

March 23, 2007

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Honorable Mayor and Members of the Lemoore City Council:

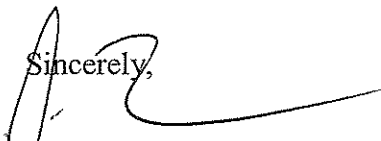
Enclosed herein is the proposed Capital Improvement Budget. The document consists of our estimates for revenues, which in large part consist of Development Impact Fees (more on that below), and the estimated cost of planned projects in 2006/08 and beyond.

As previously stated, the City began a study to determine new Development Impact Fees. The results of that study were completed in December 2006. Four resolutions were adopted to improve our Impact Fees. As a result, the first year of this two year Capital Improvement Budget will not be significantly affected. However, the second year will be adjusted by a considerable amount in accordance with new developments. The results of the two year projections are due to the fact that most developments currently approved are protected from the raise because their maps have been completed. Only the latest development proposals will be subject to the new fees.

In addition to Impact Fees and Grant Revenue, some projects are required to be funded by Operating Funds, including the General Fund. For the 06/07 FY, this CIP will require \$31,500 to be transferred from the General Fund Asset Replacement Account, \$688,717 from the Water Fund (which uses most of the available reserve), \$574,556 from the Water Fund Asset Replacement Account, and \$103,500 from the Sewer/Storm Drain Asset Replacement Account. If this CIP Budget is adopted, the City Operations and Maintenance Budget will need to be amended to reflect these planned expenses. In 2007/08, additional contributions from the operating funds will also be needed.

I encourage the Council and Citizens to closely examine the projects that are proposed. They have been thoroughly evaluated and prioritized by our City Staff and City Engineer, and are needed to ensure that the City can continue to provide the quality of service and programs to our Community.

Sincerely,



Jeff Britz
City Manager

Update 12/18/06

2004-2006
SUMMARY OF FUND BALANCES
CAPITAL IMPROVEMENT BUDGET

FUND	BALANCE AS OF 7/1/04	ACTUAL REVENUES 2004-2006	TRANSFER IN	TRANSFER OUT	CASH RESERVE	ACTUAL AVAILABLE 2004-2006	ACTUAL EXPENSES 2004-2006	ACTUAL BALANCE 6/30/2006
075 Facility/Infrastructure Fund	232,129	11,627	184,549	-		428,305	5,962	422,343
068 General Facil-Bldg Cap Fd	76,310	276,118		27,201		325,227	69,365	255,862
066 Law Enforcement Cap Fund	166,401	114,772		1,646		279,527	28,681	250,846
067 Fire Facilities Cap Fund	80,061	51,704	-	456		131,309	1,539	129,770
028 Streets Grants	42,520	2,498,468				2,540,988	2,658,964	(117,976)
029/031 Gas Tax 2105/2107	531,706	716,908				1,248,614	104,596	1,144,018
033 LTF	610,115	309,979				920,094	-	920,094
034 Surface Trans	1,077,947	21,556				1,099,503	1,294,447	(194,944)
072 Streets Capital	98,559	11,482		1,133		108,908	-	108,908
065 Streets Capital Impact RDA	1,148,296 0	709,048	305,731	51,604		2,111,471 0	531,752	1,579,719 -
074 Parks Capital Fund Grant Funding Gas Tax Lem. Rotary	1,004,201 (145,424) 0 0	772,840 573,401 0 0		86,513		1,690,528 427,977	145,382	1,545,146 (145,424)
070 Water Capital Fund Water Grants RDA	1,236,322	680,888 72,684 878,616	0	13,123		1,904,087 72,684 878,616	240,399 72,684	 1,663,688
093 Water Bond Projects	0					0		0
071 Sewer Capital Fund Sewer Grants RDA	929,409	463,304 0 -	50,000	621,252		821,461 0 0	21,682 0 \$0	799,779 0 0
094 Sewer Bond Projects	0					0		0
069 Storm Drain Capital Fund RDA	546,485 0	398,504 12,540	0	7,205		937,784 12,540	29,626 12,540	908,158 -
Total	\$ 7,635,037	\$ 8,574,439	\$ 540,280	\$ 810,133	\$ -	\$ 15,939,623	\$ 6,669,636	\$ 9,269,987

Update 12/18/06

2006-2008
SUMMARY OF FUND BALANCES
CAPITAL IMPROVEMENT BUDGET

FUND	BALANCE AS OF 7/1/2006	ESTIMATED REVENUES 2006-2008	TRANSFER IN	TRANSFER OUT	CASH RESERVE	ESTIMATED AVAILABLE 2006-2008	ESTIMATED EXPENSES 2006-2008	ESTIMATED BALANCE 6/30/2008
075 Facility/Infrastructure Fund	422,343	0	340,000			762,343	263,800	498,543
068 General Facil-Bldg Cap Fd	255,862	320,000	76,100	12,048		639,914	186,600	453,314
066 Law Enforcement Cap Fund	250,846	120,000		1,288		369,558	0	369,558
067 Fire Facilities Cap Fund	129,770	55,000		600		184,170	0	184,170
028 Streets Grants	(117,976)	1,141,000				1,023,024	1,141,000	(117,976)
029/031 Gas Tax 2105/2107	1,144,018	510,000				1,654,018	1,595,500	58,518
033 LTF	920,094	300,000				1,220,094	736,500	483,594
034 Surface Trans	(194,944)	300,000				105,056		105,056
072 Streets Capital	108,908	15,000		906		123,002		-
065 Streets Capital Impact	1,579,719	750,000		37,296		2,415,425	444,000	2,094,427
074 Parks Capital Fund	1,545,146	750,000	87,000	9,486			633,500	
Grant Funding	(145,424)	147,000				2,374,236	70,000	1,670,736
070 Water Capital Fund	1,663,688	750,000	2,048,000	8,194		4,128,000	1,732,345	2,395,655
093 Water Bond Projects	0					0		0
071 Sewer Capital Fund	799,779	450,000	571,000	6,622		1,814,157	1,451,000	363,157
Sewer Grants	0	165,000				165,000	165,000	0
094 Sewer Bond Projects	0					0		0
069 Storm Drain Capital Fund	908,158	345,000	15,000	6,880		1,063,000	1,035,000	28,000
						0		-
Total	\$ 9,269,987	\$ 6,118,000	\$ 3,137,100	\$ 83,320	\$ -	\$ 18,441,767	\$ 9,454,245	\$ 8,987,522

SUMMARY OF FUND BALANCES

2005-2006

SUMMARY OF FUND BALANCES OPERATION AND MAINTENANCE BUDGET

FUND	BALANCE	ESTIMATED			ESTIMATED	ESTIMATED	ASSET	ESTIMATED
	AS OF 7/1/2005 Audited	REVENUES 2005-2006	TRANSFER IN/OUT	CASH RESERVE	AVAILABLE 2005-2006	EXPENSES 2005-2006	REPLACE CONTRIBUTION 2005-2006	BALANCE 6/30/2006
001 General Fund	\$ 4,707,477	8,317,026	931,488	954,222	13,001,769	6,361,482	469,327	6,170,960
Asset Replacement	\$ 950,725	469,327		710,026	710,026	404,015		306,011
020 Traffic Safety Fund	\$ 35,247	35,000	(41,000)		29,247	-		29,247
030 Gas Tax 2106	\$ 19,921	65,000	(67,000)		17,921	-		17,921
032 Gas Tax 2107.5	\$ -	5,000	(5,000)		-	-		-
045 Golf Course Fund	(700,469)	129,076			(571,393)	302,960		(874,353)
050 Water Fund	\$ 812,857	2,697,600	(270,174)	579,959	2,660,324	2,319,835	261,915	78,574
Asset Replacement	\$ 738,526	261,915	(295,000)	500,221	205,221	29,050		176,171
056 Refuse Fund	\$ 959,485	2,430,220	(384,014)	310,727	2,694,964	2,071,514	103,473	519,977
Asset Replacement	\$ 134,985	439,473		287,229	287,229	336,000		(48,771)
060 Sewer/Storm Drain Fund	\$ 307,828	1,971,200	(309,089)	265,474	1,704,465	1,327,372	113,593	263,500
Asset Replacement	\$ 509,292	113,593	(163,000)	311,443	148,443	12,600		135,843
078 Lighting/Landscape Dist.	\$ 59,880	198,000	(21,824)		236,056	205,648		30,408
085 Parking & Business Improv Area	\$ 10,364	12,500			22,864	16,000		6,864
TOTAL	\$ 8,546,118	\$ 15,860,622	\$ (624,613)	\$ 3,919,301	\$ 21,147,134	\$ 13,386,476	\$ 948,308	\$ 6,812,350
040 Fleet Maintenance	\$ (30,296)	625,000	(80,034)		\$ 514,670	544,966	12,455	(30,296)

2006-2007
SUMMARY OF FUND BALANCES
OPERATION AND MAINTENANCE BUDGET

FUND	BALANCE	ESTIMATED	TRANSFER IN/OUT	CASH RESERVE	ESTIMATED	ESTIMATED	ASSET REPLACE	ESTIMATED
	AS OF 7/1/2006	REVENUES 2006-2007			AVAILABLE 2006-2007	EXPENSES 2006-2007	CONTRIBUTION 2006-2007	BALANCE 6/30/2007
001 General Fund	\$ 7,125,182	7,043,603	1,102,794	1,329,749	13,941,830	8,864,991	383,527	4,693,312
Asset Replacement	\$ 1,016,037	383,527		699,782	699,782	649,800		49,982
020 Traffic Safety Fund	\$ 29,247	34,000			63,247			63,247
030 Gas Tax 2106	\$ 17,921	65,000			82,921			82,921
032 Gas Tax 2107.5	\$ -	5,000			5,000			5,000
045 Golf Course Fund	\$ (874,353)	225,000			(649,353)	315,000		(964,353)
050 Water Fund	\$ 658,533	2,886,000	(1,425,156)	624,278	1,495,099	2,497,112	273,637	(1,275,650)
Asset Replacement	\$ 676,391	273,637	-	475,014	475,014	56,000		419,014
056 Refuse Fund	\$ 830,704	2,624,290	(567,718)	345,406	2,541,870	2,302,708	72,015	167,147
Asset Replacement	\$ 238,458	72,015		155,237	155,237	-		155,237
060 Sewer/Storm Drain Fund	\$ 528,974	2,293,500	(524,706)	351,950	1,945,818	1,759,751	137,296	48,771
Asset Replacement	\$ 447,285	137,296	-	292,291	292,291	44,200		248,091
078 Lighting/Landscape Dist.	\$ 30,408	240,000	(31,892)		238,516	255,946	3,275	(20,705)
085 Parking & Business Improv Area	\$ -	3,275		1,638	1,638	34,700		(33,063)
	\$ 6,864	12,000			18,864	15,300		3,564
TOTAL	\$ 10,731,651	\$ 15,428,393	\$ (1,446,678)	\$ 4,275,344	\$ 21,307,772	\$ 16,795,508	\$ 869,750	\$ 3,642,514
040 Fleet Maintenance	\$ (30,296)	814,226	(86,433)		697,497	700,391	5,000	(2,894)
Asset Replacement		6,252		3,126	3,126	5,000		(1,874)