

State of California
COMMISSION ON STATE MANDATES
1414 K Street, Suite 315
Sacramento, CA 95814
(916) 323-3562
CSM 2 (2/91)

For Official Use Only	
RECEIVED	
OCT 16 2002	
COMMISSION ON STATE MANDATES	
Claim No.	02-9635802-I-62

*Postmarked
10/12/02*

INCORRECT REDUCTION CLAIM FORM

Local Agency or School District Submitting Claim

City of Lathrop

Contact Person

Telephone No.

David Wellhouse

(916) 368-9244

Address

9175 Kiefer Blvd., Suite 121

Representative Organization to be Notified

This claim alleges an incorrect reduction of a reimbursement claim filed with the State Controller's Office pursuant to section 17561 of the Government Code. This incorrect reduction claim is filed pursuant to section 17551(b) of the Government Code.

CLAIM IDENTIFICATION: Specify Statute or Executive Order

<u>Fiscal Year*</u>	<u>Amount of the Incorrect Reduction</u>
1995/96	\$1,506
1996/97	\$5,497

*More than one fiscal year may be claimed.

IMPORTANT: PLEASE SEE INSTRUCTIONS AND FILING REQUIREMENTS FOR COMPLETING AN INCORRECT REDUCTION CLAIM ON THE REVERSE SIDE.

Name and Title of Authorized Representative

Telephone No.

Cari James, Accountant

(209) 858-2860 x213

Signature of Authorized Representative

Date

Cari James

INCORRECT REDUCTION CLAIM OF THE CITY OF LATHROP

Chapter 783, Statutes of 1995, Chapters 156 and 749, Statutes of 1996 Investment Reports

AUTHORITY FOR THE INCORRECT REDUCTION CLAIM

The Commission on State Mandates ("Commission") has the authority pursuant to Government Code, Section 17551(b) to "hear and decide upon a claim by a local agency or school district filed on or after January 1, 1985, that the State Controller's Office ("Controller") has incorrectly reduced payments to the local agency or school district pursuant to paragraph (2) of subdivision (d) of Section 17561." The City of Lathrop ("City") is a local agency as defined in Government Code, Section 17518.

CLAIM REQUIREMENTS OF THE INCORRECT REDUCTION CLAIM

The following elements and documents of this claim are provided as required by Section 1185 of the California Code of Regulations:

A narrative of the Incorrect Reduction Claim.

A copy of letter(s) if available, from the Controller (Notice of Claim Adjustment) which explains the reason for the disallowance.

A copy of a letter sent by the City to the Controller explaining why the reduced amounts should be restored.

Declaration authenticating all documentary evidence included in this Incorrect Reduction claim.

Copies of the claims filed by the City of Lathrop.

STATEMENT OF THE ISSUES

The amount claimed by the City of Lathrop for reimbursement of the costs of the mandate imposed by Chapter 783/95 represents the costs incurred by the City in carrying out the mandated activities. These costs were properly and fairly claimed under the Parameters and Guidelines for Chapter 783, Statutes of 1995 adopted by the COSM as well as the Claiming Instructions prepared by the State Controller's Office. Reimbursement of these costs is required under Article XIII B, Section 6 of the California Constitution.

The adjustments to the City's reimbursement claims by the Controller's Division of Accounting have no force or effect in law since:

- a) The Controller did not audit the claims or the records of the City of Lathrop prior to denial of payment to verify the actual amount of the mandated costs, as is required by Government Code, Section 17561(d)(1)(A).
- b) The Controller cannot make a determination in fact or law that the amounts claimed are excessive or unreasonable as required by Government Code, Section 17561(d)(1)(a) because such a determination can only be made following a proper audit, and the Controller did not audit the claims.

- c) The adjustments made by the Controller are not supported by the evidence, and are arbitrary, capricious and contrary to law.
- d) The State Controller's Office reduced the amount claimed for software costs. This appears to be the case with all claims submitted. The software claimed in many of the claims filed is used solely for the purposes of producing the required report of investments. In the prior filing of Investment Report claims in the Spring of 1991, the State Controller's office allowed the exact costs that are now denied.
- e) This incorrect reduction claim has been timely filed.
- f) Because the Controller has enforced and is seeking to enforce its adjustment in contravention to the requirements of Government Code, Section 17561 and the Constitution of the State of California, the burden of proof is upon the Controller to establish a legal basis for its actions. The City has met its burden of going forward on this claim through its compliance with Section 1185, Title 2, California Code of Regulations.

NARRATIVE OF THE INCORRECT REDUCTION CLAIM

The State Controller's Office ("Controller") incorrectly reduced the claims of the City for reimbursement of the City's costs of implementing the requirements of Chapter 783, Statutes of 1995. The Controller alleges that an excessive amount of time was claimed and/or that "costs not mandated" were present within the claim. All of the claims filed by the City complied with the parameters and guidelines and Claiming Instructions No 98-2 for Chapter 783, Statutes of 1995 and Chapters 156 and 749, Statutes of 1996 and are supported by substantial documentation and evidence. However, the Controller's reduction of these claims is arbitrary, capricious, and contrary to law.

BACKGROUND OF THE INVESTMENT REPORT MANDATE

"On March 27, 1997, the Commission determined that the provisions of Government Code section 53646, subdivisions (a), (b) and (e), as added by Chapter 783, Statutes of 1995, and amended by Chapters 156 and 749, Statutes of 1996 imposed a new mandate or higher level of service in an existing program upon local agencies within the meaning of section 6, article XIII B of the California Constitution and section 17514 of the Government Code by requiring these agencies to perform the following activities:

To render an annual statement of investment policy pursuant to Government Code section 53646, subdivision (a).

To render quarterly reports of investments, as specified, pursuant to Government Code section 53646, subdivisions (b) and (e)."

PARAMETERS AND GUIDELINES

On November 20, 1997 the Commission adopted parameters and guidelines (P's & G's) for Chapter 783, Statutes of 1995 and Chapters 156 and 749, Statutes of 1996. The P's and G's provided that any city, county, school district or special district was eligible to file claims for reimbursement of the costs that they incurred for any period on or after January 1, 1996. These costs were separated into two (2) sections. The first section labeled V (B) (1) in the Commission approved parameters and guidelines was the Statement of Investment Policy. The reimbursable activities listed under this section include "Prepare and submit the annual statement of investment policy, and changes to:

- a. The legislative body and any oversight committee for consideration at a public meeting, effective January 1, 1996.

- b. The county board of supervisor and any oversight committee for review and approval at a public meeting, effective January 1, 1997.

The second section labeled V(2) (a) and (b) in the Commission approved parameters and guidelines is listed as "Quarterly Report of Investments". This section is broken down into two (2) categories. The first category listed as "Implementation Costs", includes the following reimbursable activity:

- (a) "Develop or modify existing policies and procedures for accumulating and compiling data to prepare the quarterly report of investments, as required in section 53646, subdivisions (b)(1), (2), (3) and/or (e)".

The second category listed as "Ongoing Costs", includes the following reimbursable activities:

- (1) "Accumulate and compile data necessary to prepare the quarterly reports of investments, as required in Government Code section 53646, subdivision (b)(1), (2), and (3) and/or (e).
- (2) "Render a quarterly report of investments to the chief executive officer, the internal auditor, and the legislative body of the local agency or school district, as required in Government Code 53646, subdivision (b)(1).

THE CONTROLLER'S CLAIMING INSTRUCTIONS

The Controller issued its original Claiming Instructions for Chapter 793, Statutes of 1995, and Chapters 156 and 749, Statutes of 1996 on January 20, 1998. The reimbursable activities listed in section 6 of Claiming Instructions No. 98-2 are identical to the reimbursable activities in the Commission approved parameters and guidelines detailed above.

THE CITY'S CLAIMS

The City timely filed claims for reimbursement of costs incurred in implementing Chapter 793, Statutes of 1995, and Chapters 156 and 749, Statutes of 1996. All claims were completed in accordance with the Claiming Instructions in effect on the date of the claim. A true and correct copy of the City's claims are attached.

THE CONTROLLER'S NOTICE OF CLAIM ADJUSTMENT

The Controller sent the first remittance advices dated October 12, 1999, to the City indicating that the City's claims had been reduced substantially. These remittance advice merely state that the claims were reduced for "excessive time and/or "costs not mandated" and/or Indirect Cost Calc Incorrect". The Controller's October 12, 1999, Notice of Claim Adjustment did not give any more information about why the claims had been reduced or the basis and methodology used to reduce them. It was determined later that the reduction for "Indirect Cost Calc Incorrect" meant that the total salaries and benefits in which the indirect cost rate was applied were reduced by the State Controller's Office resulting in a new base amount of salaries and benefits determined by the State Controller's Office. This was not a calculation error but rather a change to the claim brought on by the reduction of salaries and benefits costs by the Controller.

THE CITY'S CLAIMS COMPLIED WITH THE CLAIMING INSTRUCTIONS AND PARAMETERS AND GUIDELINES REQUIREMENTS

The City's original claims complied with all requirements for payment under the State Controller's Claiming Instructions No 98-2. The City only claimed time that is allowed under the parameters and guidelines. The Controller arbitrarily reduced the claims of the City without identifying specifically which of the documented

costs or documentation it deemed to be inappropriate and without allowing the City any opportunity to adequately defend these claims due to the lack of information given by the Controller for the reduction of these claims.

THE CITY'S CLAIMS ARE PROPER, REASONABLE AND NOT EXCESSIVE

The City timely filed the reimbursement claims. The claims submitted by the City are for costs identified in the parameters and guidelines as approved by the Commission and the claims comply with Claiming Instructions No 98-2 issued by the Controller. The City complied with all requirements for reimbursements that were stated in both the claiming instructions and the parameter and guidelines. The City's claims were reduced and/or denied in totality because the State Controller's Office determined for some unknown reason and method that "excessive time" and/or "costs not mandated" or the Controller's Office created reason "Indirect Cost Calc Incorrect". The City is entitled to full reimbursement of the claims filed under Chapter 793, Statutes of 1995, and Chapters 156 and 749, Statutes of 1996.

THE STATE CONTROLLER'S OFFICE FAILED TO IDENTIFY SPECIFIC COSTS WHICH ARE INELIGIBLE FOR REIMBURSEMENT AND HAS ARBITRARILY AND INCORRECTLY REDUCED THE CITY'S COSTS

The State Controller's Office is required by law to pay the claims submitted by the City as specified in Government Code, section 17561(d). Adjustments to the claims can only be made following an audit of the claims by the Controller as specified in Government Code, Section 17561(d)(2). The Controller did not truly perform any audit of the City's claims or supporting documents. The Controller did not identify any specific costs that it alleges to be improperly claimed under the amended Parameters and Guidelines and the Controller's own Claiming Instructions. Instead, the Controller ignored the Parameters and Guidelines, the Claiming Instructions, the City's claims, and the supporting documentation and reduced or denied the City's claims based on the Controller's own internal criteria for determining what it would reimburse by substituting an arbitrary percentage of time for preparation of the required Annual Investment Policy, and reduced or abolished the time spent in the accumulation of the data required for the Quarterly Reports of Investment, as well as, the preparation, and review of the required investment report. All software costs were denied stating "costs not mandated" for software used specifically to prepare the required report of investments just as it was used many years earlier in a more primitive form when local agencies were required to submit a monthly report of investments as required by Chapters 1226, Statutes of 1984, and Chapter 1526, Statutes of 1985. The State Controller's Claiming Instruction No 91-8 for the reimbursement of the activities required by these two (2) statutes states the following in section 5.4:

Costs to acquire specialized software for compilation of the investment report and cash flow projections are reimbursable. If hardware investment is required, percentage use of this hardware is reimbursed.

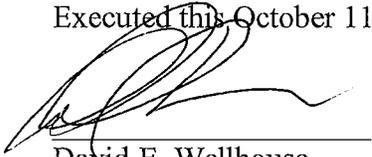
In the event that the City discovers additional information or documentation pertinent to this claim is discovered, the City respectfully reserves the right to amend this Incorrect Reduction Claim to include a request for official notice of such information and documentation.

The actions of the Controller were arbitrary and capricious and contrary to law. The Commission on State Mandates should (1) find that the claims submitted by the City of Lathrop were in compliance with the Parameters and Guidelines approved by the Commission and the Claiming Instruction No 98-2 issued by the State Controller's Office; (2) that the claims were supported by proper documentation, that the costs claimed by the City are all reimbursable pursuant to Article XIII B, Section 6 of the California Constitution, under the Statement of Decision, Parameters and Guidelines and under the Claiming Instructions No 98-2; and (4) direct the Controller to immediately pay the entire amount of the City's claims.

CERTIFICATION

I certify by my signature below that the statements made in this document are true and correct of my own knowledge, or as to all other matters, I believe them to be true and correct based upon information and belief.

Executed this October 11, 2002, at Sacramento, California.

A handwritten signature in black ink, appearing to read 'D. Wellhouse', written over a horizontal line.

David E. Wellhouse

President

David Wellhouse & Associates, Inc.

City of Lathrop
Finance Department



Accounting Division
(209) 858-2860, extension 343
(209) 858-5259, facsimile

June 24, 2002

Ms. Ginny Brummels
Section Manager
Local Reimbursements
State Controller's Office
Division of Accounting & Reporting
3301 C Street, Suite 500
Sacramento, CA 95816

Re: Request to return funds of fiscal years 1995/96, 1996/97, 1997/98, and 1998/99 Investment Reports state mandated cost claims incorrectly withheld by the State Controller's Office.

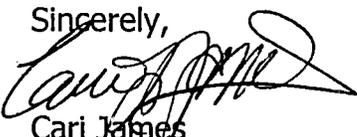
Dear Ms. Brummels:

The purpose of this letter is to request the reinstatement of all funds withheld as shown by the Controller's remittance advices and claim adjustment letters for fiscal years 1995/96, 1996/97, 1997/98 and 1998/99 Investment Reports claims filed with the State Controller's Office on May 20, 1998 and January 15, 1999. The letters received from the Controller's Office incorrectly reduced the City's claims stating that the City of Lathrop had filed for "cost not mandated" and/or "excessive time". This reduction is reminiscent of the denial of cost letters the City received for the Open Meetings Act claims. In this case, the Controller's Office denied significant portions of these claims for similar reasons. These claims were reduced without conducting an audit to determine if in fact they were excessive. The City's Investment Report claims seem to fall into the same category as the prior Open Meetings claim because they apparently were reduced using the same type of audit guidelines used previously by the State Controller and found invalid and contrary to law by the Office of Administrative Law in their written opinion 1999 OAL Determination No. 25 dated October 29, 1999.

The City of Lathrop formally requests the State Controller's Office return all amounts withheld for the 1995/96, 1996/97, 1997/98, and 1998/99 Investment Reports claims timely filed and delivered to your office on May 20, 1998 and January 15, 1999. The City believes that all costs claimed are appropriate costs under the State Controller's Claiming Instructions and the current Parameters and Guidelines adopted by the Commission on State Mandates.

Thank you in advance for your assistance. Should you have any questions, please call David Wellhouse of David Wellhouse & Associates, Inc. (DWA) at (916) 368-9244. Mr. Wellhouse is the contractor who prepares and files all of the City's state mandated cost claims.

Sincerely,


Cari James
Accountant

*mailed
6/24/02*

City of Lathrop
Finance Department

Accounting Division
(209) 858-2860, extension 343
(209) 858-5259, facsimile



Declaration of Cari James

Investment Report Claims of the City of Lathrop

Cari James makes the following declaration and statement under oath:

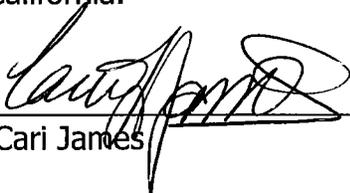
I am the Accountant of Lathrop, California. In my capacity as Accountant I am the custodian of records of the City of Lathrop's Finance Department.

Attached are true and correct copies of the claims filed by the City of Lathrop with the State Controller's Office for costs mandated by Chapter 793, Statutes of 1995, Chapter 156, Statutes of 1996, and Chapter 749, Statutes of 1996 – Investment Reports and correspondence including remittance advices and denial letters received by the City of Lathrop from the State Controller.

The foregoing facts are known to me by my personal knowledge or information or belief and if so required, I could and would testify to the statements made herein.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 24, 2002, at Lathrop, California.


Cari James



9839437

KATHLEEN CONNELL
CONTROLLER OF THE STATE OF CALIFORNIA
DIVISION OF ACCOUNTING AND REPORTING

OCTOBER 12, 1999

CITY FINANCE OFFICER
CITY OF LATHROP
16775 HOWLAND RD SUITE ONE
LATHROP CA 95330

DEAR CLAIMANT:

RE: INVESTMENT REPORTS CH 783/95

WE HAVE REVIEWED YOUR 1995/1996 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED		3,215.00
ADJUSTMENT TO CLAIM:		
INDIRECT COSTS OVERSTATED	-	409.00
COST NOT MANDATED	-	1,097.00
LESS: TOTAL ADJUSTMENTS	-	1,506.00

CLAIM AMOUNT APPROVED		1,709.00

AMOUNT DUE CLAIMANT	\$	1,709.00
		=====

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT LINDA LOHMAN AT (916) 324-0255 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. THE PAYMENT WILL BE FORTHCOMING WITHIN 30 DAYS.

SINCERELY,

JEFF YEE,
MANAGER



9839437

KATHLEEN CONNELL
CONTROLLER OF THE STATE OF CALIFORNIA
DIVISION OF ACCOUNTING AND REPORTING

OCTOBER 12, 1999

CITY FINANCE OFFICER
CITY OF LATHROP
16775 HOWLAND RD SUITE ONE
LATHROP CA 95330

DEAR CLAIMANT:

RE: INVESTMENT REPORTS CH 783/95

WE HAVE REVIEWED YOUR 1996/1997 FISCAL YEAR REIMBURSEMENT CLAIM FOR THE MANDATED COST PROGRAM REFERENCED ABOVE. THE RESULTS OF OUR REVIEW ARE AS FOLLOWS:

AMOUNT CLAIMED		8,093.00
ADJUSTMENT TO CLAIM:		
INDIRECT COSTS OVERSTATED	-	1,785.00
COST NOT MANDATED	-	3,712.00
LESS: TOTAL ADJUSTMENTS	-	5,497.00

CLAIM AMOUNT APPROVED		2,596.00

AMOUNT DUE CLAIMANT	\$	2,596.00
		=====

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT LINDA LOHMAN AT (916) 324-0255 OR IN WRITING AT THE STATE CONTROLLER'S OFFICE, DIVISION OF ACCOUNTING AND REPORTING, P.O. BOX 942850, SACRAMENTO, CA 94250-5875. THE PAYMENT WILL BE FORTHCOMING WITHIN 30 DAYS.

SINCERELY,

JEFF YEE,
MANAGER

**CLAIM FOR PAYMENT
Pursuant to Government Code Section 17561
INVESTMENT REPORTS**

For State Controller Use Only

(19) Program Number 00161
(20) Date Filed ___/___/___
(21) Signature Present _____

(01) Claimant Identification Number 9839437		Reimbursement Claim Data	
(02) Mailing Address		(22) INR-1, (03)	2
Claimant Name City of Lathrop		(23) INR-1, (04)(01)(f)	344
County of Location San Joaquin		(24) INR-1, (04)(2)(f)	2,022
Street Address or P.O. Box 16775 Howland Road #1		(25) INR-1, (06)	52
City Lathrop	State CA	Zip Code 95330	(26)
Type of Claim	Estimated Claim	Reimbursement Claim	(27)
	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(28)
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(29)
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(30)
Fiscal Year of Cost	(06)	(12) 1995-96	(31)
Total Claimed Amount	(07)	(13) \$3,215	(32)
LESS: 10% Late Penalty, but not to exceed \$1,000 (if applicable)		(14)	(33)
LESS: Estimated Claim Payment Received		(15)	(34)
Net Claimed Amount		(16) \$3,215	(35)
Due from State	(08)	(17) \$3,215	(36)
Due to State		(18)	(37)

(38) CERTIFICATION OF CLAIM

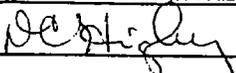
In accordance with the provisions of Government Code 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for costs mandated by Chapter 783, Statutes of 1995, Chapters 156 and 749, Statutes of 1996 and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 through 1096, inclusive.

I further certify that there were no applications for nor any grants or payments received, other than from the claimant for reimbursement of costs claimed herein; and such costs are for new program or increased level of service of an existing program mandated by Chapter 783, Statutes of 1995, Chapters 156 and 749, Statutes of 1996

The amount for estimated and/or reimbursement claims are payment of estimated and/or actual costs for the mandated program of Chapter 1107, Statutes of 1984, set forth on the attached statements.

Signature of Authorized Representative

Date



May 20, 1998

Cindy Higby

Finance Director

Print or type name

Title

Anita K. Worlow (DMG)

(916) 485-8102

(39) Name of Contact Person for Claim

Telephone Number

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 INVESTMENT REPORTS			For State Controller Use Only	
			(19) Program Number 00161	
(01) Claimant Identification Number 9839437			Reimbursement Claim Data	
(02) Mailing Address			(22) INR-1, (03)	2
Claimant Name City of Lathrop			(23) INR-1, (04)(01)(f)	344
County of Location San Joaquin			(24) INR-1, (04)(2)(f)	2,022
Street Address or P.O. Box 16775 Howland Road #1			(25) INR-1, (06)	52
City	State	Zip Code	(26)	
Lathrop	CA	95330		
Type of Claim	Estimated Claim	Reimbursement Claim	(27)	
	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(28)	
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(29)	
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(30)	
Fiscal Year of Cost	(06)	(12)	(31)	
		1995-96		
Total Claimed Amount	(07)	(13)	(32)	
		\$3,215		
LESS: 10% Late Penalty, but not to exceed \$1,000 (if applicable)		(14)	(33)	
LESS: Estimated Claim Payment Received		(15)	(34)	
Net Claimed Amount		(16)	(35)	
		\$3,215		
Due from State	(08)	(17)	(36)	
		\$3,215		
Due to State		(18)	(37)	
(38) CERTIFICATION OF CLAIM				
In accordance with the provisions of Government Code 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for costs mandated by Chapter 783, Statutes of 1995, Chapters 156 and 749, Statutes of 1996 and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 through 1096, inclusive.				
I further certify that there were no applications for nor any grants or payments received, other than from the claimant for reimbursement of costs claimed herein; and such costs are for new program or increased level of service of an existing program mandated by Chapter 783, Statutes of 1995, Chapters 156 and 749, Statutes of 1996				
The amount for estimated and/or reimbursement claims are payment of estimated and/or actual costs for the mandated program of Chapter 1107, Statutes of 1984, set forth on the attached statements.				
<u>Signature of Authorized Representative</u>			<u>Date</u>	
Cindy Higby			May 20, 1998	
Print or type name			Title	
Anita K. Worlow (DMG)			Finance Director	
(39) Name of Contact Person for Claim			Telephone Number	
			(916) 485-8102	

**MANDATED COSTS
INVESTMENT REPORTS
CLAIM SUMMARY**

**FORM
INR-1**

(01) Claimant: City of Lathrop	(02) Type of Claim:	Fiscal Year
	Reimbursement <input checked="" type="checkbox"/>	1995-96
	Estimated <input type="checkbox"/>	

Claim Statistics

(03) Number of investment reports prepared during the fiscal year.	2
--	---



(04) Reimbursable Component:	(a) Salaries	(b) Benefits	(c) Services and Supplies	(d) Fixed Assets	(e) Total
1. Statement of Investment Policy	\$239	\$105			\$344
2. Quarterly Report of Investments	\$1,407	\$615			\$2,022
(05) Total Direct Costs	\$1,646	\$719			\$2,366

Indirect Costs

(06) Indirect Cost Rate	[From ICRP]	51.60%
(07) Total Indirect Costs	[Line (06) x (line (05)(f) - {line (05)(d) + line (05)(e)})]	\$850
(08) Total Direct and Indirect Costs	[Line (05)(f) + line (07)]	\$3,215

Cost Reductions

(09) Less: Offsetting Savings, if applicable		
(10) Less: Other Reimbursements, if applicable		
(11) Total Claimed Amount:	[Line (08) - {Line (09) + Line (10)}]	\$3,215

**MANDATED COSTS
INVESTMENT REPORTS
COMPONENT / ACTIVITY COST DETAIL**

**FORM
INR-2**

(01) Claimant: City of Lathrop

(02) Fiscal year costs were incurred: 1995-96

(03) Reimbursable Components: Check only one box per form to identify the component being claimed.

- Statement of Investment Policy
 Quarterly Report of Investments

(04) Description of Expense: Complete columns (a) through (h)

Object Accounts

(a) Employee Name, Job Classification, Functions Performed and Description of Expense	(b) Hourly Rate of Unit Cost	(c) Benefits	(d) Hours Worked or Quantity	(e) Services and Supplies	(f) Salaries	(g) Benefits	(h) Total Sal & Bgns	(i) Fixed Assets
Cindy Higby, Finance Director Researched new investment report statutes, reviewed existing investment policy, developed draft investment policy and developed internal investment report policies.	\$26.01	43.70%	5.00		\$130	\$57	\$187	
Susan Burns Cochran, City Attorney	\$33.33	43.70%	0.50		\$17	\$7	\$24	
John Bingham, City Manager These individuals reviewed the draft statement of investment policy prior to submitting it to the City Council for approval.	\$40.54	43.70%	1.00		\$41	\$18	\$58	
Cindy Higby, Finance Director Ms. Higby submitted the statement of investment policy to the City Council and responded to their questions.	\$26.01	43.70%	2.00		\$52	\$23	\$75	

(05) Total [] Subtotal [] Page: ___ of ___

\$239 \$105 \$344

**MANDATED COSTS
INVESTMENT REPORTS
COMPONENT / ACTIVITY COST DETAIL**

**FORM
INR-2**

(01) Claimant: City of Lathrop

(02) Fiscal year costs were incurred: 1995-96

(03) Reimbursable Components: Check only one box per form to identify the component being claimed.

- Statement of Investment Policy
 Quarterly Report of Investments

(04) Description of Expense: Complete columns (a) through (h)

Object Accounts

(a) Employee Name, Job Classification, Functions Performed and Description of Expense	(b) Hourly Rate of Unit Cost	(c) Benefits	(d) Hours Worked or Quantity	(e) Services and Supplies	(f) Salaries	(g) Benefits	(h) Total Sal & Bens	(i) Fixed Assets
IMPLEMENTATION COSTS								
Cindy Higby, Finance Director Ms. Higby modified the City's existing policies and procedures for accumulating and compiling data to prepare the quarterly report of investments.	\$26.01	43.70%	4.00		\$104	\$45	\$150	
TRAINING ON NEW POLICIES & PROCEDURES								
Cindy Higby, Finance Director Ms. Higby also spent 4 hours providing internal training sessions on investment reporting.	\$26.01	43.70%	4.00		\$104	\$45	\$150	
Terri Young, Accounting Manager Ms. Young was trained on the new policies and procedures in order to produce the report of investments.	\$17.96	43.70%	4.00		\$72	\$31	\$103	
DEVELOPMENT OF NEW REPORTING SYSTEM								
Terri Young, Accounting Manager Ms. Young revised Excel spreadsheets in order to reflect the City's new policies and procedures.	\$17.96	43.70%	3.25		\$58	\$26	\$84	
ON-GOING COSTS								
Terri Young, Accounting Manager Ms. Young is also responsible for accumulating and compiling data for the report, entering the investment data and running the report, balancing and reconciling the report to the General Ledger and actually preparing the quarterly report of investments.	\$17.96	43.70%	43.64		\$784	\$343	\$1,126	
Cindy Higby, Finance Director Ms. Higby reviews the report for accuracy and edits it as necessary.	\$26.01	43.70%	3.50		\$91	\$40	\$131	
John Bingham, City Manager Reviews and signs the report for submission to the City Council.	\$40.54	43.70%	1.50		\$61	\$27	\$87	
John Bingham, City Manager	\$40.54	43.70%	2.00		\$81	\$35	\$117	
Cindy Higby, Finance Director Attend Council meeting to submit the report.	\$26.01	43.70%	2.00		\$52	\$23	\$75	
(05) Total [] Subtotal [] Page: ____ of ____					\$1,407	\$615	\$2,022	

INDIRECT COST RATE PROPOSAL

Claimant Name: City of Lathrop

Department: Finance

Fiscal Year: 1995-96

Description of Costs	Total Costs	Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Personnel Services:				
1 Salaries & Wages	\$110,336			\$110,336
2 Part-time Wages & Overtime	\$25,445			\$25,445
3 Benefits 43.7%	\$48,253			\$48,253
SUBTOTAL:	\$184,034			\$184,034
Line Item Costs (Services, Supplies & Other):				
4 Professional Services	\$2,331			\$2,331
5 Maintenance and Repair	(\$35)		(\$35)	
6 Financial Services	\$154,039			\$154,039
7 Printing	\$14,452		\$14,452	
8 Auditing Services	\$13,500			\$13,500
9 Sales Tax Services	\$5,647			\$5,647
10 Computer Tech Support	\$9,364		\$9,364	
11 Office Supplies	\$2,841		\$2,841	
12 Postage	\$11,913		\$11,913	
13 Computer Supplies	\$1,625		\$1,625	
14 Telephone	\$2,231		\$2,231	
15 Fixed Charges	\$14,357		\$14,357	
16 Travel	\$111	\$111		
17 Membership/Dues	\$215	\$215		
18 Performance Bond	\$142			\$142
19 Rental Equip	\$11,169		\$11,169	
20 Furniture	\$1,067	\$1,067		
21 Computer/Office Equip	\$316	\$316		
22 Principal	\$13,434			\$13,434
23 Interest	\$2,125		\$2,125	
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
SUBTOTAL:	\$260,844	\$1,709	\$70,042	\$189,093

TOTAL EXPENDITURES: \$444,878

Cost Adjustments and/or Cost Plan Costs:

36

37

SUBTOTAL:

TOTAL COSTS:	\$444,878	\$1,709	\$70,042	\$373,127
---------------------	------------------	----------------	-----------------	------------------

CALCULATED INDIRECT COST RATE = 51.6% **\$70,042** = Total allowable indirect costs
Rate is based on: Salaries **\$135,781** = Total direct salaries

CITY OF LATHROP

REPORT: 11/07/96

Budget Report - Expenditures by FUND

RUN...: 11/07/96 TIME: 15:14

For Calendar Period.: 06-96 Fiscal.: 12-96

Run By.: Cindy Higby

FUND #:	Name:	GENERAL FUND		Encumbrance	Current	Year-to-Date		Unencumbered
		Annual	Annual			Actual	Pct (%)	
Expenditure Description	Orig Budget	Amended Budget	Balance	Actual	Actual	Pct (%)	Balance	
51011 3123 SALARIES-REG FIN DEPT. ADMIN	139221.00	132321.00	0.00	14774.03	110336.09	83.39	21984.91	
51012 3123 SALARIES-P.T. FIN DEPT. ADMIN	0.00	6200.00	0.00	2158.53	17426.64	281.07	-11226.64	
51013 3123 SALARIES-O.T. FIN DEPT. ADMIN	0.00	0.00	0.00	32.67	1408.98	.00	-1408.98	
51014 3123 SALARIES-VAC,SK FIN DEPT. ADMIN	881.00	881.00	0.00	370.09	5467.52	620.60	-4586.52	
51033 3123 HEALTH INS. FIN DEPT. ADMIN	24408.00	24408.00	0.00	1911.52	14922.76	61.14	9485.24	
51034 3123 DENTAL INS. FIN DEPT. ADMIN	0.00	0.00	0.00	243.70	1618.55	.00	-1618.55	
51035 3123 PERS-EMPLOYER FIN DEPT. ADMIN	10043.00	10043.00	0.00	1236.11	9509.65	94.69	533.35	
51036 3123 PERS-EMPLOYEE FIN DEPT. ADMIN	9670.00	9670.00	0.00	1225.11	9423.87	97.45	246.13	
51037 3123 FICA FIN DEPT. ADMIN	2031.00	2031.00	0.00	251.38	1952.17	96.12	78.83	
51038 3123 SUI FIN DEPT. ADMIN	1295.00	1295.00	0.00	0.00	1543.23	119.17	-248.23	
51039 3123 LIFE INSURANCE FIN DEPT. ADMIN	340.00	340.00	0.00	6.40	268.80	79.06	71.20	
51040 3123 VISION INSURANC FIN DEPT. ADMIN	0.00	0.00	0.00	0.00	476.58	.00	-476.58	
51066 3123 WORK.COMP.INS. FIN DEPT. ADMIN	2346.00	2346.00	0.00	0.00	3070.42	130.88	-724.42	
51099 3123 EXP. VARIANCE FIN DEPT. ADMIN	0.00	0.00	0.00	0.01	-0.38	.00	0.38	
52101 3123 CONTRACT SVCS, FIN DEPT. ADMIN	0.00	3108.00	0.00	259.00	2331.00	75.00	777.00	
52104 3123 CONTC. PERSNL FIN DEPT. ADMIN	0.00	6609.00	0.00	2870.48	6608.78	100.00	0.22	
52129 3123 OTHER MAINT&REP FIN DEPT. ADMIN	0.00	0.00	0.00	-35.00	-35.00	.00	35.00	
52143 3123 FINANCIAL SERV FIN DEPT. ADMIN	165485.00	158829.00	0.00	3608.00	154039.37	96.98	4789.63	
52146 3123 PRINT & TYPESET FIN DEPT. ADMIN	500.00	14473.00	0.00	0.00	14452.32	99.86	20.68	
52147 3123 AUDITING SERV FIN DEPT. ADMIN	12000.00	13500.00	0.00	0.00	13500.00	100.00	0.00	
52148 3123 SALES TAX SVCS FIN DEPT. ADMIN	0.00	5648.00	0.00	3731.65	5647.41	99.99	0.59	
52165 3123 COMP.TECH.SUPP. FIN DEPT. ADMIN	11400.00	11400.00	0.00	1685.00	9363.75	82.14	2036.25	
53211 3123 OFFICE SUPPLIES FIN DEPT. ADMIN	2600.00	2600.00	0.00	1191.07	2841.39	109.28	-241.39	
53212 3123 POSTAGE SUPPLIS FIN DEPT. ADMIN	475.00	11837.00	0.00	1139.22	11912.98	100.64	-75.98	
53213 3123 COMPUTER SUPPLY FIN DEPT. ADMIN	2500.00	1950.00	0.00	290.72	1624.70	83.32	325.30	
53215 3123 BILLING OFF. SUP. FIN DEPT. ADMIN	11000.00	0.00	0.00	0.00	0.00	.00	0.00	
53216 3123 BILLING, POSTAGE, FIN. DEPT. ADMIN	11160.00	0.00	0.00	0.00	0.00	.00	0.00	
53271 3123 REFERENCE BOOKS FIN DEPT. ADMIN	200.00	200.00	0.00	0.00	0.00	.00	200.00	
53272 3123 SUBSCRIPTIONS FIN DEPT. ADMIN	200.00	200.00	0.00	0.00	0.00	.00	200.00	
53293 3123 PHONE SERVICES FIN DEPT. ADMIN	3600.00	3050.00	0.00	419.94	2230.78	73.14	819.22	
54200 3123 FIXED CHARGES FIN DEPT. ADMIN	0.00	6000.00	0.00	985.07	14356.55	239.28	-8356.55	
54301 3123 TRAVEL&SUBSIST. FIN DEPT. ADMIN	400.00	400.00	0.00	0.00	111.30	27.83	288.70	
54320 3123 MEMBERSHIP&DUES FIN DEPT. ADMIN	450.00	450.00	0.00	0.00	215.00	47.78	235.00	
54330 3123 TRAIN-&SEMINARS FIN DEPT. ADMIN	1500.00	0.00	0.00	0.00	0.00	.00	0.00	
54340 3123 MILEAGE PER. AUT. FIN DEPT. ADMIN	300.00	0.00	0.00	0.00	0.00	.00	0.00	
54363 3123 PERFORMANCE BOND FIN DEPT. ADMIN	0.00	0.00	0.00	0.00	142.00	.00	-142.00	
54399 3123 RENTS FIN DEPT. ADMIN	11836.00	11836.00	0.00	0.00	11169.40	94.37	666.60	
55411 3123 FURNITURE FIN DEPT. ADMIN	0.00	1100.00	0.00	1066.73	1066.73	96.98	33.27	
55412 3123 PC & OFFICE EQ FIN DEPT. ADMIN	0.00	316.00	0.00	0.00	315.89	99.97	0.11	
58110 3123 PRINCIPAL FIN DEPT. ADMIN	0.00	0.00	0.00	0.00	13433.51	.00	-13433.51	
58210 3123 INTEREST FIN DEPT. ADMIN	0.00	0.00	0.00	0.00	2125.31	.00	-2125.31	
58310 3123 LEASE PAYMENTS FIN DEPT. ADMIN	3522.00	3522.00	0.00	0.00	0.00	.00	3522.00	
DEPT 3123 Subtotal ----->	429363.00	446563.00	0.00	41421.43	444878.05		1684.95	

177,425.26

88-424-88

250,511.05

69494

Post-It™ brand fax transmittal memo 7671 # of pages >

To	ANDY NICHOLS	From	CINDY
Co.	DMG	Co.	LATHROP
Dept.		Phone #	858-2860
Fax #	911-1105-1111	Fax #	

4320 Auburn Blvd., Suite 2000
Sacramento, California 95841
Phone: (916) 485-8102

Fax: (916) 485-0111

**David M. Griffith &
Associates, Ltd.**



To: Cindy Higby **From:** Anita K. Worlow

Fax: 209 858 5259 **Pages:** 1

Phone: 209 858 2860 **Date:** 5/12/98

Re: Salary Information

Urgent For Review Please Comment Please Reply Please Recycle

• Comments:

Cindy: I received your fax on the investment report time involved. To support the \$599 and \$480 training sessions, I will need copies of the invoices for those amounts (location would be helpful also). I have looked through the files provided to me and can only locate salary information for you (and that only for FY 1995-96. Would you please provide the following salaries (annual or monthly, whichever is easiest for you):

	FY 95/96	FY 96/97
Susan Burns	\$ 5,000	\$ 5,465/mo.
John Bingham	\$ 6,081	\$ 6,514
Audrey Fish	-0-	\$ 2,893
Cindy Higby	\$ 3,902	\$ 4,179

Terri Young, Acct. mgr. 2694

Thank you very much for your help on this claim. If you can provide these salaries on Wednesday, May 12, I can get this in overnight mail to you for your signature so that we don't miss next week's deadline.

**CLAIM FOR PAYMENT
Pursuant to Government Code Section 17561
INVESTMENT REPORTS**

For State Controller Use Only

(19) Program Number 00161
(20) Date Filed ____/____/____
(21) Signature Present _____

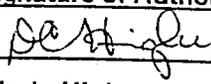
(01) Claimant Identification Number 9839437		Reimbursement Claim Data	
(02) Mailing Address		(22) INR-1, (03)	4
Claimant Name City of Lathrop		(23) INR-1, (04)(01)(f)	681
County of Location San Joaquin		(24) INR-1, (04)(2)(f)	4,912
Street Address or P.O. Box 16775 Howland Road #1		(25) INR-1, (06)	62
City Lathrop	State CA	Zip Code 95330	(26)
Type of Claim	Estimated Claim (03) Estimated <input checked="" type="checkbox"/>	Reimbursement Claim (09) Reimbursement <input checked="" type="checkbox"/>	(27)
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28)
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29)
Fiscal Year of Cost (06) 1997-98	(12) 1996-97	(31)	
Total Claimed Amount (07) \$6,800	(13) \$8,093	(32)	
LESS: 10% Late Penalty, but not to exceed \$1,000 (if applicable)	(14)	(33)	
LESS: Estimated Claim Payment Received	(15)	(34)	
Net Claimed Amount	(16) \$8,093	(35)	
Due from State (08) \$6,800	(17) \$8,093	(36)	
Due to State	(18)	(37)	

(38) CERTIFICATION OF CLAIM

In accordance with the provisions of Government Code 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for costs mandated by Chapter 783, Statutes of 1995, Chapters 156 and 749, Statutes of 1996 and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 through 1096, inclusive.

I further certify that there were no applications for nor any grants or payments received, other than from the claimant for reimbursement of costs claimed herein; and such costs are for new program or increased level of service of an existing program mandated by Chapter 783, Statutes of 1995, Chapters 156 and 749, Statutes of 1996

The amount for estimated and/or reimbursement claims are payment of estimated and/or actual costs for the mandated program of Chapter 1107, Statutes of 1984, set forth on the attached statements.

<u>Signature of Authorized Representative</u> 	<u>Date</u> May 20, 1998
Cindy Higby	Finance Director
Print or type name	Title
Anita K. Worlow (DMG)	(916) 485-8102
(39) Name of Contact Person for Claim	Telephone Number

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 INVESTMENT REPORTS			For State Controller Use Only	
			(19) Program Number 00161	(20) Date Filed ____ / ____ / ____
(01) Claimant Identification Number 9839437			Reimbursement Claim Data	
(02) Mailing Address			(22) INR-1, (03)	4
Claimant Name City of Lathrop			(23) INR-1, (04)(01)(f)	681
County of Location San Joaquin			(24) INR-1, (04)(2)(f)	4,912
Street Address or P.O. Box 16775 Howland Road #1			(25) INR-1, (06)	62
City	State	Zip Code	(26)	
Lathrop	CA	95330		
Type of Claim	Estimated Claim	Reimbursement Claim	(27)	
	(03) Estimated <input checked="" type="checkbox"/>	(09) Reimbursement <input checked="" type="checkbox"/>	(28)	
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(29)	
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(30)	
Fiscal Year of Cost	(06) 1997-98	(12) 1996-97	(31)	
Total Claimed Amount	(07) \$6,800	(13) \$8,093	(32)	
LESS: 10% Late Penalty, but not to exceed \$1,000 (if applicable)			(14)	(33)
LESS: Estimated Claim Payment Received			(15)	(34)
Net Claimed Amount			(16)	(35) \$8,093
Due from State	(08) \$6,800	(17) \$8,093	(17)	(36)
Due to State		(18)	(18)	(37)
(38) CERTIFICATION OF CLAIM				
<p>In accordance with the provisions of Government Code 17561, I certify that I am the person authorized by the local agency to file claims with the State of California for costs mandated by Chapter 783, Statutes of 1995, Chapters 156 and 749, Statutes of 1996 and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 through 1096, inclusive.</p> <p>I further certify that there were no applications for nor any grants or payments received, other than from the claimant for reimbursement of costs claimed herein; and such costs are for new program or increased level of service of an existing program mandated by Chapter 783, Statutes of 1995, Chapters 156 and 749, Statutes of 1996</p> <p>The amount for estimated and/or reimbursement claims are payment of estimated and/or actual costs for the mandated program of Chapter 1107, Statutes of 1984, set forth on the attached statements.</p>				
<u>Signature of Authorized Representative</u>			<u>Date</u>	
_____			May 20, 1998	
Cindy Higby			Finance Director	
Print or type name			Title	
Anita K. Worlow (DMG)			(916) 485-8102	
(39) Name of Contact Person for Claim			Telephone Number	

**MANDATED COSTS
INVESTMENT REPORTS
CLAIM SUMMARY**

**FORM
INR-1**

(01) Claimant: City of Lathrop

(02) Type of Claim:

Reimbursement

Estimated

Fiscal Year

1996-97

1997-98

Claim Statistics

(03) Number of investment reports prepared during the fiscal year.

4

(04) Reimbursable Component:

	(a) Salaries	(b) Benefits	(c) Services and Supplies	(d) Fixed Assets	(e) Total
1. Statement of Investment Policy	\$489	\$192			\$681
2. Quarterly Report of Investments	\$3,526	\$1,386			\$4,912
(05) Total Direct Costs	\$4,014	\$1,578			\$5,592

Indirect Costs

(06) Indirect Cost Rate

[From ICRP]

62.30%

(07) Total Indirect Costs

[Line (06) x ((line (05)(f) - ((line (05)(d) + line (05)(e))))]

\$2,501

(08) Total Direct and Indirect Costs

[Line (05)(f) + line (07)]

\$8,093

Cost Reductions

(09) Less: Offsetting Savings, if applicable

(10) Less: Other Reimbursements, if applicable

(11) Total Claimed Amount:

[Line (08) - (Line (09) + Line (10))]

\$8,093

**MANDATED COSTS
INVESTMENT REPORTS
COMPONENT / ACTIVITY COST DETAIL**

**FORM
INR-2**

(01) Claimant: City of Lathrop

(02) Fiscal year costs were incurred: 1996-97

(03) Reimbursable Components: Check only one box per form to identify the component being claimed.

- Statement of Investment Policy
 Quarterly Report of Investments

(04) Description of Expense: Complete columns (a) through (h)

Object Accounts

(a) Employee Name, Job Classification, Functions Performed and Description of Expense	(b) Hourly Rate of Unit Cost	(c) Benefits	(d) Hours Worked or Quantity	(e) Services and Supplies	(f) Salaries	(g) Benefits	(h) Total Sal & Bens	(i) Fixed Assets
<u>Cindy Higby, Finance Director</u> Ms. Higby researched the new investment report statutes, reviewed the existing investment policy and modified it to remain in conformance with state requirements.	\$27.86	39.30%	9.50		\$265	\$104	\$369	
<u>Susan Burns Cochran, City Attorney</u>	\$36.43	39.30%	1.00		\$36	\$14	\$51	
<u>John Bingham, City Manager</u> Both Ms. Cochran and Mr. Bingham reviewed the modified investment policy prior to submitting it to the City Council for approval.	\$43.43	39.30%	1.75		\$76	\$30	\$106	
<u>Cindy Higby, Finance Director</u> Ms. Higby submitted the statement of investment policy to the Council, responding to questions regarding the policy.	\$27.86	39.30%	4.00		\$111	\$44	\$155	

(05) Total [] Subtotal [] Page: ___ of ___

\$489 \$192 \$681

**MANDATED COSTS
INVESTMENT REPORTS
COMPONENT / ACTIVITY COST DETAIL**

**FORM
INR-2**

(01) Claimant: City of Lathrop

(02) Fiscal year costs were incurred:

1996-97

(03) Reimbursable Components: Check only one box per form to identify the component being claimed.

Statement of Investment Policy

Quarterly Report of Investments

(04) Description of Expense: Complete columns (a) through (h)

Object Accounts

(a) Employee Name, Job Classification, Functions Performed and Description of Expense	(b) Hourly Rate of Unit Cost	(c) Benefits	(d) Hours Worked or Quantity	(e) Services and Supplies	(f) Salaries	(g) Benefits	(h) Total Sal & Bens	(i) Fixed Assets
IMPLEMENTATION COSTS								
Cindy Higby, Finance Director Ms. Higby spent 6 hours further modifying the City's policies and procedures for accumulating and compiling data to prepare the investment report.	\$27.86	39.30%	6.50		\$181	\$71	\$252	
TRAINING ON NEW POLICIES & PROCEDURES								
Cindy Higby, Finance Director Ms. Higby attended a financial management seminar and 2 CSMFO sessions in order to learn more about the new reporting requirements.	\$27.86	39.30%	16.00		\$446	\$175	\$621	
Ms. Higby also provided internal training on the investment reporting.	\$27.86	39.30%	8.00		\$223	\$88	\$310	
Audrey Fish, Accountant As the individual responsible for producing the quarterly reports, Ms. Fish was trained on the modified policies for reporting.	\$19.29	39.30%	8.00		\$154	\$61	\$215	
MODIFICATION OF REPORTING SYSTEM								
Audrey Fish, Accountant Ms. Fish made revisions to the Excel spreadsheets in order to comply with new policies.	\$19.29	39.30%	6.50		\$125	\$49	\$175	
ON-GOING COSTS								
Audrey Fish, Accountant Ms. Fish accumulate and compiles data for the report, entering the investment data and running a report, balancing and reconciling the report to the General Ledger, and finally producing the quarterly report of investments.	\$19.29	39.30%	89.24		\$1,721	\$676	\$2,398	
Cindy Higby, Finance Director Ms. Higby reviews the report for accuracy and edits it as necessary.	\$27.86	39.30%	9.33		\$260	\$102	\$362	
John Bingham, City Manager Reviews and signs the report for submission to the City Council.	\$43.43	39.30%	3.00		\$130	\$51	\$181	
John Bingham, City Manager	\$43.43	39.30%	4.00		\$174	\$68	\$242	
Cindy Higby, Finance Director Attend the City Council meeting to render the report and respond to questions from the Council.	\$27.86	39.30%	4.00		\$111	\$44	\$155	

(05) Total [] Subtotal [] Page: ___ of ___

\$3,526 \$1,386 \$4,912

INDIRECT COST RATE PROPOSAL

Claimant Name: City of Lathrop

Department: Finance

Fiscal Year: 1996-97

Description of Costs	Total Costs	Unallowable Costs	Allowable Indirect Costs	Allowable Direct Costs
Personnel Services:				
1 Salaries & Wages	\$155,428			\$155,428
2 Part-time Wages & Overtime	\$10,399			\$10,399
3 Benefits	39.3% \$61,088			\$61,088
SUBTOTAL:	\$226,915			\$226,915
Line Item Costs (Services, Supplies & Other):				
4 Contract Services	\$31,241			\$31,241
5 Contract Personnel	\$2,892			\$2,892
6 Office Equipment Maintenance	\$790		\$790	
7 Other Maintenance and Repair	\$59		\$59	
8 Print and Typeset	\$12,950		\$12,950	
9 Auditing Services	\$17,350			\$17,350
10 Sales Tax Services	\$3,394			\$3,394
11 Computer Tech Support	\$11,475		\$11,475	
12 Office Supplies	\$5,155		\$5,155	
13 Postage	\$13,131		\$13,131	
14 Duplication Charges	\$601		\$601	
15 Subscriptions	\$678			\$678
16 Telephone	\$2,748		\$2,748	
17 Fixed Charges	\$34,652			\$34,652
18 Travel	\$556			\$556
19 Conference Fees	\$210			\$210
20 Membership/Dues	\$220			\$220
21 Training & Seminars	\$480			\$480
22 Rents	\$15,860		\$15,860	
23 Furniture	\$1,315			\$1,315
24 Computer/Office Equip	\$16,241			\$16,241
25 Principal	\$14,398		\$14,398	
26 Interest	\$1,162		\$1,162	
27				
28				
29				
30				
31				
32				
33				
34				
35				
SUBTOTAL:	\$187,558		\$78,329	\$109,229
TOTAL EXPENDITURES:	\$414,473			
Cost Adjustments and/or Cost Plan Costs:				
36 Citywide Cost Plan	\$25,045		\$25,045	
37				
SUBTOTAL:	\$25,045		\$25,045	
TOTAL COSTS:	\$439,518		\$103,374	\$336,144
CALCULATED INDIRECT COST RATE =				
	62.3%	\$103,374	= Total allowable indirect costs	
Rate is based on: Salaries		\$165,827	= Total direct salaries	

REPORT.: 11/17/97
 RUN.....: 11/17/97 TIME: 14:10
 Run By.: Audrey Fish

CITY OF LATHROP
 Budget Report - Expenditures by FUND
 For Calendar Period.: 06-97 Fiscal.: 12-97

PAGE: 0
 ID #: GL
 CTL.: L

FINANCE 96-7

FUND #: 101 Name: GENERAL FUND

Expenditure Description	Annual		Encumbrance Balance	Current Actual	Year-to-Date		Unencumber Balance
	Orig Budget	Amended Budget			Actual	Pct(%)	
51011 3123 SALARIES-REG FIN DEPT. ADMIN	181712.00	170468.00	0.00	19090.84	155428.48	91.18	15039.
51012 3123 SALARIES-P.T. FIN DEPT. ADMIN	0.00	8351.00	0.00	1257.44	7731.55	92.58	619.
51013 3123 SALARIES-O.T. FIN DEPT. ADMIN	0.00	0.00	0.00	100.27	2666.90	.00	-2666.
51014 3123 SALARIES-VAC,SK FIN DEPT. ADMIN	0.00	0.00	0.00	1434.76	11380.01	.00	-11380.
51033 3123 HEALTH INS. FIN DEPT. ADMIN	12660.00	12660.00	0.00	0.00	14999.07	118.48	-2339.
51034 3123 DENTAL INS. FIN DEPT. ADMIN	3312.00	3312.00	0.00	0.00	3572.56	107.87	-260.
51035 3123 PERS-EMPLOYER FIN DEPT. ADMIN	11007.00	11007.00	0.00	1243.44	10331.17	93.86	675.
51036 3123 PERS-EMPLOYEE FIN DEPT. ADMIN	12719.00	12719.00	0.00	1450.72	12062.90	94.84	656.
51037 3123 FICA FIN DEPT. ADMIN	2634.00	2634.00	0.00	395.24	2803.00	106.42	-169.
51038 3123 SUI FIN DEPT. ADMIN	1680.00	1680.00	0.00	49.04	1791.83	106.66	-111.
51039 3123 LIFE INSURANCE FIN DEPT. ADMIN	385.00	385.00	0.00	32.00	371.20	96.42	13.
51040 3123 VISION INSURANC FIN DEPT. ADMIN	1044.00	1044.00	0.00	101.62	1124.18	107.68	-80.
51066 3123 WORK.COMP.INS. FIN DEPT. ADMIN	2887.00	2887.00	0.00	0.00	2652.09	91.86	234.
51099 3123 EXP. VARIANCE FIN DEPT. ADMIN	0.00	0.00	0.00	0.10	0.64	.00	-0.
52101 3123 CONTRACT SVCS. FIN DEPT. ADMIN	0.00	36352.00	0.00	11052.65	31240.77	85.94	5111.
52104 3123 CONTC. PERSNL FIN DEPT. ADMIN	0.00	2893.00	0.00	0.00	2892.30	99.98	0.
52122 3123 OFFICE EQ MAINT FIN DEPT. ADMIN	0.00	800.00	0.00	0.00	789.76	98.72	10.
52129 3123 OTHER MAINT&REP FIN DEPT. ADMIN	0.00	59.00	0.00	0.00	59.00	100.00	0.
52143 3123 FINANCIAL SERV FIN DEPT. ADMIN	60500.00	0.00	0.00	0.00	0.00	.00	0.
52146 3123 PRINT & TYPESET FIN DEPT. ADMIN	17500.00	16298.00	0.00	256.12	12949.71	79.46	3348.
52147 3123 AUDITING SERV FIN DEPT. ADMIN	15000.00	17350.00	0.00	0.00	17350.00	100.00	0.
52148 3123 SALES TAX SRVCS FIN DEPT. ADMIN	4485.00	4485.00	0.00	0.00	3393.53	75.66	1091.
52155 3123 COMP.TECH.SUPP. FIN DEPT. ADMIN	11400.00	11400.00	0.00	95.00	11475.00	100.66	-75.
53211 3123 OFFICE SUPPLIES FIN DEPT. ADMIN	3060.00	4260.00	0.00	1010.07	5155.15	121.01	-895.
53212 3123 POSTAGE SUPPLIS FIN DEPT. ADMIN	12100.00	12400.00	0.00	1755.58	13131.12	105.90	-731.
53213 3123 DUPLICATING CHR FIN DEPT. ADMIN	2500.00	1300.00	0.00	7.13	601.65	46.28	698.
53249 3123 MISC. EXPENSES FIN DEPT. ADMIN	0.00	679.00	0.00	0.00	678.37	99.91	0.
53271 3123 REFERENCE BOOKS FIN DEPT. ADMIN	200.00	200.00	0.00	0.00	0.00	.00	200.
53272 3123 SUBSCRIPTIONS FIN DEPT. ADMIN	200.00	200.00	0.00	0.00	0.00	.00	200.
53293 3123 PHONE SERVICES FIN DEPT. ADMIN	4100.00	4100.00	0.00	438.12	2747.59	67.01	1352.
54200 3123 FIXED CHARGES FIN DEPT. ADMIN	13000.00	36000.00	0.00	1066.82	34651.65	96.25	1348.
54301 3123 TRAVEL&SUBSIST. FIN DEPT. ADMIN	1250.00	1190.00	0.00	9.82	555.78	46.70	634.
54310 3123 CONFERENCE FEES FIN DEPT. ADMIN	400.00	400.00	0.00	0.00	210.00	52.50	190.
54320 3123 MEMBERSHIP&DUES FIN DEPT. ADMIN	450.00	450.00	0.00	0.00	220.00	48.89	230.
54330 3123 TRAIN.&SEMINARS FIN DEPT. ADMIN	3000.00	2171.00	0.00	0.00	480.00	22.11	1691.
54399 3123 RENTS FIN DEPT. ADMIN	16000.00	16000.00	0.00	4142.72	15859.76	99.12	140.
55411 3123 FURNITURE FIN DEPT. ADMIN	4590.00	2106.00	0.00	0.00	1314.55	62.42	791.
55412 3123 PC & OFFICE EQ FIN DEPT. ADMIN	685.00	16808.00	0.00	0.00	16240.58	96.62	567.
58110 3123 PRINCIPAL FIN DEPT. ADMIN	45600.00	31012.00	0.00	0.00	14398.35	46.43	16613.
58210 3123 INTEREST FIN DEPT. ADMIN	0.00	0.00	0.00	0.00	1161.52	.00	-1161.
DEPT 3123 Subtotal ----->	446060.00	446060.00	0.00	44989.50	414471.72		31588.2

CITY OF LATHROP, CALIFORNIA
 OMB PLAN
 3123 FINANCE

Costs to be allocated

	1st Allocation	2nd Allocation	Sub-total	Total
Expenditures per financial statement:				
	\$346,319			\$346,319
Deductions:				
CAPITAL OUTLAY	(315)			
PRINCIPAL	(12,400)			
INTEREST	(1,893)			
Total deductions:	(14,608)			(14,608)
Allocated additions:				
EQUIPMENT USE CHARGE	3,471		3,471	
1121 CITY MANAGER	3,780	502	4,282	
3123 FINANCE		5,229	5,229	
2124 PERSONNEL & RISK MGT		11,954	11,954	
1991 CITY HALL		5,338	5,338	
Total allocated additions:	7,251	23,023	30,274	30,274
Departmental cost adjustments:				
3-MOS PROJECTED EXP	110,570			110,570
Total departmental cost adjustments:	110,570			110,570
Total to be allocated:	\$449,532	\$23,023		\$472,555

4320 Auburn Blvd., Suite 2000
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Fax: (916) 485-0111

**David M. Griffith &
Associates, Ltd.**



To: Cindy Higby From: Anita K. Worlow
Fax: 209 858 5259 Pages: 1
Phone: 209 858 2860 Date: 5/12/98
Re: Salary Information

Urgent For Review Please Comment Please Reply Please Recycle

● **Comments:**

Cindy: I received your fax on the investment report time involved. To support the \$599 and \$480 training sessions, I will need copies of the invoices for those amounts (location would be helpful also). I have looked through the files provided to me and can only locate salary information for you (and that only for FY 1995-96. Would you please provide the following salaries (annual or monthly, whichever is easiest for you):

	FY 95/96	FY 96/97
Susan Burns	<u>\$ 5,000</u>	<u>\$ 5,465/mo.</u>
John Bingham	<u>\$ 6,081</u>	<u>\$ 6,514</u>
Audrey Fish	<u>-0-</u>	<u>\$ 2,893</u>
Cindy Higby	<u>\$ 3,902</u>	<u>\$ 4,179</u>

Terri Young, Acct. mgr. 21894

Thank you very much for your help on this claim. If you can provide these salaries on Wednesday, May 12, I can get this in overnight mail to you for your signature so that we don't miss next week's deadline.