to escrow agents	-	-	-	-
Total expenditures	<u>42,563,638</u>	<u>43,539,665</u>	<u>42,215,355</u>	<u>40,439,317</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(3,642,053)</u>	<u>(5,011,434)</u>	<u>1,866,852</u>	<u>31,408,622</u>
<b>Other Financing Sources (Uses)</b>				
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)	<u>16,504,421</u>	<u>717,118</u>	<u>(487,002)</u>	<u>(1,176,902)</u>
Net change in fund balances	<u>\$ 12,862,368</u>	<u>\$ (4,294,316)</u>	<u>\$ 1,379,850</u>	<u>\$ 30,231,720</u>
Debt service as a percentage of noncapital expenditures	6.14%	5.97%	6.04%	6.74%

Source: City of Lynwood

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

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 26,978,169	\$ 29,252,885	\$ 31,084,181	\$ 32,765,398	\$ 32,425,069	\$ 31,950,394
607,075	639,142	646,340	354,853	915,469	887,559
893,895	1,007,352	1,175,169	1,187,753	1,160,199	1,276,583
3,347,760	2,137,438	2,176,869	1,481,300	638,296	402,786
6,322,206	7,299,319	6,247,098	9,401,941	6,925,831	8,173,257
3,106,996	3,338,468	4,285,276	3,840,333	3,712,006	3,740,730
1,476,834	3,228,043	3,060,251	1,310,366	1,208,409	1,151,040
-	-	267,585	49,273	45,966	95,477
451,571	135,177	1,456,338	660,694	769,658	1,470,894
-	-	833,480	-	-	-
-	-	-	-	-	-
43,184,506	47,037,824	51,232,587	51,051,911	47,800,903	49,148,720
5,897,451	6,615,223	7,527,419	8,328,291	7,406,008	8,612,274
12,763,219	13,900,407	15,505,809	15,696,589	17,453,355	17,323,198
4,394,322	5,124,278	6,042,820	7,344,547	7,273,396	7,487,773
7,487,623	6,393,455	7,935,098	5,552,608	4,856,699	5,512,018
2,601,140	2,785,317	3,312,944	3,160,255	3,535,156	3,374,547
-	-	-	-	552,052	250,021
6,050,387	34,153,313	13,311,825	5,983,029	6,145,649	8,136,405
-	-	-	-	-	-
2,017,357	2,207,102	1,174,979	1,335,594	1,596,989	1,531,443
1,122,553	975,682	1,826,207	1,768,237	2,079,713	1,054,502
-	-	-	-	-	-
-	-	-	-	-	-
42,334,052	72,154,777	56,637,101	49,169,150	50,899,017	53,282,181
850,454	(25,116,953)	(5,404,514)	1,882,761	(3,098,114)	(4,133,461)
8,630,000	-	-	-	-	-
74,214	-	-	-	-	-
(7,067,541)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,272,762	13,085,974	41,023,249	26,879,932	15,795,814	17,061,122
(13,173,740)	(11,903,143)	(40,493,902)	(22,078,219)	(20,565,918)	(16,585,268)
(264,305)	1,182,831	529,347	4,801,713	(4,770,104)	475,854
\$ 586,149	\$(23,934,122)	\$ (4,875,167)	\$ 6,684,474	\$ (7,868,218)	\$ (3,657,607)
7.42%	4.41%	5.30%	6.31%	7.22%	4.85%

**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
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
2010	18,711,265	5,304,325	5,878,709	1,232,463	420,200	152,742	31,699,704
Change							
2001-2010	54.0%	33.8%	30.8%	25.0%	80.4%	-1132.6%	39.8%

Source: City of Lynwood

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	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
Residential	\$ 1,120,004,508	\$ 1,175,340,933	\$ 1,226,896,242	\$ 1,310,009,169	\$ 1,405,031,881
Commercial	154,492,760	158,893,529	167,814,148	179,860,921	187,518,358
Industrial	137,303,692	149,075,762	167,989,151	172,530,335	178,999,129
Government	30,000	33,600	38,822	39,620	985,000
Institutional	11,736,110	16,747,221	86,817,332	17,108,202	17,251,962
Miscellaneous	4,015,497	4,095,787	4,177,680	280,487	32,194
Recreational	309,818	316,011	448,517	202,485	206,264
Vacant Land	16,982,861	11,913,213	13,816,735	15,349,735	26,096,792
SBE Nonunitary	107,896	118,100	113,701	907,822	902,410
Cross Reference	1,892,724	11,521,308	3,858,929	3,937,652	3,893,265
Unsecured	59,205,717	60,097,988	79,682,144	76,819,836	76,884,821
Tax Exempt	15,281,591	14,610,159	14,219,966	13,205,320	18,979,457
Unknown	-	-	-	74,460	8,198,017
<b>TOTALS</b>	<b>\$ 1,521,363,174</b>	<b>\$ 1,602,763,611</b>	<b>\$ 1,765,873,367</b>	<b>\$ 1,790,326,044</b>	<b>\$ 1,924,979,550</b>
Total Direct Rate	0.38943	0.38530	0.43029	0.39809	0.40637

Source: HDL, Coren Cole

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

<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
\$1,548,641,607	\$ 1,762,235,639	\$ 1,963,305,319	\$ 2,057,002,958	\$ 1,918,323,611
234,685,857	250,214,463	273,733,571	291,616,514	316,453,522
175,850,603	180,517,681	192,759,499	211,284,405	228,066,332
-	-	-	-	-
14,856,434	14,503,805	21,072,234	21,610,145	216,328,104
32,835	1,440,488	1,469,295	1,498,674	3,335,448
210,388	284,668	290,360	296,166	302,088
20,682,997	23,696,736	25,022,230	26,945,416	19,910,439
906,787	831,966	729	717	694
4,199,252	4,601,816	4,262,361	4,376,567	3,955,210
78,080,903	79,689,348	82,205,276	83,586,372	85,898,270
21,827,731	27,645,498	30,246,612	29,585,217	28,473,480
1,446,975	693,974	-	1,837,302	44
<b>\$2,101,422,369</b>	<b>\$ 2,346,356,082</b>	<b>\$ 2,594,367,486</b>	<b>\$ 2,729,640,453</b>	<b>\$ 2,821,047,242</b>
0.40827	0.40358	0.40563	0.41092	0.43155

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

Agency	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Basic Levy	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Compton Community College District	0.00000	0.00000	0.00000	0.02714	0.00396	0.02051	0.01975	0.01763	0.01262	0.01296
Compton Unified School District	0.00000	0.00000	0.00000	0.05570	0.06261	0.04827	0.06144	0.05976	0.06237	0.06238
County Detention Facilities 1987 Debt	0.00131	0.00113	0.00103	0.00099	0.00092	0.00080	0.00066	0.00000	0.00000	0.00000
LA Community College District	0.00000	0.01600	0.01460	0.01986	0.01810	0.01429	0.02146	0.00879	0.02212	0.03110
LA County Flood Control	0.00155	0.00107	0.00088	0.00046	0.00025	0.00005	0.00005	0.00000	0.00000	0.00000
Los Angeles Unified School District	0.04077	0.04813	0.03697	0.07715	0.08884	0.08435	0.10681	0.12334	0.12478	0.15181
Lynwood Unified	0.00009	0.00010	0.00009	0.06141	0.05731	0.04827	0.04317	0.04370	0.04498	0.04359
Metropolitan Water District	0.00880	0.00770	0.00670	0.00610	0.00580	0.00520	0.00470	0.00450	0.00430	0.00430
Tax District	0.12500	0.12500	0.12500	0.12500	0.12500	0.12500	0.12500	0.12500	0.12500	0.12500
<b>Total Direct &amp; Overlapping Tax Rates</b>	<b>1.17752</b>	<b>1.19913</b>	<b>1.18527</b>	<b>1.37381</b>	<b>1.36279</b>	<b>1.34674</b>	<b>1.38304</b>	<b>1.38272</b>	<b>1.39617</b>	<b>1.43114</b>
<b>City's Share of 1% Levy Per Prop 13</b>	<b>0.11301</b>									
<b>General Obligation Debt Rate</b>	<b>0.12500</b>									
<b>Redevelopment Rate Total Direct Rate</b>	<b>1.13675</b>	<b>1.13501</b>	<b>1.13370</b>	<b>1.13263</b>	<b>1.13204</b>	<b>1.13112</b>	<b>1.13048</b>	<b>1.12956</b>	<b>1.12930</b>	<b>1.12930</b>
<b>Total Direct Rate</b>	<b>0.38943</b>	<b>0.38530</b>	<b>0.43029</b>	<b>0.39809</b>	<b>0.40637</b>	<b>0.40827</b>	<b>0.40358</b>	<b>0.40563</b>	<b>0.41092</b>	<b>0.43155</b>

Source: Los Angeles County Auditor-Controller

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

Taxpayer	2001			2010		
	Property Tax Revenue	Rank	Assessed Value of Taxable Property	Property Tax Revenue	Rank	Assessed Value of Taxable Property
Placo Investment				\$ 431,320	1	\$ 40,292,767
Earl M. Jorgensen Company	\$ 67,305	6	\$ 8,101,362	222,446	2	23,873,195
Universal Molding Company	74,174	5	8,797,395	185,597	3	21,647,429
2700 East Imperial Highway Inc.				173,943	4	19,898,871
NHP PMB St. Francis Medical Plaza				171,229	5	18,949,878
Albi Lynwood Investment LLC				166,656	6	17,482,800
Lynwood Alameda Corporation	114,117	1	16,533,115	159,893	7	17,015,890
T-Mobile West Corporation				112,111	8	11,446,718
805 Propert LLC				102,872	9	10,503,409
Urban LLC				99,658	10	10,264,679
St. Francis Medical Center	93,036	2	11,171,247			
McWhorter Inc.	90,344	3	13,088,948			
LTC Development Inc.	86,756	4	8,200,000			
Economic Resources Corporation	64,504	7	9,339,711			
Shapco Partnership	57,625	8	8,348,693			
Doveco LLC	48,219	9	5,719,000			
Market Venture LLC	46,854	10				
Lynwood Apartments LLC			6,205,059			
<b>Top Ten Totals</b>	<b>\$ 742,934</b>		<b>\$ 95,504,530</b>	<b>\$ 1,825,723</b>		<b>\$ 191,375,636</b>
<b>City Totals</b>	<b>\$ 5,865,135</b>		<b>\$ 1,465,362,116</b>	<b>\$ 11,183,926</b>		<b>\$ 2,591,576,018</b>

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
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%
2010	2,397,112	2,184,554	91.13%	190,899	2,375,453	99.10%

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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	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Apparel Stores	\$ 5,894	\$ 8,136	\$ 8,802	\$ 13,929
General Merchandise	1,804	1,718	1,790	2,721
Food Stores	32,998	29,854	29,592	29,227
Eating and Drinking Places	31,693	31,298	33,548	41,165
Building Materials	19,985	20,549	19,645	22,480
Auto Dealers and Supplies	18,602	18,854	22,152	25,043
Service Stations	36,636	39,619	38,684	45,527
Other Retail Stores	25,254	24,741	26,901	30,818
All Other Outlets	<u>73,228</u>	<u>57,391</u>	<u>62,931</u>	<u>56,387</u>
Total	<u>\$ 246,094</u>	<u>\$ 232,160</u>	<u>\$ 244,045</u>	<u>\$ 267,297</u>

Source: HDL Coren Cole

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

2005	2006	2007	2008	2009	2010
\$ 14,044	\$ 16,034	\$ 16,388	\$ 16,341	\$ 14,845	\$ 13,671
3,563	3,473	3,489	3,398	3,419	3,480
30,347	30,061	31,200	30,747	31,445	31,801
48,432	51,306	56,094	57,316	55,876	53,996
28,314	31,626	32,968	32,302	25,376	19,980
27,342	30,445	28,974	22,720	15,293	12,630
50,409	55,558	61,236	62,998	66,578	51,407
34,018	42,698	47,984	50,214	48,831	44,589
71,445	76,729	75,021	88,180	89,898	72,430
<b>\$ 307,914</b>	<b>\$ 337,930</b>	<b>\$ 353,354</b>	<b>\$ 364,216</b>	<b>\$ 351,561</b>	<b>\$ 303,984</b>

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

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<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Los Angeles County</u>
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%
2010	1%	1%

Source: HDL Coren Cole

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

**2010**

<b>Tax Remitter</b>	<b>Business Category</b>
Ahmed Union Services	Service Stations
Airgas West	Heavy Industrial
Andys Shell	Service Stations
Arco	Service Stations
Auto Zone	Automotive Supply Stores
Chevron	Service Stations
Chevron	Service Stations
CVS Pharmacy	Drug Stores
Del Steel	Contractors
Factory 2 U	Family Apparel
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
Valu Plus	Grocery Stores Liquor
Verizon Wireless	Electronics/Appliance Stores
Walgreens	Drug Stores

NOTE: California Law prohibits further detail.

**2001**

<b>Tax Remitter</b>	<b>Business Category</b>
5 Sites	Service Stations
Ahmed Union Services	Service Stations
Airgas West	Heavy Industrial
Alex Motors	Used Automobile Dealers
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
Genesis Auto Sale	Used Automobile Dealers
Helen Grace Candies	Candy/Nut Stores
Imaging Supplies & Equip	Business Services
Jack In The Box	Restaurants No Alcohol
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
Rapid Gas	Service Stations
Rite Aid	Drug Stores
Shell	Service Stations
Staub Metals	Light Industrial/Printers
Superior Super Warehouse	Grocery Stores Liquor
Union 76	Service Stations
Valu Plus	Grocery Stores Liquor

Source: HDL Coren Cole

**City of Lynwood**  
**Ratios of General Bonded Debt Outstanding**  
**Last Eight Fiscal Years**

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<b>General Bonded Debt Outstanding</b>				
<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	\$9,499
2004	\$ 31,156,369	\$ 21,130,000	\$ 52,286,369	\$9,663
2005	\$ 32,187,306	\$ 20,655,000	\$ 52,842,306	\$10,004
2006	\$ 30,905,577	\$ 20,150,000	\$ 51,055,577	\$10,334
2007	\$ 28,013,865	\$ 23,743,610	\$ 51,757,475	\$10,823
2008	\$ 26,973,177	\$ 22,627,950	\$ 49,601,127	\$11,148
2009	\$ 25,036,364	\$ 22,627,950	\$ 47,664,314	\$11,224
2010	\$ 23,456,726	\$ 20,392,821	\$ 43,849,547	\$10,988

Source: City of Lynwood

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**Governmental Activities**

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<u>Fiscal Year</u>	<u>Tax Allocation Bonds</u>	<u>HUD Loan Payable</u>	<u>Revenue Bonds</u>	<u>Capital Leases Payable</u>
2001	\$ 14,780,000	N/A	\$ 7,621,000	\$ 3,207,342
2002	14,580,000	N/A	10,760,000	2,878,057
2003	14,365,000	7,000,000	10,505,000	2,566,301
2004	14,130,000	7,000,000	12,390,000	2,151,859
2005	13,880,000	6,775,000	11,920,000	1,753,372
2006	13,615,000	6,535,000	11,445,000	1,331,531
2007	13,325,000	6,280,000	10,965,000	946,716
2008	13,020,000	6,010,000	10,475,000	495,431
2009	12,690,000	5,725,000	9,975,000	170,956
2010	12,335,000	5,425,000	9,460,000	-

Source: City of Lynwood

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

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<b>Business-type Activities</b>				
	Water Revenue Bonds	Total Primary Government	Percentage of Personal Income	Debt Per Capita
\$	9,629,666	\$35,238,008	5.37%	0.20%
	9,494,799	37,712,856	5.63%	0.19%
	9,354,932	43,791,233	6.37%	0.16%
	15,918,341	51,590,200	7.37%	0.14%
	15,637,362	49,965,734	6.87%	0.15%
	15,341,383	48,267,914	6.42%	0.15%
	15,035,404	46,552,120	5.91%	0.16%
	14,709,425	44,709,856	5.53%	0.16%
	14,369,425	42,930,381	5.27%	0.17%
	20,984,291	48,204,291	6.02%	0.15%

**City of Lynwood**  
**Direct and Overlapping Governmental Activities Debt**  
**June 30, 2010**

	Gross Bonded Debt Balance	Percent Applicable To City	Net Bonded Debt
<b>Direct Debt</b>			
200.01 Public Finance Authority 1999 Lease Revenue Refund Bonds	\$ 7,336,218	100.000%	\$ 7,336,218
200.01 Public Finance Authority 2003 Lease Revenue Refund Bonds	7,007,176	100.000%	7,007,176
<b>Total Direct Debt</b>			<b>\$ 14,343,394</b>
<b>Overlapping Debt</b>			
*315.05 Metropolitan Water District	\$ 121,475,156	0.234%	\$ 284,227
793.50 Compton CCD DS 2002 Series A	35,990,000	15.787%	5,681,834
793.51 Compton CCD DS 2002 SER 2008A	15,000,000	15.787%	2,368,104
805.50 L.A. CCD DS 2001 SER-A	19,835,000	0.008%	1,589
805.52 L.A. CCD DS 2003 SER B	74,435,000	0.008%	5,962
805.55 L.A. CCD DS 2003 TAXABLE SER 2004B	20,705,000	0.008%	1,658
805.56 L.A. CCD DS 2001 TAXABLE SER 2004A	74,940,000	0.008%	6,002
805.57 LACC DS REF 2001 SERIES 2005 A	431,720,000	0.008%	34,577
805.58 LA CCD DS 2001, 2006 SERIES B	382,990,000	0.008%	30,675
805.59 LA CCD DS 2003, 2006 SERIES C	300,625,000	0.008%	24,078
805.60 LACC DS 2001, 2008 SER E-1	276,500,000	0.008%	22,146
805.61 LACC DS 2001, 2008 TAXABLE SER E-2	5,250,000	0.008%	420
805.62 LACC DS 2003, 2008 SER F-1	344,915,000	0.008%	27,625
805.63 LACC DS 2003, 2008 TAXABLE F-2	8,600,000	0.008%	689
805.64 LACC DS 2008, 2009 TAXABLE SER A	350,000,000	0.008%	28,032
805.65 LACC DS 2008, 2009 TAXABLE SER B	75,000,000	0.008%	6,007
845.51 COMPTON USD 2002 SERIES A	3,000,000	0.747%	22,402
845.52 COMPTON USD 2002 SERIES 2004B	2,415,000	0.747%	18,034
845.53 COMPTON USD 2002 SERIES 2006C	19,999,970	0.747%	149,346
845.54 COMPTON USD 2006 REFUNDING BOND SERIES D	40,327,020	0.747%	301,134
887.03 LOS ANGELES UNIFIED 09 & 10 BABS AND QACBS	3,229,380,000	0.010%	319,773
887.51 LOS ANGELES UNIFIED DS 1997 SERIES A	90,850,000	0.010%	8,996
887.54 LOS ANGELES U.S.D. DS 1997 SERIES D	12,085,000	0.010%	1,197
887.55 LOS ANGELES USD DS 1997 SERIES E	44,835,000	0.010%	4,440
887.56 LOS ANGELES USD DS 2002 REFUNDING BOND	254,085,000	0.010%	25,159
887.57 LOS ANGELES USD DS 1997 SERIES F	413,555,000	0.010%	40,950
887.58 LOS ANGELES USD DS 2002 SERIES A	283,200,000	0.010%	28,042
887.61 LOS ANGELES UNIFIED DS 2004 SERIES C 2004	43,255,000	0.010%	4,283
887.63 LOS ANGELES UNIFIED DS 2004 REFUNDING BONDS A-1	90,370,000	0.010%	8,948
887.64 LOS ANGELES UNIFIED DS 2004 REFUNDING BONDS A-2	127,540,000	0.010%	12,629
887.65 LOS ANGELES UNIFIED DS 2004 SERIES E	339,235,000	0.010%	33,591
887.66 LOS ANGELES UNIFIED DS 2005 REFUNDING BONDS A-1	346,750,000	0.010%	34,335
887.67 LOS ANGELES DS 2005 REFUNDING BONDS A-2	120,925,000	0.010%	11,974
887.68 LA USD DS 2004 SERIES F	463,175,000	0.010%	45,864
887.69 LA USD DS 2006 REFUNDING SERIES A	132,325,000	0.010%	13,103
887.70 LA USD DS 2005 SERIES A (2006)	326,670,000	0.010%	32,347
* This fund is a portion of a larger agency, and is responsible for debt in areas outside the city.			
This report reflects debt which is being repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation, unless provided by the city.			
887.71 LA USD DS 2005 SERIES B (2006)	353,610,000	0.010%	35,014
887.72 LA USD DS 2005 SERIES C (2006)	475,560,000	0.010%	47,090
887.73 LA USD DS 2005 SERIES D (2006)	644,895,000	0.010%	63,857
887.74 LA USD DS 2004 SERIES G (2006)	285,265,000	0.010%	28,247
887.75 LOS ANGELES UNIF DS 2006 REF BDS SER B	560,790,000	0.010%	55,529
887.77 LOS ANGELES UNIF DS 2007 REF BDS SER A-2	136,055,000	0.010%	13,472
887.78 LOS ANGELES UNIF DS 2002 SER B (2007)	245,100,000	0.010%	24,270
887.79 LOS ANGELES UNIF DS 2007 REF BDS SER B	2,829,240,000	0.010%	280,151
887.80 LOS ANGELES UNIF DS 2002 SER C	539,950,000	0.010%	53,466
887.81 LOS ANGELES UNIF DS 2004 SER H	147,220,000	0.010%	14,578
887.82 LOS ANGELES UNIF DS 2005 SER E	36,995,000	0.010%	3,663
887.83 LOS ANGELES UNIF DS 2002 SER D	168,790,000	0.010%	16,714
887.84 LOS ANGELES UNIF DS 2004 SER I	5,615,000	0.010%	556
887.85 LOS ANGELES UNIF DS 2005 SER F	149,140,000	0.010%	14,768
887.86 LOS ANGELES UNIF DS 2002 SERIES E	157,165,000	0.010%	15,562
887.87 LOS ANGELES UNIF DS 2004 SERIES J	172,270,000	0.010%	17,058
887.88 LOS ANGELES UNIF DS 2005 SER G	3,795,000	0.010%	376
887.89 LOS ANGELES UNIF DS 2005 SER H	159,495,000	0.010%	15,793
891.50 LYNWOOD USD DS SERIES A	18,404,801	97.953%	18,027,978
<b>Total Overlapping Debt</b>			<b>\$ 28,368,313</b>
<b>Total Direct and Overlapping Debt</b>			<b>\$ 42,711,707</b>

2009-10 Assessed Valuation: \$2,016,999,958 After Deducting \$574,576,969 Redevelopment Increment.

Debt To Assessed Valuation Ratios:	Direct Debt	0.71%
	Overlapping Debt	1.41%
	Total Debt	2.12%

Source: California Municipal Statistics

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	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Assessed Valuation	\$ 1,490,799,992	\$ 1,573,543,293	\$ 1,737,433,435	\$ 1,763,915,404
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	\$ 372,699,998.00	\$ 393,385,823.25	\$ 434,358,358.75	\$ 440,978,851.00
Debt limit percentage	15%	15%	15%	15%
Debt limit	\$ 55,904,999.70	\$ 59,007,873.49	\$ 65,153,753.81	\$ 66,146,827.65
Total net debt applicable to the limit:				
General obligation bonds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Legal debt margin	\$ 55,904,999.70	\$ 59,007,873.49	\$ 65,153,753.81	\$ 66,146,827.65

Source: County of Los Angeles Auditor-Controller

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

<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
\$ 1,887,020,636	\$ 2,057,766,907	\$ 2,291,065,086	\$ 2,811,856,366	\$ 2,700,055,236	\$ 2,821,047,242
25%	25%	25%	25%	25%	25%
\$ 471,755,159.00	\$ 514,441,726.75	\$ 572,766,271.50	\$ 702,964,091.50	\$ 675,013,809.00	\$ 705,261,810.50
15%	15%	15%	15%	15%	15%
\$ 70,763,273.85	\$ 77,166,259.01	\$ 85,914,940.73	\$ 105,444,613.73	\$ 101,252,071.35	\$ 105,789,271.58
0	0	0	0	0	0
\$ 70,763,273.85	\$ 77,166,259.01	\$ 85,914,940.73	\$ 105,444,613.73	\$ 101,252,071.35	\$ 105,789,271.58

**Water Revenue Bonds**

<b>Fiscal Year</b>	<b>Utility Service Charges</b>	<b>Less: Operating Expenses</b>	<b>Net Available Revenue</b>	<b>Debt Service</b>	
				<b>Principal</b>	<b>Interest</b>
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	10,183,958	7,716,303	2,467,655	340,000	820,454
2010	9,249,133	7,596,508	1,652,625	300,000	1,031,591

Source: City of Lynwood

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

<b>Public Finance Authority Revenue Bonds</b>		<b>Tax Allocation Bonds</b>		<b>Other Debt</b>	
<b>Debt Service</b>		<b>Debt Service</b>		<b>Debt Service</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
\$ 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
515,000	504,162	355,000	762,576	484,502	380,160

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

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<b>Calendar Year</b>	<b>Population</b>	<b>Personal Income</b> <i>(thousands of dollars)</i>	<b>Per Capita Personal Income</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
2001	69,845	\$ 655,787	\$ 9,389	18,237	8.8%
2002	70,760	670,393	9,474	18,786	9.3%
2003	71,701	687,057	9,499	19,464	11.0%
2004	72,461	700,160	9,663	19,658	11.3%
2005	72,737	727,674	10,004	19,072	10.6%
2006	72,704	751,295	10,334	17,772	8.8%
2007	72,773	787,630	10,823	17,571	7.8%
2008	72,483	808,071	11,148	17,341	8.3%
2009	72,623	815,093	11,224	16,968	12.0%
2010	72,906	801,071	10,988	16,215	18.2%

## City of Lynwood Principal Employers

<u>Employer</u>	<u>2007</u>		<u>2008</u>		<u>2009</u>		<u>2010</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
Lynwood Unified School District							1777	1
Los Angeles County Sheriff Department							320	2
Michels & Company							250	3
Lynwood City Hall							229	4
EMJ Metals							200	5
K and K Office Furniture							175	6
Universal Molding							175	7
Triumph Processing							160	8
Country Villa Lynwood Health Center							150	9
Jones Lumber			123	1			150	10
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		
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**

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<u>Function/Program</u>	<u>Full-time Equivalent Employees as of June 30</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>	<u>2010</u>
General Government										
City Council	5	5	5	5	12	12	12	7	2.5	2.5
City Manager	12	12	12	12	9	11	11	11	7	6
City Clerk	3	3	4	4	4	4	3	3	3.5	3.5
City Treasurer	1	2	2	2	2	2	2	1.5	1.5	1.5
Finance & Administration	22	24	41	41	25	26	24	23.5	23.5	40
Human Resources	6	6	6	6	18	19	20	13.5	11.5	5
Public Works	104	96	102	102	62	72	68	68	55.5	80.5
Redevelopment	19	15	12	12	7	7	11	11	9	9
Development Services	0	16	23	23	19	20	23	21	17.5	17.5
Public Relations	0	0	0	0	40	40	40	39.5	38	5.5
Parks and Recreation	144	95	100	100	87	105	101	58	59.5	56

Source: City of Lynwood

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

	Fiscal Year				
	2006	2007	2008	2009	2010
<b><u>Function / Program</u></b>					
General government					
Building permits issued	2,100	3,600	2,182	1,570	1,590
Building inspections conducted	6,300	1,560	5,325	3,794	5,200
Sheriff					
Physical arrests	2,251	2,397	3,782	4,344	3,738
Fire					
Emergency responses	4,716	3,062	3,654	3,458	4,655
Fires extinguished	273	200	168	157	138
Inspections	830	1,579	1,135	1,728	1,890
Refuse collection					
Refuse collected (tons per day)	228	153	75	63	72
Recyclables collected (tons per day)	94	56	65	41	66
Other public works					
Potholes repaired	73,000	12,000	15,800	5,800	7,200
Water					
Water main breaks	4	7	6	8	3
Average daily consumption (thousands of gallons)	5,660	5,500	5,640	5,600	5,250

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>	<u>2010</u>
Sheriff						
Stations	1	1	1	1	1	1
Zone offices	0	0	0	0	0	0
Patrol units	0	0	17	23	24	24
Fire Stations	2	2	2	2	2	2
Other public works						
Streets (miles)	85	85	90	90	90	90
Streetlights	2,300	2,300	2,300	2,300	4,175	4,175
Parks and recreation						
Acreage	35	35	35	37.9	37.9	37.9
Playgrounds	6	6	6	5	5	6
Baseball/softball diamonds	3	3	3	4	4	4
Soccer/football fields	2	2	2	3	3	3
Community Centers	2	2	3	3	3	4
Water						
Water mains (miles)	85	85	90	90	90	90
Fire hydrants	1,100	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	3,000
Wastewater						
Sanitary sewers (miles)	81	81	81	81	82	82
Storm sewers (miles)	2	2	2	2	2	2

Source: City of Lynwood