

Budget Overview

Section 4

TOWN FISCAL POLICIES

Budget Adoption Resolution

General Finance & Budget Policy

Investment Policy

Use of Long-Term Debt Policy & Legal Debt Margin

OPEB Funding Policy

OPEB Trust Investment Policy

Fund Balance Policy

Utility Enterprise Rate Policy

Drought Water Reserve Fund Policy

Appropriation (Gann) Limit Calculation

**Town of Yountville
Resolution Number 16-3352**

Adopting and approving the 2016-17 Operating Budget, Appropriations (Gann) Limit for Fiscal Year 2016-17, Salary Ranges and Reaffirming Existing Fiscal Policies (General Finance Policy, Town Investment Policy, Use of Long-Term Debt Policy, OPEB Trust Investment Policy, Fund Balance Policy, Utility Enterprise Rate Policy, Use of Drought Water Reserve Policy)

Recitals

- A. Whereas government accounting standards, fiscal responsibility and accountability require that the Town adopt an operating budget for revenues and expenditures prior to the start of each new fiscal year, and review and update fiscal policies as appropriate, the Town Council has received information from staff and reviewed and considered the proposed budget in a series of meetings.
- B. Whereas the Town Council reviewed detailed reports, heard presentations from staff, posed questions, deliberated, and provided comments and direction to staff related to the preliminary budget assumptions during the regular Council meeting on April 5, received a comprehensive General Fund budget overview and reviewed in detail, by fund and department, the proposed budget submitted by the Town Manager at two publicly noticed Budget Workshops held May 16 and May 23, 2016.
- C. Whereas during each of the Budget Workshops Town Council received information and analysis regarding estimates, projections, priorities, policies, and both positive trends and concerns related to the budget proposal for the 2016-17 Fiscal Year.
- D. Whereas the Town, in conjunction with the adoption of the annual budget, in compliance with Article 13B of the Constitution of the State of California, and Section 7910 of the Government Code, shall set its appropriation (Gann) limit for each fiscal year by adjusting the prior year adopted limit by changes to inflation factors and by changes in population, except as otherwise provided for in said Article 13B and implementing State statutes. In the computation of the Appropriation Limit the Town selected the percentage change in population for the Town of Yountville and the change in growth in per capita personal income, as provided by the State of California Department of Finance.

Now therefore, the Town Council of the Town of Yountville does resolve as follows:

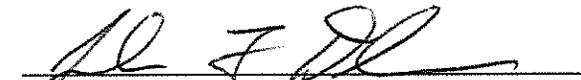
- 1. The Town Council hereby approves and adopts the proposed budget for Fiscal Year 2016-17 for the Town of Yountville, including the Town's fiscal policies which are listed in this resolution and included and referenced as a part of the proposed budget document. All future fiscal and budget related policies that may be adopted by the Council will be included or referenced in future budget documents.
- 2. The Town hereby establishes and approves the fiscal year 2016-17 Appropriation Limit in the amount of \$7,626,611, which includes the November 2014 voter approved override amount of \$1,500,000.
- 3. The Town's policy shall be to first expend current year proceeds of tax and any restricted or grant funds and then any non-tax proceeds to satisfy approved appropriations.

4. The Town Manager may authorize a transfer of appropriations within a fund except those transfers:
 - (a) That would result in an increase in the number of permanent full time personnel.
 - (b) That would increase overall appropriations.
 - (b) That would decrease appropriations for capital outlay.
5. The Town Council has the overriding authority to control the revenues and appropriation of funds and therefore may modify this policy at any time. Total appropriations in any fund may not be increased except by the Town Council.
6. All changes in appropriations shall be tracked by budget adjustment number and authorized by Council Resolution.

The Resolution is hereby adopted and becomes effective and in full force immediately upon adoption.

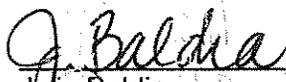
PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Yountville, State of California, held on this 21st day of June, 2016 by the following vote:

AYES: Hall, Dorenbecher, Mohler, Durham and Dunbar
NOES: None
ABSENT: None
ABSTAIN: None

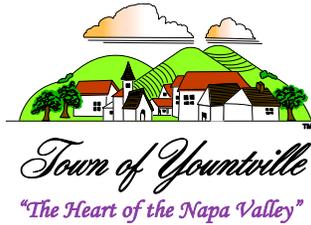


John F. Dunbar, Mayor

ATTEST:



Julie Baldia
Deputy Town Clerk



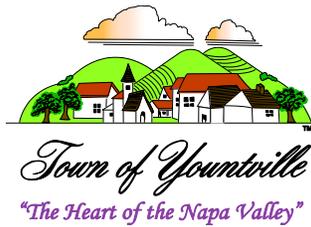
Town of Yountville Financial Policies

Revenue:

- The Town recognizes that its primary revenue sources are locally generated, especially TOT and sales tax revenue, and for the most part this revenue is largely generated by non-residents. Efforts to ensure continued reliability in these revenue sources must be maintained and to develop and diversify other revenue sources as applicable.
- The Town will actively establish a practice of monitoring, auditing and collecting all locally generated taxes.
- The Town will establish and maintain all user fees and charges based on the cost of providing services and shall establish, where appropriate, a cost recovery target for those programs which are subsidized by General Fund revenues. The Town will review and update, as appropriate, the Master Fee Schedule annually at the beginning of the budget development cycle.

Budgeting and Expenditures:

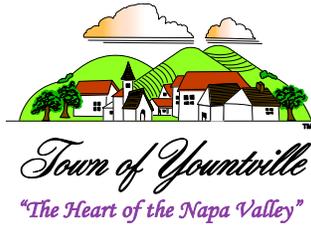
- The Town Council shall adopt an annual balanced budget effective from July 1 to June 30 each fiscal year. A balanced budget requires current year operating expenses and transfers for debt service and capital expenditures to be fully funded by current year revenues and other designated available funding sources.
- Fund Balance Reserves will be used only for non-recurring “one-time” and capital projects and not for on-going operations. The use of reserves must be approved by Town Council.
- Use of long-term debt shall be limited to capital projects or special projects that cannot be financed from current revenues.
- The Town Manager is authorized to implement the programs as approved in the adopted budget. Within a specific fund the Town Manager may transfer appropriations between categories, departments, projects and programs as needed to implement the adopted budget, as long as it does not increase the full time equivalent (FTE) personnel, increase overall appropriations, or decrease appropriations for capital outlay.



- Personnel costs (salaries and benefits) will be budgeted in the Town's primary operating funds: General Fund, Water Enterprise and Wastewater Enterprise.
- The annual budget will include a nominal \$25,000 Designated Contingency for non-recurring, unanticipated expenditures. The Town Manager may approve expenditures from this contingency if needed during the fiscal year. The contingency will be transferred to the appropriate account to fund the approved expenditures.
- A capital outlay (fixed asset) purchase will be any single item or piece of equipment which costs more than \$10,000 and has an expected useful life exceeding one year.
- Regular budget reports and updates shall be presented to the Town Council to provide information on the status of the Town's financial condition. Budget adjustments may be made during the year by Council resolution if necessary to reflect changes to revenues and/or expenditure projections.
- The Town shall post on its website current budget reports and updates, sales tax and TOT reports and other financial information for the public to review.

Capital Improvements:

- Capital Improvement Program (CIP) projects will be funded by the following revenue sources:
 - Available General Fund Reserves
 - Available Capital Project Fund balances
 - Impact Fee Fund balances
 - Water and Wastewater revenues (for Water and Wastewater projects only)
 - Grant funding
 - Other State and Federal funding sources if available
- The Town will annually develop and update a multi-year plan for capital improvements. Future capital expenditures will be projected annually for a rolling 5-year period based on projections of available funding, changes in the community and needed replacement of infrastructure.
- The Town will coordinate development of the Five Year Capital Improvement Program (CIP) in advance of the development of the operating budget.



- The annual funding for the current year of the Capital Improvement Plan shall be approved as part of the operating budget. Budgets are approved by project with the understanding that projects may span fiscal years and the appropriations will carry forward to the following fiscal year; the amounts carried forward will be shown in the budget for information and transparency.
- Capital projects financed by bonds or other debt instruments shall be paid back within a period not to exceed the useful life of the project.
- The Town Manager is authorized to implement the projects as approved in the adopted Capital Improvement Program. Within a specific fund, the Town Manager may transfer appropriations between projects as needed to implement the adopted Capital Improvement Program.



Town of Yountville Investment Policy

1. **Policy:**

It is the policy of the Town of Yountville to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Town and conforming to all California laws and local statutes governing the investment of public funds.

2. **Scope:**

This investment policy applies to all the funds and investment activities under the direct authority of the Town of Yountville as accounted for in the Comprehensive Annual Financial Report (CAFR). Policy statements outlined in this document focus on the Town of Yountville's pooled funds, but will also apply to all other funds under the Town Treasurers' span of control unless specifically exempted by statute or ordinance. This policy is applicable, but not limited to, all funds listed below:

- General Fund
- Enterprise Funds
- Special Revenue Funds
- Capital Project Funds
- Debt Service Funds
- Agency Funds

Excluded funds are those held with a fiscal agent, which has their own specific "permitted investments" section in the bond covenants and OPEB funds invested in a IRC section 115 irrevocable trust (see separate policy).

3. **Prudence:**

Investments shall be made with judgment and care -- under circumstances then prevailing -- which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by the Town's investment officials shall be the "**prudent person**" standard and shall be applied in the context of managing an overall portfolio. The Town Treasurer and/or Town Manager, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations that result in a loss of principal are reported to the Town Manager immediately,



and to the Town Council at their next meeting addressing appropriate actions to be taken to control adverse developments.

4. Objective:

The primary objectives in priority order of the Town of Yountville's investment activities shall be:

4.1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the Town of Yountville shall be undertaken in a manner that seeks to ensure that capital losses are avoided, whether from securities default, broker-dealer default, or erosion of market value. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

4.2. Liquidity: The Town of Yountville's investment portfolio will remain sufficiently liquid to enable the Town to meet all operating requirements that might be reasonably anticipated.

4.3. Return: The Town of Yountville's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the Town's investment risk constraints and the cash flow characteristics of the portfolio.

5. Delegation of Authority:

Authority to manage the Town's investment program is derived from the California Government Code. Management responsibility for the investment program is hereby delegated to the Treasurer, who shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures shall include, but not limited to, references to: safekeeping, wire transfer agreements, collateral/depository agreements, banking services contracts, local banking preferences, and other investment-related activities. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates. Delegation of authority shall expire one year from the date of adoption of this policy as required by State Law.

6. Ethics and Conflicts of Interest:

The Town Council, Town Manager and Town Treasurer shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Council Members, Town Manager



and Town Treasurer shall disclose to the Town Attorney any material financial interests in financial institutions that conduct business within the jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Town's portfolio. The Town Attorney and Treasurer shall review all disclosures made to insure there are no conflicts with any planned investment.

7. Authorized Financial Dealers and Institutions:

The Treasurer will maintain a list of financial institutions and primary dealers authorized to provide investment services. "Primary" dealers include those that regularly report to the Federal Reserve Bank and should qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

All financial institutions, dealers and cash managers who desire to become qualified bidders for investment transactions must supply the Town with the following: audited financial statements, proof of National Association of Security Dealers certification when applicable, completed questionnaire and certification of having read the Town of Yountville's investment policy and depository contracts.

8. Authorized Investments and Limitations on Investments:

Investment of Town funds is governed by the California Government Code Sections 53600 et seq. Within the context of the limitations, the following investments are authorized, as further limited herein:

1. United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio that can be invested in this category.
2. Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
3. Local Agency Investment Fund (LAIF) which is a State of California managed investment pool may be used up to the maximum permitted by LAIF.
4. Insured savings accounts are permitted without limitations.

Investments detailed in items 5 through 10 are further restricted to 5% of the purchase value of all investments and cash accounts (the portfolio), in any one issuer name. The total value invested in any one issuer shall also not exceed 5% of the issuer's net worth.



5. Bills of exchange or time drafts drawn on and accepted by commercial banks, otherwise known as banker's acceptances are permitted. Bankers acceptances purchased may not exceed 180 days to maturity or 40% of the cost value of the portfolio.
6. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided by Moody's Investor Services, Inc., Standard & Poor's, or Fitch Financial Services, Inc. Commercial paper shall be issued by domestic corporations having assets in excess of \$500,000,000 and having a "AA" or better rating on its long term debentures as provided by Moody's, Standard & Poor's, or Fitch. Purchases of eligible commercial paper may not exceed 270 days to maturity nor represent more than 10% of the outstanding paper of the issuing corporation. Purchases of commercial paper may not exceed 25% of the Town's portfolio.
7. Negotiable certificates of deposit issued by nationally or state chartered banks or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of total portfolio.
8. Time deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 25% of the investment portfolio may be invested in this investment type.
9. Medium Term Corporate Notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Securities eligible for investment shall be rated "AA" or better by Moody's or Standard & Poor's rating services. Purchase of medium term notes may not exceed 30% of the purchase value of the portfolio and no more than 5% of the purchase value of the portfolio may be invested in notes issued by one corporation.
10. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. To be eligible for investment pursuant to this subdivision these companies shall either: (1) attain the highest ranking letter or numerical rating provided by not less than two of the three largest nationally recognized rating services or (2) have an investment advisor registered with the Securities and Exchange Commission with not less than five years of experience investing in securities and obligations authorized by Government Code section 53601 and with assets under



management in excess of \$500,000,000. The purchase price of shares shall not exceed 15% of the investment portfolio.

11. California Asset Management Program (CAMP).

9. Ineligible Investments:

The Town shall not invest any funds in inverse floaters, range notes, or interest-only strips that are derived from a pool or mortgages, or in any security that could result in zero interest accrual if held to maturity, or any other investment not listed in this policy.

10. Safekeeping and Custody:

All securities owned by the Town, including collateral for repurchase agreements, shall be held in safekeeping by the Town's custodian bank or a third party bank trust department, acting as agent for the Town under the terms of a custody or trustee agreement executed by the bank and by the Town. All securities will be received and delivered using standard delivery-versus-payment (DVP) procedures.

11. Percentage Limitations:

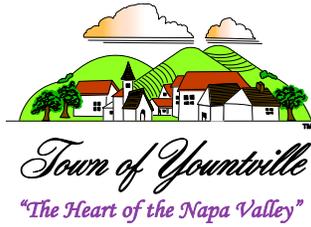
Where a section specifies a percentage limitation for a particular category or investments, that percentage is applicable only at the date of purchase. Where a section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the Town Council has granted express authority to make that investment either specifically or as a part of an investment program approved by the Town Council no less than three months prior to the investment.

12. Reporting Requirements:

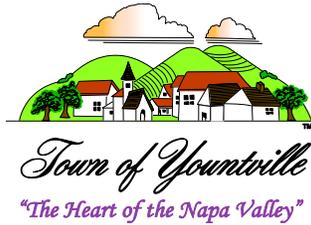
The Treasurer shall annually render to the Town Council a statement of investment policy, which the Council shall review and approve at a public meeting. The Council at a public meeting shall also review and approve any changes to the policy.

The Treasurer shall render a monthly transaction report to the Town Council. The Treasurer shall render a quarterly investment report to the Council within 30 days after the end of the subject quarter. The quarterly report shall include for each individual investment:

- Description of investment instrument
- Issuer name



- Maturity date
- Purchase price
- Par value
- Current market value and the source of the valuation. The quarterly report also shall; (I) state compliance of the portfolio to the investment policy, or manner in which the portfolio is not in compliance, (II) include a description of any of the Town's funds, investments or programs that are under the management of contracted parties, including lending programs, and (III) include a statement denoting the ability of the Town to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may not be available.

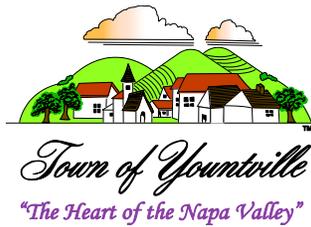


Town of Yountville Use of Long-Term Debt Policy

The Town recognizes that it may need to enter into long-term financial obligations to meet the demands of providing a high quality level of government services to our community. The following long-term debt policy sets the considerations for issuing debt and provides guidance in the timing and structuring of long-term debt commitments by the Town.

General Practices:

1. The Town will strive to maintain good relations with credit rating agencies, investors of the Town's long-term financial obligations and those in the financial community that participate in the Town's financings. The Town also will strive to maintain and improve its bond rating in order to minimize borrowing costs and preserve access to credit.
2. Bond issue proposals are to be accompanied by an analysis defining how the new issue, combined with current debt, impacts the Town's debt capacity and conformance with Town debt policies. Such analysis shall include identification of the funding source, an assessment of the ability to repay the obligation, the impact on the current budget, commitments to future budgets, maintenance and operational impact of the facility or asset and the impact on the Town's credit rating, if any.
3. Town Council must review such analysis, including existing debt level, ability to pay debt service, impact on Town services, and make a finding that use of debt is appropriate.
4. Debt service costs (COP, Lease Purchase Agreements and other contractual debt which are backed by General Fund Operating Revenues) are not to exceed 25% of the Town's General Fund operating revenues.
5. Projects financed by a non-general fund revenue source such as utility rate revenue and specific voter approved authorizations such as Measure A Sales Tax for flood control are not subject to the 25% of general fund revenue maximum debt service limit.



The Town will consider the issuance of long-term obligations under the following conditions:

1. The Town will use debt financing only for one-time capital improvement projects and specific nonrecurring equipment purchases, and only under the following circumstances:
 - When the project is included in the Town's adopted five-year capital improvement program (CIP) and is in conformance with the Town's adopted General Plan.
 - When the project is not included in the Town's adopted five-year capital improvement program (CIP), but the project is an emerging critical need whose timing was not anticipated in the five-year capital improvement program, or it is a project mandated by State or Federal requirements.
 - When the project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing.
 - When there are designated General Fund revenues sufficient to service the debt, whether from project revenues, other specified and/or reserved resources, or infrastructure cost-sharing revenues.
 - Debt financing (other than tax and revenue anticipation notes) is not considered appropriate for any recurring purpose such as current operating and maintenance expenditures.
2. The Town will follow all State and Federal regulations and requirements related to bonds and debt financing instruments regarding bond provisions, issuance, taxation and disclosure.
3. Costs incurred by the Town, such as bond counsel and financial advisor fees, printing, underwriter's discount, and project design and construction costs, will be charged to the bond issue to the extent allowable by law.
4. The Town will monitor compliance with bond covenants and adhere to federal arbitrage and disclosure regulations.
5. The Town shall continually review outstanding obligations for opportunities to achieve debt service savings through refunding and shall pursue refinancing when economically feasible and advantageous.

Town of Yountville
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	Assessed Valuation (1)	Ratio Applied as % of Assessed Value	Legal Debt Limit Margin	Total Debt Subject to Limit	Debt Subject to Limit as % of Debt Limit
2005	326,032,107	3.75%	12,226,204	-	0.00%
2006	349,161,501	3.75%	13,093,556	-	0.00%
2007	385,737,697	3.75%	14,465,164	-	0.00%
2008	422,992,439	3.75%	15,862,216	-	0.00%
2009	431,452,288	3.75%	16,179,461	-	0.00%
2010	502,536,567	3.75%	18,845,121	10,710,000	56.83%
2011	506,813,775	3.75%	19,005,517	10,535,000	55.43%
2012	536,931,027	3.75%	20,134,914	10,355,000	51.43%
2013	546,477,582	3.75%	20,492,909	14,325,000	69.90%
2014	566,095,263	3.75%	21,228,572	13,865,000	65.31%
2015	610,851,007	3.75%	22,906,913	13,395,000	58.48%

Legal Debt Limit Margin Calculation for 2014-15:

Assessed value (1)	<u>\$ 610,851,007</u>
Legal Debt Limit Margin (3.75% of assessed valuation)	\$ 22,906,913
Less: Debt Subject to Limit	
2008 Lease Revenue Bonds	\$ 9,760,000
2013 Lease Revenue Bonds	<u>3,635,000</u>
Total Debt Subject to Legal Debt Limit	<u>\$ 13,395,000</u>
Legal Debt Limit Margin less Current Debt	<u><u>\$ 9,511,913</u></u>

(a) California Government Code, Section 43605 sets the debt limit at 1%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.



Town of Yountville
OPEB (Other Post Employment Benefits) Funding Policy
(Adopted June 17, 2014 by Resolution Number 3188-14)

Town Council initially adopted an OPEB funding policy and multi-year financing plan approving a funding rate schedule with the adoption of Resolution Number 2962-08 on June 24, 2008. The policy established the OPEB funding allocation percentage, calculated on full-time salaries, and each fiscal year considered assigning additional allocations to fund the Town's OPEB liability.

The Town Council approved an updated OPEB funding policy with the adoption of Resolution Number 3006-11 on December, 6, 2011 approving the following payroll allocation rates and funding:

1. Fiscal Year 2012/13: 8% of full-time salaries.

In June 2014 Council approved Resolution Number 3188-14 adopting the current OPEB funding policy. The policy statement is to fully fund the ARC (annual required contribution) each fiscal year. The policy establishes the following procedure:

1. Each fiscal year staff will present the proposed budget with the payroll allocation funding rate required to fully fund the ARC.
2. Town Council will review and approve and/or modify the rate during the budget review process each year.

Since the inception of Resolution 3188-14 the following payroll allocation rates and funding have been implemented to fully fund the ARC:

1. Fiscal Year 2013/14: 9% of full-time salaries.
2. Fiscal Year 2014/15: 10% of full-time salaries.
3. Fiscal Year 2015/16: 14% of full-time salaries.
4. Fiscal Year 2016/17: 14% of full-time salaries.

Town Council may consider approval of additional funding allocations to OPEB at the time unassigned funds become available.



OPEB Trust Fund
Detailed Information for Investment Guidelines Document
(Adopted June 21, 2011 by Resolution Number 2974-11)

Overview:

The purpose of this Investment Guidelines document (IGD) is to assist you and your Portfolio Manager in effectively supervising, monitoring and evaluating the investment of your portfolio. Your investment program is defined in the various sections of the IGD by:

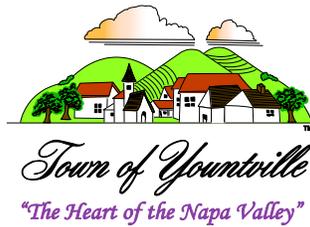
1. Stating in a written document your attitudes, expectations, objectives and guidelines for the investment of all assets.
2. Setting forth an investment structure for managing your portfolio. This structure includes various asset classes, investment management styles, asset allocation and acceptable ranges that, in total, are expected to produce an appropriate level of overall diversification and total investment return over the investment time horizon.
3. Encouraging effective communications between you and your Portfolio Manager.
4. Complying with all applicable fiduciary, prudence and due diligence requirements experienced investment professionals would utilize, and with all applicable laws, rules and regulations from various local, state, and federal entities that may impact your assets

Diversification:

Your Portfolio Manager is responsible for maintaining the balance between fixed income and equity securities based on the asset allocation. The following parameters shall be adhered to in managing the portfolio:

Fixed Income

- The long-term fixed income investments (greater than seven-years in maturity) shall constitute no more than 25%, and as little as 0% of the total Plan assets.
- The intermediate-term fixed income investments (between three-seven years in maturity) shall constitute no more than 60%, nor less than 25% of the total Plan assets.
- The high-yield portion of the Plan shall constitute no more than 10%, and as little as 0% of the total Plan assets.
- The convertible bond exposure shall constitute no more than 10%, and as little as 0% of the total Plan assets.
- The short-term fixed income investments (between one-three years in maturity) shall constitute no more than 25%, and as little as 0% of the total Plan assets.



Equity

- The domestic large cap equity investments of the Plan shall constitute no more than 45% nor less than 15% of the total Plan assets.
- The domestic mid-capitalization equity investments of the Plan shall constitute no more than 10%, and as little as 0% of the total Plan assets.
- The domestic small capitalization equity investments of the Plan shall constitute no more than 15% nor less than 0% of the total Plan assets.
- The international equity investments of the Plan shall constitute no more than 15% and as little as 0% of the total Plan assets.
- The real estate investments of the Plan shall constitute no more than 10% and as little as 0% of the total Plan assets.

Permitted Asset Classes and Security Types:

The following asset classes and security types have been approved by HighMark for use in client portfolios:

Asset Classes

- Fixed Income
 - Domestic Bonds
 - Non-U.S. Bonds
- Equities
 - Domestic
 - Non-U.S.
 - Emerging Markets
 - Real Estate Investment Trust (REITs)
- Cash and Cash Equivalents

Security Types

- Equity Securities
 - Domestic listed and unlisted securities
 - Equity and equity-related securities of non-US corporations, in the form of American Depositary Receipts (“ADRs”)
- Equity Mutual Funds
 - Large Cap Core, Growth and Value
 - Mid Cap Core, Growth and Value
 - Small Cap Core, Growth and Value
 - International and Emerging Markets
 - REITs
- Exchange Traded Funds (ETFs)
- Fixed Income Securities
 - Government/Agencies
 - Mortgage Backed Bonds
 - Corporate Bonds and Notes



- Fixed Income Mutual Funds
 - Corporate
 - Government
 - High Yield
 - International and Emerging Market
 - Convertible
 - Preferred
- Closed end funds
- Cash and Cash Equivalents
 - Money Market Mutual Fund
 - Commercial Paper
 - CDs and Bankers Acceptance

Prohibited assets:

- Precious metals
- Venture Capital
- Short sales
- Purchases of Letter Stock, Private Placements, or direct payments
- Leveraged Transactions
- Commodities Transactions Puts, calls, straddles, or other option strategies,
- Purchases of real estate, with the exception of REITs
- Derivatives, with exception of ETFs

Rebalancing Procedures:

From time to time, market conditions may cause your asset allocation to vary from the established target. To remain consistent with the asset allocation guidelines established by this Investment Guidelines document, your Portfolio Manager will rebalance the portfolio on a quarterly basis.

Duties and Responsibilities of Portfolio Manager:

Your portfolio manager is expected to manage your portfolio in a manner consistent with this Investment Guidelines document and in accordance with State and Federal law and the Uniform Prudent Investor Act. HighMark Capital Management is a registered investment advisor and shall act as such until you decide otherwise.



Your portfolio manager shall be responsible for:

1. Designing, recommending and implementing an appropriate asset allocation consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
2. Advising the committee about the selection of and the allocation of asset categories.
3. Identifying specific assets and investment managers within each asset category.
4. Monitoring the performance of all selected assets.
5. Recommending changes to any of the above.
6. Periodically reviewing the suitability of the investments, being available to meet with the committee at least once each year, and being available at such other times within reason at your request.
7. Preparing and presenting appropriate reports.
8. Informing the committee if changes occur in personnel that are responsible for portfolio management or research.

You shall be responsible for:

1. The oversight of the investment portfolio.
2. Providing your portfolio manager with all relevant information on the Plan, and shall notify him or her promptly of any changes to this information.
3. Advising your portfolio manager of any change in the Plan's circumstances, such as a change in the actuarial assumptions, which could possibly necessitate a change to your overall risk tolerance, time horizon or liquidity requirements; and thus would dictate a change to your overall investment objective and goals for the portfolio.
4. Monitoring performance by means of regular reviews to assure that objectives are being met and that the policy and guidelines are being followed.

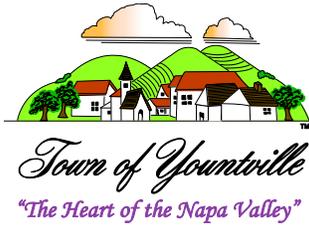
Communication:

As a matter of course, your portfolio manager shall keep you apprised of any material changes in HighMark Capital's outlook, recommended investment policy and tactics. In addition, your portfolio manager shall meet with you no less than annually to review and explain the portfolio's investment results and any related issues. Your portfolio manager shall also be available on a reasonable basis for telephone communication when needed.

Any material event that affects the ownership of HighMark Capital Management or the management of the portfolio must be reported immediately to you.

Disclosures

Union Bank N.A. and HighMark Capital Management, Inc. are wholly owned subsidiaries of UnionBanCal Corporation. Investments are not deposits or bank obligations, are not guaranteed by any government agency, and involve risk, including loss of principal



Town of Yountville Fund Balance Policy

Background:

The Governmental Accounting Standards Board (GASB) issued Statement No.54 Fund Balance Reporting and Governmental Fund Type Definitions in February 2009. The requirements of this statement are intended to improve financial reporting by providing five fund balance categories that will be more easily understood. The five fund balance categories are clearly defined to make the nature and extent of the constraints placed on a government's fund balance more transparent. GASB 54 requires a formal fund balance policy be adopted to fully define any constraints imposed upon the use of resources and how those constraints may be modified or eliminated. The Town is required to implement GASB 54 for fiscal year ending June 30, 2011.

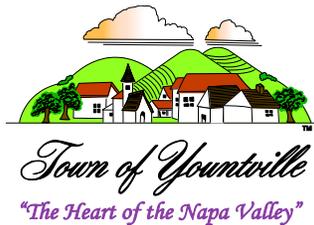
Purpose:

The Town of Yountville's fund balance policy defines the five fund balance categories established by GASB and how the Town will report each of the categories. The policy is establishing the Town's formal commitment of a specific amount of the Town's fund balance to be set aside specifically for emergency contingencies defined as a state or federal emergency or declaration of a local emergency as defined in the Yountville Municipal Code Section 2.52.020. This amount and/or commitment may be changed with the adoption of a new fund balance policy resolution approved by the Town Council. This policy also provides definitions of other categories of fund balance for financial reporting and budgeting purposes. The policy authorizes and directs the Finance Director to prepare financial statements which accurately categorize fund balance per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Definitions & Provisions:

This Fund Balance Policy establishes the procedures for reporting unrestricted fund balance in the General Fund financial statements. Certain commitments and assignments of fund balance will help ensure accurate reporting of available resources and that there will be adequate financial resources to protect the Town against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures.

Fund balance is essentially the difference between the assets and liabilities reported in each governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the Town is bound to honor constraints on the specific purposes for which amounts can be spent.



- Non-spendable Fund Balance (inherently non-spendable)
- Restricted Fund Balance (externally enforceable limitations on use)
- Committed Fund Balance (self-imposed limitations on use)
- Assigned Fund Balance (limitation resulting from intended use)
- Unassigned Fund Balance (residual net resources)

Non-spendable fund balance is not specifically addressed in this policy due to the nature of the restriction. An example of non-spendable fund balance is a reserve for prepaid expense.

Restricted Fund Balance

Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. An example of restricted fund balance would be a state or federal grant or gas tax funds that can only be used for a specific purpose.

- Restricted for PEG Fees

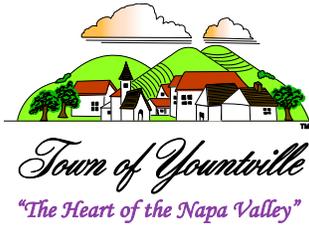
The Town's General Fund may have a restricted fund balance for PEG (Public, Education or Government) Fees, a 1% charge that the Town's cable franchise operator collects and remits to the Town. PEG Fees can only be used to cover capital expenses for public access television, and are prohibited from being used for operating expenses. The Town may have a Restricted PEG Fee Balance to report a year end.

Committed Fund Balance

The Town Council, as the Town's highest level of decision making authority, may commit fund balance for specific purposes pursuant to the constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the Town Council removes or changes the specified use through the same type of formal action taken to establish the commitment. Town Council action to commit fund balance needs to occur within the fiscal reporting period; however the specific amounts can be determined subsequently.

- General Fund Emergency Reserve

The Town's General Fund balance committed for emergency reserves is established at a target of 20% of General Fund operating expenditures. The calculation and review of the 20% target will be part of the proposed budget each fiscal year. Use of the General Fund Emergency Reserve would be appropriate if the Town declared a state or federal emergency or declaration of a local emergency as defined in the Yountville Municipal Code Section 2.52.020:



2.52.020 Emergency defined:

As used in this chapter, “emergency” means the actual or threatened existence of conditions of disaster or of extreme peril to the safety of persons and property within the Town caused by such conditions as air pollution, fire, flood, storm, epidemic, riot or earthquake, or other conditions, including conditions resulting from a labor controversy, which conditions are or are likely to be beyond the control of the services, personnel, equipment and facilities of the Town, requiring the combined forces of other political subdivisions to combat. (Ord. 225, 1991; Ord. 294-99)

- OPEB Reserve

The Town Council has made a commitment to funding OPEB (other post employment benefits) and has established an IRC Section 115 Irrevocable Trust Fund to deposit these funds. There may, however, be a time when the Town is holding funds pending transfer to the OPEB Trust and those funds would be reported as the Town’s OPEB Reserve.

- Liability Insurance Reserve

The Town is a member of PARSAC (Public Agency Risk Sharing Association of California) for purposes of liability and claims coverage. The Town’s self-insured retention for claims is \$10,000 per occurrence and our policy coverage requires a minimum reserve balance for three (3) claims or \$30,000. The Town may report a higher balance, but will always maintain the required \$30,000 minimum.

Assigned Fund Balance

Amounts that are constrained by the Town’s *intent* to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. Both committed and assigned fund balance classifications include amounts constrained to being used for specific purposes by actions taken by the government itself. The nature of the actions necessary to remove or modify an assignment is not as prescriptive as it is with regard to the committed fund balance classification, resulting in the constraints imposed being more easily removed or modified than those imposed on committed fund balance. Furthermore, the nature of the actions necessary to remove or modify an assignment is not as prescriptive as those in the committed fund balance classification and the authority is not required to be the government’s highest level of decision making authority, but may be delegated to the Town Manager or Finance Director.

All remaining fund balance amounts that are reported in governmental funds, other than the general fund, that are not classified as non-spendable, and are neither restricted nor committed will be reported as assigned fund balance.



- Arts Program Reserve

The Yountville Arts Committee has been successful in raising funds to support the Town's Art Program activities. The Arts Program is accounted for in the General Fund and the funds raised through art sales donations and commissions are often not expended in the same fiscal year. In order to allow the Arts Committee to carry over unspent funds from year to year the unspent balance of Art Donations/Commissions (01-3804) less Art Program expenses (01-1015-4930) will be reported as the Arts Program Reserve.

- Capital Projects Reserve

The Town Council may assign a specific amount or percentage of unassigned fund balance at the end of the fiscal year to be transferred or reserved for transfer to the Town's Capital Projects Fund.

- Budget Contingency Reserve

The Town Council may assign a specific amount to be reserved for future appropriations to fund unanticipated costs or revenue shortfalls were not anticipated at the adoption of the Town's operating budget. As of July 1, 2015 this amount has been established at \$240,000.

- Legal Contingency Reserve

The Town Council may assign a specific amount to be reserved for future appropriations to fund unanticipated legal and litigation costs. As of July 1, 2015 this amount has been established at \$250,000.

- Revenue Stabilization Reserve

Funds set aside to ensure the Town could respond to an unexpected drop in tourism based revenue, especially Transient Occupancy Tax (TOT). Revenue Stabilization Reserve target funding is established at a minimum of 15% of TOT revenue budget, with a goal to incrementally increase to 20% by 2017/18.

By approving specific assigned amounts or percentage allocations of unassigned fund balance as part of budget adoption, the Town Council would authorize Finance Director to report specific assigned amount on financial statements.

Unassigned Fund Balance

Fund balance that has no current assignment or commitment.



Town of Yountville

Water and Wastewater Utility Enterprise Fund Rate Philosophy

(Adopted June 21, 2011 by Resolution Number 2974-11)

Historical Background:

The Town of Yountville operates both water and wastewater utility enterprise fund operations which serve the residents of the Town and, in the case of the water enterprise fund, an additional 32 accounts located along Yountville Cross Road. Enterprise Fund operations are designed by nature to operate more like a private sector business model as compared to general government services. For the past decade the Town has operated its water and wastewater utility enterprise funds in a manner which included a significant General Fund subsidy averaging \$300,000 per year to cover water operating expenses and capital project expenses for both the water and wastewater utility enterprise funds.

On February 10, 2011 the Town Council adopted a new five (5) year phased rate schedule that was designed to end the General Fund subsidization of these enterprise funds. The Town Council issued a policy statement that the enterprise funds should no longer be subsidized and requested a formal policy be brought back to the Council.

Purpose:

The Town will establish Utility Enterprise Funds for Town services when the intent of the Town is that all costs of providing the service shall be recovered primarily through ratepayer charges.

General Policy Practices:

1. Enterprise Funds will be established for Town-operated utility services such as the water and wastewater operations.
2. Enterprise Fund expenditures will be established at a level sufficient to properly maintain the fund's infrastructure and provide for necessary capital improvements.
3. The Town Council will review and adopt utility rates as needed to appropriately cover the costs of all operations, including maintenance, depreciation, capital and debt service requirements, reserves as established by Town Council policy, and provide for an adequate level of working capital.
4. Enterprise Fund services will establish and maintain reserves for general contingency and capital purposes consistent with those maintained for general governmental services.
5. Revenue bonds shall be issued only when projected operating revenues and reserves are insufficient for the timely completion of enterprise capital projects.
6. Town Council shall continue the five (5) year phased utility rate increase for water and wastewater approved on February 10, 2011 which is designed to end General Fund subsidy and operating deficits of each enterprise fund over the next five (5) years.



Town of Yountville

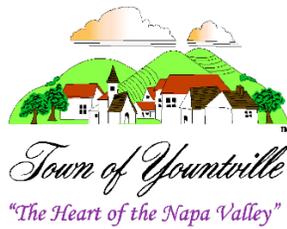
Use of Drought Water Reserve Bank Policy

(Adopted January 20, 2009 by Resolution Number 2745-09)

The Town has established a reasonable water supply through a combination of its long-term supply contract with the Californian Veteran's Home for use of Rector Reservoir water and the completion of the Yountville Municipal Water Well to meet the community's annual water needs. However, the Town recognizes that it may need to purchase additional water supply in long-term drought situations and has established this Drought Water Reserve Bank from the sale of its State Water Supply surplus water rights to potentially fund the purchase of drought supply water. The following policy sets the considerations for use of the Drought Water Reserve Bank by the Town.

General Practices:

1. The Town will continue to develop and implement reasonable water conservation programs and educational programs to educate residential and business customers on how to use less water.
2. The Town will evaluate future water conservation rebate programs to see if their implementation may be appropriate. Continuation of the ultra low flow toilet and water saving appliance program and implementation of turf replacement with drought tolerant and native plants and alternative irrigation systems as examples of how to reduce water consumption are possibilities.
3. Town will review, update if necessary, and maintain a water usage pricing structure which encourages water conservation as allowed by state law.
4. The Town will implement voluntary water rationing and/or increase water rates to reduce water usage and evaluate what impact those mechanisms may have had on water consumption prior to use of mandatory water rationing practices and/or purchase of additional drought water supply.
5. Town Council must review such analysis, including existing available water resources, implementation of advisory and/or mandatory water conservation practices, available water production from emergency water well, and impact on Town services, and make a finding that use of drought water bank to purchase additional water supply is appropriate.
6. The purpose of the initial deposit amount into the Drought Water Reserve Bank is to provide future Town Council's with available resources to make immediate single year drought supply water purchases on the open market.
7. Any use of the Drought Water Reserve Bank by the Town Council will require implementation and adoption of a plan to replenish the Bank by the same amount as used to purchase drought water supply so that the fund is available in the event of a future drought situation.



The Town will consider use of the Drought Water Reserve Bank under the following conditions:

1. The Town may use its Drought Water Reserve Bank for the purchase of additional water supply under the following circumstances:
 - The Town Council has declared a local Water Emergency after evaluating local water supply with need in accordance with the Town Code, Chapter 13.24, Water Shortage Emergencies, Sections 13.24.020 through 13.24.050, or as may be amended in the future.
 - The Town Council has first implemented reasonable voluntary water conservation and rationing measures in accordance with Chapter 13.20, Water conservation or as may be amended in the future.
 - The Town Council has implemented mandatory water rationing program if appropriate.
 - The Town Council has developed and implemented a temporary water rate increase sufficient to replenish the amount of the draw down against the Drought Water Reserve Bank so that the Bank is available for future use if necessary.
2. The Town Council may use the interest earnings from the Drought Water Reserve Bank to annually fund rebate programs (existing or new programs) that help to reduce overall municipal water usage by the customer.
3. The Town Council may use the fund to pay for capital construction cost for water projects which are designed for the purpose of increasing the Town's water storage capacity or increase water production to meet drought water supply needs.
4. The Town shall continually review and work with its partner City of Napa to develop opportunities to achieve reduced water consumption through implementation of new technology, community education and implementation of appropriate water conservation programs when economically feasible and advantageous.

Adopted by the Yountville Town Council on January 20, 2009.

TOWN OF YOUNTVILLE
Appropriations Limit Summary
Fiscal Year 2016-17

Proceeds of Taxes	\$8,747,887
Exclusions	(1,846,752)
Appropriations Subject to Limitation	\$6,901,135
Current Year Limit Calculation Before Override	\$6,126,611
Over (Under) Limit	\$774,524
Available Capacity as a % of Limit	12.64%
Current Year Limit With \$1,500,000 Voter Approved Override	\$7,626,611
Over (Under) Limit With \$1,500,000 Voter Approved Override	(\$725,476)
Available Capacity as a % of Limit	-9.51%

In November 1979, the voters of the State of California approved Proposition 4, commonly known as the Gann Initiative. The Proposition created Article 13B of the State Constitution, a state law that requires the state and local governments to adopt an annual appropriation limit. The appropriation limit, also referred to as the "Gann Limit", establishes a limit on the proceeds of taxes that may be appropriated for spending in a given fiscal year. The limit is adjusted each year based on an economic factor calculated using the change in the cost of living and the change in population.

In order to deal with an increasing number of concerns regarding the restrictions of Proposition 4, and to increase the accountability of local government in adopting their limits, the voters approved Proposition 111 in June 1990. Two of the provisions included in Proposition 111 were to provide for an option for local government to select from adjustment factors that would allow them to be more responsive to local growth and to require an annual review of the appropriation limit calculations. The adjustment factors for the change in cost of living can be based on either a change to California per capita income or a change to non-residential assessed valuation in the Town limits. The adjustment factor for population can be based on either a change to the population in Yountville or a change in Napa County.

The Appropriations Limit imposed by Propositions 4 and 111 creates a restriction on the amount of revenue which can be appropriated in any fiscal year. The base year for the calculation was 1978/79, and the economic factors are used to calculate the adjustment for each year. The calculation includes only revenues that are classified as "proceeds of taxes" and allows for certain exclusions, including interfund transfers, capital outlay, payments for debt service, and appropriations required to comply with mandates of the courts or federal government, such as FLSA overtime or payment of FICA/Medicare tax.

The state law also includes a provision for the voters to approve an override of the calculated appropriations limit for a period not to exceed four years. The Town currently has an override, approved by voters November 2014, of \$1,500,000 which is in effect through June 30, 2019.

TOWN OF YOUNTVILLE
Spending Limit Calculation
Fiscal Year 2016-17

<u>APPROPRIATIONS SUBJECT TO LIMIT</u>		
Fiscal Year 2015-16 Estimated General Fund Revenue:		\$9,811,400
Less:		
Non-tax proceeds		(1,063,513)
Plus:		
User fees in excess of costs		-
Less:		
Exclusions		<u>(1,846,752)</u>
Total appropriations subject to limit:		<u><u>\$6,901,135</u></u>

<u>APPROPRIATION LIMIT</u>		
FY 2015-16 Limit:		\$5,779,701
A. Cost of living adjustment *	1.0537	
B. Population adjustment **	<u>1.0060</u>	
Change Factor (A x B)	1.0600	
Increase (decrease) in appropriation limit		<u>\$346,910</u>
Fiscal Year 2016-17 Appropriation Limit		\$6,126,611
Voter Approved Override Amount		<u>\$1,500,000</u>
Total 2016-17 Appropriation Limit		<u><u>\$7,626,611</u></u>
Remaining Appropriation Capacity Without Override		(\$774,524)
Available capacity as a percent of limit		-12.64%
Remaining Appropriation Capacity With Override		\$725,476
Available capacity as a percent of limit		9.51%
* Based on Department of Finance per capita personal income growth		
** Based on annual population change for Town of Yountville		

TOWN OF YOUNTVILLE
Spending Limit Calculation
Fiscal Year 2016-17

Revenue Source	Tax Proceeds	Non-Tax Proceeds	TOTAL
Property Tax Secured	\$ 715,000		\$ 715,000
Property Tax Unsecured	27,000		27,000
Property Tax In Lieu (VLF Swap)	440,000		440,000
Property Tax Collection Fee	(7,800)		(7,800)
Sales Tax	1,111,000		1,111,000
Sales Tax Public Safety		20,000	20,000
Franchise Fees		98,000	98,000
Real Property Transfer Tax	40,000		40,000
PEG Fees		12,400	12,400
Transient Occupancy Tax	6,400,000		6,400,000
Business License	14,500		14,500
Building Permits		30,000	30,000
Special Event Permit		6,500	6,500
Tree Removal Permits		1,000	1,000
Encroachment Permits		5,000	5,000
Fines & Forfeitures		3,400	3,400
Rents & Concessions		264,100	264,100
State Motor Vehicle License Fee		1,000	1,000
State COPS Grant		100,000	100,000
State HOPTR	1,500		1,500
Other State Revenues - Grant	-		-
Parks & Recreation Fees		347,700	347,700
Charges for Services		83,600	83,600
Miscellaneous Revenue		90,000	90,000
Subtotal	\$8,741,200	\$1,062,700	\$9,803,900
Percent of Total	89.16%	10.84%	100.00%
Interest Income	\$6,687	\$813	\$7,500
Total General Fund	<u>\$8,747,887</u>	<u>\$1,063,513</u>	<u>\$9,811,400</u>
<i>(excludes interfund transfers)</i>			
EXCLUSIONS FROM LIMITATION:			
-Debt Service - Lease Revenue Bonds	\$ 1,025,312		
-Transfer to Capital Projects Fund	\$ 753,700		
-FLSA Overtime	\$ 8,300		
-FICA/Medicare	\$ 59,440		
TOTAL EXCLUSIONS	<u>\$ 1,846,752</u>		

TOWN OF YOUNTVILLE
Appropriation Limit Adjustments
Fiscal Year 2016-17

Budget Year	(A) Price Factor	(B) Population Factor	(A) x (B) Change Factor	Current Year Adjustment	Current Appropriation Limit	Voter Approved Override	Total Limit
1978-79					322,414		
1979-80	1.1017	1.0158	1.1191	38,402	360,816		360,816
1980-81	1.1211	0.9808	1.0996	35,928	396,744		396,744
1981-82	1.0912	0.9866	1.0766	30,382	427,126		427,126
1982-83	1.0679	1.0561	1.1278	54,591	481,716		481,716
1983-84	1.0235	1.0210	1.0450	21,674	503,390		503,390
1984-85	1.0474	0.9977	1.0450	22,648	526,038		526,038
1985-86	1.0374	1.0210	1.0592	31,134	557,172	300,000	857,172
1986-87	1.0230	1.0026	1.0257	14,297	571,469	300,000	871,469
1987-88#	1.0348	1.0196	1.0551	31,478	602,947	500,000	1,102,947
1988-89*	1.0466	1.0104	1.0575	34,660	637,607	500,000	1,137,607
1989-90*	1.0519	1.0171	1.0699	44,561	682,168	500,000	1,182,168
1990-91@	1.0421	1.0560	1.1005	68,529	750,697	500,000	1,250,697
1991-92@	1.0414	1.0294	1.0720	54,063	804,760	700,000	1,504,760
1992-93+	1.0096	1.0209	1.0307	24,707	829,466	700,000	1,529,466
1993-94@	1.0272	1.0283	1.0563	46,674	876,140	700,000	1,576,140
1994-95+	1.0129	1.0143	1.0274	23,993	900,133	700,000	1,600,133
1995-96+	1.3503	1.0176	1.3741	336,708	1,236,841	300,000	1,536,841
1996-97+	1.0936	1.0149	1.1099	135,922	1,372,764	300,000	1,672,764
1997-98*	1.0467	1.0224	1.0701	96,294	1,469,058	300,000	1,769,058
1998-99#	1.0725	1.0461	1.1219	179,140	1,648,198	300,000	1,948,198
1999-00#	1.3604	1.0390	1.4135	681,457	2,329,655	900,000	3,229,655
2000-01+	1.0696	1.0277	1.0992	231,167	2,560,821	900,000	3,460,821
2001-02*	1.0782	1.0076	1.0864	221,240	2,782,062	900,000	3,682,062
2002-03+	1.0109	1.0648	1.0764	212,441	2,994,502	900,000	3,894,502
2003-04*	1.0231	1.0134	1.0368	110,226	3,104,729	900,000	4,004,729
2004-05+	1.0500	1.0115	1.0621	192,695	3,297,423	900,000	4,197,423
2005-06+	1.1027	1.0117	1.1156	381,187	3,678,611	900,000	4,578,611
2006-07*	1.0396	1.0110	1.0510	187,741	3,866,351	900,000	4,766,351
2007-08*	1.0442	1.0123	1.0570	220,551	4,086,902	900,000	4,986,902
2008-09*	1.0429	1.0935	1.1404	573,847	4,660,749	900,000	5,560,749
2009-10*	1.0062	1.0140	1.0203	94,552	4,755,301	900,000	5,655,301
2010-11*	0.9746	1.0090	0.9834	(79,074)	4,676,227	900,000	5,576,227
2011-12@	1.0251	1.0313	1.0572	267,413	4,943,640	900,000	5,843,640
2012-13*	0.9977	1.0079	1.0056	225,876	5,169,516	900,000	6,069,516
2013-14*	1.0512	1.0047	1.0561	290,220	5,459,736	900,000	6,359,736
2014-15@	0.9977	0.9930	0.9907	(50,688)	5,485,309	900,000	6,309,048
2015-16@	1.0382	1.0149	1.0537	294,392	5,779,701	1,500,000	7,279,701
2016-17	1.0537	1.0060	1.0600	346,910	6,126,611	1,500,000	7,626,611

ADJUSTMENT FACTORS USED :

- * = California per capita income and County population
- @ = California per capita income and Town population
- + = Non-residential assessed valuation and County population
- # = Non-residential assessed valuation and Town population



Photo Credit: Mars Lasar