City of El Centro

California

Comprehensive Annual Financial Report

For The Year Ended June 30, 2009

CITY OF EL CENTRO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2009

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INTRODUCTORY SECTION

January 6, 2010

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of El Centro:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America by licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the City of El Centro for the fiscal year ended June 30, 2009.

This report consists of management's representations concerning the finances of the City of El Centro. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide reasonable basis for making these representations, management of the City of El Centro has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of El Centro's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the City of El Centro'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 of El Centro's financial statements have been audited by Moss, Levy & Hartzheim, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of El Centro for the fiscal year ended June 30, 2009, are free of material misstatement. The independent audit involved 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; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of El Centro's financial statements for the fiscal year ended June 30, 2009, are fairly presented in conformity with U.S - GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of El Centro was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City of El Centro's separately issued Single Audit Report.

U.S - GAAP 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 of El Centro's MD&A can be found immediately following the report of the independent auditors.

Finance Department

1275 Main Street, El Centro, CA 92243 (760) 337-4573 Fax (760) 337-4564

Profile of the Government

The City of El Centro was incorporated under the Laws of the State of California in 1908 and is governed by an elected Five-Member Council. The City is located in the southern part of the State, which is considered to be one of the fastest growth areas in the State. The City of El Centro currently occupies a land area of approximately 10 square miles and serves a population of approximately 44,259. The City of El Centro is empowered by the State to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing Council.

The City of El Centro operates under the Council-Manager form of government. Policymaking and legislative authority are vested in a governing council consisting of the Mayor and four Council members.

The Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Attorney, and the Secretary to the Council. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The Council is elected on an at large non-partisan basis. Council members serve four-year staggered terms, with elections held every two years. The Mayor is appointed by the Council to serve a one-year term.

The City of El Centro provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; and recreational activities; and water and sewer services. Solid Waste collection and disposal is contracted out. The City of El Centro also is financially accountable for the El Centro Regional Medical Center (Hospital), which is reported within the Proprietary Funds of the City's financial statements. Additional information on the Hospital can be found in Note 1 and other various notes (Note 3, Note 4, Note 6, Note 7, Note 8, Note 9, Note 11, Note 12, Note 15, and Note 17) in the Notes to the Financial Statements.

The Annual Budget serves as the foundation for the City of El Centro Financial Planning and Control. Prior to June 30 of each year the City Manager submits to the City Council a proposed operating budget for the Fiscal Year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted and prior to June 30, the budget is adopted by motion of the City Council. The appropriated budget is prepared by Fund, Function (e.g. Public Safety) and Department (e.g. Police). Department Heads may request transfers of appropriations within their departmental budgets. Transfers of appropriations between departments, however require the authorization of the City Manager. Any revision that increases the total appropriations of any fund must be approved by the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund, for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on Page 76 as part of the basic financial statements for the governmental funds.

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 of El Centro operates.

Local Economy

The County of Imperial consists of seven cities and an unincorporated area with a countywide population of approximately 150,000. The City of El Centro is the largest City in the County, with a population of approximately 44,259 (per Department of Finance). Among the many attributes that makes Imperial County attractive to both commercial and residential development is the abundance of inexpensive water, energy, and land. Additionally, the County serves as the Gateway to the United States for the City of Mexicali, Mexico, the capital of Baja California. Mexicali has a population in excess of 1,000,000 and a significant number of maquiladoras (A maquiladora is an assembly plant in Mexico, especially one along the border between the United States and Mexico, to which foreign materials and parts are shipped and

from which the finished product is returned to the original market). These factors and others have resulted in a discernable trend towards significant growth in both residential and commercial development.

During the preceding three fiscal years (2005/2006, 2006/2007, 2007/2008) the City of El Centro experienced unprecedented growth in commercial and residential development, sales and sales tax revenues. This in conjunction with cost control measures allowed the City to build strong reserves and designations. The expansion in the local economy previously experienced slowed down during fiscal year 2009. However, the City's economy compares favorably due to its unique structure.

While the economic decline is not at the levels being experienced at the National, State and regional levels, it has reduced some of the City's major sources of revenues. Operating expenditures, for the general fund, exceeded operating revenues by $2,791,372 (this amount is $1,064,006 after transfers in for operating expenditures). This was as a result of capital and one time expenditures approved by council from reserve designations set aside for this endeavor. In addition the City made a one-time transfer out in the amount of $5,170,000 to set up a separate fund to designate funds for GASB Statement 45 pension liability. The resulting ending fund balance at June 30, 2009 is $6,564,785 and represents approximately twenty-six (26) percent of current year general fund expenditures.

Sales taxes for calendar year 2008 have decreased slightly (2.25%) from 2007 and are expected to decrease at a greater rate for calendar year 2009. This slight decrease compares favorably with Imperial County as a whole (4.13% decrease) and the Southern California region (5.78% decrease). This is due in part to the opening of the Imperial Valley Mall, a 766,333 square foot retail center, in 2005 which helped further diversify the City's economy and attracts residents of surrounding cities as well as from Mexicali, Mexico. The City of El Centro's assessed property tax values increased 9.82% in fiscal year 2008-09 as compared with fiscal year 2007-08. However as local property values continue to be affected by the depressed economy, the assessed value is expected to decrease as property owners continue filing assessment appeals.

The following factors contribute to the outlook for long term financial stability:

- More diverse economy with per capita sales at 130% of national averages
- The new regional mall as an incentive for increased commercial development surrounding the mall.
- The updating of various fees such as the Park and Recreation impact fees and the creation of special districts.

Long-Term Financial Planning

The fund balance in the general fund is $6.6 million (26% of general fund operating expenditures) and falls within the policy guidelines set by the City for budgetary and planning purposes (10% of general fund expenditures). The City has maintained a conservative approach to fiscal matters by managing ongoing expenditures and tracking revenues. In addition to the reserve for working capital and contingency, the City has also set up a separate fund to designate 83% of the post employment liability.

The City's financial condition is consistently being monitored. Reports are presented periodically to the City Council regarding the performance of all major funds. We will continue to closely track revenues and expenditures and forecast trends in order for the City to be able to manage the economic downturn with minimal impact on service levels. The current economic factors continue to play an important role in management of City finances and require observation.

The City has approved additional revenue sources in the form of Landscape/Lighting Districts, Community Facilities Districts and Service Districts. The City has updated various fees, such as development impact fees, to aid in financing the additional services that the City is required to provide. In order to continue to provide a high level of water and wastewater services to existing residents, businesses, and new residences the City has also reviewed rates and capacity fees. The City obtained necessary debt financing for updating and expanding facilities, delivery and collection systems by issuing $65 million in water and wastewater revenue bonds.

Cash Management Policies and Practices

The Council recognizes that the City's invested assets are essential to the City's financial strength, and its ability to pay claims; therefore, the City adopted a fiscally responsible investment policy, which promotes the wise investment of City funds. The primary investment needs of the City are the preservation of capital, maintaining appropriate levels of liquidity and yield on invested assets. As a matter of policy no more than 65 percent of the City's funds may be invested in securities with maturities longer than two years from the date of purchase. Securities with maturities longer than five years must be U.S. Treasury Notes or Bonds, Federal National Mortgage Association Bonds or Federal Home Loan Bank Bonds. Additionally, the City is a voluntary participant in the Local Agency Investment Fund (LAIF), which is used for short-term investments. LAIF is regulated by California Code Section 16430 and 16480 under the oversight of the Treasurer of the State of California. On an average 10 percent of the City's funds are invested in Corporate Notes, with the remaining 90 percent on deposit with LAIF or the Bank used to process the City's daily transactions.

Risk Management

The City is a member of the California Joint Powers Insurance Authority. The Authority is composed of approximately 119 California Public Entities and is organized under a Joint Powers Agreement, pursuant to California Government Code 6500. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverage. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine member Executive Committee.

A part of the City's Risk Management Program, is employee accident prevention training and return to work program. Additional information on the City of El Centro's Risk Management activity can be found in note 9 of the notes to the financial statements.

Pension and other Post Employment Benefits

The City of El Centro is a member of the California Public Employees Retirement System (CalPers). The City offers two defined benefit pension plans, Miscellaneous and Public Safety, which provides retirement and disability benefits and death benefits to plan members and beneficiaries. Active plan members are required to contribute a fixed percentage of their annual covered salary. The City of El Centro 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 contribution requirements of the plan members are established by State Status and the employer contribution is established and may be amended by CalPers.

The El Centro Regional Medical Center Retirement Income Plan (the Plan), a single-employer defined benefit pension plan and is administered by the Hospital. The Plan covers all employees of the Hospital who are not members of a collective bargaining unit. The Plan provides retirement and death benefits to plan members and beneficiaries. The Hospital's Board of Directors has the authority to establish and amend benefit provisions. The contribution requirements of plan members and the Hospital are established and may be amended by the Hospital's Board of Directors. The Retirement Plan is administered by a retirement plan committee appointed by the Board of Directors of the Medical Center. The Retirement Plan issues a separate financial report that includes financial statements and required supplemental information.

The City of El Centro also provides post retirement health and dental care benefits, as provided for in various collective bargaining agreements for retirees that meet certain criteria. The City finances the plan on a pay-as-you-go basis.

During the fiscal year ended June 30, 2009, the City implemented GASB Statement Number 45 relative to other post-employment benefits (OPEB) and recognized a net pension liability relative to OPEB at the end of the fiscal year. Per GASB 45 the City conducted an actuarial valuation to determine the unfunded

actuarial accrued liability and the annual required contribution. As of June 30, 2009 the City has set up a separate fund to designate 83% of this liability.

Additional information on the City of El Centro pension arrangements and post employment benefits can be found in notes 14 and 15 in the notes to the financial statements.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of El Centro for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2008. This was the second consecutive year the City of El Centro has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance and Administration Department. Credit also must be given to the Mayor and the City Council for their support and direction in maintaining the highest standards of professionalism in the management of the City of El Centro finances.

Respectfully submitted,

Ruben Duran	Leticia Salcido
City Manager	Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

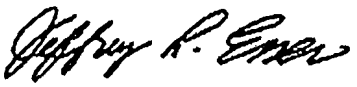
Presented to

City of El Centro
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

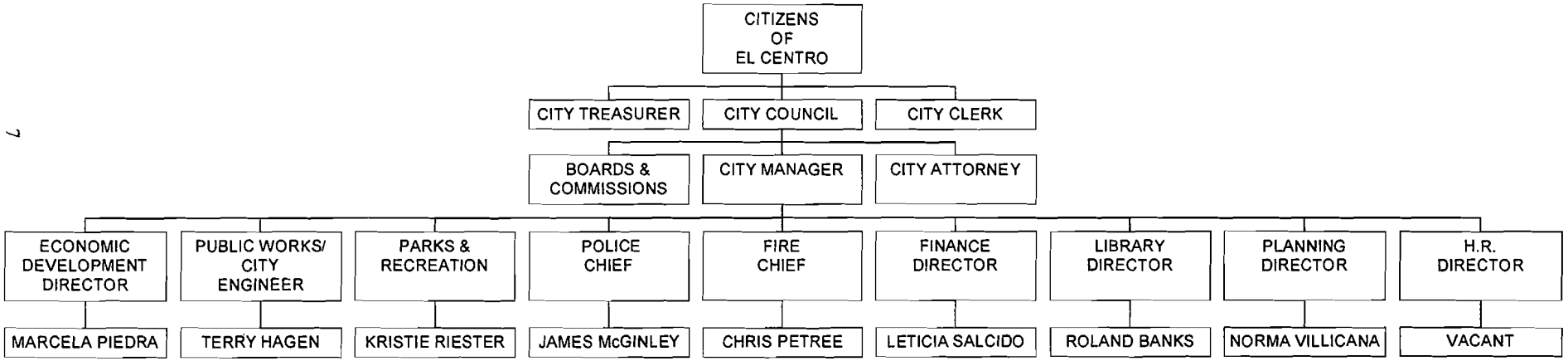
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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

President



Executive Director

City of El Centro
Organizational Chart



CITY OF EL CENTRO

Ben Solomon
Mayor

Cheryl V. Walker **Council Member**	**Jon Edney** **Council Member**
Sedalia Sanders **Council Member**	**Efrain Silva** **Council Member**
Diane Caldwell **City Clerk**	**Albert Terrazas** **City Treasurer**

Ruben A. Duran
City Manager

Luis Hernandez
City Attorney

Roland Banks	**Library Director**
Terry Hagen	**Director of Public Works/City Engineer**
James McGinley	**Police Chief**
Chris Petree	**Fire Chief**
Marcela Piedra	**Director of Economic Development**
Norma Villicana	**Director of Planning**
Vacant	**Director of Human Resources**

Prepared By:
Leticia Salcido - Director of Finance

Richard Romero	**Yvonne Obeso**
Finance Manager	**Financial Specialist**

FINANCIAL SECTION

MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

The Members of the City Council of the
City of El Centro
El Centro, 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 El Centro, California (City) as of and for the fiscal year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Hospital Fund. Those financial statements were audited by other auditors whose report has been furnished to us, and in our opinion, insofar as it relates to the amounts included for the Hospital Fund, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, 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 El Centro, California, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable thereof, for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 1 of the notes to basic financial statements effective July 1, 2008, the City adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements of Auditing Standards.*

OFFICES: BEVERLY HILLS • SANTA MARIA

MEMBER AMERICAN INSTITUTE OF C.P.A.'s • CALIFORNIA SOCIETY OF C.P.A.'s • CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS • CALIFORNIA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

In accordance with Government Auditing Standards, we have also issued a report dated January 6, 2010, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contacts, 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 on pages 11 through 22, the Schedule of Revenues Expenditures, and Changes in Fund Balance – Budget to Actual – General Fund, the Schedule of Funding Progress-Other Post-employment Benefits, and the Schedule of Funding Progress-Hospital Retirement Income Plan are not required parts of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining nonmajor fund financial statements, major capital projects budgetary comparison schedule, nonmajor funds budgetary comparison schedules, combining nonmajor proprietary fund financial statements, combining internal service fund financial statements, agency fund statement of changes in assets and liabilities, and the statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements. The combining nonmajor fund financial statements, major capital projects budgetary comparison schedule, nonmajor funds budgetary comparison schedules, combining nonmajor proprietary fund financial statements, combining internal service fund financial statements, and agency fund statement of changes in assets and liabilities 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.

Moss, Levy & Hartzheim, LLP
Beverly Hills, California
January 6, 2010

Management's Discussion and Analysis

As management of the City of El Centro, we offer readers of the City of El Centro's financial statements this narrative overview and analysis of the financial activities of the City of El Centro for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

I. Statement of Net Assets and Statement of Activities

- The assets of the City of El Centro exceeded its liabilities at the close of the most recent fiscal year by $216,176. Of this amount, $46,288 may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by $13,160. Governmental activities increased the City's net assets by $6,929. Business-type activities net asset increased by $6,231.

II. Balance Sheet-Governmental Funds

- As of the close of the current fiscal year, the City of El Centro's governmental funds reported combined ending fund balances of $77,208. Approximately 30% or $23,077 is available for spending (Unreserved Fund Balance). See additional discussion in the Financial Analysis of the City's Funds on Pages 23 to 33.
- At the end of the current fiscal year, unreserved fund balance for the general fund was $5,260, or approximately 21 percent of total general fund expenditures.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City of El Centro that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of El Centro include general government, public safety, community development, public works, and parks and recreation. The business-type activities of the City of El Centro include water, sewer (wastewater), solid waste, transit and a community hospital.

The government-wide financial statements, not only include the City of El Centro itself (known as the primary government), but also a legally separate redevelopment agency for which the City of El Centro is financially accountable.

The government-wide financial statements can be found on pages 23-24 of this report.

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

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

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

The City of El Centro maintains 60 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the redevelopment agency capital projects fund, both of which are considered to be major funds. Data from the other 58 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of El Centro adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 25-28 of this report.

Proprietary Funds. The City of El Centro maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type*

activities in the government-wide financial statements. The City of El Centro uses enterprise funds to account for its water, wastewater, solid waste, and transit operations as well as the community hospital, El Centro Regional Medical Center. *Internal service funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City of El Centro on a cost reimbursement basis. The City of El Centro uses internal service funds to account for its fleet of vehicles, workers compensation program, group health insurance, and post employment benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities, in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, wastewater, and hospital operations, all of which are considered to be *Major Funds* of the City of El Centro. Conversely, *Internal service funds* are combined into a single aggregated presentation, in proprietary fund financial statements. Individual fund data for the internal service and non-major enterprise funds is provided in the form of combining statements elsewhere in this report.

The proprietary fund financial statements can be found on pages 29-31 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of El Centro's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on page 32 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-72 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of El Centro's Schedule of Funding Progress-Other Postemployment benefits, Schedule of Funding Progress – Hospital Retirement Income Plan, and Schedule of Revenues, Expenditures, and Changes in Fund Balance (Final Budget, Original Budget, and Actual Amount) for the General Fund. Required supplementary information can be found on pages 73-76 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 77-156 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of El Centro, assets exceeded liabilities by $216,176 (see table 1, page 14) at the close of the most recent fiscal year.

The City of El Centro's net assets in the amount of $98,564 (approximately 46 percent) reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. Of this amount $42,270 is related to business type activities with approximately $22,778 in the hospital fund and $19,492 in the water and wastewater funds. The City of El Centro uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of El Centro's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of El Centro's net assets in the amount of $71,324 (approximately 33 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets,* $46,288, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of El Centro is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

Table 1 – City of El Centro Net Assets
June 30, 2009 (Thousands)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current Assets and Other Assets	113,322	103,557	110,034	133,548	223,356	237,105
Capital Assets	64,410	66,500	108,340	81,925	172,750	148,425
Total Assets	177,732	170,057	218,374	215,473	396,106	385,530
Current and Other Liabilities	13,458	12,171	18,217	20,543	31,675	32,714
Long-term Liabilities	33,745	33,813	114,510	115,514	148,255	149,327
Total Liabilities	47,203	45,984	132,727	136,057	179,930	182,041
Net Assets:						
Invested in Capital Assets, net of related debt	56,294	57,567	42,270	45,119	98,564	102,686
Restricted	63,572	58,138	7,752	7,697	71,324	65,835
Unrestricted	10,663	8,368	35,625	26,600	46,288	34,968
Total Net Assets	130,529	124,073	85,647	79,416	216,176	203,489

As shown in Table 2 (below), the City of El Centro's Net Assets increased by $13,160. Governmental Activities Net Assets increased by $6,929, thereby accounting for 53 percent of the total increase in Net Assets.

Table 2 – City of El Centro's Changes in Net Assets
For the Year Ended June 30, 2009 (Thousands)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program Revenues:						
Charges for Service	1,705	3,284	111,898	102,157	113,603	105,441
Operating Grants & Contributions	6,837	7,615	635	624	7,472	8,239
Capital Grants & Contributions	1,570	9,952	2,257	1,882	3,827	11,834
General Revenues:						
Property Tax	10,350	9,220	-	-	10,350	9,220
Sales Tax	9,844	10,200	-	-	9,844	10,200
Motor Vehicle in Lieu of Taxes	3,999	3,833	-	-	3,999	3,833
Investment Earnings	1,603	3,575	1,971	7,128	3,574	10,703
Other	3,188	3,547	-	24	3,188	3,571
Total Revenue	39,096	51,226	116,761	111,815	155,857	163,041
Expenses:						
General Government	3,079	3,106	-	-	3,079	3,106
Public Protection	15,437	15,709	-	-	15,437	15,709
Community Development	2,641	3,745	-	-	2,641	3,745
Public Works	5,295	6,402	-	-	5,295	6,402
Parks and Recreation	4,985	3,028	-	-	4,985	3,028
Interest on Long-Term Liabilities	2,509	1,970	-	-	2,509	1,970
Water	-	-	8,008	7,123	8,008	7,123
Wastewater	-	-	7,499	7,221	7,499	7,221
Hospital	-	-	91,149	81,948	91,149	81,948
Other	-	-	2,095	3,918	2,095	3,918
Total Expenses	33,946	33,960	108,751	100,210	142,697	134,170
Transfers	1,779		(1,779)			
Increase (Decrease) in Net Assets	6,929	17,266	6,231	11,605	13,160	28,871

Governmental Activities

The change in Net Assets for Governmental Activities was an increase of $6,929 for the year ended June 30, 2009. The following were the key elements in the change in net assets:

- Total revenues and transfers were $40,875 and expenses totaled $33,946. This was a decrease of 20.21 percent and 0.04 respectively.
- Total revenues and transfers decreased from previous year due to the following decreases and increases
    - The decrease in revenues and transfers from the previous year was primarily due to the following reasons:
        1. Decrease in mitigation funds in the amount of $611

2. Decrease in capital contributions by developers in the amount of $7,290
3. Decrease in development impact fees in the amount of $1,283
4. Decrease in the General Fund in the amount of $2,202 within the following categories; Property Taxes $96, Sales Taxes $344, TOT Taxes $240, Building Permits $316, Charges for Current Services $831, Interest $375.
5. Decrease in interest earned in the amount of $1,102
6. Decrease in grant funding in the following funds: HUD Entitlement $543, Federal Hwy's $565, Colonia El Dorado $335
7. Decline in LTA sales tax in the amount of $178
8. Decline in asset forfeiture in the amount of $366

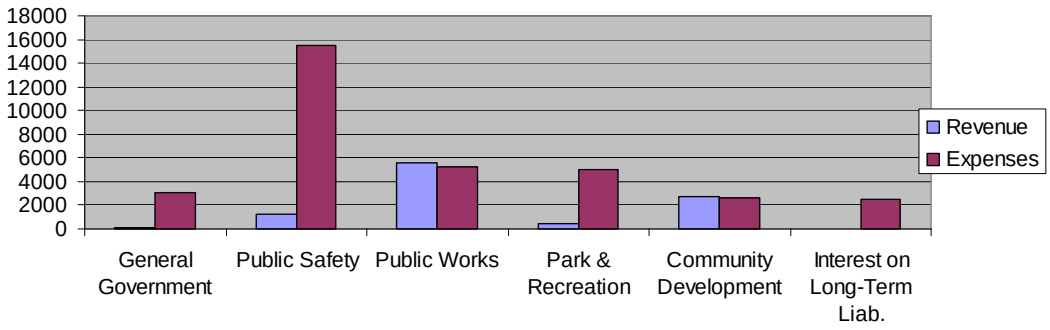
- The increases in revenues from the previous year were primarily due to the following reasons:
    1. Traffic Congestion Relief increase in state funding $280
    2. Grant funding in the following funds: Home Grant $1,601, Household Hazardous Waste $165, Post Office Grant $109, Used Oil Grant $26, 2002 Bond Resource $51
    3. RDA Debt Service increase in property taxes $1,180
    4. RDA Housing increase in property taxes $295
    5. General Fund in the following areas: Motor Vehicle In-Lieu Tax $83, Other Agencies $232

- Total Expenses decreased from previous years due to the following decreases and increases:
    - The decreases in expenses from the previous year were primarily due to the following reason:
        1. General Fund decreased by $687 which was mainly related to capital outlay purchases
        2. Asset Forfeiture decreased by $441 due to decline in public safety expenses
        3. LTA decreased $1,307 due to decrease in street related projects
        4. HUD Entitlement decreased by $607 due to decrease in public projects, $213 in loans, and $89 in contributions
        5. HELP decreased by $442 due to decrease in loans
        6. RDA Housing decreased by $1,555 due to decrease in land acquisition
        7. Post Office Grant decreased by $194 due to decrease in capital improvements
        8. Federal Highway Administration decreased by $575 due to decrease in street projects
        9. Colonia El Dorado decreased by $330 due to decrease in street project

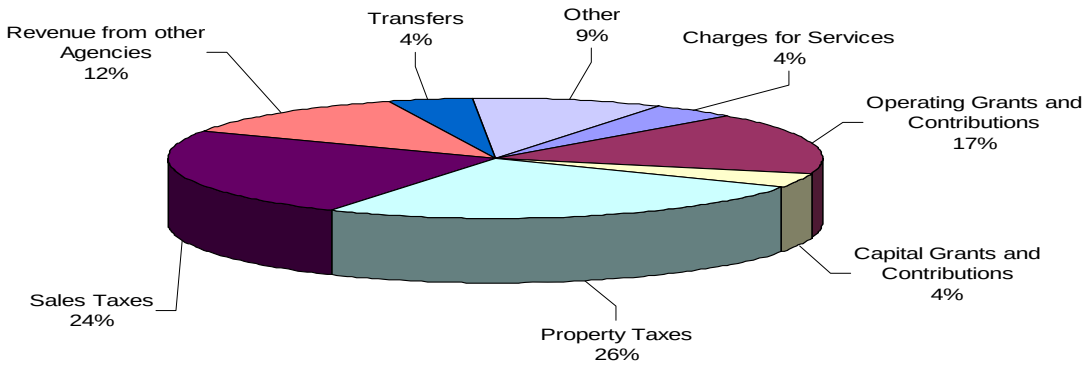
    - The increase in expenses from the previous year was primarily due to the following reasons
        1. Home Grant increased by $1,263 due to development of affordable apartments
        2. RDA Housing increased by $1,043 in additional loans

3. RDA Debt Service increased by $867 in additional tax pass-through's and debt service payments
4. RDA Capital increased by $284 related to various capital projects
5. Household Hazard Waste increased by $168 due to grant related expenses
6. Bus Shelter increased by $41 due to project on development of regional bus terminal
7. Special Events increased by $26 due to community based events
8. SLESF increased by $64 due to purchase of communication equipment and other safety supplies
9. CDBG Program Income increased by $73 due to additional capital projects
10. Lighting & Landscaping District increased by $47 due to landscaping improvements
11. 2002 Bond Resource increased by $33 to purchase playground equipment
12. IVWMTF increased by $31 for program expenses
13. Department of Conservation increased by $6 for grant related expenses
14. FHWA grants increased by $5 for street projects

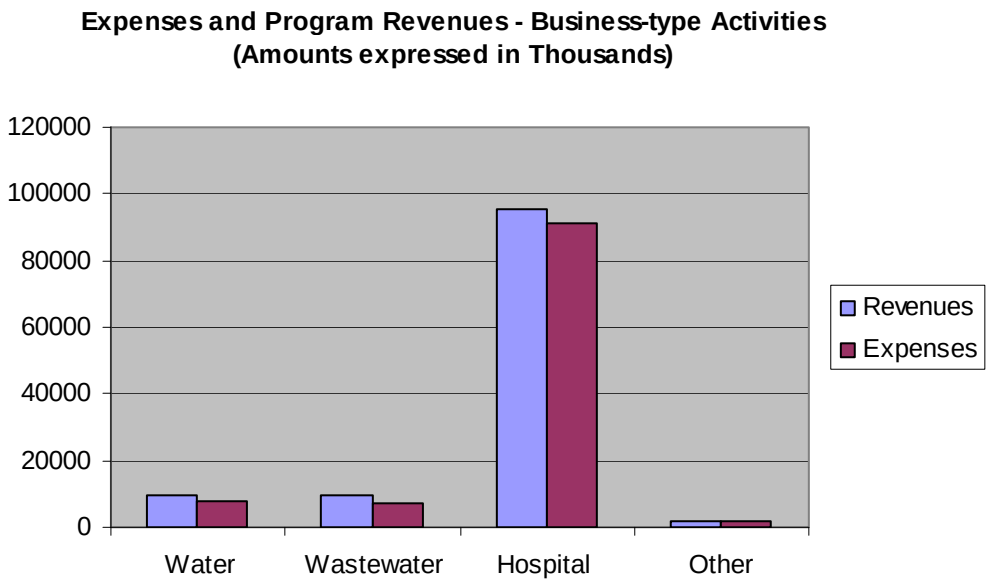
Expenses and Program Revenues-Governmental Activities
(Amounts expressed in Thousands)

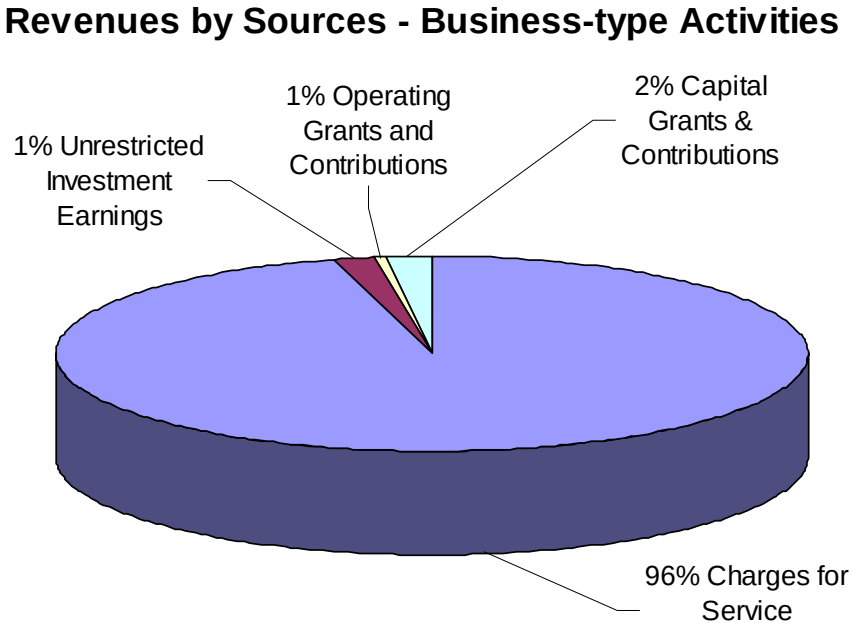


Revenues and Transfers by Source-Governmental Activities



Business-type activities
Business-type activities net assets increased by $6,231. In fiscal year 2009 revenues increased by 4.42 percent and expenses and transfers increased by 10.30 percent.





Financial Analysis of the Government's Funds

As noted earlier, the City of El Centro uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of El Centro's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of El Centro's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of El Centro's governmental funds reported combined ending fund balances of $77,208, an increase of $4,678 in comparison with the prior year. Approximately 30% of this total amount or $23,077 constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is reserved.

The general fund is the chief operating fund of the City of El Centro. At the end of the current fiscal year, *unreserved fund balance* of the general fund was $5,260, while total fund balance totaled $6,565. As a measure of the general fund's liquidity, it may be useful to compare both *unreserved fund balance* and total fund balance to total fund expenditures. Unreserved fund balance represents 21 percent of total general fund expenditures, while total fund balance represents 26 percent of the total general fund expenditures.

The fund balance for the General Fund decreased by $6,429 during the current fiscal year. Significant factors related to the revenue and expenditures of the general fund for the current fiscal year are as follows:

- Revenues for the general fund totaled $22,301, which was a decrease of $2,202 or approximately 9 percent over the prior fiscal year. Taxes decreased by $1.1 million or 8%. Charges for services decreased by $832 or 49% due to a decrease in building related fees.
- Expenditures for the general fund totaled $25,092. This is a decrease of $686 or approximately 3 percent over the prior fiscal year. Public Safety increased by 4% due to purchase of public safety equipment; Parks and Recreation increased by 17% due to additional programs offered. Decline in expenditures for professional services in community development due to slowdown in development. Decline in capital expenditures due to reductions in equipment purchases.
- Transfer out in the amount of $5,170 to set up a separate fund to designate funds for GASB 45 - Other post employment benefit liability.

The Redevelopment Agency Capital Projects Fund ended the current fiscal year with reserved fund balance in the amount of $20,651, with the fund balance decreasing by $44. Significant factors related to the revenues and expenditures of the RDA Capital Projects Fund for the current fiscal year are as follows:

- Revenues totaled $576 which was a decrease of $738 or approximately 56 percent over the prior fiscal year. Interest revenues decreased by $471 due to overall decrease in interest rates.

- Expenditures totaled $1,921. This was an increase of $91 or approximately 5 percent over the prior fiscal year. Capital Outlay increased by $272 due to remodeling work on various projects. Community Development expenditures decreased by $181 due to reduction in commercial loans issued and reduction in supplies & services.

Proprietary Funds

The City of El Centro's *proprietary funds* provide the same type of information found in the government-wide financial statements, but in more detail.

Net assets of the proprietary (enterprise) funds at the end of the year amounted to $85,647. The total growth in net assets for all enterprise funds was $6,231. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of El Centro's business-type activities.

General Fund Budgetary Highlights

The City made revisions to the original appropriations approved by the City Council. Overall these changes resulted in an increase in budgeted expenditures from the original budget of 2.43% or $662. The majority of the increase was due to adjustments in supplies and services for general government, public safety and parks and recreation. In addition there was an increase in budgeted transfers out from the original budget in the amount of $5.3 million. The majority of the increase was due to the funding of GASB Statement Number 45 other post employment benefit liability.

Actual expenditures for the year in the amount of $25,092 were $2.8 million (10%) below the final budgeted amounts. Expenditures were lower than the budgeted amount for the following reasons: decline in salary and benefit expenditures due to vacancies in police, planning and city attorney departments; decline in professional fee expenditures in engineering and planning due to slowdown in development; decline in professional services expenditures in public works street cleaning due to timing of contract; decline in expenditures for supplies, services and equipment for public works; decline in expenditures for other real property (parks) due to timing of transaction; decline in expenditures for professional fees (recreation) due to timing of project start date; decline in expenditures for the adult center due to timing of project.

Capital Asset and Debt Administration

As of June 30, 2009 the City's investment in capital assets for its governmental and business-type activities amounted to $172,750 (net of accumulated depreciation). The investments in capital assets are comprised of land, building and improvements, infrastructure, vehicles, furniture and equipment, and construction in progress. The City, according to GASB 34 guidelines has elected retroactively to include all infrastructure assets dating back to 1980.

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

- Vehicle acquisition of $309 with 94 percent for public safety
- Street improvements of $432
- Third fire station construction $425
- Financial system implementation and software $257

- Parks & Recreation equipment $393
- Water and Wastewater system infrastructure improvements totaling $27,005

Table 3 – City of El Centro's Capital Assets
(Net of Accumulated Depreciation)
June 30, 2009 (Thousands)

	Governmental Activities	Business-Type Activities	Total
Land	6,186	1,444	7,630
Building and Improvements	20,542	92,811	113,353
Infrastructure	20,944	-	20,944
Vehicles	2,317	211	2,528
Furniture and Equipment	2,821	11,567	14,388
Construction in Progress	11,601	2,306	13,907
Total	64,411	108,339	172,750

Additional information on the City of El Centro's capital assets can be found in Note 6 on pages 53-54 of this report.

Long-Term Debt

At the end of the current fiscal year, the City had total long-term debt outstanding of $148,256. The composition of long-term debt is outlined in Table-4 below.

Table 4 – The City's Outstanding Debt
June 30, 2009 (Thousands)

	Governmental Activities	Business-Type Activities	Totals
Tax Allocation Bonds	30,915	-	30,915
Revenue Bonds Payable	-	109,563	109,563
Capital Leases	-	4,566	4,566
Other Post-Employment Benefits	765	-	765
Compensated Absences	2,066	381	2,447
Total	33,746	114,510	148,256

The majority of the long-term debt is comprised as follows:

- Tax Allocation Bonds in the amount of $30,915. The Redevelopment Agency of the City of El Centro issued $9,240 in tax allocation bonds in 1996 and $31 million in 2007. The proceeds were used to redeem an

earlier bond issue, with the balance to finance public improvements as allowed by Redevelopment regulations.

- Insured Hospital Revenue Bonds in the amount of $32,453. El Centro Regional Medical Center issued $39,300 in Insured Hospital Revenue Bonds in 2001. The proceeds are being used to finance the construction and equipping of the Medical Center's expansion project.
- Revenue Bonds in the amount of $64,465. The City of El Centro issued $65 million in revenue bonds in 2006 for the construction of a new water treatment plant and wastewater plant improvements.

Additional information on the City of El Centro's long-term debt can be found in note 8, on pages 55 to 62 of this report.

Economic Factors

As noted in the letter of transmittal the economic growth experienced by the City of El Centro, in the preceding three fiscal years (2005/2006, 2006/2007, 2007/2008) as well as cost control measures allowed the City to improve its financial position and build strong fund balance reserves and designations. The slowdown in the economy that is being experienced at the national and State level has affected the City of El Centro this year. However while the City has experienced a decline in revenues from sales tax, building related fees, property taxes, interest and transient occupancy tax, the City's economy compares favorably due to its unique structure.

The regional mall which was opened in 2005 is located in the City of El Centro. This mall continues to generate a substantial amount of the sales tax revenue for the City and serves as a stimulus for compatible commercial growth in and around the mall area. The commercial development across from the mall now includes a new Ross, Marshalls, Burlington Coat Factory, Staples and Bed Bath & Beyond.

The slowdown in commercial and residential development is reflected in the decline in building related fees. While sales and sales tax revenues have declined, the decline is not as substantial as in the rest of the State. This is due to the fact that the majority of the sales tax base for the City is comprised of individuals from out of the country (Mexicali, Mexico). This customer base has allowed the City's sales tax revenue to continue at a much higher level than that of other cities in the region.

The City continues to proactively position itself for the possible challenges that can be associated with the economic slowdown. The City continues to fund reserves, designations and has developed revenue enhancement and cost containment measures.

Requests for Information

This financial report is designed to provide a general overview of the City of El Centro's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Finance, 1275 Main Street, City of El Centro, California, 92243.

CITY OF EL CENTRO
Statement of Net Assets
June 30, 2009

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Investments	$ 71,262,356	$ 26,383,385	$ 97,645,741
Restricted Assets:			
Cash and Investments with Fiscal Agent	24,056,308	54,952,797	79,009,105
Receivables (net of allowances for uncollectibles)			
Accounts	59,363	20,321,013	20,380,376
Taxes	1,253,247		1,253,247
Interest	123,181	26,930	150,111
Grants	679,642		679,642
Notes	13,285,977	475,592	13,761,569
Other	1,134,325	148,458	1,282,783
Internal Balances	3,456	(3,456)	
Inventories		1,798,217	1,798,217
Deferred Charges, Net of Accumulated Amortization	1,401,078	1,777,309	3,178,387
Net Pension Obligation - Overfunded		703,700	703,700
Prepaid Items		1,297,017	1,297,017
Investment in Joint Venture		2,152,975	2,152,975
Land Held for Resale	63,589		63,589
Capital Assets Not Being Depreciated	17,786,407	3,749,890	21,536,297
Capital Assets, Net of Accumulated Depreciation	46,623,647	104,590,046	151,213,693
Total Assets	177,732,576	218,373,873	396,106,449
Liabilities:			
Accounts Payable	2,587,020	10,056,434	12,643,454
Salaries/Benefits Payable	967,438	3,640,734	4,608,172
Interest Payable	231,970	918,918	1,150,888
Unearned Revenue	63,131		63,131
Deposits	9,608,409	213,653	9,822,062
Due to Third Party Payors		3,386,722	3,386,722
Non-Current Liabilities:			
Due Within One Year	32,451,976	4,342,102	36,794,078
Due in More Than One Year	1,293,402	110,168,261	111,461,663
Total Liabilities	47,203,346	132,726,824	179,930,170
Net Assets:			
Invested in Capital Assets, Net of Related Debt	56,294,632	42,269,911	98,564,543
Restricted for:			
Housing and Economic Development	36,898,085		36,898,085
Public Improvements	9,590,870		9,590,870
Street Improvements	12,454,162		12,454,162
Public Protection	1,513,389		1,513,389
Parks and Recreation	689,442		689,442
Debt Service	2,425,838	7,752,240	10,178,078
Unrestricted	10,662,812	35,624,898	46,287,710
Total Net Assets	$ 130,529,230	$ 85,647,049	$ 216,176,279

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

CITY OF EL CENTRO

Statement of Activities

For the Fiscal Year Ended June 30, 2009

Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets: Governmental Activities	Net (Expenses) Revenues and Changes in Net Assets: Business-Type Activities	Net (Expenses) Revenues and Changes in Net Assets: Total
Primary Government:							
Governmental Activities:							
General Government	$ 3,078,888	$ 42,640	$ 113,427	$ -	$ (2,923,421)	$ -	$ (2,923,421)
Public Protection	15,437,278	971,735	62,729	167,940	(14,234,874)		(14,234,874)
Community Development	2,641,010	542,958	2,080,294	56,195	38,437		38,437
Public Works	5,294,860	25,222	4,483,848	1,113,851	328,061		328,061
Parks and Recreation	4,985,269	123,396	97,000	232,021	(4,532,852)		(4,532,852)
Interest on Long-Term Liabilities	2,508,942				(2,508,942)		(2,508,942)
Total Governmental Activities	33,946,247	1,705,351	6,837,298	1,570,007	(23,833,591)		(23,833,591)
Business Activities							
Water	8,008,232	8,060,343		1,005,246		1,057,357	1,057,357
Wastewater	7,499,465	7,369,120		1,251,560		1,121,215	1,121,215
Hospital	91,148,549	94,771,491	445,514			4,068,456	4,068,456
Transit	223,058	31,901	189,154			(2,003)	(2,003)
Solid Waste	1,871,739	1,664,720				(207,019)	(207,019)
Total Business Type Activities	108,751,043	111,897,575	634,668	2,256,806		6,038,006	6,038,006
Total Primary Government	$ 142,697,290	$ 113,602,926	$ 7,471,966	$ 3,826,813	(23,833,591)	6,038,006	(17,795,585)
General Revenues:							
Taxes:							
Property Taxes					10,350,487		10,350,487
Sales Taxes					9,843,655		9,843,655
Transient Occupancy Taxes					1,198,977		1,198,977
Franchise Taxes					393,958		393,958
Other Taxes					332,272		332,272
Motor vehicle in lieu, unrestricted					3,998,996		3,998,996
Revenue from Other Agencies					981,896		981,896
Investment Earnings					1,603,352	1,971,334	3,574,686
Miscellaneous Revenue					280,353		280,353
Transfers					1,778,540	(1,778,540)	
Total General Revenues and Transfers					30,762,486	192,794	30,955,280
Change in Net Assets					6,928,895	6,230,800	13,159,695
Net Assets - Beginning of Fiscal Year					124,072,557	79,416,249	203,488,806
Prior Period Adjustments					(472,222)		(472,222)
Net Assets - Beginning of Fiscal Year (restated)					123,600,335	79,416,249	203,016,584
Net Assets - End of Fiscal Year					$ 130,529,230	$ 85,647,049	$ 216,176,279

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

CITY OF EL CENTRO
Balance Sheet
Governmental Funds
June 30, 2009

	General	Redevelopment Agency Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Cash and Investments	$ 5,910,349	$ 751,531	$ 56,681,703	$ 63,343,583
Receivables (Net of Allowances for Uncollectibles):				
Accounts	41,460	17,903		59,363
Taxes	1,209,048		44,199	1,253,247
Interest	18,968	1,998	86,288	107,254
Grants	11,089		668,553	679,642
Notes		123,798	13,162,179	13,285,977
Other	413,495		311,096	724,591
Due from Other Funds	399,581			399,581
Interfund Advances Receivable	1,300,000			1,300,000
Restricted Assets:				
Investments with Fiscal Agent		21,367,900	2,688,408	24,056,308
Other Assets:				
Land Held for Resale			63,589	63,589
Total Assets	$ 9,303,990	$ 22,263,130	$ 73,706,015	$ 105,273,135
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	$ 980,394	$ 170,739	$ 1,301,336	$ 2,452,469
Salaries/Benefits Payable	924,915	17,644	16,487	959,046
Deferred Revenue	63,131	123,798	13,162,179	13,349,108
Deposits	770,765		8,837,644	9,608,409
Due to Other Funds			396,125	396,125
Interfund Advances Payable		1,300,000		1,300,000
Total Liabilities	2,739,205	1,612,181	23,713,771	28,065,157
Fund Balances:				
Reserved for:				
Petty Cash	5,150			5,150
Housing and Economic Development		20,650,949	2,898,028	23,548,977
Advances	1,300,000			1,300,000
Public Improvements			9,590,870	9,590,870
Street Improvements			12,454,162	12,454,162
Public Protection			1,513,389	1,513,389
Parks and Recreation			689,442	689,442
Debt Service			2,657,808	2,657,808
Low and Moderate Income Housing			2,307,277	2,307,277
Land Held for Resale			63,589	63,589
Unreserved, Reported in:				
General Fund	5,259,635			5,259,635
Special Revenue Funds			6,951,167	6,951,167
Capital Projects Funds			10,866,512	10,866,512
Total Fund Balances	6,564,785	20,650,949	49,992,244	77,207,978
Total Liabilities and Fund Balances	$ 9,303,990	$ 22,263,130	$ 73,706,015	$ 105,273,135

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

CITY OF EL CENTRO
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets
June 30, 2009

Total fund balances - governmental funds			$ 77,207,978
In governmental funds, only current assets are reported. In the statement of net assets, all assets are reported, including capital assets and accumulated depreciation.			
	Capital assets at historical cost	$ 128,393,882	
	Accumulated depreciation	(63,983,828)	64,410,054
In governmental funds, debt issuance costs are recognized as expenditures in the period they are incurred. In the government-wide statements, debt issuance costs are capitalized and amortized over the life of the debt.			
	Deferred Charges, net		1,401,078
In governmental funds, certain notes receivable are not available to pay for current period expenditures and, therefore, are offset by deferred revenue.			13,285,977
In governmental funds, only current liabilities are reported. In the statement of net assets, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:			
	Tax allocation bonds payable	$ 30,915,000	
	Other post-employment benefits	764,876	
	Compensated absences payable	2,065,502	(33,745,378)
Accrued interest payable from the current portion of interest due on long-term debt has not been reported in the governmental funds.			(231,970)
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.			8,201,491
Total net assets - governmental activities			$ 130,529,230

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

CITY OF EL CENTRO
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2009

	General	Redevelopment Agency Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 12,254,910	$ -	$ 7,084,390	$ 19,339,300
Licenses and Permits	168,708			168,708
Intergovernmental	7,796,368		7,618,665	15,415,033
Charges for Services	868,967		338,974	1,207,941
Fines and Forfeitures	220,262			220,262
Interest	177,192	554,950	767,173	1,499,315
Other	814,704	21,395	563,235	1,399,334
Total Revenues	22,301,111	576,345	16,372,437	39,249,893
Expenditures				
Current				
General Government	2,893,665			2,893,665
Public Safety	15,497,198		203,755	15,700,953
Public Works	1,659,485		767,424	2,426,909
Parks and Recreation	2,727,120		1,894,113	4,621,233
Community Development	1,780,558	1,267,271	2,096,897	5,144,726
Capital Outlay	534,457	653,291	1,527,019	2,714,767
Debt Service				
Principal			329,520	329,520
Interest and Fiscal Charges			2,459,603	2,459,603
Total Expenditures	25,092,483	1,920,562	9,278,331	36,291,376
Excess (Deficiency) of Revenues over (under) Expenditures	(2,791,372)	(1,344,217)	7,094,106	2,958,517
Other Financing Sources (Uses):				
Transfers In	1,727,366	1,300,000	7,117,988	10,145,354
Transfers Out	(5,339,448)		(3,027,366)	(8,366,814)
Total Other Financing Sources (Uses)	(3,612,082)	1,300,000	4,090,622	1,778,540
Net Change in Fund Balances	(6,403,454)	(44,217)	11,184,728	4,737,057
Fund Balances - July 1, 2008	12,993,458	20,695,166	38,841,168	72,529,792
Prior Period Adjustments	(25,219)		(33,652)	(58,871)
Fund Balances - July 1, 2008, Restated	12,968,239	20,695,166	38,807,516	72,470,921
Fund Balances - June 30, 2009	$ 6,564,785	$ 20,650,949	$ 49,992,244	$ 77,207,978

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

CITY OF EL CENTRO
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2009

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

Net change in fund balance-total governmental funds			$ 4,737,057
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceed capital outlay in the current period.			
	Capital outlay	$ 2,442,278	
	Depreciation expense	(4,531,736)	(2,089,458)
Certain notes receivable are reported in the governmental funds as expenditures and then offset by a deferred revenue as they are not available to pay current expenditures. Likewise when the note is collected it is reflected in revenue. This is the net change between notes receivable collected and issued. (Collected $257,328) (Issued $3,188,476)			2,931,148
The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Issuance of bond principal is an other financing source and repayment of bond principal is an expenditure in governmental funds, but the issuance increases long-term liabilities and the repayment reduces long-term liabilities in the statement of net assets.			
	Tax allocation bonds	$ 280,000	
	Capital leases	49,520	329,520
Other post-employment benefits payable was added to the Statement of Net Assets in the current period, due to implementation of GASB Statement No. 45. This is the amount of the change in the payable in the current period.			(764,876)
Compensated absence expenditures reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in a governmental fund. This is the net change in compensated absences for the current period.			503,392
Debt issuance costs are expenditures in the governmental funds, but these costs are capitalized on the statement of net assets. This is the amount of amortization in the current period.			(51,259)
Accrued interest is interest due on long-term debt payable. This is the net change in accrued interest for the current period.			1,920
Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.			1,331,451
Change in net assets of governmental activities			$ 6,928,895

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

CITY OF EL CENTRO
Statement of Net Assets
Proprietary Funds
June 30, 2009

	Business-type Activities-Enterprise Funds					Governmental Activities
	Water Fund	Wastewater Fund	Hospital Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets						
Current Assets:						
Cash and Investments	$ 8,242,594	$ 6,375,375	$ 11,764,713	$ 703	$ 26,383,385	$ 7,918,773
Receivables (Net of Allowances for Uncollectibles):						
Accounts	1,481,555	1,263,044	17,260,341	316,073	20,321,013	
Notes			475,592		475,592	
Other			148,458		148,458	409,734
Interest	13,622	13,043		265	26,930	15,927
Inventories			1,798,217		1,798,217	
Net Pension Obligation - overfunded			703,700		703,700	
Prepaid Expenses			1,297,017		1,297,017	
Total Current Assets	9,737,771	7,651,462	33,448,038	317,041	51,154,312	8,344,434
Noncurrent Assets:						
Unamortized Bond Costs	759,935	1,017,374			1,777,309	
Investment in Joint Venture			2,152,975		2,152,975	
Restricted Assets:						
Investments with Fiscal Agents	12,085,515	30,200,409	12,666,873		54,952,797	
Capital Assets:						
Land	181,547	78,560	1,183,775		1,443,882	
Buildings	920,335	835,015	52,936,963		54,692,313	
Improvements other than Buildings	57,979,583	50,531,946			108,511,529	
Machinery and Equipment	3,098,065	1,146,476	42,124,130		46,368,671	
Furniture and Fixtures	34,477	46,515			80,992	
Vehicles	1,082,087	684,424			1,766,511	
Construction in Progress			2,306,008		2,306,008	
Less:						
Accumulated Depreciation	(29,412,873)	(30,053,418)	(47,363,679)		(106,829,970)	
Total Noncurrent Assets	46,728,671	54,487,301	66,007,045		167,223,017	
Total Assets	56,466,442	62,138,763	99,455,083	317,041	218,377,329	8,344,434
Liabilities						
Current Liabilities:						
Accounts Payable	1,983,456	1,095,808	6,727,898	249,272	10,056,434	134,551
Salaries/Benefits Payable	77,425	80,259	3,483,050		3,640,734	8,392
Interest Payable	393,490	525,428			918,918	
Customer Deposits	141,653			72,000	213,653	
Due to Other Funds				3,456	3,456	
Due to Third-Party Payors			3,386,722		3,386,722	
Current Portion of Long-term Obligations	760,362	1,047,651	2,534,089		4,342,102	
Total Current Liabilities	3,356,386	2,749,146	16,131,759	324,728	22,562,019	142,943
Noncurrent Liabilities:						
Compensated Absences	82,862	122,030			204,892	
Capital Lease Obligation			3,261,739		3,261,739	
Long-term Debt	33,212,792	42,265,337	31,223,501		106,701,630	
Total Noncurrent Liabilities	33,295,654	42,387,367	34,485,240		110,168,261	
Total Liabilities	36,652,040	45,136,513	50,616,999	324,728	132,730,280	142,943
Net Assets						
Invested in Capital Assets, Net of Related Debt	10,568,098	8,923,456	22,778,357		42,269,911	
Restricted For :						
Debt Service	1,893,980	1,801,876	4,056,384		7,752,240	
Unrestricted	7,352,324	6,276,918	22,003,343	(7,687)	35,624,898	8,201,491
Total Net Assets	$ 19,814,402	$ 17,002,250	$ 48,838,084	$ (7,687)	$ 85,647,049	$ 8,201,491

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

CITY OF EL CENTRO

Statement of Revenues, Expenses, and Changes in Net Assets

Proprietary Funds

For the Fiscal Year Ended June 30, 2009

	Business-type Activities - Enterprise funds					Governmental Activities Internal Service Funds
	Water Fund	Wastewater Fund	Hospital Fund	Nonmajor Enterprise Funds	Total	
Operating Revenues:						
Charges for Services	$ 8,060,303	$ 7,369,120	$ 93,201,308	$ 1,696,621	$ 110,327,352	$ 7,332,388
Other Revenues	40		1,570,183		1,570,223	
Total Operating Revenues	8,060,343	7,369,120	94,771,491	1,696,621	111,897,575	7,332,388
Operating Expenses:						
Personnel Services	1,942,185	2,046,087	50,867,309		54,855,581	196,674
Contractual Services				208,458	208,458	
Supplies and Services	2,296,786	1,507,772	33,234,259	1,861,680	38,900,497	5,908,300
General and Administrative	1,020,390	885,424		24,659	1,930,473	
Depreciation and Amortization	1,145,069	1,014,608	4,834,175		6,993,852	
Total Operating Expenses	6,404,430	5,453,891	88,935,743	2,094,797	102,888,861	6,104,974
Operating Income (loss)	1,655,913	1,915,229	5,835,748	(398,176)	9,008,714	1,227,414
Non-operating Revenues (Expenses):						
Interest Revenue	686,531	864,662	417,495	2,646	1,971,334	104,037
Interest Expense	(1,603,802)	(2,045,574)	(1,940,658)		(5,590,034)	
Grant Revenue			445,514	189,154	634,668	
Other Non-Operating Expenses			(272,148)		(272,148)	
Total Non-Operating Revenue (Expenses)	(917,271)	(1,180,912)	(1,349,797)	191,800	(3,256,180)	104,037
Income (Loss) before contributions and transfers	738,642	734,317	4,485,951	(206,376)	5,752,534	1,331,451
Contributions	1,005,246	1,251,560			2,256,806	
Income (Loss) Before Transfers	1,743,888	1,985,877	4,485,951	(206,376)	8,009,340	1,331,451
Transfers Out	(1,000,000)	(778,540)			(1,778,540)	
Change in Net Assets	743,888	1,207,337	4,485,951	(206,376)	6,230,800	1,331,451
Net Assets - Beginning of Fiscal Year	19,070,514	15,794,913	44,352,133	198,689	79,416,249	6,870,040
Net Assets (Deficit) - End of Fiscal Year	$ 19,814,402	$ 17,002,250	$ 48,838,084	$ (7,687)	$ 85,647,049	$ 8,201,491

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

CITY OF EL CENTRO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2009

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	Water	Wastewater	Hospital	Nonmajor Enterprise Funds	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash Received from Patients and Third Parties on Behalf of Patients	$ -	$ -	$ 93,511,411	$ -	$ 93,511,411	$ -
Cash Received from Operations, other than Patient Services			4,935,682		4,935,682	
Cash Received from Users	7,343,111	6,253,980		1,852,327	15,449,418	7,391,436
Cash Payments to Suppliers and Contractors	(2,404,978)	(758,543)	(33,122,729)	(2,222,816)	(38,509,066)	(5,912,001)
Cash Payments for General and Administrative Expenses	(1,020,390)	(885,424)		(24,659)	(1,930,473)	
Cash Payments for Employees and Benefit Programs	(2,059,785)	(2,109,599)	(51,488,040)		(55,657,424)	(196,070)
Cash Payments for miscellaneous expenses			(126,889)		(126,889)	
Net Cash Provided (Used) By Operating Activities	1,857,958	2,500,414	13,709,435	(395,148)	17,672,659	1,283,365
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers out	(1,000,000)	(778,540)			(1,778,540)	
Grants			300,255	189,154	489,409	
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	(1,000,000)	(778,540)	300,255	189,154	(1,289,131)	
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest Received	704,285	885,938	417,495	3,957	2,011,675	116,020
Change in Assets Limited as to Use			(2,241,135)		(2,241,135)	
Net Cash Provided (Used) in Investing Activities	704,285	885,938	(1,823,640)	3,957	(229,460)	116,020
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from Debt Borrowings			3,107,320		3,107,320	
Principal Payments on Debt Borrowings	(648,263)	(840,781)	(2,795,911)		(4,284,955)	
Capital Contributions	1,005,246	1,251,560			2,256,806	
Interest Paid	(1,509,099)	(1,955,369)	(1,941,902)		(5,406,370)	
Acquisition of Property, Plant and Equipment	(20,262,355)	(6,941,828)	(6,032,366)		(33,236,549)	
Net Cash Provided (Used) in Capital and Related Financing Activities	(21,414,471)	(8,486,418)	(7,662,859)		(37,563,748)	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(19,852,228)	(5,878,606)	4,523,191	(202,037)	(21,409,680)	1,399,385
CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL YEAR	40,180,337	42,454,390	7,241,522	202,740	90,078,989	6,519,388
CASH AND CASH EQUIVALENTS, END OF FISCAL YEAR	$ 20,328,109	$ 36,575,784	$ 11,764,713	$ 703	$ 68,669,309	$ 7,918,773
Reconciliation to Statement of Net Assets:						
Cash and Investments	$ 8,242,594	$ 6,375,375	$ 11,764,713	$ 703	$ 26,383,385	$ 7,918,773
Restricted Cash and Investments with Fiscal Agents	12,085,515	30,200,409	12,666,873		54,952,797	
Less investments not meeting definition of cash equivalents			(12,666,873)		(12,666,873)	
	$ 20,328,109	$ 36,575,784	$ 11,764,713	$ 703	$ 68,669,309	$ 7,918,773
CASH FLOWS FROM OPERATING ACTIVITIES:						
Operating Income (Loss)	$ 1,655,913	$ 1,915,229	$ 5,835,748	$ (398,176)	$ 9,008,714	$ 1,227,414
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Depreciation and Amortization	1,145,069	1,014,608	4,834,175		6,993,852	
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	(219,117)	(115,140)	(210,877)	155,706	(389,428)	
(Increase) Decrease in Other Receivables	43,861		2,014,475		2,058,336	59,048
Increase (Decrease) in Due to Other Funds				3,456	3,456	
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(152,053)	749,229	826,198	(156,134)	1,267,240	(3,097)
Increase (Decrease) in Salary/Benefits Payable	(94,518)	(83,652)	(717,431)		(895,601)	
(Increrase) Decrease in Net Pension Obligation - Overfunded			96,700		96,700	
(Increase) Decrease in Inventories			(241,030)		(241,030)	
(Increase) Decrease in Prepaid Items			(308,582)		(308,582)	
(Increase) Decrease in Notes Receivable			(475,592)		(475,592)	
(Increase) Decrease Short-Term Investments			3,365,499		3,365,499	
Increase (Decrease) in Estimated Third Party Payor Settlements			(1,184,202)		(1,184,202)	
Increase (Decrease) in Deposit Payable	(498,115)	(1,000,000)			(1,498,115)	
Increase (Decrease) in Other Payables			(125,646)		(125,646)	
Increase (Decrease) in Long-Term Compensated Absences	(23,082)	20,140			(2,942)	
Total Adjustments	202,045	585,185	7,873,687	3,028	8,663,945	55,951
Net Cash Provided (Used) By Operating Activities	$ 1,857,958	$ 2,500,414	$ 13,709,435	$ (395,148)	$ 17,672,659	$ 1,283,365

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

CITY OF EL CENTRO

Statement of Fiduciary Net Assets

Fiduciary Funds

June 30, 2009

	Agency Fund Legacy Ranch CFD
Assets:	
Cash and Investments	$ 78,830
Cash and Investments with Fiscal Agent	149,529
Taxes Receivable	1,748
Interest Receivable	116
Total Assets	230,223
Liabilities:	
Deposits	6,808
Due to Bondholders	223,415
Total Liabilities	230,223
Net Assets:	
Unrestricted	
Total Net Assets	$ -

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

NOTES TO
BASIC FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of El Centro was incorporated under the laws of the State of California in 1908 and is governed by an elected five-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The El Centro Regional Medical Center (Hospital) is an operating department of the City and is reported within the proprietary fund type.

Blended component units, although legally separate entities are, in substance, part of the City's operations, and so data from these units are combined with data of the City. The City and its component unit have a June 30 year-end.

Blended Component Unit. The Redevelopment Agency of the City of El Centro (Agency) serves the citizens of the City and is a blended component unit of the City since it is governed by a board comprised of the City Council. The Agency is reported in the special revenue, debt service, and capital projects funds.

Complete financial statements for each of the individual component units may be obtained at the entity's administrative offices.

City of El Centro Redevelopment Agency
1275 Main Street
El Centro, California 92243

B. Basis of Presentation

Government-wide Financial Statements

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

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

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

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

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

The City reports two major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes activities as public protection, public works and facilities, parks and recreation, and community development.

- The *Redevelopment Agency Capital Projects Fund* is used to account for revitalization and redevelopment through the acquisition and development of real property within the Redevelopment Project Area.

The City reports the following major enterprise funds:

- The *Hospital Fund* accounts for the operations of the El Centro Regional Medical Center which provides health care services to the community and surrounding area.

- The *Water Fund* accounts for revenues and expenses associated with the treatment and distribution of potable water.

- The *Wastewater Fund* accounts for revenues and expenses associated with the collection and treatment of wastewater.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

The City reports the following additional fund types:

Internal Service Funds account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis, such as motor vehicle maintenance, worker's compensation, post employment benefits, and group health insurance.

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other government units, and/or other funds. *Legacy Ranch CFD* collects assessments and pays costs and debt service for the CFD within the City.

C. Basis of Accounting and Measurement Focus

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

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

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

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

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting and Measurement Focus (Continued)

For its business-type activities and enterprise funds, the City has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board or any Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The GASB periodically updates its codification of existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes (GAAP) for governments units. The Hospital has elected to apply all FASB Statements and Interpretations, APB Opinions and ARBs issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements.

D. Assets, Liabilities, and Equity

1. Deposits and Investments

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

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

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

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

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

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

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Equity (Continued)

2. Receivables and Payables

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

Trade receivables, including those for the Hospital, are shown net of an allowance for uncollectible accounts.

For each fiscal year beginning July 1, taxes are levied on taxable real (secured) and personal (unsecured) property located within the City as of the preceding January 1. Secured property taxes are payable in two installments on November 1, and February 1 of each fiscal year, and become delinquent after December 10 and April 10, respectively. Taxes on unsecured property become delinquent if not paid by August 31. A 10 percent penalty attaches to delinquent taxes, which have been levied on property on the secured roll. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a redemption penalty of 1 ½ percent per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and is subject to sale by the County Tax Collector.

The only concentrated group of credit risks is Hospital receivables from government agencies. Hospital management does not believe that there is a significant credit risk associated with these government agencies. Management continuously monitors and adjusts reserves and allowances associated with these receivables.

3. Inventories and Prepaid Items

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

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

4. Restricted Assets

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

Certain resources of the Redevelopment Capital Projects Fund are set aside for the capital projects and are classified as restricted assets because their use is restricted by applicable bond covenants.

Certain resources of the Redevelopment Agency Debt Service Fund and the Water and Wastewater funds are set aside for the repayment of bonds and certificates of participation and are classified as restricted assets on the balance sheet/statement of net assets because their use is limited by applicable bond covenants.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Equity (Continued)

4. Restricted Assets (Continued)

Certain resources of the Group Health Insurance internal service fund is classified as restricted because its use is limited by the provisions of plan documents.

Certain resources of the Hospital set aside for the repayment of bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Certain Hospital assets limited as to use primarily include assets held by trustees under indenture agreements and designated assets set aside by the Hospital Board of Trustees for future capital improvements over which the Board retains control and may, at its discretion, subsequently use for other purposes.

Other restricted resources consist of funds limited as to use by donors. Restricted gifts, bequests, and grants are reported as restricted funds until expenditures are made for the donor's intended purpose.

The government-wide statement of net assets reports $71,324,026 of restricted net assets.

5. Capital Assets

Capital assets, including infrastructure, are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair value on the date contributed. Capital assets include public domain (infrastructure) general capital assets which consist of certain improvements including roads, bridges, pavements in progress, and right of way. The City defines capital assets as assets with initial, individual costs of more than $3,000 and an estimated useful life in excess of one year. The Hospital defines capital assets as assets with initial, individual costs of more than $500 and an estimated useful life of at least three years. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities, or extend useful lives, are capitalized. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Property, plant, and equipment of the City and Hospital are recorded at cost. Property, plant, and equipment donated are recorded at their estimated fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest cost during construction is capitalized when the effects of capitalization materially impact the financial statements.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Equity (Continued)

5. Capital Assets (Continued)

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years	
	City	Hospital
Buildings	5-70	5-50
Building Improvements	5-30	5-50
Equipment	3-20	3-20
Office Furniture	5	5
Vehicles	3-15	3-20
Infrastructure	20-50	Not Applicable

6. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick pay is accrued when incurred in proprietary funds and reported as a fund liability. The City accrues for compensated absences in the government-wide and proprietary fund financial statements for which they are liable to make a payment directly.

Depending on their bargaining group agreement, the City's employees are given 15 vacation days and 12 days of sick leave or 22 days of annual leave. Leave provided is to be utilized as sick leave, to attend medical appointments, vacation, etc. Sick leave payoff is available for accumulated sick leave hours over 288 hours.

Compensated absences in governmental activities have been liquidated in the past fiscal year in the general fund, redevelopment agency, and enterprise funds.

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond discount in the Hospital Fund. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Equity (Continued)

8. Net Assets and Fund Equity

In the Government-wide financial statements and proprietary fund financial statements, net assets are reported in three categories: net assets invested in capital assets, net of related debt; restricted net assets, and unrestricted net assets. Restricted net assets represent net assets restricted by parties outside of the City (such as creditors, grantors, contributors, 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.

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.

9. Use of Estimates

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

10. New Accounting Pronouncements

GASB Statement No. 45

For the fiscal year ended June 30, 2009, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions". This Statement is effective for periods beginning after December 15, 2007. This Statement establishes standards for accounting and financial reporting for state and local government employers that offer "Other Postemployment Benefits" (OPEB) and requires accrual basis measurement and recognition of OPEB expenses and liabilities that will result in recognition of expenses over periods that approximate employees' years of service. See note 14 for more details of the City's Plan and the effect on the financial statements.

GASB Statement No. 49

For the fiscal year ended June 30, 2009, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations". This Statement is effective for periods beginning after December 15, 2007. The Statement addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The scope of the document excludes pollution prevention or control obligations with respect to current operations, and future pollution remediation activities that are required upon retirement of an asset, such as landfill closure and post-closure care and nuclear power plant decommissioning.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Equity (Continued)

10. New Accounting Pronouncements (Continued)

GASB Statement No. 52

For the fiscal year ended June 30, 2009, the City implemented GASB Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments". This Statement is effective for periods beginning after June 15, 2008. The Statement establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value.

GASB Statement No. 55

For the fiscal year ended June 30, 2009, the City implemented GASB No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments". This Statement is effective as of April 2, 2009. 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 authoritative literature. The "GAAP hierarchy" consists of the sources of accounting principles used in the preparation of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles.

GASB Statement No. 56

For the fiscal year ended June 30, 2009, the City implemented GASB No. 56, "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements of Auditing Standards". This Statement is effective as of April 16, 2009. 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. The presentation of principles used in the preparation of financial statements is more appropriately included in accounting and financial reporting standards rather than in the auditing literature.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Equity (Continued)

11. Net Patient Service Revenue

Hospital net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with federal and state government programs and other third-party payors. In some cases, reimbursement is based on formulas, which cannot be determined until after cost reports are filed and audited or otherwise settled by the various programs. Estimation differences between final settlements and amounts accrued in previous years are reflected in net patient service revenue.

12. Investment in Joint Venture

The Hospital has a 50 percent interest in Imperial Valley Health Resources Authority (IVHRA) which is accounted for under the equity method.

13. Land held for resale or exchange

Cost of project land and improvements held for resale or exchange are recorded in the Redevelopment Agency Special Revenue Fund as inventory at the lower of acquisition cost or net realizable value. The fund balance is reserved in an amount equal to the carrying value of land held for resale or exchange because such assets are not available to finance the City's current operations.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. Budgets are adopted annually and all annual appropriations lapse at the fiscal year end.

The City utilizes the following procedures when establishing the budgetary data reflected in the financial statements:

Prior to June 30 of each fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted at City Hall to obtain citizen input. Prior to July 1, the budget is adopted by motion of the City Council.

The City Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revision that increases the total appropriations of any fund must be approved by the City Council. The appropriated budget is prepared by fund, function, and department.

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

A. Budgetary Information (Continued)

Formal budgetary integration is employed as a management control device during the year for all funds.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and contracts) outstanding at fiscal year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

There were no budgets prepared for the CDBG Special Revenue Fund, Traffic Congestion Relief Special Revenue Fund, OTS Grant Special Revenue Fund, FHWA Grants Special Revenue Fund, Per Capita Parks Grant Special Revenue Fund, Rural Business Enterprise Grant Special Revenue Fund, Post Office Grant Capital Projects Fund, Proposition 1B Capital Projects Fund, and La Brucherie Green Belt Capital Projects Fund.

B. Budget/GAAP Reconciliation

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

C. Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2009, expenditures exceeded appropriations in the following funds:

Fund	Final Appropriation	Expenditures	Excess
Nonmajor Funds:			
HOME Program	$ 129,400	$ 150,038	$ 20,638
Special Events	138,500	139,600	1,100
Asset Forfeiture	393,800	410,337	16,537
OTS Grant		4,892	4,892
FHWA Grants		24,641	24,641

D. Deficit Fund Equity

At June 30, 2009, the following funds had an accumulated deficit:

Fund	Amount
Transportation Article 8	$ 329
Federal Highway Administration	10,017
Transit	33,057

NOTE 3 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2009 are classified in the accompanying financial statements as follows:

Statement of net assets:		
Cash and investments	$	97,645,741
Cash and investments with fiscal agents		79,009,105
Fiduciary funds:		
Cash and investments		78,830
Cash and investments with fiscal agents		149,529
Total cash and investments	$	176,883,205

Cash and investments as of June 30, 2009 consist of the following:

Cash on hand	$	5,150
Deposits with financial institutions		1,363,618
Investments		175,514,437
Total cash and investments	$	176,883,205

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

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	10 years	None	None
U.S. Treasury Obligations	10 years	None	None
U.S. Government Agency Issues	10 years	None	None
Bankers Acceptances	180 days	40%	None
Commercial Paper	270 days	25%	None
Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	None	None
Money Market Mutual Funds	N/A	None	None
Time Deposits	5 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	$40 million

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

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. Investments Authorized by Debt Agreements

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

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

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

C. Disclosures Relating to Interest Rate Risk

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

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

NOTE 3 – CASH AND INVESTMENTS (Continued)

C. Disclosures Relating to Interest Rate Risk (Continued)

Investment Type	Totals	Remaining maturity (in Months) 12 Months or Less	13 to 24 Months	25-60 Months	More Than 60 Months
State Investment Pool (LAIF)	$ 40,013,926	$ 40,013,926	$ -	$ -	$ -
Money Market Funds	49,981,887	49,981,887			
Federal Agency Securities	2,056,696	930,693	1,126,003		
Medium Term Notes	1,778,201	707,264	770,937		300,000
Certificates of Deposit	6,821,446	6,821,446			
Commercial Paper	1,299,871	1,299,871			
Municipal Bonds	2,514,883	299,883			2,215,000
Repurchase Agreement	531,000	531,000			
Held by Bond Trustees:					
Money Market Funds	54,731,225	51,791,223	2,940,002		
Federal Agency Securities	9,682,977	6,903,794	2,779,183		
Investment Agreements	6,102,325				6,102,325
	$ 175,514,437	$ 159,280,987	$ 7,616,125	$ -	$ 8,617,325

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.

NOTE 3 – CASH AND INVESTMENTS (Continued)

E. Disclosures Relating to Credit Risk (Continued)

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End: AAA	AA	A	Not Rated
State Investment Pool	$ 40,013,926	N/A	$ -	$ -	$ -	$ -	$ 40,013,926
Money Market Funds	49,981,887	N/A		4,553,974			45,427,913
Federal Agency Securities	2,056,696	N/A		1,746,944			309,752
Medium Term Notes	1,778,201	A		505,857	300,000	972,344	
Certificates of Deposit	6,821,446	N/A					6,821,446
Commercial Paper	1,299,871	N/A					1,299,871
Municipal Bonds	2,514,883	N/A				$ 1,615,000	899,883
Repurchase Agreement	531,000	N/A					531,000
Held by Bond Trustee:							
Money Market Funds	54,731,225	Aam		54,731,225			
Federal Agency Securities	9,682,977	AA		9,682,977			
Investment Agreements	6,102,325	AA			6,102,325		
Total	$ 175,514,437		$ -	$ 71,220,977	$ 6,402,325	$ 2,587,344	$ 95,303,791

F. Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. There are no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

There are no investments in any one issuer that represent 5% or more of total investments (other than U.S. Treasury Securities, Mutual Funds, and extend investment pools) by reporting unit (primary government, governmental activities, business type activities, fiduciary funds, major funds, nonmajor funds in the aggregate, etc.).

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, 2009, $3,120,434 of the City's deposits with financial institutions in excess of federal depository insurance limits was held in collateralized accounts. As of June 30, 2009, City investments in the following investment types were held by the same broker-dealer (counterparty) that was used by the City to buy the securities:

Investment Type	Reported Amount
Medium Term Notes	$ 1,778,201
Federal Agency Securities	11,739,673
Money Market Funds	104,713,112
Investment Agreements	6,102,325
Commercial Paper	1,299,871
Municipal Bonds	2,514,883
Repurchase Agreements	531,000

H. Investment in State Investment Pool

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

NOTE 4 – RECEIVABLES

A. Receivables

Accounts, taxes, interest, grants, and other receivable balances of the General, Special Revenue, Capital Projects, Debt Service, Proprietary, and Fiduciary Funds are stated net of allowances for uncollectible accounts. The following is a schedule of receivables at June 30, 2009:

	Receivable	Allowance	Net
Governmental Activities -			
Accounts	$ 59,363	$ -	$ 59,363
Taxes	1,253,247		1,253,247
Interest	123,181		123,181
Grants	679,642		679,642
Others	1,134,325		1,134,325
	$ 3,249,758	$ -	$ 3,249,758
Business-type Activities -			
Accounts	$ 100,811,928	$ 80,490,915	$ 20,321,013
Interest	26,930		26,930
Others	148,458		148,458
	$ 100,987,316	$ 80,490,915	$ 20,496,401
Fiduciary Funds			
Taxes	$ 1,748	$ -	$ 1,748
Interest	116		116
	$ 1,864	$ -	$ 1,864

NOTE 4 – RECEIVABLES (Continued)

B. Notes Receivable

The City administers a residential rehabilitation program, a commercial micro-enterprise program, and a First Time Home Buyer Program. A committee approves the loans, and the funds are disbursed to the contractor awarded the bid upon review of the building inspector, the administrating City, the homeowner and the City. The programs are designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the City's terms. The balance of the loans receivable arising from these programs was $13,285,977. The Hospital notes receivable consists of amounts due from Imperial Valley Health Resources Authority (IVHRA) and funds that were placed for a pharmacy deposit. For a further description of IVHRA, please see note 1. The balance of the notes receivable for the Hospital was $475,592.

NOTE 5 – INTERFUND TRANSACTIONS

A. Interfund Receivables and Payables

During the course of normal operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds". The following presents a summary of current interfund balances at June 30, 2009.

Receivable Fund	Amount	Payable Fund	Amount
Major Fund:		Nonmajor Governmental Funds:	
General	$ 399,581	Transportation Article 8	$ 31,618
		Used Oil Grant	29,743
Totals	$ 399,581	Tire Clean-Up Grant	126,339
		Household Hazardous Waste	108,408
		2002 Resource Bond Act	90,000
		Federal Highway Administration	10,017
		Nonmajor Proprietary Funds	
		Transit	3,456
		Totals	$ 399,581

B. Long-term Interfund Advances

At June 30, 2009, the funds below have made/received advances that were not expected to be repaid within one year. This advance was to assist the Redevelopment Agency with administrative and program costs.

Receivable Fund	Amount	Payable Fund	Amount
Major Fund:		Major Fund:	
General	$ 1,300,000	Redevelopment Agency Capital Projects	$ 1,300,000

NOTE 5 – INTERFUND TRANSACTIONS (CONTINUED)

C. Transfers between Funds

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations, re-allocations of special revenues, debt service transfers to pay principal and interest payments on bonds, and other post employment benefits. All inter-fund transfers between individual government funds have been eliminated on the government-wide statements.

The following schedule briefly summarizes the City's transfer activity for the fiscal year ended June 30, 2009:

Fund	Transfers-in	Transfers-out
Major Funds:		
General	$ 1,727,366	$ 5,339,448
Redevelopment Agency Capital Projects	1,300,000	
Nonmajor Governmental Funds:		
Gas Tax		741,000
Transportation Article 8		575,000
Traffic Congestion Relief		184,000
Special Events	118,781	
Asset Forfeiture		116,253
Postemployment Benefits	6,948,540	
Fire Mitigation		111,113
Redevelopment Agency Debt Service		1,300,000
Lease Purchase	50,667	
Major Proprietary Funds:		
Water		1,000,000
Wastewater		778,540
Totals	$ 10,145,354	$ 10,145,354

NOTE 6 – CAPITAL ASSETS

Capital Assets activity for the fiscal year ended June 30, 2009 was as follows:

	Balance at July 1, 2008	Additions	Deletions	Transfers	Balance at June 30, 2009
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 6,147,625	$ 38,300	$ -	$ -	$ 6,185,925
Construction in progress	11,600,482				11,600,482
Total capital assets, not being depreciated	17,748,107	38,300			17,786,407
Capital assets, being depreciated:					
Infrastructure	57,898,910				57,898,910
Structures and Improvements	33,990,043	1,054,895			35,044,938
Vehicles	6,581,546	308,800			6,890,346
Furniture, Equipment, and Books	9,732,998	1,040,283			10,773,281
Total capital assets being depreciated	108,203,497	2,403,978			110,607,475
Less accumulated depreciation for:					
Infrastructure	(34,673,136)	(2,281,613)			(36,954,749)
Structures and Improvements	(13,212,631)	(1,289,951)			(14,502,582)
Vehicles	(4,177,048)	(396,669)			(4,573,717)
Furniture, Equipment, and Books	(7,389,277)	(563,503)			(7,952,780)
Total accumulated depreciation	(59,452,092)	(4,531,736)			(63,983,828)
Total capital assets, being depreciated, net	48,751,405	(2,127,758)			46,623,647
Total capital assets, net	$ 66,499,512	$ (2,089,458)	$ -	$ -	$ 64,410,054
Business-type activities:					
Capital assets, not being depreciated:					
Land and land improvements	$ 1,443,882	$ -	$ -	$ -	$ 1,443,882
Construction in progress	3,005,053	1,653,982		(2,353,027)	2,306,008
Total capital assets, not being depreciated	4,448,935	1,653,982		(2,353,027)	3,749,890
Capital assets, being depreciated:					
Structures and Improvements	135,450,625	27,085,825	(1,053)	668,445	163,203,842
Vehicles	1,718,617	47,894			1,766,511
Equipment	40,665,978	4,508,052	(408,949)	1,684,582	46,449,663
Total capital assets, being depreciated	177,835,220	31,641,771	(410,002)	2,353,027	211,420,016
Less accumulated depreciation for:					
Structures and Improvements	(66,695,794)	(3,696,865)			(70,392,659)
Vehicles	(1,507,547)	(47,483)			(1,555,030)
Equipment	(32,155,823)	(2,726,458)			(34,882,281)
Total accumulated depreciation	(100,359,164)	(6,470,806)			(106,829,970)
Total capital assets, being depreciated, net	77,476,056	25,170,965	(410,002)	2,353,027	104,590,046
Business-type activities capital assets, net	$ 81,924,991	$ 26,824,947	$ (410,002)	$ -	$ 108,339,936

NOTE 6 – CAPITAL ASSETS (Continued)

Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government	$ 221,132
Public Safety	540,067
Public Works	2,888,208
Parks and Recreation	451,927
Community Development	430,402
Total depreciation expense – governmental functions	$4,531,736

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

Hospital	$4,366,714
Water	1,116,923
Wastewater	987,169
Total depreciation expense – business-type functions	$6,470,806

NOTE 7 – COMMITMENTS

A. Construction Contracts

As of June 30, 2009, the Hospital had recorded $2,306,008 as construction in progress representing cost capitalized for various remodeling, major repair, and expansion projects on the Hospital's premises. The remaining commitments of the Hospital for future payments on these projects total approximately $4,106,000 at June 30, 2009.

The City did not have any outstanding commitments as of June 30, 2009.

B. Operating Leases

The Hospital leases equipment and certain facilities under various noncancelable operating lease arrangements. The leases expire on various dates from 2009 to 2015. Lease expense, consisting mainly of building rent and equipment leases, amounted to approximately $1,599,000 in 2009.

Future minimum payments, by fiscal year and in the aggregate, required under noncancelable operating lease obligations consist of the following:

Fiscal Year ending June 30,	Amount
2010	$ 535,688
2011	475,008
2012	445,548
2013	415,206
2014	322,889
2015	944,496
Total minimum lease payments	$3,138,835

NOTE 8 – LONG-TERM LIABILITIES

The following is a schedule of long-term liabilities for Governmental Activities and Business-type Activities for the fiscal year ended June 30, 2009:

	Balance at July 1, 2008	Additions	Repayments	Balance at June 30, 2009	Due Within One Year
Governmental Activities:					
Capital leases payable	$ 49,520	$ -	$ (49,520)	$ -	$ -
Compensated absences	2,568,894	508,063	(1,011,455)	2,065,502	933,402
Other post-employment benefits		945,000	(180,124)	764,876	
Tax allocation bonds payable	31,195,000		(280,000)	30,915,000	360,000
Total	$ 33,813,414	$ 1,453,063	$ (1,521,099)	$ 33,745,378	$ 1,293,402
Business-type Activities:					
Water Fund:					
Compensated absences	$ 204,332	$ 83,157	$ (104,576)	$ 182,913	$ 100,051
Revenue bonds payable (1997)	235,000		(115,000)	120,000	120,000
Revenue bonds payable (2006)	33,120,000		(465,000)	32,655,000	470,000
Installment sale payable	1,166,366		(68,263)	1,098,103	70,311
Sewer Fund:					
Compensated absences	188,638	89,704	(79,865)	198,477	76,447
Revenue bonds payable (1997)	8,500,000		(255,000)	8,245,000	265,000
Revenue bonds payable (2006)	32,215,000		(405,000)	31,810,000	520,000
Installment sale payable	3,362,321		(180,781)	3,181,540	186,204
Hospital Fund:					
Capital leases payable	3,073,735	3,107,320	(1,614,715)	4,566,340	1,304,601
Hospital revenue bonds payable	33,634,185		(1,181,196)	32,452,989	1,229,488
Total	$ 115,699,577	$ 3,280,181	$ (4,469,396)	$ 114,510,362	$ 4,342,102

1. Governmental Activities – Tax Allocation Bonds Payable

Tax Allocation Bonds. On May 16, 2007, the Redevelopment Agency of the City of El Centro issued its $25,790,000 Tax Allocation Bonds, Series 2007A and $5,405,000 Tax Allocation Bonds, Series 2007B. A portion of these Series 2007A and Series B Bonds was used to redeem all of the $7,810,000 1996 bonds outstanding at June 30, 2007. The balance of the bond funds were used to finance public improvements, which constitute redevelopment activity within the Project Area, and finance low and moderate income housing projects of the Agency within the Project Area. The bonds have a stated interest rate from 4.00% to 5.75% and are payable over a period of thirty years maturing in 2036. The principal balance outstanding at June 30, 2009 is $30,915,000.

The City advance refunded the 1996 Tax Allocation Refunding Bonds to reduce its total debt service over the next thirty years by $1,860,029 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $418,368.

The 1996 Tax Allocation Refunding Bonds were defeased by placing a portion of proceeds from 2007 Tax Allocation Bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account and the defeased bonds are not included in the financial statements. As of June 30, 2009, the unpaid principal balance for the defeased bonds was $0.

NOTE 8 – LONG-TERM LIABILITIES (Continued)

2. Governmental Activities - Capital Leases

The City has entered into lease agreements as lessee for financing the purchase of various vehicles and heavy equipment and the acquisition of, and improvements to, other real property. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

Assets	
Improvements other than buildings	$ 67,372
Vehicles	1,692,216
Other Assets	119,918
Totals	$1,879,506

The capital leases have been paid in full as of June 30, 2009, and so there are no future minimum lease obligations as of June 30, 2009.

NOTE 8 – LONG-TERM LIABILITIES (Continued)

3. Long-Term Debt Amortization – Governmental Activities

The annual requirements to amortize long-term debt outstanding at June 30, 2009 (other than compensated absences and other post-employment benefits) are as follows:

Fiscal Year Ended June 30,	2007 Series A Tax Allocation Bonds		
	Principal	Interest	Total
2010	$ 325,000	$ 1,078,038	$ 1,403,038
2011	375,000	1,064,038	1,439,038
2012	410,000	1,048,338	1,458,338
2013	465,000	1,030,838	1,495,838
2014	515,000	1,011,238	1,526,238
2015-2019	3,255,000	4,699,388	7,954,388
2020-2024	4,830,000	3,907,853	8,737,853
2025-2029	7,675,000	2,593,722	10,268,722
2030-2034	4,875,000	1,088,006	5,963,006
2035-2037	2,805,000	194,288	2,999,288
	$ 25,530,000	$ 17,715,747	$ 43,245,747

Fiscal Year Ended June 30,	2007 Series B Tax Allocation Bonds		
	Principal	Interest	Total
2010	$ 35,000	$ 306,303	$ 341,303
2011	45,000	304,063	349,063
2012	55,000	301,263	356,263
2013	65,000	297,903	362,903
2014	80,000	293,843	373,843
2015-2019	570,000	1,385,213	1,955,213
2020-2024	995,000	1,174,306	2,169,306
2025-2029	1,830,000	772,513	2,602,513
2030-2034	1,095,000	302,306	1,397,306
2035-2037	615,000	54,769	669,769
	$ 5,385,000	$ 5,192,482	$ 10,577,482

Fiscal Year Ended June 30,	Total Governmental Activities		
	Principal	Interest	Total
2010	$ 360,000	$ 1,384,341	$ 1,744,341
2011	420,000	1,368,101	1,788,101
2012	465,000	1,349,601	1,814,601
2013	530,000	1,328,741	1,858,741
2014	595,000	1,305,081	1,900,081
2015-2019	3,825,000	6,084,601	9,909,601
2020-2024	5,825,000	5,082,159	10,907,159
2025-2029	9,505,000	3,366,235	12,871,235
2030-2034	5,970,000	1,390,312	7,360,312
2035-2037	3,420,000	249,057	3,669,057
	$ 30,915,000	$ 22,908,229	$ 53,823,229

NOTE 8 – LONG-TERM LIABILITIES (Continued)

4. Business -type Activities – Revenue Bonds

1997 Series A Water and Wastewater Revenue Bonds. On October 22, 1997, the City issued its $11,195,000 (par value) Water and Wastewater Revenue Bonds, 1997 Series A, dated October 1, 1997.

A portion of the proceeds of the bonds, together with other available funds, have been applied to refund all of the outstanding $4,150,000 original principal amount of the 1989 Water and Wastewater Certificates of Participation which had interest rates of 6.3% to 6.8%. The 1989 Certificates matured on June 1, 2004 and were callable on December 1, 1997. Additionally, the Revenue Bonds were issued to advance refund the 1994 Wastewater Certificates of Participation which had interest rates of 4.50% to 6.70% and an original par value of $4,460,000. The 1994 Certificates were to mature between June 1, 2014 and June 1, 2019, and were callable on June 1, 2002. The 1989 Certificates were outstanding in the amount of $3,095,000 and the 1994 Certificates were outstanding in the amount of $4,405,000 at October 22, 1997. The balance of the proceeds from the Bonds was used for additional Wastewater System improvements. The Revenue Bonds were issued at 96.83% of par and after paying issuance costs of $530,111, the net proceeds were $10,664,889.

The portion of the net proceeds from the issuance of the Revenue Bonds relating to the advance refunding were used to purchase U.S. government securities and those securities were placed in an irrevocable trust with an escrow agent to provide debt service payments until the 1994 Certificates were called on June 1, 2002. The original issue discount on these bonds is being amortized using the effective interest method over the life of the bonds and is included with long-term debt on the balance sheet. The unamortized amount of the original issue discount is $145,069 as of fiscal year-end.

The City has covenanted and agreed to fix, prescribe, and collect rates, fees and charges for the Water Service and the Wastewater Service so that net revenues are at least 1.15 times the installment purchase payments of the 1997 certificates and all parity of obligations due and payable in the Certificate Year following the date of such calculation.

The bonds have a stated interest rate from 4.00% to 5.125% and are payable over a period of thirty years maturing in 2028. The 1997 Series A Water and Wastewater Revenue Bonds maturing on or after October 1, 2008, are subject to redemption prior to maturity. The principal balance outstanding at June 30, 2009 is $8,365,000.

2006 Series A Water and Wastewater Revenue Bonds. On June 21, 2006, the City issued its $33,120,000 (par value) Water Revenue Bonds, 2006 Series A and $32,500,000 (par value) Wastewater Revenue Bonds, 2006 Series A.

The proceeds of the sale of the Water and Wastewater Bonds will be used to finance the design, engineering, acquisition, and construction of certain repairs, renovations, extension, betterments and improvements to the City's municipal water and wastewater system.

The City has covenanted and agreed to fix, prescribe, and collect rates and charges for the Water Service and the Wastewater Service so that net revenues are at least 1.15 times the installment purchase payments of the 2006 bonds and all parity of obligations due and payable in the Certificate Year following the date of such calculation.

NOTE 8 – LONG-TERM LIABILITIES (Continued)

4. Business-type Activities – Revenue Bonds (Continued)

2006 Series A Water and Wastewater Revenue Bonds (Continued)

The bonds have a stated interest from 4.00% to 5.25% and are payable over a period of 30 years maturing in 2036. The 2006 Series Bonds maturing on or before October 1, 2016 are not subject to optional redemption prior to their maturities. The Bonds maturing on or after October 1, 2017 shall be subject to redemption prior to their respective maturities. The principal balance outstanding at June 30, 2009 is $64,465,000.

5. Business-type Activities – Installment Sale Payable

2003 Enterprise Fund Installment Sale. On December 17, 2002, the City entered into an agreement with the California Infrastructure and Economic Development Bank to sell water and wastewater bonds, the bonds were issued on March 18, 2004.

The proceeds from the issuance of these bonds, $5,880,100, were used to fund the Alder water/sewer project.

The City has covenanted and agreed to fix, prescribe, and collect rates, fees and charges for the Water Service and the Wastewater Service so that net revenues are at least 1.10 times the installment purchase payments of the 2003 bonds and all Debt Service obligations due and payable in the fiscal year.

The bonds have a stated interest rate of 3.00% and are payable over a period of twenty years maturing in 2022. The 2003 Enterprise bonds maturing on or after October 1, 2014, are subject to redemption prior to maturity. The principal balance outstanding at June 30, 2009 is $4,279,643.

6. Business-type Activities – Hospital Long Term Debt

El Centro Financing Authority Insured Hospital Revenue Bonds, Series 2001. On April 26, 2001, the Hospital issued $39,300,000 in revenue bonds. The proceeds of the Bonds were used to finance the construction and equipping the Hospital's 66,000 square foot expansion.

The bonds have a stated interest rate from 4.25% to 5.375% and are payable over a period of twenty six years maturing in 2026. The principal balance outstanding at June 30, 2009 is $32,800,000.

7. Business-type Activities – Capital Leases Payable

Capital Leases. The Hospital has entered into certain capital lease agreements under which the related equipment will become the property of the Hospital when all terms of the lease agreements are met. The lease obligations will be repaid in monthly installments of principal and interest with various maturity dates between August 2009 and September 2013. These Capital leases are reflected in the statement of net assets and the amortization of assets held under capital leases in included with the depreciation expenses. At June 30, 2009 the gross amount of capital assets recorded under the capital leases were $3,824,000. Capitalized lease interest rates range from 3.83% to 8.25%.

Lease commitments on these leases including interest are as follows:

Fiscal Year Ending June 30,	Principal	Principal and Interest
2010	$ 1,304,601	$1,465,737
2011	1,173,304	1,380,606
2012	1,141,994	1,222,766
2013	775,979	797,917
2014	170,462	171,594
	$4,566,340	$5,038,620

NOTE 8 – LONG-TERM LIABILITIES (Continued)

8. Long-Term Debt Amortization - Business-type Activities

The annual requirements to amortize long-term debt outstanding at June 30, 2009 (other than compensated absences) are as follows:

Fiscal Year Ended June 30,	1997 Revenue Bonds - Water		
	Principal	Interest	Total
2010	$ 120,000	$ 2,880	$ 122,880
	$ 120,000	$ 2,880	$ 122,880

Fiscal Year Ended June 30,	1997 Revenue Bonds - Wastewater		
	Principal	Interest	Total
2010	$ 265,000	$ 413,808	$ 678,808
2011	280,000	400,658	680,658
2012	295,000	386,493	681,493
2013	310,000	371,368	681,368
2014	325,000	355,290	680,290
2015-2019	1,885,000	1,502,779	3,387,779
2020-2024	2,430,000	952,739	3,382,739
2025-2028	2,455,000	259,197	2,714,197
	$ 8,245,000	$ 4,642,332	$ 12,887,332

Fiscal Year Ended June 30,	2003 Installment Sale Payable - Water		
	Principal	Interest	Total
2010	$ 70,311	$ 32,943	$ 103,254
2011	72,420	30,834	103,254
2012	74,593	28,661	103,254
2013	76,831	26,423	103,254
2014	79,136	24,118	103,254
2015-2019	432,746	83,524	516,270
2020-2022	292,066	17,697	309,763
	$ 1,098,103	$ 244,200	$ 1,342,303

Fiscal Year Ended June 30,	2003 Installment Sale Payable - Wastewater		
	Principal	Interest	Total
2010	$ 186,204	$ 92,653	$ 278,857
2011	191,790	86,983	278,773
2012	197,544	81,143	278,687
2013	203,470	75,128	278,598
2014	209,574	68,932	278,506
2015-2019	1,146,037	245,023	1,391,060
2020-2023	1,046,921	63,975	1,110,896
	$ 3,181,540	$ 713,837	$ 3,895,377

NOTE 8 – LONG-TERM LIABILITIES (Continued)

8. Long-Term Debt Amortization - Business-type Activities (Continued)

Fiscal Year Ended June 30,	2006 Series A Water Revenue Bonds		
	Principal	Interest	Total
2010	$ 470,000	$ 1,547,819	$ 2,017,819
2011	615,000	1,526,119	2,141,119
2012	640,000	1,501,019	2,141,019
2013	665,000	1,474,919	2,139,919
2014	695,000	1,447,719	2,142,719
2015-2019	3,925,000	6,782,881	10,707,881
2020-2024	5,190,000	5,789,566	10,979,566
2025-2029	7,105,000	4,267,663	11,372,663
2030-2034	9,035,000	2,326,069	11,361,069
2035-2036	4,315,000	229,556	4,544,556
	$ 32,655,000	$ 26,893,330	$ 59,548,330

Fiscal Year Ended June 30,	2006 Series A Wastewater Revenue Bonds		
	Principal	Interest	Total
2010	$ 520,000	$ 1,512,063	$ 2,032,063
2011	540,000	1,490,863	2,030,863
2012	565,000	1,468,763	2,033,763
2013	585,000	1,445,763	2,030,763
2014	615,000	1,421,763	2,036,763
2015-2019	3,495,000	6,703,663	10,198,663
2020-2024	4,680,000	5,822,863	10,502,863
2025-2029	7,230,000	4,340,663	11,570,663
2030-2034	9,195,000	2,365,556	11,560,556
2035-2036	4,385,000	233,231	4,618,231
	$ 31,810,000	$ 26,805,191	$ 58,615,191

Fiscal Year Ended June 30,	Hospital Revenue Bonds, Series 2001		
	Principal	Interest	Total
2010	$ 1,250,000	$ 1,726,610	$ 2,976,610
2011	1,310,000	1,670,360	2,980,360
2012	1,369,000	1,610,100	2,979,100
2013	1,439,000	1,537,460	2,976,460
2014	1,519,000	1,461,051	2,980,051
2015-2019	8,890,000	6,005,875	14,895,875
2020-2024	11,510,000	3,489,034	14,999,034
2025-2026	5,513,000	445,589	5,958,589
	32,800,000	17,946,079	50,746,079
Less bond discount	(347,011)		(347,011)
	$ 32,452,989	$ 17,946,079	$ 50,399,068

NOTE 8 – LONG-TERM LIABILITIES (Continued)

8. Long-Term Debt Amortization - Business-type Activities (Continued)

Fiscal Year Ended June 30,	Capital Leases Payable		
	Principal	Interest	Total
2010	$ 1,304,601	$ 161,136	$ 1,465,737
2011	1,173,304	207,302	1,380,606
2012	1,141,994	80,772	1,222,766
2013	775,979	21,938	797,917
2014	170,462	1,132	171,594
	$ 4,566,340	$ 472,280	$ 5,038,620

Fiscal Year Ended June 30,	Total Business-type Activities		
	Principal	Interest	Total
2010	$ 4,186,116	$ 5,489,912	$ 9,676,028
2011	4,182,514	5,413,119	9,595,633
2012	4,283,131	5,156,951	9,440,082
2013	4,055,280	4,952,999	9,008,279
2014	3,613,172	4,780,005	8,393,177
2015-2019	19,773,783	21,323,745	41,097,528
2020-2024	25,148,987	16,135,874	41,284,861
2025-2029	22,303,000	9,313,112	31,616,112
2030-2034	18,230,000	4,691,625	22,921,625
2035-2036	8,700,000	462,787	9,162,787
	114,475,983	77,720,129	192,196,112
Less bond discount	(347,011)		(347,011)
	$ 114,128,972	$ 77,720,129	$ 191,849,101

NOTE 9 – RISK MANAGEMENT

The City is exposed to various risks of loss related to workers' compensation claims, torts, the theft of, damage to, and destruction of assets, errors and omission, natural disasters, and group health insurance claims. To deal with these risks, the City has adopted a formal risk management program. As part of this program various risk control techniques, including employee accident prevention training, are being implemented to minimize accident-related losses. An integral part of the program, however, continues to be insuring arrangements.

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Authority). The Authority is composed of 122 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverages. The Authority's pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a 9-member Executive Committee.

NOTE 9 – RISK MANAGEMENT (CONTINUED)

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement (Continued)

Audited financial statements for the Authority are available from Assistant Executive Officer, at California Joint Powers Insurance Authority, 8081 Moody Street, La Palma, California 90623.

B. Insurance Programs of the Authority

General Liability Each member government pays a primary deposit to cover estimated losses for a fiscal year (claims year). After the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Costs are pooled separately between police and non-police. Costs are allocated to members by the following methods within each of the four layers of coverage: the (1) $30,000 of each occurrence is charged directly to the member's primary deposit; (2) costs from $30,000 to $750,000 and the loss development reserves associated with losses up to $750,000 are pooled based on the member's share of losses under $30,000; (3) losses from $750,000 to $2,000,000 and the associated loss development reserves are pooled based on the payroll; (4a) costs of covered claims from $2,000,000 to $50,000,000 are paid under reinsurance and excess insurance policies (4b) subject to a $3,000,000 annual aggregate deductible (4c) and a quota-sharing agreement whereby the Authority is financially responsible for 40% of losses occurring within the $2,000,000 to $10,000,000 layer. The costs associated with 4a-c are estimated using actuarial models and pre-funded as part of the primary and retrospective deposits.

The overall policy limit for each member including all layers of coverage is $50,000,000 per occurrence. Costs of covered claims for subsidence losses are paid by excess insurance with the following sub-limits per member: $25,000,000 per occurrence with a $15,000,000 annual aggregate.

Payments to the Authority for property and casualty coverage are recorded as expenditures in the General Fund.

Workers Compensation The City also participates in the workers' compensation pool administered by the Authority. Each member pays a primary deposit to cover estimated losses for a fiscal year (claims year). After the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Claims are pooled separately between public safety and non-public safety. Costs are allocated to members by the following methods within each of the four layers of coverage: (1) the first $50,000 of each loss is charged directly to the member's primary deposit; (2) losses from $50,000 to $100,000 and the loss development reserve associated with losses up to $100,000 are pooled based on the member's share of losses under $50,000. (3) losses from $100,000 to $2,000,000 and the loss development reserves associated with those losses are pooled based on payroll; (4) losses from $2,000,000 up to statutory limits are paid under an excess insurance policy. Protection is provided per statutory liability under California Workers' Compensation law.

Employer's Liability losses are pooled among members to $2,000,000, coverage from $2,000,000 to $4,000,000 is purchased as part of an excess insurance policy, and losses from $4,000,000 to $10,000,000 are pooled among members.

The City is responsible for workers' compensation claims incurred before July 1, 1997, under its self-insured program. Estimated unpaid claims reflect the maximum probable outcome of all claims without regard to the City's self-insured retention level. Reserves are assessed for indemnity, medical, and expense categories. Indemnity claims are estimated on the basis of computations, which will develop the probable total future cost of compensation and medical benefits due or potentially due. Medical-only claims are estimated on the basis of computations, which will develop the total future cost of medical benefits due or potentially due. Liability estimates are not reduced for third party recoveries, subrogation recoveries, or aggregate excess insurance coverage.

NOTE 9 – RISK MANAGEMENT (Continued)

B. Insurance Programs of the Authority (Continued)

Payments for workers' compensation coverage are recorded as an expense to Workers' Compensation Internal Service Fund.

Purchased Insurance

Environmental Insurance The City participates in the pollution legal liability and remediation legal liability insurance, which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a $50,000 deductible. The Authority has a limit of $50,000,000 for the 3-year period from July 1, 2008 through July 1, 2011. Each member of the Authority has a $10,000,000 sub-limit during the 3-year term of the policy.

Property Insurance The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City property is currently insured according to a schedule of covered property submitted by the City to the Authority. The City property currently has all-risk property insurance protection in the amount of $40,847,051. There is a $5,000 deductible per occurrence except for non-emergency vehicle insurance which has a $1,000 deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Crime Insurance The City purchases crime insurance coverage in the amount of $3,000,000 with a $2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retroactive adjustments.

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

Group Health Insurance

The "Risks of Loss" to the City under the City sponsored group health insurance plans include major medical, dental, and vision claims. Prior to August 1, 1999, the City contracted with Pacific Mutual Insurance Company for a fully insured plan for medical and dental coverage.

On August 1, 1999, the City implemented a self-funded plan providing for the same benefits as the Pacific Mutual plan. The City's liability is limited to $100,000 per employee with an overall cap of 125% of projected medical claims and 100% of dental and vision claims.

Medical Malpractice Insurance Coverage

The Hospital purchases commercial malpractice liability insurance on an occurrence basis. The policy provides for a per claim deductible of $1,000 with per occurrence coverage of $10,000,000 and aggregate coverage limits of $10,000,000. In management's opinion, the Hospital has sufficiently accrued an estimated liability for claims incurred prior to June 30, 2009 that are expected to be subsequently reported to the insurance company.

NOTE 10 – PROPRIETARY FUNDS INFORMATION

The City maintains five enterprise funds. The Water and Wastewater funds account for the provision of basic utility services to all citizens. The Transit fund provides demand-response transit services. The Solid waste fund accounts for trash collection throughout the City. The Hospital is an acute care facility providing health care to the community and surrounding area.

NOTE 11 – CONTINGENT LIABILITIES

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

There is a pending lawsuit involving a complaint and a cross complaint with the City involving performance of action and for damages incurred but a decision/settlement has not been reached.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of management, that the ultimate disposition of these lawsuits and proceedings will not have a material adverse effect on the financial condition of the City.

Malpractice, workers' compensation, and medical benefits claims have been asserted against the Hospital by various claimants. The claims are in various stages of processing and some may ultimately be brought to trial. There are also known incidents that have been occurred through June 30, 2009, that may result in the assertion of additional claims. The Hospital management has accrued their best estimate of these contingent losses.

With changes now made to the pilot and permanent RAC (Recovery Audit Contractor) program, it is expected that RAC program review activities will resume by early next year. It is possible the Hospital has a contingent repayment liability for claims not previously reviewed. However, the Hospital has not received any notice from either the pilot RAC or the new permanent RAC regarding any intent to resume RAC audit.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Over the last several years, government activity has increased with respect to investigations and allegations concerning possible violations of regulations by health care providers which could result in the imposition of significant fines and penalties as well as significant repayment of previously billed and collected revenue for patient services. Other than the issue discussed above, Hospital's management believes that the Hospital is in substantial compliance with current laws and regulations and that any potential liability arising from compliance issues have been properly reflected in the financial statements or are not considered to be material to the Hospital's financial position and results of operations as of and for the year ended June 30, 2009.

The Medicare and Medi-Cal government reimbursement programs account for a substantial amount of the Hospital's net patient service revenue. Expenditure reduction efforts and budget concerns with in the United States and California legislature continue to create uncertainty over the volume of future health care funding. It is at least reasonably possible that future reimbursements for patient services under these programs could be negatively impacted.

NOTE 12 – NET PATIENT REVENUE

Net patient service revenue is reported at the estimated net realizable amount from patients, governmental programs, health maintenance, and preferred provider organizations and insurance contracts under applicable laws, regulations, and program instructions. Net realizable amounts are generally less than the Hospital's established rates. Final determination of certain amounts payable is subject to audit by appropriate third party representatives. Subsequent adjustments, if any, arising from such audits are recorded in the year final settlement becomes known. Significant concentrations of gross patient accounts receivable at June 30 were as follows:

	2009	2008
Medicare	$ 35,628,430	$ 24,696,734
Medi-Cal	33,866,468	30,305,758
Insurance, third party payors and self pay	28,247,669	26,893,779
Gross patient accounts receivable	97,742,567	81,896,271
Less: Allowances for contractual and bad debt adjustments	(80,482,226)	(64,846,807)
Net patient accounts receivable	$ 17,260,341	$ 17,049,464

Significant concentrations of gross patient accounts receivable at June 30, 2009 and 2008 include Medicare, 36% and 30%, respectively, and Medi-Cal, 35% and 37%, respectively.

At June 30, 2009 and 2008, the Hospital provided allowances for losses on amounts receivable directly from patients totaling approximately $80,482,000 and $64,847,000, respectively. Amounts written off to bad debt expense included in net patient service revenue totaled approximately $10,762,000 and $8,615,000 for 2009 and 2008, respectively. A summary of the basis of reimbursement with major third-party payor categories follows:

Medicare – Medicare payments are primarily prospective for inpatients while Medicare payments for outpatients are based on a combination of a fee-for-service schedules and prospective reimbursement.

Medi-Cal – Medi-Cal payments are primarily based on the cost of providing services for inpatients and a fee-for-service schedule for outpatients.

Contracted and other – The Hospital has entered into reimbursement agreements with certain commercial insurance carriers, preferred provider organizations, and health maintenance organizations. The basis for reimbursement under these agreements includes discounts from established charges and prospectively determined per diem rates.

The programs' administrative procedures preclude final determination of amounts due for services to program patients until after the cost reports are audited or otherwise reviewed by and settled with the respective administrative agencies. Medicare cost reports for 2009 and 2008 and Medi-Cal cost reports for 2009 and 2008 are subject to audit and possible adjustment. Net Medicare and Medi-Cal program patient service revenue amounted to approximately $56,948,000 and $44,804,000 in 2009 and 2008, respectively. In 2009 and 2008, the Hospital recognized in the statements of revenues, expenses, and changes in net assets, an increase of approximately $387,000 and $547,000, respectively, in net patient service revenue pertaining to the settlement of prior year's cost reports.

Laws and regulations governing Medicare and Medi-Cal programs are complex and subject to interpretation. The Hospital believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigation involving allegations of potential wrongdoing. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and exclusion from the Medicare and Medi-Cal programs.

NOTE 13 – DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation program created in accordance with Internal Revenue Code Section 457. The program, available to all full-time City employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the program, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held for the exclusive benefit of the participants.

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS

The City provides postretirement health and dental care benefits, as provided for in various collective bargaining agreements for retirees that meet certain criteria. The City pays 100 percent of the employee's premium for health and dental care coverage for qualifying management employees until age 65 and a portion of the employee's premium for qualifying non-management employees. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans.

Funding Policy

The City's adopted policy is to contribute an amount sufficient to pay the current fiscal year's premium. For fiscal year 2008/2009, the City contributed $180,124, which consisted of current premiums, but did not include any additional prefunding of benefits.

Annual OPEB and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), and an amount actuarially determined in accordance with the parameters of GASB Statement No.45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the fiscal year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

Annual required contribution	$ 945,000
Annual OPEB cost (expense)	945,000
Contributions made	(180,124)
Increase in net OPEB obligation	764,876
Net OPEB obligation - beginning of fiscal year	
Net OPEB obligation - end of fiscal year	$ 764,876

The City 's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2009 and the two preceding fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contribution	Net OPEB Obligation (Asset)
6/30/2007	$ -	0%	$ -
6/30/2008	-	0%	-
6/30/2009	180,124	19.1%	764,876

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (Continued)

Funded Status and Funding Progress

As of June 30, 2009, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was $8,373,000, and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $8,373,000. The covered payroll (annual payroll of active employees covered by the plan) was $11,090,000, and the ratio of the UAAL to the covered payroll was 76 percent. The City has set up a separate fund to designate an amount of $6,948,540 that would be used to fund the other post-employment benefits. These designated monies were not placed into a trust account.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. 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 with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

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

In the June 30, 2006 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 4.25 percent investment rate of return, which is the expected long-term investment returns on plan assets invested in General Fund, not prefunded, a projected salary increase assumption rate of 3.25 percent, an inflation rate of 3%, and an annual healthcare cost trend rate of 12% initially, reduced by decrements to an ultimate rate of 5% after 10 years. The actuarial value of assets is not applicable (no assets as of the initial valuation date). The UAAL is being amortized as level dollar amount over thirty years. The remaining amortization period at June 30, 2006 was thirty years.

NOTE 15 – DEFINED BENEFIT PENSION PLANS

A. Public Employees Retirement System (PERS)

Plan Description

The City of El Centro defined benefit pension plan, (the Plan), provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Plan is 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 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 Employee's Retirement Law. The City of El Centro has adopted various optional benefits. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

NOTE 15 – DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. Public Employees Retirement System (PERS) (Continued)

Funding Policy

Active Plan members are required to contribute 7% (9% for safety employees) of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City of El Centro 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 2008/2009 was 7.471% (42.563% for safety employees). The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS. The City's contributions to CalPERS for the fiscal years ending June 30, 2009, 2008, and 2007 for the Miscellaneous Plan were $1,211,215, $1,115,155, and $986,071, respectively, and equal 100% of the required contributions for each fiscal year. The City's contributions to CalPERS for the fiscal years ending June 30, 2009, 2008, and 2007 for the Safety Plan were $3,101,278, $3,015,047, and $2,640,094, respectively, and equal 100% of the required contributions for each fiscal year.

B. El Centro Regional Medical Center Retirement Income Plan

Plan Description

The El Centro Regional Medical Center Retirement Income Plan (the Plan), a single-employer defined benefit pension plan and is administered by the Hospital. The Plan covers all employees of the Hospital who are not members of a collective bargaining unit. The Plan provides retirement and death benefits to plan members and beneficiaries. The Hospital's Board of Directors has the authority to establish and amend benefit provisions. The Retirement Plan is administered by a retirement plan committee appointed by the Board of Directors of the Medical Center. The Retirement Plan issues a separate financial report that includes financial statements and required supplemental information. Additional information may be obtained by acquiring to El Centro Regional Medical Center, 1415 Ross Ave, El Centro, CA 92243.

Funding Policy

The contribution requirements of plan members and the Hospital are established and may be amended by the Hospital's Board of Directors. Plan members are required to contribute 3% of their annual covered salary. The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate assets to pay benefits when due. The Hospital contributed 6.5% and 5.9% of annual covered payroll (approximately $2,076,000 and $1,996,000) in 2009 and 2008, respectively.

NOTE 15 – DEFINED BENEFIT PENSION PLANS (Continued)

B. El Centro Regional Medical Center Retirement Income Plan (Continued)

Annual Pension Cost and Net Pension Obligation

The Hospital's annual pension cost and net pension obligation to the Plan as of and for the years ended June 30, were as follows:

	2009	2008
Annual required contribution	$2,141,700	$ 1,884,900
Interest on net pension obligation	(60,000)	(53,800)
Adjustment to annual required contribution	90,700	81,200
Annual pension cost	2,172,400	1,912,300
Contributions made	2,075,700	1,995,700
Increase (decrease) in net pension obligation	96,700	(83,400)
Net pension obligation (asset) beginning of fiscal year	(800,400)	(717,000)
Net pension obligation (asset) end of fiscal year	$ (703,700)	$(800,400)

The annual required contribution for the current year was determined as part of January 1, 2009 and January 1, 2008 actuarial valuations using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses) and (b) projected salary increases of 3.5% per year. Both assumptions included an inflation component of 2.5%. The actuarial value of assets for both valuations was determined using market value adjusted to recognize market value gains and losses over five years. The unfunded actuarial accrued liability is amortized using the level dollar method on a closed basis. The remaining equivalent single amortization period at December 31, 2008 was 10 years.

The following information (which has not been audited by independent auditors) was provided to the Hospital by the Plan's actuaries, Creative Benefit Strategies, Inc., per their actuarial valuation dated January 1, 2009 and January 1, 2008. The Hospital's contribution for the fiscal years ending June 30, 2009, 2008, and 2007, were $2,172,400, $1,912,300, and $1,786,500, respectively, and the net pension obligations (assets) for the fiscal years ending June 30, 2009, 2008, and 2007, were ($703,700), ($800,400), and ($717,000).

NOTE 16 – NET ASSETS AND FUND BALANCES

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

A. Net Assets

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

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

NOTE 16 – NET ASSETS AND FUND BALANCES (CONTINUED)

A. Net Assets (Continued)

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

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

The government-wide statement of net assets reports $71,324,026 of restricted net assets.

$33,765,880 of the restricted net assets in the government-wide statement of net assets is restricted by enabling legislation.

B. Fund Balances

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

NOTE 17 – INVESTMENT IN JOINT VENTURE – EL CENTRO REGIONAL MEDICAL CENTER (HOSPITAL)

The Medical Center has a fifty (50) percent interest in Imperial Valley Health Resources Authority (IVHRA) which is accounted for under the equity method. Additional information regarding the financial information for the joint venture can be obtained by acquiring at El Centro Regional Medical Center, 1415 Ross Ave, El Centro, CA 92243. Imperial Valley Health Resources Authority does not hold any assets. The Medical Center and the other agency involved in the joint venture reimburse the Imperial Valley Health Resources Authority monthly for expenses related to consultants and other expenses.

NOTE 18 – PRIOR PERIOD ADJUSTMENTS

A prior period adjustment of ($472,222) was made to the government-wide statement (governmental activities) due to an overstatement of accounts receivable in the amount of ($25,219) in the General Fund, due to an overstatement of deferred loss on refunding of ($413,351), and to move the fund balance that was previously shown in a special revenue fund (Legacy Ranch CFD) to a fiduciary fund in the amount of ($33,652).

A prior period adjustment of ($25,219) was made to the fund statements, General Fund, due to an overstatement of accounts receivable.

A prior period adjustment of ($33,652) was made to the fund statements, Legacy Ranch CFD, to move the fund balance that was previously shown in a special revenue fund to a fiduciary fund.

NOTE 19 – SUBSEQUENT EVENTS

On November 4, 2009, the City Council approved resolution no. 09-122 authorizing and approving the issuance of Lease Revenue Bonds (Transportation Improvements), 2009 Series A, in the aggregate principal amount not to exceed $15,000,000, in one or more series, as tax-exempt bonds and/or build America Bonds. The City Council approved the authorizing of the preparation of a preliminary official statement and the execution and delivery of a final official statement, a site and facility lease, a lease agreement, an agency agreement, a continuing disclosure agreement, and a bond purchase agreement. The Bonds are being issued for the purpose of financing certain transportation related capital improvements within the City.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF EL CENTRO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2009

Schedule of Funding Progress – Other Post-employment Benefits

Actuarial Valuation Date	Projected Unit Credit Cost Accrued Liability	Actuarial Value of Assets	Unfunded Liability (Excess Assets)	Funded Ratio	Annual Covered Payroll	UAAL As a % of Payroll
6/30/2006	$ 8,373,000	$ -	$ 8,373,000	-%	$ 11,090,000	75.5%

CITY OF EL CENTRO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2009

Schedule of Funding Progress – Hospital Retirement Income Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Projected Unit Credit	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL As a % of Covered Payroll
1/1/2009(a)	$ 36,061,600	$ 50,385,100	$ 14,323,500	71.6%	$ 34,847,700	41.1%
1/1/2009(b)	36,061,600	49,707,200	13,645,600	72.5%	34,847,700	39.2%
1/1/2008	34,366,200	44,730,800	10,364,600	76.8%	30,954,900	33.5%
1/1/2007	30,369,400	40,490,200	10,120,800	75.0%	29,477,500	34.3%
1/1/2006	27,469,900	36,390,100	8,920,200	75.5%	29,306,900	30.4%

(a) Before change in interest crediting rate for mandatory employee contributions.
(b) After change in interest crediting rate for mandatory employee contributions.

CITY OF EL CENTRO
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 13,497,000	$ 13,497,000	$ 12,254,910	$ (1,242,090)
Licenses and Permits	364,200	364,200	168,708	(195,492)
Intergovernmental	7,915,100	7,915,100	7,796,368	(118,732)
Charges for Services	1,236,200	1,236,200	868,967	(367,233)
Fines and Forfeitures	174,000	174,000	220,262	46,262
Interest	300,000	300,000	177,192	(122,808)
Other	792,300	792,300	814,704	22,404
Total Revenues	24,278,800	24,278,800	22,301,111	(1,977,689)
Expenditures				
Current				
General Government	3,026,967	3,514,327	2,893,665	620,662
Public Safety	16,014,481	16,122,981	15,497,198	625,783
Public Works	1,862,591	1,868,591	1,659,485	209,106
Parks and Recreation	3,143,944	3,320,444	2,727,120	593,324
Community Development	2,494,869	2,514,369	1,780,558	733,811
Capital Outlay	693,000	557,215	534,457	22,758
Total Expenditures	27,235,852	27,897,927	25,092,483	2,805,444
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,957,052)	(3,619,127)	(2,791,372)	827,755
Other Financing Sources (uses):				
Transfers In	1,727,366	1,727,366	1,727,366	
Transfers Out	(80,667)	(5,336,667)	(5,339,448)	(2,781)
Total Other Financing Sources (Uses)	1,646,699	(3,609,301)	(3,612,082)	(2,781)
Net Change in Fund Balance	(1,310,353)	(7,228,428)	(6,403,454)	824,974
Fund Balance - July 1, 2008	12,993,458	12,993,458	12,993,458	
Prior Period Adjustments			(25,219)	(25,219)
Fund Balance - July 1, 2008, Restated	12,993,458	12,993,458	12,968,239	(25,219)
Fund Balance - June 30, 2009	$ 11,683,105	$ 5,765,030	$ 6,564,785	$ 799,755

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

MAJOR GOVERNMENTAL FUND

CITY OF EL CENTRO
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
REDEVELOPMENT AGENCY CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Interest	$ 320,000	$ 554,950	$ 234,950
Other	240,000	21,395	(218,605)
Total Revenues	560,000	576,345	16,345
Expenditures			
Current:			
Community development	1,953,623	1,267,271	686,352
Capital outlay	8,144,000	653,291	7,490,709
Total Expenditures	10,097,623	1,920,562	8,177,061
Excess (deficiency) of Revenues over (under) Expenditures	(9,537,623)	(1,344,217)	8,193,406
Other Financing Sources (uses):			
Transfers in	1,300,000	1,300,000	
Total Other Financing Sources (Uses)	1,300,000	1,300,000	
NET CHANGE IN FUND BALANCE	(8,237,623)	(44,217)	8,193,406
Fund Balance - July 1, 2008	20,695,166	20,695,166	
Fund Balance - June 30, 2009	$ 12,457,543	$ 20,650,949	$ 8,193,406

COMBINING STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Gas Tax - This fund is used to account for the City's share of California State gas tax revenue expended for street improvements and maintenance.

Transportation Article 8 - This fund is used to account for State of California Transportation Development Act funds expended for street maintenance.

Community Development Block Grant (CDBG) - This fund is used to account for revenue and expenditures under the State of California CDBG program.

Library Assistance - This fund is used to account for the expenditure of private donations and grants from the State of California Public Library Fund.

Bus Shelter - This fund is used to account for revenue and expenditures that will be utilized in the maintenance of the Bus Shelters within the City.

Transportation Article 3 - This fund is used to account for State of California Transportation Development Act Funds expended for bicycle and pedestrian projects.

Home Program - This fund is used to account for the expenditure of grant funds received under the California Department of Housing and Community Development Investment Partnership Program.

Rental Rehab HUD - This fund is used to account for revenues and expenditures associated with the California Department of Housing and Urban Development rental rehabilitation program.

Traffic Safety - This fund is used to account for traffic fines and forfeitures received by the City and used for traffic control supplies and equipment.

Wake Ave Extension - This fund is used for the collection and disbursement of mitigation fees for the construction of Wake Ave.

Traffic Congestion Relief - This fund is used to account for transportation funding from sales and use tax revenues expended for street maintenance, rehabilitation and reconstruction

Special Events - This fund is used to account for activity (revenues and expenditures) related to events held by the City.

Asset Forfeiture - This fund is used to account for revenues distributed by the Department of Justice from drug related seizures.

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

Home Grants - This fund is used to account for revenues and expenditures associated with the Home program.

OTS Grant - This fund is used to account for the expenditure of grant funds received from the State of California, Office of Traffic Safety.

State COPS SLESF - This fund is used to account for the revenue and expenditure of funds from the Supplemental Law Enforcement Services Fund (SLESF) pursuant to Section 30061 of the California Government Code (AB 3229).

Annexation Fees - This fund is used to account for the collection and expenditure of annexation fees earmarked for public improvements.

HUD Entitlement - This fund is used to account for all revenues and expenditures authorized using the Entitlement guidelines.

CDBG Program Income - This fund is used to account for the collection of Community Development Block Grant loans made from program income.

Housing Enabled by Local Partnership - Program set up to provide for a source of funds from which to make mortgage loans to first time home buyers.

CALHOME Program - This program provides mortgage assistance loans to first time home-buyers.

Development Impact Fees - This fund is used to account for the collection and expenditure of development impact fees earmarked for public infrastructure improvements made necessary because of growth.

SIMPLOT - This fund is used to account for the expenditures of funds received in connection with the settlement of environmental litigation.

FHWA Grants - This fund is used to account for the expenditure of grant funds from the FHWA received through the California Department of Transportation.

Soft Drink Franchise - This fund is used to supplement Parks and Recreation activities.

Integrated Waste Management - Fund set up for the purpose of solid waste management and source reduction recycling.

Used Oil Grant - This fund is used for the establishment and maintenance of local used oil collection programs.

Per Capita Parks Grant - These funds are to be used for the acquisition and development of neighborhood, community, and regional parks and recreation land and facilities.

Department of Conservation - This fund is used to administer recycling activities through collection and public education.

Tire Clean-up Grant - This grant provides funds for the clean-up of tires that have been illegally dumped in our communities.

Household Hazardous Waste - This program is to establish a permanent household hazardous waste collection facility and providing mobile collection events to service remote and underserved residents.

I-8 Imperial Ave. Overpass - This fund is used to account for fees charged on new developments for the overpass project.

OPEB - This fund is used to set money aside that will be used to fund postemployment benefits for eligible City employees.

EDA Revolving - This fund is used to hold excess EDA Loan funds collected and not currently used for loans.

Police and Fire Operational - This fund was set up to collect fees to mitigate impact to police and fire services from new developments.

Rural Business Enterprise Grant - This fund is to provide business training to the tenants of the El Centro Business Incubator.

Legacy Ranch CFD - This fund is used to account for the activity related to the new Community Facilities District.

Legacy Ranch L&LD - This fund is used to account for the activity related to the landscape & lighting district.

IV Commons - This fund is used to account for the activity related to the deposits received for the IV Commons.

Fire Mitigation - This fund is used to account for funds used for fire mitigation.

2002 Resource Bond Act - This grant provides funds for local assistance to the City as part of the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002.

Redevelopment Housing - This fund is established to account for 20% of the redevelopment tax increment receipts, which are required to be set aside for low and moderate income housing.

CAPITAL PROJECTS FUND

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

Orange Ave Regional Lift Station - This fund is used to account for revenue and expenditures charged for the development of the lift station.

Park Development - This fund is used to account for fees charged on new development for the development and maintenance of parks.

Drainage Facilities - This fund is used to account for the fees charged on new development for drainage facilities.

Post Office Grant - This grant will be used for the renovation of the Old Post Office Pavilion.

Lotus Parallel - This fund is used to account for revenue and expenditures incurred in the development of the future water and sewer trunk from water and wastewater plants to I-8.

IID Facility Crossing - This fund is used to collect monies from developers for the installation of siphon pipes to allow for the Orange and Hamilton Avenue crossing.

8th Street Overpass Bridge - This fund is used to collect monies from developers for the lighting of the bridge.

Bridge/Road Improvements - This fund is used to collect monies from developers for the bridge and road improvements on Dogwood Rd and related areas.

Federal Highway Administration - This fund is used to account for expenditures of grant funds from the FHWA received through the California Department of Transportation used on miscellaneous projects.

Proposition 1B - This grant provides funds used for safety improvements and repairs to state highways, upgrades to freeways to reduce congestion, repairs to local streets and roads, upgrades to highways along major transportation corridors, improvement to seismic safety of local bridges, expansion of public transit, and reduction of air pollution.

La Brucherie Green Belt - This fund is used to account for the construction of a non-motorized pathway along La Brucherie Road.

Colonia-El Dorado Street - This fund is used to account for grant funds received under the State Community Development grant program for street improvements in the El Dorado Colonia.

Buena Vista Landscaping & Lighting District - This fund is used to account for the activity related to the new district.

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources and repayment of debt from governmental resources.

Redevelopment Agency - This fund is used to account for debt service payments for the outstanding bonds issued by the Redevelopment Agency.

Lease Purchase - This fund is used to account for lease payments on various lease purchase arrangements.

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2009

	Special Revenue Funds									
	Gas Tax	Transportation Article 8	CDBG	Library Assistance	Bus Shelter	Transportation Article 3	Home Program	Rental Rehab-HUD	Traffic Safety	Wake Ave Extension
Assets										
Cash and investments	$ 2,302	$ -	$ -	$ 77,284	$ 310,772	$ 75,085	$ 16,859	$ 435,990	$ 37,981	$ 295,845
Receivables:										
Taxes										
Interest				141	536	42	16	864	98	592
Grants										
Notes			2,218,820				4,402,240	58,400		
Other		32,609		1,605			5,345	1,486	1,070	
Restricted Cash and Investment with Fiscal Agent										
Land held for resale										
Total Assets	$ 2,302	$ 32,609	$ 2,218,820	$ 79,030	$ 311,308	$ 75,127	$ 4,424,460	$ 496,740	$ 39,149	$ 296,437
Liabilities										
Accounts payable	$ 2,000	$ 1,320	$ -	$ 2,275	$ 33,751	$ -	$ -	$ -	$ -	$ -
Salaries/benefits payable										
Deferred revenue			2,218,820				4,402,240	58,400		
Deposits										
Due to other funds		31,618								
Total Liabilities	2,000	32,938	2,218,820	2,275	33,751		4,402,240	58,400		
Fund Balances										
Reserved for:										
Housing & economic development							22,220	438,340		
Public work projects										
Street improvements	302				277,557	75,127			39,149	296,437
Public protection										
Parks & recreation				76,755						
Debt service										
Low and moderate income housing										
Land held for resale										
Unreserved, Undesignated		(329)								
Total Fund Balances	302	(329)		76,755	277,557	75,127	22,220	438,340	39,149	296,437
Total Liabilities and Fund Balances	$ 2,302	$ 32,609	$ 2,218,820	$ 79,030	$ 311,308	$ 75,127	$ 4,424,460	$ 496,740	$ 39,149	$ 296,437

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2009

	Special Revenue Funds								
	Traffic Congestion Relief	Special Events	Asset Forfeiture	Local Transportation Authority	Home Grants	OTS Grant	State COPS SLESF	Annexation Fees	HUD Entitlement
Assets									
Cash and investments	$ 96,377	$ 5,254	$ 381,223	$ 9,505,932	$ 866,589	$ 12,385	$ 92,312	$ 102,983	$ 644,992
Receivables:									
Taxes									
Interest	340		1,043	17,831		12	208	206	1,221
Grants					200,765				
Notes					1,608,504				602,456
Other				158,401			100,000		
Restricted Cash and Investment with Fiscal Agent									
Land held for resale									
Total Assets	$ 96,717	$ 5,254	$ 382,266	$ 9,682,164	$ 2,675,858	$ 12,397	$ 192,520	$ 103,189	$ 1,248,669
Liabilities									
Accounts payable	$ -	$ 5,253	$ 5,000	$ 45,588	$ 1,006,296	$ -	$ 52,053	$ -	$ 11,673
Salaries/benefits payable									
Deferred revenue					1,608,504				602,456
Deposits									
Due to other funds									
Total Liabilities		5,253	5,000	45,588	2,614,800		52,053		614,129
Fund Balances									
Reserved for:									
Housing & economic development					61,058				634,540
Public work projects								103,189	
Street improvements	96,717			9,636,576					
Public protection			377,266			12,397	140,467		
Parks & recreation		1							
Debt service									
Low and moderate income housing									
Land held for resale									
Unreserved, Undesignated									
Total Fund Balances	96,717	1	377,266	9,636,576	61,058	12,397	140,467	103,189	634,540
Total Liabilities and Fund Balances	$ 96,717	$ 5,254	$ 382,266	$ 9,682,164	$ 2,675,858	$ 12,397	$ 192,520	$ 103,189	$ 1,248,669

(Continued)

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2009
(Continued)

	Special Revenue Funds									
	CDBG Program Income	Housing Enabled by Local Partnership	CALHOME Program	Development Impact Fee	Simplot	FHWA Grants	Soft Drink Franchise	Integrated Waste Management	Used Oil Grant	Per Capita Parks Grant
Assets										
Cash and investments	$ 1,246,956	$ 461,644	$ 23,561	$ 9,289,382	$ 39,910	$ 60,045	$ 2,950	$ 287,243	$ -	$ 800
Receivables:										
Taxes										
Interest	2,573	924	47	18,326	80	120	6	668		
Grants									33,374	
Notes	703,231	65,286	582,939							
Other	9,211									
Restricted Cash and Investment with Fiscal Agent										
Land held for resale										
Total Assets	$ 1,961,971	$ 527,854	$ 606,547	$ 9,307,708	$ 39,990	$ 60,165	$ 2,956	$ 287,911	$ 33,374	$ 800
Liabilities										
Accounts payable	$ 8,451	$ -	$ 9	$ 48,690	$ -	$ -	$ -	$ 3,825	$ 2,269	$ -
Salaries/benefits payable										
Deferred revenue	703,231	65,286	582,939							
Deposits	18,442			453,468						
Due to other funds									29,743	
Total Liabilities	730,124	65,286	582,948	502,158				3,825	32,012	
Fund Balances										
Reserved for:										
Housing & economic development	1,231,847	462,568	23,599							
Public work projects				8,805,550	39,990	60,165		284,086	1,362	800
Street improvements										
Public protection										
Parks & recreation										
Debt service										
Low and moderate income housing										
Land held for resale										
Unreserved, Undesignated							2,956			
Total Fund Balances	1,231,847	462,568	23,599	8,805,550	39,990	60,165	2,956	284,086	1,362	800
Total Liabilities and Fund Balances	$ 1,961,971	$ 527,854	$ 606,547	$ 9,307,708	$ 39,990	$ 60,165	$ 2,956	$ 287,911	$ 33,374	$ 800

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2009

	Special Revenue Funds							
	Department of Conservation	Tire Clean-Up Grant	Household Hazardous Waste	I-8 Imperial Ave Overpass	OPEB	EDA Revolving Fund	Police & Fire Operational Fund	Rural Business Enterprise Grant
Assets								
Cash and investments	$ 34,523	$ -	$ -	$ 570,153	$ 6,948,540	$ 23,816	$ 426,509	$ 1,285
Receivables:								
Taxes								
Interest	102			1,140		40	807	
Grants		170,420	171,242					
Notes								
Other								
Restricted Cash and Investment with Fiscal Agent								
Land held for resale								
Total Assets	$ 34,625	$ 170,420	$ 171,242	$ 571,293	$ 6,948,540	$ 23,856	$ 427,316	$ 1,285
Liabilities								
Accounts payable	$ 4,029	$ 9,577	$ 57,037	$ -	$ -	$ -	$ -	$ -
Salaries/benefits payable								
Deferred revenue								
Deposits				487,200				
Due to other funds		126,339	108,408					
Total Liabilities	4,029	135,916	165,445	487,200				
Fund Balances								
Reserved for:								
Housing & economic development						23,856		
Public work projects		34,504						1,285
Street improvements			5,797	84,093				
Public protection							427,316	
Parks & recreation	30,596							
Debt service								
Low and moderate income housing								
Land held for resale								
Unreserved, Undesignated					6,948,540			
Total Fund Balances	30,596	34,504	5,797	84,093	6,948,540	23,856	427,316	1,285
Total Liabilities and Fund Balances	$ 34,625	$ 170,420	$ 171,242	$ 571,293	$ 6,948,540	$ 23,856	$ 427,316	$ 1,285

(Continued)

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2009
(Continued)

	Special Revenue Funds						Capital Projects Funds			
	Legacy Ranch CFD	Legacy Ranch Lighting and Landscape District	IV Commons	Fire Mitigation	2002 Resource Bond Act	Redevelopment Housing	Orange Ave. Regional Lift	Park Development	Drainage Facility	Post Office Grant
Assets										
Cash and investments	$ -	$ 75,243	$ 65,856	$ 554,723	$ -	$ 2,311,734	$ 225,033	$ 288,980	$ 253,870	$ 48,138
Receivables:										
Taxes		1,103				8,446				
Interest		155	1,546	1,220		4,455	301	578	507	96
Grants					90,000					
Notes						2,920,303				
Other						1,369				
Restricted Cash and Investment with Fiscal Agent										
Land held for resale						63,589				
Total Assets	$ -	$ 76,501	$ 67,402	$ 555,943	$ 90,000	$ 5,309,896	$ 225,334	$ 289,558	$ 254,377	$ 48,234
Liabilities										
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 2,240	$ -	$ -	$ -	$ -
Salaries/benefits payable						16,487				
Deferred revenue						2,920,303				
Deposits			61,840							
Due to other funds					90,000					
Total Liabilities			61,840		90,000	2,939,030				
Fund Balances										
Reserved for:										
Housing & economic development										
Public work projects			5,562						254,377	
Street improvements							225,334			
Public protection				555,943						
Parks & recreation		76,501						289,558		
Debt service										
Low and moderate income housing						2,307,277				
Land held for resale						63,589				
Unreserved, Undesignated										48,234
Total Fund Balances		76,501	5,562	555,943		2,370,866	225,334	289,558	254,377	48,234
Total Liabilities and Fund Balances	$ -	$ 76,501	$ 67,402	$ 555,943	$ 90,000	$ 5,309,896	$ 225,334	$ 289,558	$ 254,377	$ 48,234

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2009

	Capital Projects Funds									Debt Service		Total Nonmajor Governmental Funds
	Lotus Parallel	IID Facility Crossing	8th St. Overpass Bridge	Bridge/Road Improvement	Federal Highway Administration	Proposition 1B	La Brucherie Green Belt	Colonia-El Dorado Street	Buena Vista Landscaping	Redevelopment Agency	Lease Purchase	
Assets												
Cash and investments	$ 281,949	$ 153,212	$ 17,638	$ 7,737,030	$ -	$ 1,300,435	$ 7,344	$ 15,684	$ 214,745	$ 10,752,607	$ -	$ 56,681,703
Receivables:												
Taxes									866	33,784		44,199
Interest	564	305	35	15,470		1,303	15	31	420	11,304		86,288
Grants								2,752				668,553
Notes												13,162,179
Other												311,096
Restricted Cash and Investment with Fiscal Agent										2,688,408		2,688,408
Land held for resale												63,589
Total Assets	$ 282,513	$ 153,517	$ 17,673	$ 7,752,500	$ -	$ 1,301,738	$ 7,359	$ 18,467	$ 216,031	$ 13,486,103	$ -	$ 73,706,015
Liabilities												
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,301,336
Salaries/benefits payable												16,487
Deferred revenue												13,162,179
Deposits	242,650	132,960	15,000	7,426,084								8,837,644
Due to other funds					10,017							396,125
Total Liabilities	242,650	132,960	15,000	7,426,084	10,017							23,713,771
Fund Balances												
Reserved for:												
Housing & economic development												2,898,028
Public work projects												9,590,870
Street improvements	39,863	20,557	2,673	326,416		1,301,738	7,359	18,467				12,454,162
Public protection												1,513,389
Parks & recreation									216,031			689,442
Debt service										2,657,808		2,657,808
Low and moderate income housing												2,307,277
Land held for resale												63,589
Unreserved, Undesignated					(10,017)					10,828,295		17,817,679
Total Fund Balances	39,863	20,557	2,673	326,416	(10,017)	1,301,738	7,359	18,467	216,031	13,486,103		49,992,244
Total Liabilities and Fund Balances	$ 282,513	$ 153,517	$ 17,673	$ 7,752,500	$ -	$ 1,301,738	$ 7,359	$ 18,467	$ 216,031	$ 13,486,103	$ -	$ 73,706,015

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2009

	Special Revenue Funds									
	Gas Tax	Transportation Article 8	CDBG	Library Assistance	Bus Shelter	Transportation Article 3	Home Program	Rental Rehab-HUD	Traffic Safety	Wake Ave Extension
Revenues:										
Intergovernmental	$ 682,544	$ 391,304	$ -	$ 24,795	$ 46,451	$ 33,480	$ -	$ -	$ -	$ -
Taxes										
Charges for services										
Interest	1,136			959	3,699	486	722	6,247	696	4,354
Other				250			71,394	17,832	17,146	
Total Revenues	683,680	391,304		26,004	50,150	33,966	72,116	24,079	17,842	4,354
Expenditures:										
Current:										
General government										
Public safety										
Public works	2,000	3,465			4,323				14,944	
Parks and recreation				23,362						
Community development							150,038			
Capital outlay					45,467					
Debt Service:										
Principal										
Interest										
Total Expenditures	2,000	3,465		23,362	49,790		150,038		14,944	
Excess (Deficiency) of Revenues over (Under) Expenditures	681,680	387,839		2,642	360	33,966	(77,922)	24,079	2,898	4,354
Other Financing Sources (Uses):										
Transfers In										
Transfers Out	(741,000)	(575,000)								
Total Other Financing Sources (Uses)	(741,000)	(575,000)								
Net Change in Fund Balances	(59,320)	(187,161)		2,642	360	33,966	(77,922)	24,079	2,898	4,354
Fund Balances- July 1, 2008	59,622	186,832		74,113	277,197	41,161	100,142	414,261	36,251	292,083
Prior period adjustments										
Fund Balances - July 1, 2008 (restated)	59,622	186,832		74,113	277,197	41,161	100,142	414,261	36,251	292,083
Fund Balances - June 30, 2009	$ 302	$ (329)	$ -	$ 76,755	$ 277,557	$ 75,127	$ 22,220	$ 438,340	$ 39,149	$ 296,437

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended June 30, 2009

	Special Revenue Funds								
	Traffic Congestion Relief	Special Events	Asset Forfeiture	Local Transportation Authority	Home Grants	OTS Grant	State COPS SLESF	Annexation Fees	HUD Entitlement Program
Revenues:									
Intergovernmental	$ 279,216	$ -	$ 325,769	$ 2,277,453	$ 1,644,002	$ 8,695	$ 100,000	$ -	$ 271,228
Taxes									
Charges for services									
Interest	1,501		8,985	123,517	204		2,252	1,516	9,088
Other		20,820							52
Total Revenues	280,717	20,820	334,754	2,400,970	1,644,206	8,695	102,252	1,516	280,368
Expenditures:									
Current:									
General government									
Public safety			148,139			4,892	50,724		
Public works				79,335					
Parks and recreation		139,600			1,618,427				
Community development									76,891
Capital outlay			262,198	374,405			84,845		16,354
Debt Service:									
Principal									
Interest									
Total Expenditures		139,600	410,337	453,740	1,618,427	4,892	135,569		93,245
Excess (Deficiency) of Revenues over (Under) Expenditures	280,717	(118,780)	(75,583)	1,947,230	25,779	3,803	(33,317)	1,516	187,123
Other Financing Sources (Uses):									
Transfers In		118,781							
Transfers Out	(184,000)		(116,253)						
Total Other Financing Sources (Uses)	(184,000)	118,781	(116,253)						
Net Change in Fund Balances	96,717	1	(191,836)	1,947,230	25,779	3,803	(33,317)	1,516	187,123
Fund Balances- July 1, 2008			569,102	7,689,346	35,279	8,594	173,784	101,673	447,417
Prior period adjustments									
Fund Balances - July 1, 2008 (restated)			569,102	7,689,346	35,279	8,594	173,784	101,673	447,417
Fund Balances - June 30, 2009	$ 96,717	$ 1	$ 377,266	$ 9,636,576	$ 61,058	$ 12,397	$ 140,467	$ 103,189	$ 634,540

(Continued)

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended June 30, 2009
(Continued)

	Special Revenue Funds									
	CDBG Program Income	Housing Enabled by Local Partnership	CALHOME Program	Development Impact Fee	Simplot	FHWA Grants	Soft Drink Franchise	Intergrated Waste Management	Used Oil Grant	Per Capita Parks Grant
Revenues:										
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 254,757	$ 45,615	$ -
Taxes										
Charges for services				338,974						
Interest	18,050	9,619	245	137,243	689	1,048	46	6,507		
Other	208,957						533	6,962		
Total Revenues	227,007	9,619	245	476,217	689	1,048	579	268,226	45,615	
Expenditures:										
Current:										
General government										
Public safety										
Public works								252,256	45,614	
Parks and recreation										
Community development										
Capital outlay	91,611			555,197		24,641				
Debt Service:										
Principal										
Interest										
Total Expenditures	91,611			555,197		24,641		252,256	45,614	
Excess (Deficiency) of Revenues over (Under) Expenditures	135,396	9,619	245	(78,980)	689	(23,593)	579	15,970	1	
Other Financing Sources (Uses):										
Transfers In										
Transfers Out										
Total Other Financing Sources (Uses)										
Net Change in Fund Balances	135,396	9,619	245	(78,980)	689	(23,593)	579	15,970	1	
Fund Balances- July 1, 2008	1,096,451	452,949	23,354	8,884,530	39,301	83,758	2,377	268,116	1,361	800
Prior period adjustments										
Fund Balances - July 1, 2008 (restated)	1,096,451	452,949	23,354	8,884,530	39,301	83,758	2,377	268,116	1,361	800
Fund Balances - June 30, 2009	$ 1,231,847	$ 462,568	$ 23,599	$ 8,805,550	$ 39,990	$ 60,165	$ 2,956	$ 284,086	$ 1,362	$ 800

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended June 30, 2009

	Special Revenue Funds							
	Department of Conservation	Tire Clean-Up Grant	Household Hazardous Waste	I-8 Imperial Ave Overpass	OPEB	EDA Revolving	Police & Fire Operational	Rural Business Enterprise Grant
Revenues:								
Intergovernmental	$ 51,135	$ 170,420	$ 171,242	$ -	$ -	$ 14,878	$ -	$ -
Taxes								
Charges for services								
Interest	986		90	8,390		341	5,843	
Other								
Total Revenues	52,121	170,420	171,332	8,390		15,219	5,843	
Expenditures:								
Current:								
General government								
Public safety								
Public works		170,420	171,242					
Parks and recreation	56,276							
Community development						206		
Capital outlay								
Debt Service:								
Principal								
Interest								
Total Expenditures	56,276	170,420	171,242			206		
Excess (Deficiency) of Revenues over (Under) Expenditures	(4,155)		90	8,390		15,013	5,843	
Other Financing Sources (Uses):								
Transfers In					6,948,540			
Transfers Out								
Total Other Financing Sources (Uses)					6,948,540			
Net Change in Fund Balances	(4,155)		90	8,390	6,948,540	15,013	5,843	
Fund Balances- July 1, 2008	34,751	34,504	5,707	75,703		8,843	421,473	1,285
Prior period adjustments								
Fund Balances - July 1, 2008 (restated)	34,751	34,504	5,707	75,703		8,843	421,473	1,285
Fund Balances - June 30, 2009	$ 30,596	$ 34,504	$ 5,797	$ 84,093	$ 6,948,540	$ 23,856	$ 427,316	$ 1,285

(Continued)

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended June 30, 2009
(Continued)

	Special Revenue Funds						Capital Project Funds					
	Legacy Ranch CFD	Legacy Ranch Lighting and Landscape District	IV Commons	Fire Mitigation	2002 Resource Bond Act	Redevelopment Housing	Orange Ave. Regional Lift	Park Development	Drainage Facility	Post Office Grant	Lotus Parallel	IID Facility Crossing
Revenues:												
Intergovernmental	$ -	$ -	$ -	$ -	$ 70,301	$ -	$ -	$ -	$ -	$ 111,500	$ -	$ -
Taxes		56,484				1,399,368						
Charges for services												
Interest		849	8,806	9,467		31,832	2,413	4,253	3,734	97	4,149	2,254
Other						144,780	74,427		82			
Total Revenues		57,333	8,806	9,467	70,301	1,575,980	76,840	4,253	3,816	111,597	4,149	2,254
Expenditures:												
Current:												
General government												
Public safety												
Public works			5,000									
Parks and recreation		36,787										
Community development						1,869,762						
Capital outlay					70,301							
Debt Service:												
Principal												
Interest												
Total Expenditures		36,787	5,000		70,301	1,869,762						
Excess (Deficiency) of Revenues over (Under) Expenditures		20,546	3,806	9,467		(293,782)	76,840	4,253	3,816	111,597	4,149	2,254
Other Financing Sources (Uses):												
Transfers In												
Transfers Out				(111,113)								
Total Other Financing Sources (Uses)				(111,113)								
Net Change in Fund Balances		20,546	3,806	(101,646)		(293,782)	76,840	4,253	3,816	111,597	4,149	2,254
Fund Balances- July 1, 2008	33,652	55,955	1,756	657,589		2,664,648	148,494	285,305	250,561	(63,363)	35,714	18,303
Prior period adjustments	(33,652)											
Fund Balances - July 1, 2008 (restated)		55,955	1,756	657,589		2,664,648	148,494	285,305	250,561	(63,363)	35,714	18,303
Fund Balances - June 30, 2009	$ -	$ 76,501	$ 5,562	$ 555,943	$ -	$ 2,370,866	$ 225,334	$ 289,558	$ 254,377	$ 48,234	$ 39,863	$ 20,557

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended June 30, 2009

	Capital Project Funds							Debt Service		Nonmajor
	8th St. Overpass Bridge	Bridge/Road Improvement	Federal Highway Administration	Proposition 1B	La Brucherie Green Belt	Colonia-El Dorado Street	Buena Vista Landscaping	Redevelopment Agency	Lease Purchase	Governmental Funds
Revenues:										
Intergovernmental	$ -	$ -	$ -	$ 625,055	$ -	$ 18,825	$ -	$ -	$ -	$ 7,618,665
Taxes							31,066	5,597,472		7,084,390
Charges for services										338,974
Interest	259	108,492			104	40	2,967	232,998		767,173
Other										563,235
Total Revenues	259	108,492		625,055	104	18,865	34,033	5,830,470		16,372,437
Expenditures:										
Current:										
General government										
Public safety										203,755
Public works						18,825				767,424
Parks and recreation							19,661			1,894,113
Community development										2,096,897
Capital outlay						2,000				1,527,019
Debt Service:										
Principal								280,000	49,520	329,520
Interest								2,458,456	1,147	2,459,603
Total Expenditures						20,825	19,661	2,738,456	50,667	9,278,331
Excess (Deficiency) of Revenues over (Under) Expenditures	259	108,492		625,055	104	(1,960)	14,372	3,092,014	(50,667)	7,094,106
Other Financing Sources (Uses):										
Transfers In									50,667	7,117,988
Transfers Out								(1,300,000)		(3,027,366)
Total Other Financing Sources (Uses)								(1,300,000)	50,667	4,090,622
Net Change in Fund Balances	259	108,492		625,055	104	(1,960)	14,372	1,792,014		11,184,728
Fund Balances- July 1, 2008	2,414	217,924	(10,017)	676,683	7,255	20,427	201,659	11,694,089		38,841,168
Prior period adjustments										(33,652)
Fund Balances - July 1, 2008 (restated)	2,414	217,924	(10,017)	676,683	7,255	20,427	201,659	11,694,089		38,807,516
Fund Balances - June 30, 2009	$ 2,673	$ 326,416	$ (10,017)	$ 1,301,738	$ 7,359	$ 18,467	$ 216,031	$ 13,486,103	$ -	$ 49,992,244

SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30,2009

CITY OF EL CENTRO
GAS TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 400	$ 1,136	$ 736
Intergovernmental	741,000	682,544	(58,456)
Total Revenues	741,400	683,680	(57,720)
Expenditures:			
Public Works	2,000	2,000	
Total Expenditures	2,000	2,000	
Excess (Deficiency) of Revenues Over (Under) Expenditures	739,400	681,680	(57,720)
Other Financing Sources (Uses)			
Transfers Out	(796,750)	(741,000)	55,750
Total Other Financing Sources (Uses)	(796,750)	(741,000)	55,750
Net Change in Fund Balance	(57,350)	(59,320)	(1,970)
Fund Balance - July 1	59,622	59,622	
Fund Balance - June 30	$ 2,272	$ 302	$ (1,970)

CITY OF EL CENTRO
TRANSPORTATION ART 8 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 100	$ -	$ (100)
Intergovernmental	530,000	391,304	(138,696)
Total Revenues	530,100	391,304	(138,796)
Expenditures:			
Public Works	4,500	3,465	1,035
Total Expenditures	4,500	3,465	1,035
Excess (Deficiency) of Revenues Over (Under) Expenditures	525,600	387,839	(137,761)
Other Financing Sources (Uses)			
Transfers Out	(703,250)	(575,000)	128,250
Total Other Financing Sources (Uses)	(703,250)	(575,000)	128,250
Net Change in Fund Balance	(177,650)	(187,161)	(9,511)
Fund Balance - July 1	186,832	186,832	
Fund Balance - June 30	$ 9,182	$ (329)	$ (9,511)

CITY OF EL CENTRO
LIBRARY ASSISTANCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 200	$ 959	$ 759
Donations	500	250	(250)
Intergovernmental	29,000	24,795	(4,205)
Total Revenue	29,700	26,004	(3,696)
Expenditures:			
Parks and Recreation	36,700	23,362	13,338
Total Expenditures	36,700	23,362	13,338
Net Change in Fund Balance	(7,000)	2,642	9,642
Fund Balance - July 1	74,113	74,113	
Fund Balance - June 30	$ 67,113	$ 76,755	$ 9,642

CITY OF EL CENTRO
BUS SHELTER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 56,600	$ 46,451	$ (10,149)
Interest	1,000	3,699	2,699
Total Revenue	57,600	50,150	(7,450)
Expenditures:			
Public Works	66,500	4,323	62,177
Capital Outlay	190,000	45,467	144,533
Total Expenditures	256,500	49,790	206,710
Net Change in Fund Balance	(198,900)	360	199,260
Fund Balance - July 1	277,197	277,197	
Fund Balance - June 30	$ 78,297	$ 277,557	$ 199,260

CITY OF EL CENTRO
TRANSPORTATION ARTICLE 3 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 200	$ 486	$ 286
Intergovernmental	8,000	33,480	25,480
Total Revenue	8,200	33,966	25,766
Expenditures:			
Capital Outlay	8,000		8,000
Total Expenditures	8,000		8,000
Net Change in Fund Balance	200	33,966	33,766
Fund Balance - July 1	41,161	41,161	
Fund Balance - June 30	$ 41,361	$ 75,127	$ 33,766

CITY OF EL CENTRO
HOME PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Other Income	$ 60,200	$ 71,394	$ 11,194
Interest	1,000	722	(278)
Total Revenue	61,200	72,116	10,916
Expenditures:			
Community Development	129,400	150,038	(20,638)
Total Expenditures	129,400	150,038	(20,638)
Net Change in Fund Balance	(68,200)	(77,922)	(9,722)
Fund Balance - July 1	100,142	100,142	
Fund Balance - June 30	$ 31,942	$ 22,220	$ (9,722)

CITY OF EL CENTRO
RENTAL REHAB - HUD SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 2,000	$ 6,247	$ 4,247
Other Income	17,800	17,832	32
Total Revenue	19,800	24,079	4,279
Expenditures:			
Community Development	400,000		400,000
Total Expenditures	400,000		400,000
Net Change in Fund Balance	(380,200)	24,079	404,279
Fund Balance - July 1	414,261	414,261	
Fund Balance - June 30	$ 34,061	$ 438,340	$ 404,279

CITY OF EL CENTRO
TRAFFIC SAFETY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 1,000	$ 696	$ (304)
Other Income	17,000	17,146	146
Total Revenue	18,000	17,842	(158)
Expenditures:			
Public Works	16,924	14,944	1,980
Total Expenditures	16,924	14,944	1,980
Net Change in Fund Balance	1,076	2,898	1,822
Fund Balance - July 1	36,251	36,251	
Fund Balance - June 30	$ 37,327	$ 39,149	$ 1,822

CITY OF EL CENTRO
WAKE AVE EXTENSION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 8,000	$ 4,354	$ (3,646)
Total Revenue	8,000	4,354	(3,646)
Net Change in Fund Balance	8,000	4,354	(3,646)
Fund Balance - July 1	292,083	292,083	
Fund Balance - June 30	$ 300,083	$ 296,437	$ (3,646)

CITY OF EL CENTRO
SPECIAL EVENTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 30,000	$ -	$ (30,000)
Other		20,820	20,820
Total Revenue	30,000	20,820	(9,180)
Expenditures:			
Parks and Recreation	138,500	139,600	(1,100)
Total Expenditures	138,500	139,600	(1,100)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(108,500)	(118,780)	(10,280)
Other Financing Sources (Uses)			
Transfers In	106,000	118,781	12,781
Total Other Financing Sources (Uses)	106,000	118,781	12,781
Net Change in Fund Balance	(2,500)	1	2,501
Fund Balance - July 1			
Fund Balance - June 30	$ (2,500)	$ 1	$ 2,501

CITY OF EL CENTRO
ASSET FORFEITURE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 15,000	$ 8,985	$ (6,015)
Intergovernmental	100,000	325,769	225,769
Total Revenue	115,000	334,754	219,754
Expenditures:			
Public Safety	199,800	148,139	51,661
Capital Outlay	194,000	262,198	(68,198)
Total Expenditures	393,800	410,337	(16,537)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(278,800)	(75,583)	203,217
Other Financing Sources (Uses):			
Transfers Out	(116,253)	(116,253)	
Total Other Financing Sources (Uses)	(116,253)	(116,253)	
Net Change in Fund Balance	(395,053)	(191,836)	203,217
Fund Balance - July 1	569,102	569,102	
Fund Balance - June 30	$ 174,049	$ 377,266	$ 203,217

CITY OF EL CENTRO
LOCAL TRANSPORTATION AUTHORITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 40,000	$ 123,517	$ 83,517
Intergovernmental	2,350,000	2,277,453	(72,547)
Total Revenue	2,390,000	2,400,970	10,970
Expenditures:			
Public Works	150,000	79,335	70,665
Capital Outlay	8,560,000	374,405	8,185,595
Total Expenditures	8,710,000	453,740	8,256,260
Net Change in Fund Balance	(6,320,000)	1,947,230	8,267,230
Fund Balance - July 1	7,689,346	7,689,346	
Fund Balance - June 30	$ 1,369,346	$ 9,636,576	$ 8,267,230

CITY OF EL CENTRO
HOME GRANTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 7,050,000	$ 1,644,002	$ (5,405,998)
Interest	1,000	204	(796)
Total Revenue	7,051,000	1,644,206	(5,406,794)
Expenditures:			
Community Development	7,050,000	1,618,427	5,431,573
Total Expenditures	7,050,000	1,618,427	5,431,573
Net Change in Fund Balance	1,000	25,779	24,779
Fund Balance - July 1	35,279	35,279	
Fund Balance - June 30	$ 36,279	$ 61,058	$ 24,779

CITY OF EL CENTRO
STATE COPS SLESF SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ -	$ 100,000	$ 100,000
Interest		2,252	2,252
Total Revenue		102,252	102,252
Expenditures:			
Public Safety	65,384	50,724	14,660
Capital Outlay	91,966	84,845	7,121
Total Expenditures	157,350	135,569	21,781
Net Change in Fund Balance	(157,350)	(33,317)	124,033
Fund Balance - July 1	173,784	173,784	
Fund Balance - June 30	$ 16,434	$ 140,467	$ 124,033

CITY OF EL CENTRO
ANNEXATION FEES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 1,500	$ 1,516	$ 16
Total Revenue	1,500	1,516	16
Expenditures:			
Public works			
Total Expenditures			
Net Change in Fund Balance	1,500	1,516	16
Fund Balance - July 1	101,673	101,673	
Fund Balance - June 30	$ 103,173	$ 103,189	$ 16

CITY OF EL CENTRO
HUD ENTITLEMENT PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 665,667	$ 271,228	$ (394,439)
Other		52	52
Interest		9,088	9,088
Total Revenue	665,667	280,368	(385,299)
Expenditures:			
Community Development	170,000	76,891	93,109
Capital Outlay	664,260	16,354	647,906
Total Expenditures	834,260	93,245	741,015
Net Change in Fund Balance	(168,593)	187,123	355,716
Fund Balance - July 1	447,417	447,417	
Fund Balance - June 30	$ 278,824	$ 634,540	$ 355,716

CITY OF EL CENTRO
CDBG PROGRAM INCOME SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Other	$ 166,240	$ 208,957	$ 42,717
Interest	5,000	18,050	13,050
Total Revenue	171,240	227,007	55,767
Expenditures:			
Capital Outlay	888,165	91,611	796,554
Total Expenditures	888,165	91,611	796,554
Net Change in Fund Balance	(716,925)	135,396	852,321
Fund Balance - July 1	1,096,451	1,096,451	
Fund Balance - June 30	$ 379,526	$ 1,231,847	$ 852,321

CITY OF EL CENTRO
HOUSING ENABLED BY LOCAL PARTNERSHIP SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 15,000	$ 9,619	$ (5,381)
Other	9,000		(9,000)
Total Revenue	24,000	9,619	(14,381)
Net Change in Fund Balance	24,000	9,619	(14,381)
Fund Balance - July 1	452,949	452,949	
Fund Balance - June 30	$ 476,949	$ 462,568	$ (14,381)

CITY OF EL CENTRO
CALHOME PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 1,000	$ 245	$ (755)
Other	7,000		(7,000)
Total Revenue	8,000	245	(7,755)
Expenditures:			
Community Development			
Total Expenditures			
Net Change in Fund Balance	8,000	245	(7,755)
Fund Balance - July 1	23,354	23,354	
Fund Balance - June 30	$ 31,354	$ 23,599	$ (7,755)

CITY OF EL CENTRO
DEVELOPMENT IMPACT FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Charges for services	$ 701,000	$ 338,974	$ (362,026)
Interest	152,000	137,243	(14,757)
Total Revenue	853,000	476,217	(376,783)
Expenditures:			
Capital Outlay	1,165,485	555,197	610,288
Total Expenditures	1,165,485	555,197	610,288
Net Change in Fund Balance	(312,485)	(78,980)	233,505
Fund Balance - July 1	8,884,530	8,884,530	
Fund Balance - June 30	$ 8,572,045	$ 8,805,550	$ 233,505

CITY OF EL CENTRO
SIMPLOT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 300	$ 689	$ 389
Total Revenue	300	689	389
Net Change in Fund Balance	300	689	389
Fund Balance - July 1	39,301	39,301	
Fund Balance - June 30	$ 39,601	$ 39,990	$ 389

CITY OF EL CENTRO
SOFT DRINK FRANCHISE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Other	$ 800	$ 533	$ (267)
Interest	50	46	(4)
Total Revenue	850	579	(271)
Expenditures:			
Public Works	850		850
Total Expenditures	850		850
Net Change in Fund Balance		579	579
Fund Balance - July 1	2,377	2,377	
Fund Balance - June 30	$ 2,377	$ 2,956	$ 579

CITY OF EL CENTRO
INTEGRATED WASTE MANAGEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 248,000	$ 254,757	$ 6,757
Other		6,962	6,962
Interest	3,000	6,507	3,507
Total Revenue	251,000	268,226	17,226
Expenditures:			
Public Works	264,408	252,256	12,152
Capital Outlay	3,600		3,600
Total Expenditures	268,008	252,256	15,752
Net Change in Fund Balance	(17,008)	15,970	32,978
Fund Balance - July 1	268,116	268,116	
Fund Balance - June 30	$ 251,108	$ 284,086	$ 32,978

CITY OF EL CENTRO
USED OIL GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 142,606	$ 45,615	$ (96,991)
Total Revenue	142,606	45,615	(96,991)
Expenditures:			
Public Works	142,606	45,614	96,992
Total Expenditures	142,606	45,614	96,992
Net Change in Fund Balance		1	1
Fund Balance - July 1	1,361	1,361	
Fund Balance - June 30	$ 1,361	$ 1,362	$ 1

CITY OF EL CENTRO
DEPARTMENT OF CONSERVATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ -	$ 51,135	$ 51,135
Interest	2,000	986	(1,014)
Total Revenue	2,000	52,121	50,121
Expenditures:			
Parks and Recreation	57,700	56,276	1,424
Total Expenditures	57,700	56,276	1,424
Net Change in Fund Balance	(55,700)	(4,155)	51,545
Fund Balance - July 1	34,751	34,751	
Fund Balance - June 30	$ (20,949)	$ 30,596	$ 51,545

CITY OF EL CENTRO
TIRE CLEAN-UP GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 231,027	$ 170,420	$ (60,607)
Total Revenue	231,027	170,420	(60,607)
Expenditures:			
Public Works	231,027	170,420	60,607
Total Expenditures	231,027	170,420	60,607
Net Change in Fund Balance			
Fund Balance - July 1	34,504	34,504	
Fund Balance - June 30	$ 34,504	$ 34,504	$ -

CITY OF EL CENTRO
HOUSEHOLD HAZARDOUS WASTE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 241,875	$ 171,242	$ (70,633)
Interest		90	90
Total Revenue	241,875	171,332	(70,543)
Expenditures:			
Public Works	241,875	171,242	70,633
Total Expenditures	241,875	171,242	70,633
Net Change in Fund Balance		90	90
Fund Balance - July 1	5,707	5,707	
Fund Balance - June 30	$ 5,707	$ 5,797	$ 90

CITY OF EL CENTRO
I-8 IMPERIAL AVE OVERPASS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 18,000	$ 8,390	$ (9,610)
Total Revenue	18,000	8,390	(9,610)
Net Change in Fund Balance	18,000	8,390	(9,610)
Fund Balance - July 1	75,703	75,703	
Fund Balance - June 30	$ 93,703	$ 84,093	$ (9,610)

CITY OF EL CENTRO
OPEB SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ -	$ -	$ -
Total Revenue			
Other Financing Sources (Uses)			
Transfers In	5,170,000	6,948,540	1,778,540
Total Other Financing Sources (Uses)	5,170,000	6,948,540	1,778,540
Net Change in Fund Balance	5,170,000	6,948,540	1,778,540
Fund Balance - July 1			
Fund Balance - June 30	$ 5,170,000	$ 6,948,540	$ 1,778,540

CITY OF EL CENTRO
EDA REVOLVING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ -	$ 14,878	$ 14,878
Interest		341	341
Total Revenue		15,219	15,219
Expenditures:			
Community Development	500	206	294
Total Expenditures	500	206	294
Net Change in Fund Balance	(500)	15,013	15,513
Fund Balance - July 1	8,843	8,843	
Fund Balance - June 30	$ 8,343	$ 23,856	$ 15,513

CITY OF EL CENTRO
POLICE & FIRE OPERATIONAL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 20,000	$ 5,843	$ (14,157)
Total Revenue	20,000	5,843	(14,157)
Net Change in Fund Balance	20,000	5,843	(14,157)
Fund Balance - July 1	421,473	421,473	
Fund Balance - June 30	$ 441,473	$ 427,316	$ (14,157)

CITY OF EL CENTRO
LEGACY RANCH CFD SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Other	$ -	$ -	$ -
Total Revenue			
Net Change in Fund Balance			
Fund Balance - July 1	33,652	33,652	
Prior Period Adjustment		(33,652)	(33,652)
Fund Balance- July 1, restated	33,652		(33,652)
Fund Balance - June 30	$ 33,652	$ -	$ (33,652)

CITY OF EL CENTRO
LEGACY RANCH LIGHTING AND LANDSCAPING DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Taxes	$ 57,340	$ 56,484	$ (856)
Interest	60	849	789
Total Revenue	57,400	57,333	(67)
Expenditures:			
Parks and Recreation	57,340	36,787	20,553
Total Expenditures	57,340	36,787	20,553
Net Change in Fund Balance	60	20,546	20,486
Fund Balance - July 1	55,955	55,955	
Fund Balance - June 30	$ 56,015	$ 76,501	$ 20,486

CITY OF EL CENTRO
IV COMMONS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Other	$ 20,000	$ -	$ (20,000)
Interest	100	8,806	8,706
Total Revenue	20,100	8,806	(11,294)
Expenditures:			
Public Works	20,000	5,000	15,000
Total Expenditures	20,000	5,000	15,000
Net Change in Fund Balance	100	3,806	3,706
Fund Balance - July 1	1,756	1,756	
Fund Balance - June 30	$ 1,856	$ 5,562	$ 3,706

CITY OF EL CENTRO
FIRE MITIGATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 5,000	$ 9,467	$ 4,467
Total Revenue	5,000	9,467	4,467
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,000	9,467	4,467
Other Financing Sources (Uses)			
Transfers Out	(111,113)	(111,113)	
Total Other Financing Sources (Uses)	(111,113)	(111,113)	
Net Change in Fund Balance	(106,113)	(101,646)	4,467
Fund Balance - July 1	657,589	657,589	
Fund Balance - June 30	$ 551,476	$ 555,943	$ 4,467

CITY OF EL CENTRO
2002 RESOURCE BOND ACT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 80,000	$ 70,301	$ (9,699)
Total Revenue	80,000	70,301	(9,699)
Expenditures:			
Capital Outlay	80,000	70,301	9,699
Total Expenditures	80,000	70,301	9,699
Net Change in Fund Balance			
Fund Balance - July 1			
Fund Balance - June 30	$ -	$ -	$ -

CITY OF EL CENTRO
REDEVELOPMENT AGENCY HOUSING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property Tax Increment	$ 1,056,400	$ 1,399,368	$ 342,968
Interest	50,000	31,832	(18,168)
Other Revenues	35,000	144,780	109,780
Total Revenues	1,141,400	1,575,980	434,580
Expenditures:			
Community Development	2,819,985	1,869,762	950,223
Capital Outlay	15,000		15,000
Total Expenditures	2,834,985	1,869,762	965,223
Net Change in Fund Balance	(1,693,585)	(293,782)	1,399,803
Fund Balance - July 1	2,664,648	2,664,648	
Fund Balance - June 30	$ 971,063	$ 2,370,866	$ 1,399,803

CITY OF EL CENTRO
ORANGE AVE REGIONAL LIFT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 3,000	$ 2,413	$ (587)
Other		74,427	74,427
Total Revenues	3,000	76,840	73,840
Net Change in Fund Balance	3,000	76,840	73,840
Fund Balance - July 1	148,494	148,494	
Fund Balance - June 30	$ 151,494	$ 225,334	$ 73,840

CITY OF EL CENTRO
PARK DEVELOPMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 6,000	$ 4,253	$ (1,747)
Total Revenues	6,000	4,253	(1,747)
Net Change in Fund Balance	6,000	4,253	(1,747)
Fund Balance - July 1	285,305	285,305	
Fund Balance - June 30	$ 291,305	$ 289,558	$ (1,747)

CITY OF EL CENTRO
DRAINAGE FACILITY CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 7,000	$ 3,734	$ (3,266)
Other		82	82
Total Revenues	7,000	3,816	(3,184)
Net Change in Fund Balance	7,000	3,816	(3,184)
Fund Balance - July 1	250,561	250,561	
Fund Balance - June 30	$ 257,561	$ 254,377	$ (3,184)

CITY OF EL CENTRO
LOTUS PARALLEL CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 2,000	$ 4,149	$ 2,149
Total Revenues	2,000	4,149	2,149
Net Change in Fund Balance	2,000	4,149	2,149
Fund Balance - July 1	35,714	35,714	
Fund Balance - June 30	$ 37,714	$ 39,863	$ 2,149

CITY OF EL CENTRO
IID FACILITY CROSSING CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 4,000	$ 2,254	$ (1,746)
Total Revenues	4,000	2,254	(1,746)
Net Change in Fund Balance	4,000	2,254	(1,746)
Fund Balance - July 1	18,303	18,303	
Fund Balance - June 30	$ 22,303	$ 20,557	$ (1,746)

CITY OF EL CENTRO
8TH STREET OVERPASS BRIDGE CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 300	$ 259	$ (41)
Total Revenues	300	259	(41)
Net Change in Fund Balance	300	259	(41)
Fund Balance - July 1	2,414	2,414	
Fund Balance - June 30	$ 2,714	$ 2,673	$ (41)

CITY OF EL CENTRO
BRIDGE/ROAD IMPROVEMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ 15,000	$ 108,492	$ 93,492
Total Revenues	15,000	108,492	93,492
Net Change in Fund Balance	15,000	108,492	93,492
Fund Balance - July 1	217,924	217,924	
Fund Balance - June 30	$ 232,924	$ 326,416	$ 93,492

CITY OF EL CENTRO
FEDERAL HIGHWAY ADMINISTRATION CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 1,958,000	$ -	$ (1,958,000)
Total Revenues	1,958,000		(1,958,000)
Expenditures:			
Capital Outlay	1,958,000		1,958,000
Total Expenditures	1,958,000		1,958,000
Net Change in Fund Balance			
Fund Balance (Deficit) - July 1	(10,017)	(10,017)	
Fund Balance (Deficit) - June 30	$ (10,017)	$ (10,017)	$ -

CITY OF EL CENTRO
COLONIA -EL DORADO STREET CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	$ 922,962	$ 18,825	$ (904,137)
Interest		40	40
Total Revenues	922,962	18,865	(904,097)
Expenditures:			
Public Works	135,755	18,825	116,930
Capital Outlay	787,207	2,000	785,207
Total Expenditures	922,962	20,825	902,137
Net Change in Fund Balance		(1,960)	(1,960)
Fund Balance - July 1	20,427	20,427	
Fund Balance - June 30	$ 20,427	$ 18,467	$ (1,960)

CITY OF EL CENTRO
BUENA VISTA LANDSCAPING AND LIGHTING DISTRICT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Taxes	$ 30,000	$ 31,066	$ 1,066
Interest	1,500	2,967	1,467
Total Revenues	31,500	34,033	2,533
Expenditures:			
Parks and Recreation	63,350	19,661	43,689
Total Expenditures	63,350	19,661	43,689
Net Change in Fund Balance	(31,850)	14,372	46,222
Fund Balance - July 1	201,659	201,659	
Fund Balance - June 30	$ 169,809	$ 216,031	$ 46,222

CITY OF EL CENTRO
REDEVELOPMENT AGENCY DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Property Tax Increment	$ 4,225,600	$ 5,597,472	$ 1,371,872
Interest	200,000	232,998	32,998
Total Revenues	4,425,600	5,830,470	1,404,870
Expenditures:			
Debt Service:			
Principal	280,000	280,000	
Interest and Fiscal Charges	2,984,281	2,458,456	525,825
Total Expenditures	3,264,281	2,738,456	525,825
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,161,319	3,092,014	1,930,695
Other Financing Sources (Uses):			
Transfers Out	(1,300,000)	(1,300,000)	
Total Other Financing Sources (Uses)	(1,300,000)	(1,300,000)	
Net Change in Fund Balance	(138,681)	1,792,014	1,930,695
Fund Balance - July 1,	11,694,089	11,694,089	
Fund Balance - June 30,	$ 11,555,408	$ 13,486,103	$ 1,930,695

CITY OF EL CENTRO
LEASE PURCHASE DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	$ -	$ -	$ -
Total Revenues			
Expenditures:			
Debt Service:			
Principal	49,520	49,520	
Interest	1,147	1,147	
Total Expenditures	50,667	50,667	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,667)	(50,667)	
Other Financing Sources			
Transfers In	50,667	50,667	
Total Other Financing Sources	50,667	50,667	
Net Change in Fund Balance			
Fund Balance - July 1			
Fund Balance - June 30	$ -	$ -	$ -

COMBINING STATEMENTS
NONMAJOR PROPRIETARY FUNDS

PROPRIETARY FUNDS

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

Transit - This fund is used to account for revenues and expenses associated with a demand response public transportation service.

Solid Waste - This fund is used to account for revenue and expenditures associated with the collection and disposal of solid waste.

CITY OF EL CENTRO
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
June 30, 2009

	Transit	Solid Waste	Totals
ASSETS			
Current Assets:			
Cash and Investments	$ -	$ 703	$ 703
Receivables			
Accounts Receivable (Net of Allowance for Uncollectibles)		316,073	316,073
Interest Receivable		265	265
Total Current Assets		317,041	317,041
Total Assets		317,041	317,041
Liabilities:			
Current Liabilities:			
Accounts Payable	29,601	219,671	249,272
Due to Other Funds	3,456		3,456
Deposits Payable		72,000	72,000
Total Current Liabilities	33,057	291,671	324,728
Total Liabilities	33,057	291,671	324,728
Net Assets (Deficit)			
Unrestricted	(33,057)	25,370	(7,687)
Net Assets (Deficit)	$ (33,057)	$ 25,370	$ (7,687)

CITY OF EL CENTRO
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Transit	Solid Waste	Totals
Operating Revenues			
Charges for Services	$ 31,901	$ 1,664,720	$ 1,696,621
Total Operating Revenues	31,901	1,664,720	1,696,621
Operating Expenses			
Contractual Services	208,458		208,458
Supplies and Services		1,861,680	1,861,680
General and Administrative	14,600	10,059	24,659
Total Operating Expenses	223,058	1,871,739	2,094,797
Operating Income (Loss)	(191,157)	(207,019)	(398,176)
Non-Operating Revenue (Expenses)			
Intergovernmental	189,154		189,154
Interest Revenue		2,646	2,646
Total Non-Operating Revenue (Expenses)	189,154	2,646	191,800
Changes in Net Assets	(2,003)	(204,373)	(206,376)
Net Assets (Deficit) - Beginning of Fiscal Year	(31,054)	229,743	198,689
Net Assets (Deficit) - End of Fiscal Year	$ (33,057)	$ 25,370	$ (7,687)

CITY OF EL CENTRO
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the fiscal Year Ended June 30, 2009

	Transit	Solid Waste	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Users	$ 31,901	$ 1,820,426	$ 1,852,327
Cash Payments to Suppliers and Contractors	(215,251)	(2,007,565)	(2,222,816)
Cash Payments for General and Administrative Expenses	(14,600)	(10,059)	(24,659)
Net Cash Provided (Used) By Operating Activities	(197,950)	(197,198)	(395,148)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental Revenue	189,154		189,154
Net Cash Provided (Used) By Noncapital Financing Activities	189,154		189,154
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest Received		3,957	3,957
Net Cash Provided (Used) in Investing Activities		3,957	3,957
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(8,796)	(193,241)	(202,037)
CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL YEAR	8,796	193,944	202,740
CASH AND CASH EQUIVALENTS, END OF FISCAL YEAR	$ -	$ 703	$ 703
Reconciliation to Statement of Net Assets:			
Cash and Cash Equivalents	$ -	$ 703	$ 703
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating Income (Loss)	$ (191,157)	$ (207,019)	$ (398,176)
Adjustment to Reconcile Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable		155,706	155,706
Increase (Decrease) in Due to Other Funds	3,456		3,456
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(10,249)	(145,885)	(156,134)
Total Adjustments	(6,793)	9,821	3,028
Net Cash Provided (Used) By Operating Activities	$ (197,950)	$ (197,198)	$ (395,148)

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

Workers' Compensation - This fund is used to account for the revenue and expenses associated with providing Workers' Compensation benefits.

Post Employment Benefits - This fund is used to account for the revenue and expenses associated with providing unemployment benefits.

Group Health Insurance - This fund is used to account for the revenue and expenses associated with providing group health benefits.

Motor Vehicle - This fund is used to account for costs of operating and maintaining automotive equipment used by City departments.

CITY OF EL CENTRO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
June 30, 2009

	Workers' Compensation	Post Employment Benefits	Group Health Insurance	Motor Vehicle	Totals
ASSETS					
Cash and Investments	$ 5,253,609	$ 1,491,697	$ 1,138,671	$ 34,796	$ 7,918,773
Other Receivables	409,734				409,734
Interest Receivable	9,678	4,291	1,958		15,927
Total Assets	5,673,021	1,495,988	1,140,629	34,796	8,344,434
Liabilities:					
Accounts Payable	72,848		42,405	19,298	134,551
Salaries/Benefits Payable				8,392	8,392
Total Liabilities	72,848		42,405	27,690	142,943
NET ASSETS					
Unrestricted	5,600,173	1,495,988	1,098,224	7,106	8,201,491
Net Assets	$ 5,600,173	$ 1,495,988	$ 1,098,224	$ 7,106	$ 8,201,491

CITY OF EL CENTRO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET ASSETS
For the Fiscal Year Ended June 30, 2009

	Workers' Compensation	Post Employment Benefits	Group Health Insurance	Motor Vehicle	Totals
Revenues:					
Charges for Services	$ 2,523,652	$ 812,153	$ 3,527,583	$ 469,000	$ 7,332,388
Total Operating Revenues	2,523,652	812,153	3,527,583	469,000	7,332,388
Operating Expenses:					
Personal Services				196,674	196,674
Supplies and Services	1,024,414	987,131	3,620,640	276,115	5,908,300
Total Operating Expenses	1,024,414	987,131	3,620,640	472,789	6,104,974
Operating Income (Loss)	1,499,238	(174,978)	(93,057)	(3,789)	1,227,414
Non-Operating Revenue					
Interest Revenue	59,907	28,184	15,875	71	104,037
Total Non-Operating Revenue	59,907	28,184	15,875	71	104,037
Change in Net Assets	1,559,145	(146,794)	(77,182)	(3,718)	1,331,451
Net Assets - Beginning of Fiscal Year	4,041,028	1,642,782	1,175,406	10,824	6,870,040
Net Assets - End of Fiscal Year	$ 5,600,173	$ 1,495,988	$ 1,098,224	$ 7,106	$ 8,201,491

CITY OF EL CENTRO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2009

	Workers' Compensation	Post Employment Benefits	Group Health Insurance	Motor Vehicle	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash Received from Users	$ 2,566,305	$ 812,153	$ 3,543,978	$ 469,000	$ 7,391,436
Cash Payments to Suppliers and Contractors	(1,020,668)	(987,131)	(3,622,535)	(281,667)	(5,912,001)
Cash Payments for Employees and Benefit Programs				(196,070)	(196,070)
Net Cash Provided (Used) By Operating Activities	1,545,637	(174,978)	(78,557)	(8,737)	1,283,365
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	64,727	30,689	20,135	469	116,020
Net Cash Provided (Used) In Investing Activities	64,727	30,689	20,135	469	116,020
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,610,364	(144,289)	(58,422)	(8,268)	1,399,385
CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL YEAR	3,643,245	1,635,986	1,197,093	43,064	6,519,388
CASH AND CASH EQUIVALENTS, END OF FISCAL YEAR	$ 5,253,609	$ 1,491,697	$ 1,138,671	$ 34,796	$ 7,918,773
Reconciliation with Statement of Net Assets					
Cash and Investments	$ 5,253,609	$ 1,491,697	$ 1,138,671	$ 34,796	$ 7,918,773
CASH AND CASH EQUIVALENTS	$ 5,253,609	$ 1,491,697	$ 1,138,671	$ 34,796	$ 7,918,773
Reconciliation of Operating Income (loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	$ 1,499,238	$ (174,978)	$ (93,057)	$ (3,789)	$ 1,227,414
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities					
(Increase) Decrease in Other Receivables	42,653		16,395		59,048
Increase (Decrease) Accounts Payable and Accrued Liabilities	3,746		(1,895)	(4,948)	(3,097)
Total Adjustments	46,399		14,500	(4,948)	55,951
Net Cash Provided (Used) By Operating Activities	$ 1,545,637	$ (174,978)	$ (78,557)	$ (8,737)	$ 1,283,365

FIDUCIARY FUNDS

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

Legacy Ranch CFD - This fund collects assessments and pays costs and debt service for the CFD within the City.

CITY OF EL CENTRO
AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended June 30, 2009

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
LEGACY RANCH CFD				
ASSETS				
Cash and Investments	$ 747,153	$ 38,370	$ 706,693	$ 78,830
Cash and Investments with Fiscal Agent		149,529		149,529
Taxes Receivable	731	1,748	731	1,748
Interest Receivable	217	116	217	116
Total Assets	$ 748,101	$ 189,763	$ 707,641	$ 230,223
LIABILITIES				
Deposits Payable	$ 714,449	$ -	$ 707,641	$ 6,808
Due to Bondholders	33,652	189,763		223,415
Total Liabilities	$ 748,101	$ 189,763	$ 707,641	$ 230,223

MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

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

The Members of the City Council of the
City of El Centro
El Centro, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of El Centro (City), California, as of and for the fiscal year ended June 30, 2009, and have issued our report thereon dated January 6, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by City's internal control.

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A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

We noted certain other matters that we reported to management of the City in a separate letter dated January 6, 2010.

Compliance and Other Matters

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

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

Moss, Levy & Hartzheim, LLP
Beverly Hills, CA
January 6, 2010

MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS:
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REPORT ON COMPLIANCE WITH ARTICLE XIIIB – APPROPRIATIONS LIMIT

The Honorable Members of the City Council of the
City of El Centro
El Centro, California

We have applied the procedures enumerated below to the accompanying Appropriations Limit of the City of El Centro, California for the fiscal year ended June 30, 2009. These procedures, which were agreed to by the League of California Cities and presented in their Article XIIIB Appropriations Limitation Uniform Guidelines, were performed solely to assist you in meeting the requirements of Section 1.5 of Article XIIIB of the California Constitution. This report is intended for the information of management and the City Council. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

The procedures performed and our findings were as follows:

1. We obtained the computations from the City of El Centro and determined that the limit and annual adjustment factors were adopted by resolution of the City Council. We also determined that the population and inflation options were selected by a recorded vote of the City Council.

2. For the accompanying Appropriations Limit, we added last year's limit to total adjustments, and agreed the resulting amount of this year's limit.

3. We agreed the current year information presented in the accompanying Appropriations Limit to the other computations described above.

4. We agreed the prior year Appropriations Limit presented in the accompanying Appropriations Limit to the prior year Appropriations Limit adopted by the City Council during the prior year.

These agreed-upon procedures are substantially less in scope than an audit, the objective of which is the expression of an opinion on the accompanying Appropriations Limit. Accordingly, we do not express such an opinion.

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Based on the application of the procedures referred to above, nothing came to our attention that caused us to believe that the accompanying Appropriations Limit was not computed in accordance with Article XIIIB of the California constitution. Had we performed additional procedures or had we conducted an audit of the accompanying Appropriations Limit and the other completed worksheets described above, other matters might have come to our attention that could have been reported to you.

Moss, Levy & Hartzheim, LLP
Beverly Hills, CA
January 6, 2010

Statistical Section

This part of the City of El Centro's Comprehensive Annual Financial Report presents detailed information in a context for understanding what the information in the financial statements, note disclosures, and supplemental information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparison over time and with other governments.

Operating Information

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activites it performs.

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The City implemented GASB Statement No. 34 as of June 30, 2004; schedules presenting government-wide information, include information beginning in that year.

CITY OF EL CENTRO
NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year					
	2004	2005	2006	2007	2008	2009
Governmental Activities						
Invested In Capital Assets, net of related debt	$28,583,648	$30,361,354	$28,870,122	$45,474,580	$57,566,767	$56,294,632
Restricted	20,371,749	23,267,909	26,804,255	52,414,019	58,137,871	63,571,786
Unrestricted	7,486,620	8,709,680	11,369,288	8,789,396	8,367,919	10,662,812
Total Governmental Activities Net Assets	56,442,017	62,338,943	67,043,665	106,677,995	124,072,557	130,529,230
Business-Type Activities						
Invested In Capital Assets, net of related debt	5,906,071	22,378,738	25,531,455	20,471,742	45,118,649	42,269,911
Restricted	-	-	-	7,715,631	7,697,555	7,752,240
Unrestricted	49,852,783	37,142,597	36,265,244	39,036,994	26,600,045	35,624,898
Total Business-Type Activities Net Assets	55,758,854	59,521,335	61,796,699	67,224,367	79,416,249	85,647,049
Primary Government						
Invested In Capital Assets, net of related debt	34,489,719	52,740,092	54,401,577	65,946,322	102,685,416	98,564,543
Restricted	20,371,749	23,267,909	26,804,255	60,129,650	65,835,426	71,324,026
Unrestricted	57,339,403	45,852,277	47,634,532	47,826,390	34,967,964	46,287,710
Total Primary Government Net Assets	$112,200,871	$121,860,278	$128,840,364	$173,902,362	$203,488,806	$216,176,279

Source: City of El Centro Finance Department

CITY OF EL CENTRO
CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year					
	2004	2005	2006	2007	2008	2009
Expenses						
Governmental Activities						
General Government	$1,921,870	($7,430)	$3,938,201	$2,975,649	$3,105,885	$3,078,888
Public Safety	10,548,732	12,018,667	13,132,377	13,951,000	15,709,050	15,437,278
Community Development	7,426,721	8,605,549	9,635,722	5,703,142	3,745,060	2,641,010
Public Works	6,190,449	9,719,760	4,338,732	5,317,733	6,401,722	5,294,860
Parks and Recreation	1,952,488	1,835,819	2,373,475	2,628,335	3,027,847	4,985,269
Interest on Long-Term Debt	522,402	510,811	525,529	1,453,682	1,970,229	2,508,942
Total Governmental Activities Expenses	28,562,662	32,683,176	33,944,036	32,029,541	33,959,793	33,946,247
Business-Type Activities						
Water	3,707,932	4,075,849	5,165,290	7,185,564	7,123,415	8,008,232
Wastewater	4,871,774	5,475,935	5,655,157	7,098,821	7,220,805	7,499,465
Hospital	74,435,726	79,361,120	83,840,216	75,338,605	81,947,795	91,148,549
Other	3,487,869	3,611,082	3,883,673	3,867,784	3,918,286	2,094,797
Total Business-Type Activities Expenses	86,503,301	92,523,986	98,544,336	93,490,774	100,210,301	108,751,043
Total Primary Government Net Expenses	$115,065,963	$125,207,162	$132,488,372	$125,520,315	$134,170,094	$142,697,290
Program Revenues						
Governmental Activities						
Charges for Services						
General Government	$ -	$359,682	$295,775	$2,244,273	$323,057	$42,040
Public Safety	-	-	-	288,595	1,337,987	971,735
Community Development	-	-	-	-	1,432,847	542,958
Public Works	3,849,689	4,506,380	3,500,346	2,723,312	87,305	25,222
Parks and Recreation	-	-	-	33,886	103,138	123,396
Operating Contributions and Grants	5,276,337	6,784,641	4,350,197	4,936,244	7,614,490	6,837,298
Capital Contributions and Grants	-	2,013,947	2,539,094	3,110,778	9,952,116	1,570,007
Total Governmental Activities Program Revenues	9,126,026	13,664,650	10,685,412	13,337,088	20,850,940	10,112,656
Business-Type Activities						
Charges for Services						
Water	4,158,011	4,336,235	4,975,974	6,692,648	7,045,506	8,060,343
Wastewater	4,631,299	5,024,280	5,667,928	6,317,205	7,003,379	7,369,120
Hospital	75,348,464	79,882,779	83,311,387	75,492,941	84,339,214	94,771,491
Other	3,499,125	3,609,675	3,889,707	3,835,388	3,769,382	1,696,621
Operating Contributions and Grants	567,553	599,429	671,001	414,689	623,509	634,668
Capital Contributions and Grants	1,982,392	2,156,278	1,750,619	2,890,620	1,882,104	2,256,806
Total Business-Type Activities Program Revenues	90,186,844	95,608,676	100,266,616	95,643,491	104,663,094	114,789,049
Total Primary Government Program Revenues	$99,312,870	$109,273,326	$110,952,028	$108,980,579	$125,514,034	$124,901,705

CITY OF EL CENTRO
CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year					
	2004	2005	2006	2007	2008	2009
Net (Expense)/Revenue						
Governmental Activities	($19,436,636)	($19,018,526)	($23,258,624)	($18,692,453)	($13,108,853)	($23,833,591)
Business-Type Activities	3,683,543	3,084,690	1,722,280	2,152,717	4,452,793	6,038,006
Total Primary Government Net Expense	($15,753,093)	($15,933,836)	($21,536,344)	($16,539,736)	($8,656,060)	($17,795,585)
General Revenues and Other Changes in Net Assets						
Governmental Activities						
Taxes						
Property Taxes	$5,171,397	$5,284,655	$6,127,471	$8,631,946	$9,220,182	$10,350,487
Sales Taxes	7,053,567	6,332,845	7,612,804	7,508,267	10,199,467	9,843,655
Other Taxes	3,807,111	3,156,345	4,309,493	4,667,911	6,100,198	5,924,203
License & Permits	637,015	1,127,931	627,032	356,737	-	-
Fines & Forfeitures	101,186	98,483	308,777	245,420	-	-
Revenue From Other Agencies	5,908,891	7,628,758	7,098,025	12,258,415	997,746	981,896
Bond/Loan Proceeds less increase in debt	-	-	850,000	-	-	-
Miscellaneous Revenue	-	-	-	-	281,781	280,353
Gain on Sales of Property	250,928	-	-	296,130	-	-
Transfers	-	-	-	-	-	1,778,540
Use of Money and Property	1,196,210	1,291,073	1,029,744	2,687,724	3,575,397	1,603,352
Total Governmental Activities	24,126,305	24,920,090	27,963,346	36,652,550	30,374,771	30,762,486
Business-Type Activities						
Use of Money and Property	455,959	664,824	876,849	1,742,045	7,128,138	1,971,334
Transfers	-	-	-	-	-	(1,778,540)
Other	259,105	32,967	(313,868)	-	23,653	-
Total Business-Type Activities	715,064	697,791	562,981	1,742,045	7,151,791	192,794
Total Primary Government	$24,841,369	$25,617,881	$28,526,327	$38,394,595	$37,526,562	$30,955,280
Change in Net Assets						
Governmental Activities	$4,689,669	$5,901,564	$4,704,722	$17,960,097	$17,265,918	$6,928,895
Business-Type Activities	4,398,607	3,782,481	2,285,261	3,894,762	11,604,584	6,230,800
Total Primary Government	$9,088,276	$9,684,045	$6,989,983	$21,854,859	$28,870,502	$13,159,695

Source: City of El Centro Finance Department

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	$306,700	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$5,000	$1,305,150	$1,305,150
Unreserved	2,305,201	3,647,570	3,168,225	2,801,472	3,971,954	5,776,391	8,140,224	12,545,736	11,688,308	5,259,635
Total General Fund	$2,611,901	$3,652,570	$3,173,225	$2,806,472	$3,976,954	$5,781,391	$8,145,224	$12,550,736	$12,993,458	$6,564,785
All Other Governmental Funds										
Reserved										
Unreserved, Reported In:										
Special Revenue Funds	$7,448,073	$10,106,923	$9,635,215	$12,585,963	$17,468,912	$16,267,256	$17,749,096	$24,978,631	$25,355,720	$33,765,551
Debt Service Funds	1,448,601	1,714,114	1,942,123	1,847,583	2,867,705	3,644,551	4,865,171	9,649,468	11,694,089	13,486,103
Capital Projects Funds	8,564,147	4,635,409	4,190,616	3,201,568	971,588	3,356,102	4,189,988	21,228,925	22,486,525	23,391,539
Total All Other Governmental Funds	$17,460,821	$16,456,446	$15,767,954	$17,635,114	$21,308,205	$23,267,909	$26,804,255	$55,857,024	$59,536,334	$70,643,193
Total Governmental Funds	$20,072,722	$20,109,016	$18,941,179	$20,441,586	$25,285,159	$29,049,300	$34,949,479	$68,407,760	$72,529,792	$77,207,978

Source: City of El Centro Finance Department

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Taxes	$10,653,859	$11,103,042	$11,462,925	$12,134,443	$13,886,789	$13,418,119	$15,737,431	$17,443,206	$19,015,210	$19,339,300
Licenses and Permits	111,669	142,675	194,108	241,692	637,015	1,127,931	627,032	356,737	481,803	168,708
From Other Agencies	6,444,148	8,335,308	10,088,082	9,237,179	11,299,035	13,008,047	13,987,316	21,342,682	14,857,094	15,415,033
Charges for Services	353,732	397,733	383,797	608,583	3,849,689	1,958,357	3,500,346	3,317,257	3,077,913	1,207,941
Fines and Forfeitures	56,915	66,181	70,305	125,553	101,186	98,483	308,777	245,420	219,396	220,262
Interest	1,037,770	1,395,427	1,035,252	888,570	450,520	591,073	1,029,744	2,687,724	3,346,291	1,499,315
Other	1,785,476	2,251,760	3,622,781	2,289,766	2,282,407	7,323,048	2,312,337	3,380,088	3,202,070	1,399,334
Total Revenues	20,443,569	23,692,126	26,857,250	25,525,786	32,506,641	37,525,058	37,502,983	48,773,114	44,199,777	39,249,893
Expenditures										
Current										
General Government	1,511,667	1,874,277	2,173,262	2,040,425	1,597,453	1,770,274	2,406,970	2,724,653	2,977,024	2,893,665
Public Safety	8,397,173	9,153,161	10,311,430	10,034,059	11,029,835	12,018,704	13,234,287	13,488,447	15,488,462	15,700,953
Public Works	2,291,494	2,068,301	7,002,065	3,249,750	4,563,253	9,719,760	6,200,384	2,970,548	3,802,853	2,426,909
Parks and Recreation	1,793,738	1,875,097	2,312,586	2,499,734	7,467,088	1,835,819	2,357,737	2,283,911	2,910,524	4,621,233
Community Development	2,579,049	7,868,593	5,955,003	4,428,673	2,053,904	6,896,060	5,780,631	5,619,056	5,721,596	5,144,726
Capital Outlay	-	-	-	-	-	-	-	9,300,478	7,147,457	2,714,767
Debt Service										
Principal Retirement	872,655	802,761	947,970	1,065,271	831,862	1,040,944	1,176,114	458,136	152,846	329,520
Interest and Fiscal Charges	570,590	569,241	548,037	548,867	522,402	510,811	525,529	854,985	1,876,983	2,459,603
Other	31,522	44,401	192,105	658,600	297,271	668,545	771,153	1,512,139	-	-
Total Expenditures	18,047,888	24,255,832	29,442,458	24,525,379	28,363,068	34,460,917	32,452,805	39,212,353	40,077,745	36,291,376
Excess of Revenues Over (Under) Expenditures	2,395,681	(563,706)	(2,585,208)	1,000,407	4,143,573	3,064,141	5,050,178	9,560,761	4,122,032	2,958,517
Other Financing Sources (Uses)										
Transfers In	1,238,603	1,598,895	1,582,132	1,670,057	1,179,738	1,204,278	1,731,448	2,065,655	3,289,784	10,145,354
Transfers Out	(1,238,603)	(1,598,895)	(1,582,133)	(1,670,057)	(1,179,738)	(1,204,278)	(1,731,448)	(2,065,655)	(3,289,784)	(8,366,814)
Sales of Property	-	-	-	-	-	-	-	562,002	-	-
Issuance of Long Term Debt	-	-	-	-	-	-	-	31,195,000	-	-
Payment of Refunded Bond Escrow Agent	-	-	-	-	-	-	-	(7,785,011)	-	-
Lease Proceeds/Short Term Debt	858,334	600,000	1,417,372	500,000	700,000	700,000	850,000	-	-	-
Total Other Financing Sources (Uses)	858,334	600,000	1,417,371	500,000	700,000	700,000	850,000	23,971,991	-	1,778,540
Net Change In Fund Balances	$3,254,015	$36,294	($1,167,837)	$1,500,407	$4,843,573	$3,764,141	$5,900,178	$33,532,752	$4,122,032	$4,737,057
Debt Service as a percentage of non-capital expenditures	9.2%	6.1%	7.0%	10.8%	6.1%	6.6%	7.9%	7.6%	6.3%	8.2%

Source: City of El Centro Finance Department

CITY OF EL CENTRO
PROPERTY AD VALOREM TAX ASSESSED VALUES [1]
LAST TEN FISCAL YEARS

Year Ended June 30	Assessed Value [2]	County Tax Rate Per $100	City			Redevelopment Agency		
			Portion of Assessed Value	Tax Rate	Tax Levy	Portion of Assessed Value	Tax Rate	Tax Levy
2000	1,249,279,834	1.0000	1,071,452,270	0.192%	2,060,169	177,827,564	1.032%	1,835,090
2001	1,299,275,370	1.0000	1,109,355,828	0.199%	2,209,361	189,919,542	1.083%	2,056,320
2002	1,370,677,204	1.0000	1,156,590,900	0.185%	2,145,089	214,086,304	1.026%	2,195,583
2003	1,451,247,992	1.0000	1,204,818,711	0.177%	2,136,239	246,429,281	1.012%	2,493,721
2004	1,623,838,675	1.0000	1,313,643,297	0.168%	2,210,900	310,195,378	1.018%	3,158,365
2005	1,659,657,727	1.0000	1,318,905,946	0.143%	1,890,762	340,751,781	1.024%	3,488,725
2006	1,975,300,675	1.0000	1,578,601,793	0.200%	2,182,924	396,698,882	0.820%	3,994,402
2007	2,318,419,841	1.0000	1,891,410,157	0.174%	3,283,938	427,009,684	1.048%	4,474,239
2008	2,719,192,480	1.0000	2,219,640,838	0.146%	3,230,297	499,551,642	1.030%	5,144,949
2009	2,986,345,876	1.0000	2,357,989,421	0.135%	3,184,742	628,356,455	1.019%	6,403,531

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

[2] Pursuant to chapter 1207 of the statutes of 1978, "Assessed Value" means 100% of full taxable value.

Source: Imperial County Auditor's/Controller's Office

CITY OF EL CENTRO
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(Rate per $100 of Assessed Value)
LAST TEN FISCAL YEARS

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
City Direct Rates:										
City basic rate	$0.225	$0.223	$0.219	$0.211	$0.201	$0.199	$0.196	$0.196	$0.202	$0.202
Redevelopment Agency	0.115	0.121	0.131	0.146	0.167	0.176	0.180	0.175	0.193	0.193
Total City Direct Rate	0.340	0.344	0.350	0.357	0.368	0.375	0.375	0.371	0.395	0.395
Overlapping Rates:										
Imperial County	0.260	0.259	0.259	0.256	0.254	0.252	0.252	0.254	0.260	0.260
El Centro Elementary District	0.223	0.221	0.218	0.215	0.210	0.206	0.206	0.206	0.214	0.214
Central Union High School	0.220	0.219	0.218	0.216	0.213	0.213	0.213	0.214	0.177	0.177
Imperial Valley College District	0.066	0.066	0.065	0.065	0.087	0.087	0.087	0.087	0.087	0.087
Imperial County School Service	0.019	0.019	0.018	0.019	0.018	0.018	0.018	0.018	0.019	0.019
Central Cemetery District	0.017	0.017	0.017	0.017	0.016	0.016	0.016	0.017	0.017	0.017
Total Direct Rate	1.145	1.145	1.145	1.145	1.168	1.168	1.168	1.167	1.169	1.169

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

Source: Imperial County Auditor/Controller's Office

CITY OF EL CENTRO
PRINCIPAL PROPERTY TAXPAYERS
AS OF JUNE 30, 2009 AND 2000

	Fiscal Year 2009			Fiscal Year 2000		
Taxpayer	Assessed Valuation	Percent Of Total Assessed Valuation	Rank	Assessed Valuation	Percent Of Total Assessed Valuation	Rank
Imperial Valley Mall II, LP	$ 40,661,730	1.36%	1		0.00%	
I V Plaza LLC	40,075,260	1.34%	2		0.00%	
RJ Development Co. LLC	18,964,406	0.64%	3	6,834,003	0.55%	8
Auto Plaza Apartments LLC	16,660,000	0.56%	4		0.00%	
West Courthouse LLC	16,571,972	0.55%	5		0.00%	
Dillard Stores Services Inc	14,849,350	0.50%	6		0.00%	
Wal-Mart Stores Inc.	14,573,096	0.49%	7	11,361,797	0.91%	3
Lowes HIW Inc	14,557,288	0.49%	8		0.00%	
Target Corporation	13,209,869	0.44%	9		0.00%	
Costco Wholesale Corp	10,541,150	0.35%	10	10,067,250	0.81%	5
Parkside Villas Assoc. LTD				14,026,861	1.12%	1
John & Virginia Ryerson				10,136,148	0.81%	4
Alcott Estates				9,043,154	0.72%	7
VAT Partners II				6,466,791	0.52%	9
Imperial Hardware				5,697,996	0.46%	10
Alberston's Inc				9,344,455	0.75%	6
Alexander Haagen Prop.				12,153,344	0.97%	2
	$200,664,121	6.72%		$95,131,799	7.62%	

Source: Imperial County Assessor's Office

CITY OF EL CENTRO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Delinquent Tax Collection	Total Collections to Date	
		Total Amount	Percent of Levy		Amount	Percent of Levy
2000	3,895,259	3,740,819	96.04%	-	3,740,819	96.04%
2001	4,265,681	3,976,290	93.22%	-	3,976,290	93.22%
2002	4,340,672	4,214,684	97.10%	-	4,214,684	97.10%
2003	4,629,960	4,485,142	96.87%	-	4,485,142	96.87%
2004	5,369,265	5,171,397	96.31%	-	5,171,397	96.31%
2005	5,379,487	5,284,655	98.24%	-	5,284,655	98.24%
2006	6,177,326	6,127,471	99.19%	-	6,127,471	99.19%
2007	7,758,177	8,631,946	111.26%	-	8,631,946	111.26%
2008	8,375,246	9,107,247	108.74%	-	9,107,247	108.74%
2009	9,588,273	10,262,937	107.04%	-	10,262,937	107.04%

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

Source: Imperial County Auditor's/Controller Office

CITY OF EL CENTRO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities				Business-Type Activities			
Fiscal Year	General Bonded Debt Outstanding	Capital Leases	Tax Allocation Loan Payable	Total Governmental Activities	Certificates Of Participation	Capital Leases	Revenue Bonds	Total Business-Type Activities
2000	7,391,399	328,834	700,000	8,420,233	15,788,067	1,197,414	4,797,753	21,783,234
2001	6,970,886	281,073	700,000	7,951,959	15,529,178	3,445,520	38,790,595	57,765,293
2002	6,582,877	877,593	750,000	8,210,470	10,883,128	2,688,156	38,811,108	52,382,392
2003	6,512,417	772,546	500,000	7,784,963	10,509,529	1,953,040	38,831,621	51,294,190
2004	5,317,295	615,684	700,000	6,632,979	16,137,416	3,120,163	37,877,134	57,134,713
2005	4,355,449	459,739	700,000	5,515,188	15,464,602	3,076,112	36,882,647	55,423,361
2006	2,944,829	784,061	850,000	4,578,890	80,392,387	2,816,616	35,843,159	119,052,162
2007	21,546,773	202,366	950,000	22,699,139	79,480,477	2,530,211	34,763,672	116,774,360
2008	19,500,911	49,520	1,300,000	20,850,431	78,598,687	3,073,735	33,634,185	115,306,607
2009	17,428,897	-	1,300,000	18,728,897	77,109,643	4,566,340	32,452,989	114,128,972

Fiscal Year	Total Primary Government	Percentage Of Personal Income [1]	Per Capita [1]
2000	$30,203,467	6.0%	$775
2001	65,717,252	8.8%	1,674
2002	60,592,862	7.5%	1,546
2003	59,079,153	7.1%	1,493
2004	63,767,692	7.3%	1,592
2005	60,938,549	6.8%	1,487
2006	123,631,052	13.5%	2,943
2007	139,473,499	15.2%	3,315
2008	136,157,038	13.8%	3,143
2009	132,857,869	8.9%	3,002

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

[1] See the table of Population and Unemployment Rate later in this section for personal income and population data.

Source: City of Centro Finance Department

CITY OF EL CENTRO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	Redevelopment Agency Tax Allocation Bonds	Lease Revenue Bonds	Less: Amounts Available in Debt Service Funds	Total General Bonded Debt Outstanding	Percentage of Assessed Value of Property [1]	Per Capita
2000	8,840,000	0	1,448,601	7,391,399	0.6%	190
2001	8,685,000	0	1,714,114	6,970,886	0.5%	178
2002	8,525,000	0	1,942,123	6,582,877	0.5%	168
2003	8,360,000	0	1,847,583	6,512,417	0.4%	165
2004	8,185,000	0	2,867,705	5,317,295	0.3%	133
2005	8,000,000	0	3,644,551	4,355,449	0.3%	106
2006	7,810,000	0	4,865,171	2,944,829	0.1%	70
2007	31,195,000	0	9,648,227	21,546,773	0.9%	512
2008	31,195,000	0	11,694,089	19,500,911	0.7%	450
2009	30,915,000	0	13,486,103	17,428,897	0.6%	394

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

Source: City of El Centro Finance Department

CITY OF EL CENTRO
STATEMENT OF DIRECT AND OVERLAPPING DEBT
As of June 30, 2009

2008 - 2009 Assessed Valuation:	$2,986,345,876
Redevelopment Incremental Valuation:	628,356,455
City Adjusted Assessed Valuation	$2,357,989,421

	OUTSTANDING DEBT 6/30/2009	% APPLICABLE	ESTIMATED SHARE OF OUTSTANDING DEBT
OVERLAPPING TAX AND ASSESSMENT DEBT			
El Centro Elementary School District 1992 Bond	$12,060,000	80.00%	$9,648,000
Centro Union High School 1993 Bond	16,870,000	86.00%	14,508,200
Imperial Valley College 2004 Bond	33,175,000	28.00%	9,289,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT	62,105,000		33,445,200
TOTAL OVERLAPPING OTHER DEBT [2]	0		0
TOTAL OVERLAPPING DEBT	$62,105,000		$33,445,200
CITY DIRECT DEBT [1]			0
TOTAL DIRECT AND OVERLAPPING DEBT [1]			**$33,445,200**

[1] Excludes enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

[2] No overlapping debt exist

Source: Imperial County Auditor/Controller's Office

CITY OF EL CENTRO
COMPUTATION OF LEGAL DEBT MARGIN
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Total Assessed Valuation	$2,986,345,876
Debt Limit - 15% of Total Assessed Valuation	$447,951,881
Amount of Debt Applicable to the Limit	132,857,869
Legal Debt Margin	$315,094,012

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Debt Limit	Total Debt Applicable	Legal Debt Margin	Total Debt Applicable As A Percentage Of Debt Limit
2000	$187,391,975	30,203,467	$157,188,508	16.1%
2001	194,891,306	65,717,252	129,174,054	33.7%
2002	205,601,581	60,592,862	145,008,719	29.5%
2003	217,687,199	59,079,153	158,608,046	27.1%
2004	243,575,801	63,767,692	179,808,109	26.2%
2005	248,948,659	60,938,549	188,010,110	24.5%
2006	296,295,101	123,631,052	172,664,049	41.7%
2007	347,762,976	139,473,499	208,289,477	40.1%
2008	407,878,872	136,157,038	271,721,834	33.4%
2009	447,951,881	132,857,869	315,094,012	29.7%

Source: City of El Centro Finance Department

CITY OF EL CENTRO
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

	Certificates of Participation (Water Fund)							Certificates of Participation (Wastewater Fund)						
Year Ended June 30	Water Revenue [1]	Less: Operating Expenses [2]	Net Available Revenue	Principal	Interest	Total Debt Service	Debt Service Coverage	Wastewater Revenue [1]	Less: Operating Expenses [2]	Net Available Revenue	Principal	Interest	Total Debt Service	Debt Service Coverage
2000	3,585,074	2,685,180	899,894	178,563	92,461	271,024	3.32	4,092,816	3,021,237	1,071,579	30,000	798,878	828,878	1.29
2001	3,535,590	2,764,421	771,169	189,413	83,311	272,724	2.83	4,306,034	2,740,571	1,565,463	90,000	795,998	885,998	1.77
2002	3,599,586	3,038,109	561,477	19,561	73,670	93,231	6.02	4,458,487	2,673,470	1,785,017	185,000	874,266	1,059,266	1.69
2003	3,700,394	3,333,506	366,888	205,446	63,494	268,940	1.36	4,368,951	2,906,375	1,462,576	185,000	485,545	670,545	2.18
2004	4,207,837	3,249,082	958,755	287,619	63,989	351,608	2.73	4,671,759	3,348,581	1,323,178	200,000	477,396	677,396	1.95
2005	4,408,200	3,519,539	888,661	302,192	94,583	396,775	2.24	5,115,277	3,867,372	1,247,905	370,621	571,398	942,019	1.32
2006	5,071,728	4,533,498	538,230	301,775	75,158	376,933	1.43	5,767,446	4,274,172	1,493,274	390,440	572,734	963,174	1.55
2007	7,077,791	4,586,429	2,491,362	169,345	1,252,492	1,421,837	1.75	6,710,963	4,204,570	2,506,393	405,403	1,732,866	2,138,269	1.17
2008	10,258,815	4,772,739	5,486,076	176,275	1,625,062	1,801,337	3.05	10,111,441	4,291,305	5,820,136	705,515	2,077,794	2,783,309	2.09
2009	8,746,874	5,259,361	3,487,513	648,263	1,603,802	2,252,065	1.55	8,233,782	4,439,283	3,794,499	840,780	2,045,574	2,886,354	1.31

	Revenue Bonds (Hospital Fund)							Redevelopment Agency Tax Allocation Bond				
Year Ended June 30	Hospital Revenue	Less: Operating Expenses [2]	Net Available Revenue	Principal	Interest	Total Debt Service	Debt Service Coverage	Property Tax Increment	Principal	Interest	Total Debt Service	Debt Service Coverage
2000	51,728,572	49,226,582	2,501,990	-	-	-	-	1,413,389	145,000	497,686	642,686	2.20
2001	56,908,736	52,685,225	4,223,511	-	-	-	-	1,537,290	155,000	491,269	646,269	2.38
2002	60,224,254	55,102,240	5,122,014	-	1,698,880	1,698,880	3.01	1,701,935	160,000	489,026	649,026	2.62
2003	62,405,258	59,125,882	3,279,376	-	2,980,235	2,980,235	1.10	1,937,498	165,000	476,861	641,861	3.02
2004	75,348,464	69,259,700	6,088,764	975,000	2,005,235	2,980,235	2.04	2,439,386	175,000	468,869	643,869	3.79
2005	79,882,779	73,387,230	6,495,549	1,015,000	1,963,798	2,978,798	2.18	2,752,499	185,000	460,226	645,226	4.27
2006	83,992,429	77,748,347	6,244,082	1,060,000	1,920,000	2,980,000	2.10	3,239,705	190,000	450,990	640,990	5.05
2007	75,492,941	69,726,995	5,765,946	1,100,000	1,875,610	2,975,610	1.94	4,148,981	200,000	653,901	853,901	4.86
2008	84,339,214	76,521,688	7,817,526	1,150,000	1,828,860	2,978,860	2.62	4,417,356	0	1,344,868	1,344,868	3.28
2009	94,771,491	84,101,568	10,669,923	1,200,000	1,796,969	2,996,969	3.56	5,597,472	280,000	1,397,580	1,677,580	3.34

[1] Interest Revenue is included for this calculation

[2] Depreciation is eliminated for this calculation.

Source: City of Centro Finance Department

CITY OF EL CENTRO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population [1]	Personal Income [2]		Unemployment Rate [2]	Elementary School Enrollment [3]
		Total	Per Capita		
2000	38,962	504,557,900	12,950	25.0%	6,237
2001	39,247	748,989,748	19,084	20.0%	6,261
2002	39,186	802,960,326	20,491	17.0%	6,279
2003	39,567	836,802,483	21,149	18.0%	6,239
2004	40,047	872,784,318	21,794	17.0%	3,277
2005	40,982	893,161,708	21,794	18.0%	6,200
2006	42,002	915,391,588	21,794	15.0%	5,821
2007	42,071	916,895,374	21,794	17.0%	5,732
2008	43,316	986,262,004	22,769	22.5%	5,769
2009	44,259	1,486,040,184	33,576	29.4%	5,517

[1] Source: California Department of Finance

[2] Source: California Employement Development Department

[3] Source: El Centro Elementary School District

CITY OF EL CENTRO
PRINCIPAL EMPLOYERS
AS OF JUNE 30, 2009 AND 1995

Employer	Type Of Business	Fiscal Year 2009 Employees	Fiscal Year 2009 Percent of Total Employment	Fiscal Year 2009 Rank	Fiscal Year 1995 [2] Employees	Fiscal Year 1995 [2] Percent of Total Employment	Fiscal Year 1995 [2] Rank
County of Imperial [1]	Governmental	2,000	3.65%	1	2,003	3.46%	1
Imperial Irrigation District	Water and Power	1,393	2.54%	2	1,213	2.09%	2
Centinela State Prison	Prison	1,285	2.34%	3	1,024	1.77%	3
Calipatria State Prison	Prison	1,205	2.20%	4	1,020	1.76%	4
El Centro School System [1]	Education	1,152	2.10%	5	876	1.51%	5
Naval Air Facility	Military	1,000	1.82%	6	203	0.35%	10
Homeland Security/U.S. Border Patrol [1]	Government	991	1.81%	7	379	0.65%	8
El Centro Regional Medical Center [1]	Hospital	913	1.67%	8	574	0.99%	6
Imperial Valley College	Education	543	0.99%	9	500	0.86%	7
Wal Mart [1]	Retail	393	0.72%	10	320	0.55%	9
Cal Energy Operating Co./Ormat	Power	240	0.44%	11			
Costco [1]	Retail	200	0.36%	12	120	0.21%	11
J. C. Penney [1]	Retail	150	0.27%	12			
Macy's [1]	Retail	150	0.27%	13			
		11,615	21.20%		8,232	14.20%	

"Total Employment" as used above represents the total employment within the County of Imperial

[1] Employers within or near the geographical boundaries of the City of El Centro

[2] Data for the year 2000 is not available and the year 1995 data is the closest data that is available to the year 2000

Source: City of El Centro Economic Development Department

CITY OF EL CENTRO
EMPLOYEES BY FUNCTION (FULL TIME EQUIVALENTS)
LAST TEN FISCAL YEARS

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Governmental Activities										
General Government	19.0	21.5	21.5	21.5	21.5	20.0	23.0	24.0	28.0	28.0
Public Safety	112.0	111.0	112.0	114.0	114.0	109.0	114.5	121.5	127.0	124.0
Public Works	20.3	20.3	20.3	22.3	22.3	12.0	13.3	13.3	13.0	13.0
Parks and Recreation	19.0	20.0	18.0	16.0	16.0	13.0	14.0	15.0	15.0	16.0
Community Development	14.0	16.0	17.0	17.0	17.0	20.0	20.5	21.5	21.0	21.0
Water	22.2	22.7	22.7	24.2	24.2	23.7	22.8	22.8	23.0	23.0
Sewer	19.5	20.0	20.0	19.5	19.5	24.3	23.9	23.9	24.0	24.0
Total Government-Wide Employees	226.0	231.5	231.5	234.5	234.5	222.0	232.0	242.0	251.0	249.0

Source: City of El Centro Finance Department

CITY OF EL CENTRO
CONSTRUCTION ACTIVITY AND BANK DEPOSITS
LAST TEN CALENDAR YEARS

Calendar Year	Total Permits	Total Valuation	Commercial and Office [1]		Residential Construction [1]		Other Additions and Alterations [1]		Bank Deposits [2]*
			Number Permits	Valuation	Number Permits	Valuation	Number Permits	Valuation	
2000	360	13,251,237	96	7,456,356	231	5,449,592	33	345,289	412,074
2001	333	18,243,271	100	11,944,839	210	6,034,334	23	264,098	394,237
2002	436	23,569,342	88	14,247,411	312	8,797,876	36	524,055	461,827
2003	492	37,894,994	125	21,627,094	330	15,882,762	37	385,138	498,353
2004	763	130,863,059	164	78,785,477	543	51,350,427	56	727,155	485,797
2005	1,432	180,074,779	261	48,624,137	1080	130,333,180	91	1,117,462	651,243
2006	787	77,837,746	180	26,717,271	501	47,358,435	106	3,762,040	995,491
2007	698	55,021,009	186	34,921,521	126	$16,510,363	386	3,589,125	1,148,186
2008	701	73,238,974	280	39,305,493	153	$31,561,282	268	2,372,199	808,801
2009	519	19,422,765	157	11,195,149	131	$5,879,269	231	2,348,347	721,134

* Amounts expressed in thousands

[1] Source: City of El Centro Building Department

[2] Source: Federal Deposit Insurance Corporation

CITY OF EL CENTRO
CAPITAL ASSETS STATISTICS
BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Officers	52	46	48	49	49	48	48	55	58	55
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Number of Firefighters	33	33	33	36	36	33	33	37	40	40
Parks and Recreation:										
Parks	12	12	12	12	13	13	13	13	14	14
Community Centers	1	1	1	1	1	1	1	1	1	1
Library	1	1	1	1	1	1	1	1	1	1
Water:										
Number of customers	7,859	7,915	8,015	8,092	8,175	8,775	9,404	9,514	9,519	9,574
Maximum pumping capacity (thousands of gallons)	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Average daily consumption (thousands of gallons)	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Miles of lines and mains	125	125	125	127	131	131	131	131	131	131
Wastewater:										
Maximum treatment capactiy (thousands of gallons)	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Average daily flow (thousands of gallons)	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Miles of lines and mains	120	120	120	122	129	129	129	129	129	129
Other:										
City Land Area (Square Miles)	9.20	9.20	9.80	9.80	9.80	10.05	10.05	10.05	10.05	10.05
Miles of Storm Drain	25.0	25.0	25.0	26.0	26.0	17.0	26.0	26.0	26.0	26.0
Miles of City Streets	97.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0

Source: City of El Centro Finance Department

CITY OF EL CENTRO
DEMANDS FOR CITY SERVICES
LAST TEN FISCAL YEARS

Fiscal Year	Population	Number of Utility Customers	Number of Police Calls - Total	Number of 911 Emergency Calls	Number of Sworn Officers	Number of Fire Calls [1]	Number of Fire Fighters
2000	38,962	7,859	49,231	[2]	52	[2]	33
2001	39,247	7,915	52,235	[2]	46	[2]	33
2002	39,186	8,015	48,099	16,393	48	[2]	33
2003	39,567	8,092	50,368	15,657	49	[2]	36
2004	40,047	8,175	53,846	15,033	49	3,134	36
2005	40,982	8,775	46,830	15,120	48	3,184	33
2006	42,002	9,404	49,274	13,975	48	3,394	33
2007	42,071	9,514	57,034	15,956	55	3,301	37
2008	43,316	9,519	42,832	17,712	58	3,353	40
2009	44,259	9,574	42,781	17,402	55	3,384	40

[1] Includes calls for fires, medical calls, traffic accidents and hazardous conditions.

[2] This information is not available.

Source: City of El Centro Finance Department, Fire Department, and Police Department