

CITY OF CERES, CALIFORNIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2019



Prepared by:

Leticia Dias
Acting Finance Director

This page intentionally left blank.



City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Table of Contents	i
Organization Chart	v
List of Officials	vii
FINANCIAL SECTION	
Independent Auditors’ Report	1
Management’s Discussion and Analysis (Required Supplementary Information)	3
Basic Financial Statements:	
<i>Government-Wide Financial Statements:</i>	
Statement of Net Position	19
Statement of Activities	20
<i>Fund Financial Statements:</i>	
Governmental Funds:	
Balance Sheet	24
Reconciliation of Governmental Funds Balance Sheet to the	
Statement of Net Position	26
Reconciliation of Fund Basis Balance Sheet to Government-wide	
Statement of Net Position – Governmental Activities.....	27
Statement of Revenues, Expenditures, and Changes	
in Fund Balances – Governmental Funds.....	28
Reconciliation of Fund Basis Statements to Government-wide	
Statement of Activities	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes	
in Fund Balances of Governmental Funds to the Statement of Activities.....	31
Statement of Revenues, Expenditures, and Changes in	
Fund Balances - Budget to Actual – General Fund and	
Major Special Revenue Funds	32

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Table of Contents, Continued

	<u>Page</u>
Basic Financial Statements, Continued:	
<i>Fund Financial Statements, Continued:</i>	
Proprietary Funds:	
Statement of Net Position – Proprietary Funds	38
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	39
Statement of Cash Flows – Proprietary Funds	40
Fiduciary Funds:	
Statement of Fiduciary Net Position – Fiduciary Funds.....	41
Statement of Changes in Fiduciary Net Position – Private Purpose Trust Funds	42
Notes to Basic Financial Statements	45
Required Supplementary Information:	
Schedule of Employer Contributions	94
Schedule of the Changes in Net Pension Liability and Related Ratios	95
Combining and Individual Fund Financial Statements and Schedules:	
Nonmajor Special Revenue Funds:	
Combining Balance Sheet.....	102
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	108
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Street Tree	114
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Storm Drain Benefit Districts.....	115
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Brown Annex	116
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Eastgate Street Benefit District	117
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – AB 939	118
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Neighborhood Park Fees	119
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – BEGIN Grant.....	120
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Program Income BEGIN.....	121
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Measure H	122
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – State Gas Tax.....	123

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Table of Contents, Continued

	<u>Page</u>
Combining and Individual Fund Financial Statements and Schedules, Continued:	
Nonmajor Special Revenue Funds, Continued:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Prop 1B.....	124
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – SLESF	125
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Abandoned Vehicle Abatement.....	126
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Seized Property.....	127
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Downtown Revitalization.....	128
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Street-Light and Landscape District.....	129
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Traffic Offender	130
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Traffic Safety.....	131
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Used Oil Grants	132
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – ARRA.....	133
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Department of Conservation Grant	134
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – CMAQ.....	135
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Community Facilities District	136
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Fire Hydrant Benefit District.....	137
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Transportation Development Act	138
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Community Center	139
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – LLEBG	140
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Public Facilities Fees.....	141

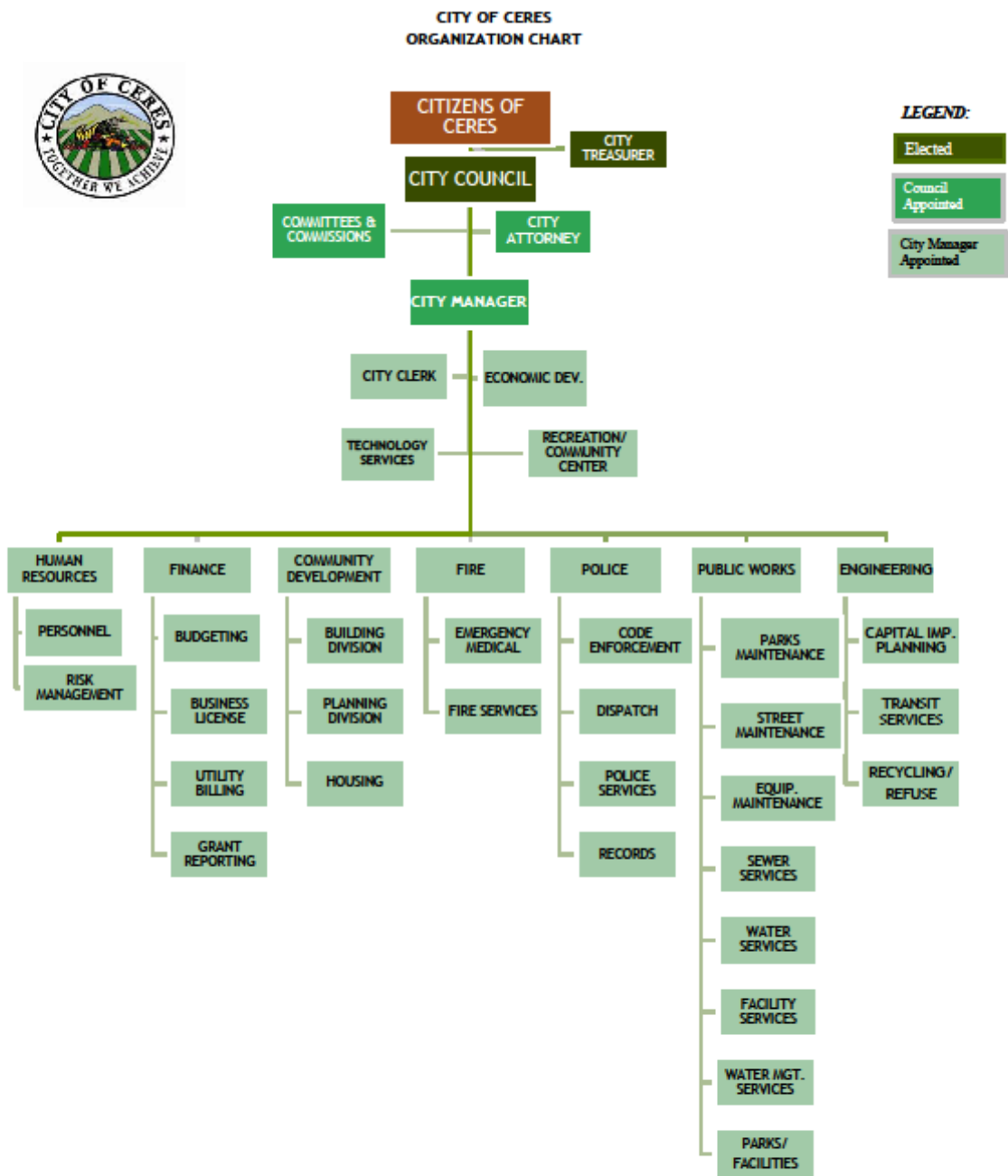
City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Table of Contents, Continued

	<u>Page</u>
Combining and Individual Fund Financial Statements and Schedules, Continued:	
Nonmajor Special Revenue Funds, Continued:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Daniel Whitmore House	142
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – River Bluff Regional Park	143
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Ceres Community Foundation.....	144
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – 2018 Public Safety Grants	145
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Clinton Whitmore Mansion.....	146
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Measure L	147
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Road Maintenance and Rehab	148
Internal Service Funds:	
Statement of Fund Net Position – Internal Service Funds.....	151
Statement of Revenues, Expenses, and Changes in Fund Net Position– Internal Service Funds	152
Combining Statement of Cash Flows – Internal Service Funds	153
Trust and Agency Funds:	
Combining Statement of Net Position – Private Purpose Trust Funds.....	155
Combining Statement of Changes in Fiduciary Net Position– Private Purpose Trust Funds	156
Combining Statement of Changes in Assets and Liabilities – Westpointe Assessment District Debt Service Agency Fund	157

City of Ceres, California
 Basic Financial Statements
 For the year ended June 30, 2019

Organization Chart



This page intentionally left blank.



City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

List of Officials

CITY COUNCIL

- Chris Vierra, Mayor
- Linda Ryno, Vice Mayor
- Bret Durossette
- Channce Condit
- Mike Kline

CITY OFFICIALS

- Toby E. Wells, P.E., City Manager
- Leticia Dias, Acting Finance Director
- Harry Herbert, City Treasurer
- Diane Nayares-Perez, City Clerk
- Tom Hallinan, City Attorney

This page intentionally left blank.





JJACPA, Inc.

A Professional Accounting Services Corp.

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council
of the City of Ceres
Ceres, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and budgetary comparison information of the City of Ceres, California (City), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and budgetary comparison information of the City of Ceres, California, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3-16, the Schedule of Employer Contributions on page 94, and the Schedule of Changes in Net Pension Liability and Related Ratios on page 95 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, which includes the combining and individual nonmajor fund financial statements other information, which includes the introductory section, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance and is included in the City's Single Audit Report.

February 28, 2020

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis

This section provides a narrative overview and analysis of the financial activities of the City of Ceres (City) for the fiscal year ended June 30, 2019. It should be read in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

- ◆ As of June 30, 2019, total assets of the City exceeded its liabilities by \$137,641,658 (net position). The portion of net position that may be used to meet the government's ongoing obligations to citizens and creditors (unrestricted net position) is \$22,553,998. There are currently \$6,558,514 of net position that are restricted and may only be used for a specific purpose. The remaining \$108,529,146 is the net investment in capital assets.
- ◆ As of June 30, 2019, the City's Governmental Activities reported combined net position of \$91,836,404 of that, (\$1,441,246) is unrestricted.
- ◆ As of June 30, 2019, the City's governmental funds reported combined ending fund balances of \$17,154,953. Approximately 77% of this total amount (\$13.1 million) is nonspendable, restricted, committed or assigned to indicate that it is not available for new spending because it has already been set aside for a specific purpose due to a law, regulation, or Council action or it is not part of available, spendable resources. Of the remaining balance, \$6,299,595 is committed as a "general fund reserve" for economic uncertainties and anticipated future short-term structural deficits.
- ◆ Capital assets in the governmental activities, net of depreciation, increased to \$87,813,273 from \$85,566,171, which includes \$102,906,978 of infrastructure per the requirements of GASB 34. This increase is attributed to the purchase of land, addition of city vehicles and the completion of several infrastructure projects.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

OVERVIEW OF THE ANNUAL FINANCIAL REPORT

This Annual Financial Report is in two major parts:

- 1) **Introductory section**, which includes general information;
- 2) **Financial section**, which includes the Management's Discussion and Analysis (this part), the Basic Financial Statements, which include the Government-wide and the Fund Financial Statements along with the notes to these financial statements, and supplementary information, which includes Combining and Individual Fund Financial Statements and Schedules.

The Basic Financial Statements

The Basic Financial Statements are comprised of the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the City's financial activities and financial position.

The Government-wide Financial Statements

The Government-wide Financial Statements provide a broad overview of the City's activities as a whole and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the City as a whole, including all its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all the City's revenues and all its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each the City's programs. The Statement of Activities explains in detail the change in Net Position for the year.

All of the City's activities are grouped into Governmental Activities and Business-type activities, as explained below. All the amounts in the Statement of Net Position and the Statement of Activities are separated into Governmental Activities and Business-type Activities in order to provide a summary of these two activities of the City as a whole.

- ♦ ***Governmental activities*** – All of the City's basic services are considered to be governmental activities, including general government, community development, economic development, public safety, animal control, engineering, community events, public improvements, planning and zoning, building inspections, and general administration. These services are supported by general City revenues such as taxes and by specific program revenues such as developer fees.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

OVERVIEW OF THE ANNUAL FINANCIAL REPORT, Continued

The Government-wide Financial Statements, Continued

- ◆ ***Business-type activities*** – All the City's enterprise activities are reported here, including Water, Sewer, and STANCOG. Unlike governmental services, these services are supported by charges paid by users based on the amount of the service they use.

Fund Financial Statements

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

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

Because the focus of the Governmental Fund Financial Statements is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-wide Financial Statement. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Governmental Fund Financial Statements provide detailed information about each of the City's most significant funds, called major funds. The concept of major funds, and the determination of which are major funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them as one total. Instead, each major fund is presented individually, with all nonmajor funds summarized and presented only in a single column. Subordinate schedules present the detail of these nonmajor funds. Major funds present the major activities of the City for the year, and may change from year to year as a result of changes in the pattern of the City's activities.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

OVERVIEW OF THE ANNUAL FINANCIAL REPORT, Continued

Fund Financial Statements, Continued

For the fiscal year ended June 30, 2019, the City's major funds are as follows:

GOVERNMENTAL FUNDS:

- ◆ General Fund
- ◆ Street Expansion Special Revenue Fund
- ◆ HOME Program Grants Special Revenue Fund
- ◆ CDBG Grants Special Revenue Fund

PROPRIETARY FUNDS:

- ◆ Water Enterprise Fund
- ◆ Sewer Enterprise Fund
- ◆ STANCOG Enterprise Fund

Proprietary funds. The City maintains Enterprise-type and internal service proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the Government-wide Financial Statements. The City uses enterprise funds to account for Water, Sewer, and STANCOG activities. Proprietary funds provide the same type of information as the Government-wide Financial Statements, only in more detail. Internal service funds present operations for services provided within the government. Internal service funds are maintained for equipment, information technology, risk management, and building maintenance activities. The proprietary fund financial statements provide separate information for the all of the enterprise operations and a combined total for the internal service funds, which are consolidated into governmental activities at the government-wide statement level.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes to the basic financial statements can be found on pages 45–92 of this report.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

OVERVIEW OF THE ANNUAL FINANCIAL REPORT, Continued

Combining and Individual Fund Financial Statements and Schedules

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements can be found on pages 102-157 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

In the case of the City, assets exceeded liabilities by \$137,628,621 as of June 30, 2019.

The Summary of Net Position as of June 30, 2019, and 2018, follows:

	Summary of Net Position					
	2019			2018		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
Current and other assets	\$ 28,505,787	\$ 26,706,194	\$ 55,211,981	\$ 23,160,514	\$ 28,471,302	\$ 51,631,816
Noncurrent assets	95,040,804	34,640,602	129,681,406	92,967,240	29,864,475	122,831,715
Total assets	123,546,591	61,346,796	184,893,387	116,127,754	58,335,777	174,463,531
Deferred outflows: Pension Plan	11,226,326	1,850,059	13,076,385	10,707,847	1,751,596	12,459,443
Total assets and deferred outflows	134,772,917	63,196,855	197,969,772	126,835,601	60,087,373	186,922,974
Current and other liabilities	5,645,767	1,889,967	7,535,734	5,735,969	1,847,236	7,583,205
Long-term liabilities	34,600,590	15,071,006	49,671,596	31,593,927	15,317,147	46,911,074
Total liabilities	40,246,357	16,960,973	57,207,330	37,329,896	17,164,383	54,494,279
Deferred inflows: Pension Plan	2,690,156	430,628	3,120,784	2,690,156	430,628	3,120,784
Total liabilities and deferred inflows	42,936,513	17,391,601	60,328,114	40,020,052	17,595,011	57,615,063
Net position:						
Net investment in capital assets	86,719,136	21,810,010	108,529,146	84,368,226	19,569,258	103,937,484
Restricted	6,558,514	-	6,558,514	4,733,813	-	4,733,813
Unrestricted	(1,441,246)	23,995,244	22,553,998	(2,286,490)	22,923,104	20,636,614
Total net position	\$ 91,836,404	\$ 45,805,254	\$ 137,641,658	\$ 86,815,549	\$ 42,492,362	\$ 129,307,911

Restricted net position increased by \$1,824,701 due to increased revenue from CMAQ funding. The increased revenues are committed to projects by the City Council.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The change in net position for the fiscal years ended June 30, 2019, and 2018, follows:

	2019			2018		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 3,264,388	\$ 24,050,734	\$ 27,315,122	\$ 2,901,515	\$ 20,010,538	\$ 22,912,053
Grants and contributions:						
Operating	13,758,443	-	13,758,443	9,760,434	-	9,760,434
Capital	3,333,479	-	3,333,479	2,070,198	-	2,070,198
General revenues:						
Property taxes and assessments	2,314,612	-	2,314,612	2,215,118	-	2,215,118
Sales and use tax	8,465,453	-	8,465,453	7,390,840	-	7,390,840
Utility users tax	804,203	-	804,203	821,126	-	821,126
Other taxes	825,894	-	825,894	788,177	-	788,177
State motor vehicle in-lieu tax	3,713,407	-	3,713,407	3,564,448	-	3,564,448
Use of money and property	226,290	320,506	546,796	184,729	232,810	417,539
Other general	123,319	11,341	134,660	173,168	1,830	174,998
Total revenues	36,829,488	24,382,581	61,212,069	29,869,753	20,245,178	50,114,931
Expenses:						
Governmental activities:						
General government	4,118,389	-	4,118,389	3,548,222	-	3,548,222
Public safety	23,028,824	-	23,028,824	22,519,370	-	22,519,370
Engineering and transportation	1,437,315	-	1,437,315	1,663,273	-	1,663,273
Public works	2,630,476	-	2,630,476	69,794	-	69,794
Community services	3,045,511	-	3,045,511	3,284,127	-	3,284,127
Economic development	345,156	-	345,156	83,053	-	83,053
Interest and fiscal charges	18,721	-	18,721	107,548	-	107,548
Business-type activities:						
Water	-	8,575,003	8,575,003	-	6,666,026	6,666,026
Sewer	-	8,834,190	8,834,190	-	8,319,750	8,319,750
STANCOG	-	844,737	844,737	-	812,658	812,658
Total expenses	34,624,392	18,253,930	52,878,322	31,275,387	15,798,434	47,073,821
Excess (Deficiency) of revenues over expenditures before transfers	2,205,096	6,128,651	8,333,747	(1,405,634)	4,446,744	3,041,110
Transfers	2,815,759	(2,815,759)	-	-	-	-
Change in net position	5,020,855	3,312,892	8,333,747	(1,405,634)	4,446,744	3,041,110
Net position:						
Beginning of year	86,815,549	42,492,362	129,307,911	88,221,183	38,045,618	126,266,801
End of year	\$ 91,836,404	\$ 45,805,254	\$ 137,641,658	\$ 86,815,549	\$ 42,492,362	\$ 129,307,911

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Revenues

The City's total revenues for governmental and business-type activities were \$61,212,069 for the fiscal year ended June 30, 2019. Approximately 47% of the City's key revenues are generated from four major sources.

The following discusses variances in key revenues from the prior fiscal year:

1. **Sales Tax.** Annual receipts increased by 15%. This increase is mainly attributed to cannabis sales within the City.
2. **Property Tax.** Annual receipts increase by 5%, due to an increase in the assessed values and increased sale of foreclosed homes.
3. **Grants and Contributions – Governmental Activities Operating.** The increase in Governmental operating grants and contributions was mainly due to an increase in CMAQ funding and development agreements.
4. **State Motor Vehicle In-Tax –** Annual receipts increased by 5%. The increase is due to increased vehicle registration fees.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Expenses

Governmental and business-type activity expenses of the City for the year totaled \$52,878,322. Governmental activity expenses totaled \$34,624,392 or 65% of total expenses. Business-type activities incurred \$18,253,930 of expenses during the fiscal year. Public safety costs represented 67% of total governmental activities expenses, which represented the largest single expense for governmental activities.

Governmental Activities

The following table shows the cost of each of the City's major programs and the net cost of the programs. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the City's taxpayers by each of the programs. The total cost of services and the net cost of services for the fiscal years ended June 30, 2019, and 2018, are as follows:

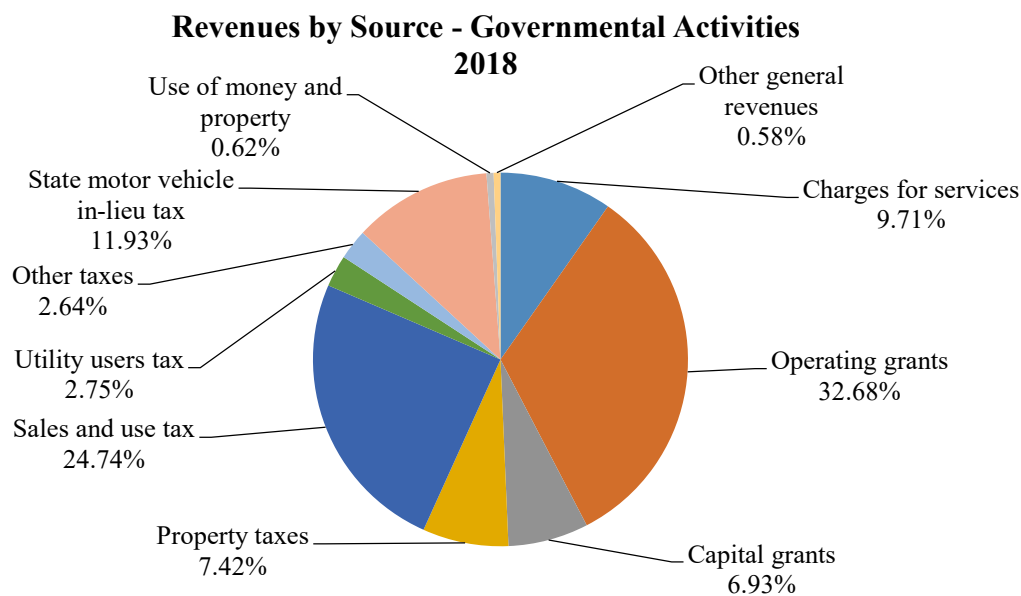
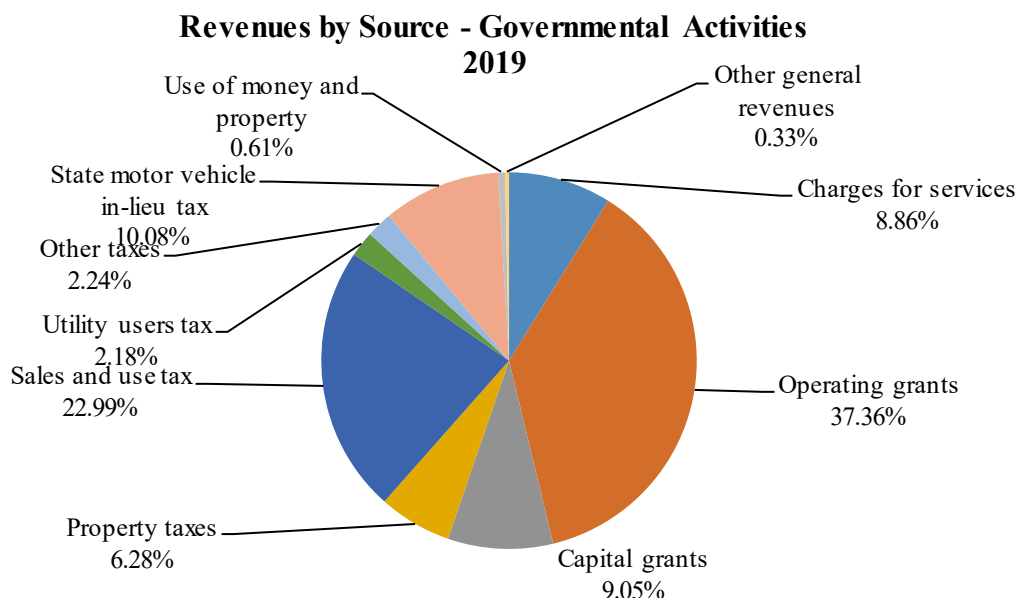
	2019		2018	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 4,118,389	\$ (2,381,756)	\$ 3,548,222	\$ (1,856,365)
Public safety	23,028,824	(17,300,002)	22,519,370	(16,715,450)
Engineering and transportation	1,437,315	797,559	1,663,273	22,900
Public works	2,630,476	4,197,787	69,794	3,380,559
Community services	3,045,511	579,343	3,284,127	(1,434,884)
Economic development	345,156	(142,292)	83,053	167,548
Interest and fiscal charges	18,721	(18,721)	107,548	(107,548)
Total	<u>\$ 34,624,392</u>	<u>\$ (14,268,082)</u>	<u>\$ 31,275,387</u>	<u>\$ (16,543,240)</u>

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Revenues by source for the fiscal years ended June 30, 2019, and 2018, are as follows:

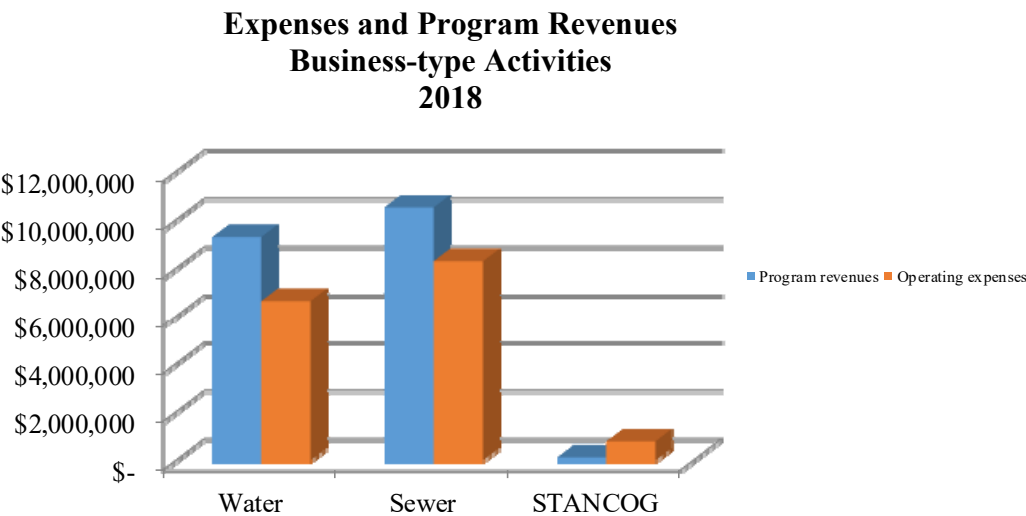
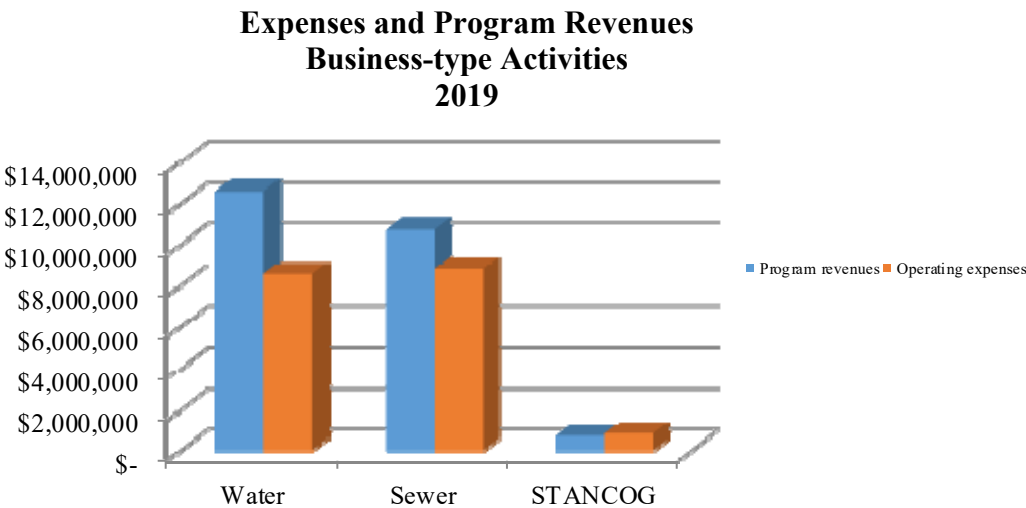


City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Business-type activities. Business-type activities increased the City’s net position to \$45,805,254. The City has three business-type activities: Water, Sewer, and STANCOG. Water accounts for 52%, Sewer accounts for 45% of total business-type activity revenue, and STANCOG accounts for 3%. The expenses and program revenues for the business-type activities for the fiscal year ended June 30, 2019, and 2018, are as follows:

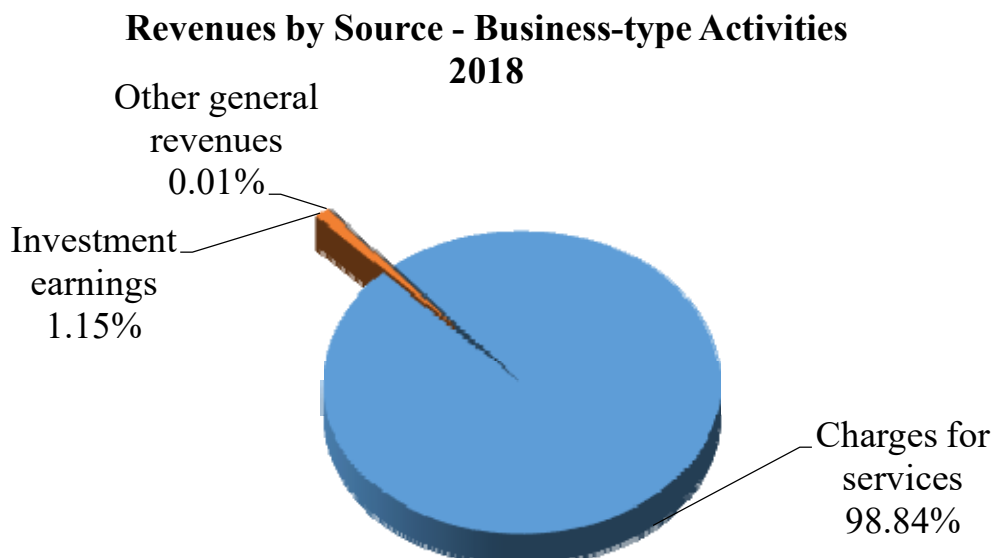
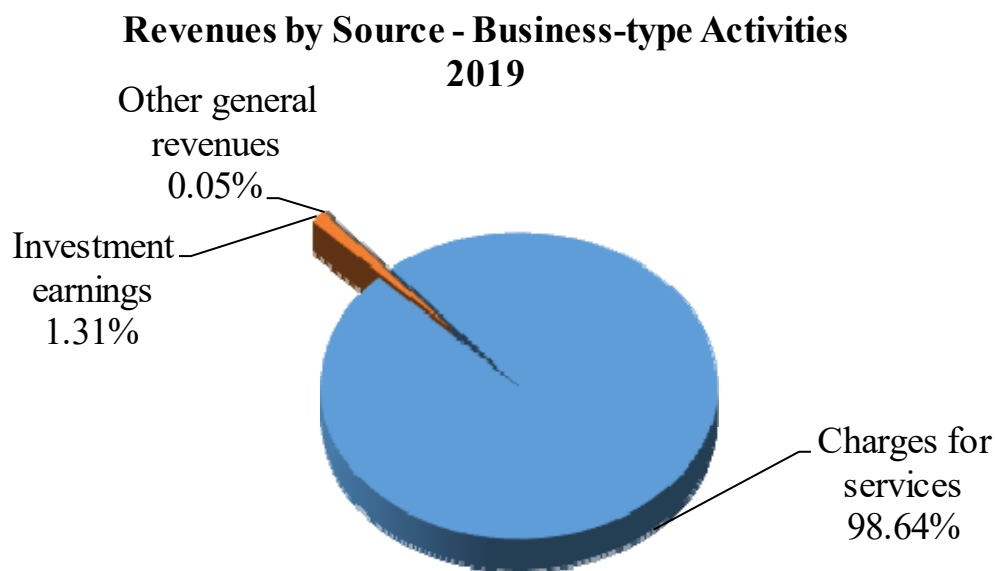


City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The revenues by source for the business-type activities for the fiscal years ended June 30, 2019, and 2018, are as follows:



City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Financial Analysis of the Government's Funds

The City of Ceres uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide financial statements.

Governmental funds. The City's governmental funds provide information on near-term inflows, outflows, and balances of spending resources. At the fiscal year ended June 30, 2019, the City's governmental funds reported combined fund balances of \$17,154,953. This is an increase of \$2,228,546 or 15% over last year. The increase was mainly due to the increase in sales tax revenue in the General Fund. The General Fund is the chief operating fund of the City. At the fiscal year ended June 30, 2019, General Fund unassigned fund balance totaled \$6,459,739 with \$145,008 reported as committed and \$15,136 as nonspendable.

Community Development Block Grant (CDBG) money is available to cities for a variety of community enhancement activities. In the fiscal year ended June 30, 2019, the majority of this money was used to provide first time home buyers assistance and home rehabilitation for low-income residents.

Proprietary funds. The City's proprietary funds net position increased by \$3,312,892 in the fiscal year ended June 30, 2019. This was primarily due to the completion of several major water and sewer capital projects. Factors concerning the finances of the three proprietary funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The difference between the final budget and actual revenues reflects a positive of \$1,027,674. This was mainly due to an increase in sales tax revenue as well as license and permit fees. Total general fund final budget for expenditures was \$25,696,144. Actual expenditures were \$750,848 under budget (approximately 3% of budget).

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Capital Assets

The City's net investment in capital assets for its governmental and business type activities as of June 30, 2019, amount to \$119,597,834. This net investment in capital assets includes land, buildings and improvements, machinery and equipment, and infrastructure.

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Land	\$ 14,753,193	\$ 14,753,193	\$ 1,783,812	\$ 1,783,812	\$ 16,537,005	\$ 16,537,005
Buildings and improvements	23,643,450	24,904,022	4,106,069	4,385,075	27,749,519	29,289,097
Machinery and equipment	5,181,695	2,175,998	1,950,504	2,282,043	7,132,199	4,458,041
Infrastructure	44,234,935	43,732,958	23,944,176	21,413,545	68,179,111	65,146,503
Total	\$ 87,813,273	\$ 85,566,171	\$ 31,784,561	\$ 29,864,475	\$ 119,597,834	\$ 115,430,646

Major capital asset events during the year included: the purchase of land; and disposal of obsolete equipment.

More detail of the capital assets and current activity can be found in the notes to the financial statements on pages 51 and 52 for significant accounting policies and Note 5 on page 64 for other capital asset information.

Economic Outlook

The national economy grew modestly during 2018-2019. The national unemployment rate declined to 3.6% down from 3.9% in 2019. The local economy has shown some improvement during the past year. The local job market showed a slight improvement which led to a slight increase in the economy. Real Estate prices have stabilized and prices are increasing. The state overall has shown an increase in revenue which in turn has resulted in small amounts of revenue being returned to cities.

The City's major General Fund revenue sources are sales tax and property taxes. Both of these revenue sources are affected by the continuing economic state. We are estimating sales tax revenue to increase by 12% in fiscal year 2019–2020. Also, in fiscal year 2019-2020, we are estimating property tax revenue to increase by 8%. Additionally, with the two cannabis dispensaries and the cannabis manufacturing facility, the City's General Fund has received an influx of revenue that reached \$2,225,000 for FY 2019 and is expected to reach \$2,755,000 in FY 2020. The City successfully passed Measure W in November 2018 that allows for up to 15% special sales tax to be applied to all taxable cannabis.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Management's Discussion and Analysis, Continued

Requests for Information

This Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. If you have any questions about this report, need additional financial information, or would like to obtain component unit financial statements, contact Leticia Dias, Acting Finance Director, 2720 Second Street, Ceres, CA 95307, or visit the City's web page at www.ci.ceres.ca.us/.

BASIC FINANCIAL STATEMENTS

This page intentionally left blank.



City of Ceres, California
Statement of Net Position
June 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 24,614,166	\$ 24,569,716	\$ 49,183,882
Cash and investments with trustee/fiscal agent	-	844,039	844,039
Receivables:			
Accounts receivable	3,883,335	1,292,439	5,175,774
Prepaid items	8,286	-	8,286
Total current assets	28,505,787	26,706,194	55,211,981
Noncurrent assets:			
Advances to fiduciary activities	531,494	-	531,494
Loans receivable	6,696,037	-	6,696,037
Deferred charges	-	2,856,041	2,856,041
Capital assets:			
Nondepreciable	14,753,193	1,783,812	16,537,005
Depreciable	73,060,080	30,000,749	103,060,829
Total noncurrent assets	95,040,804	34,640,602	129,681,406
Total assets	123,546,591	61,346,796	184,893,387
DEFERRED OUTFLOWS OF RESOURCES			
Pension Plan	11,226,326	1,850,059	13,076,385
Total deferred outflows of resources	11,226,326	1,850,059	13,076,385
Total assets and deferred outflows	134,772,917	63,196,855	197,969,772
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	3,162,162	1,180,381	4,342,543
Deposits payable	2,380,674	281,440	2,662,114
Intergovernmental payable	102,931	-	102,931
Unearned revenue	-	49,677	49,677
Interest payable	-	57,803	57,803
Current portion of long-term debt	-	320,666	320,666
Total current liabilities	5,645,767	1,889,967	7,535,734
Noncurrent liabilities:			
Long-term liabilities:			
Claims liabilities	2,856,041	-	2,856,041
Compensated absences	1,790,936	412,455	2,203,391
Due after one year	548,566	9,974,551	10,523,117
Liability for claims	974,200	-	974,200
Net pension obligation	28,430,847	4,684,000	33,114,847
Total noncurrent liabilities	34,600,590	15,071,006	49,671,596
Total liabilities	40,246,357	16,960,973	57,207,330
DEFERRED INFLOWS OF RESOURCES			
Pension Plan	2,690,156	430,628	3,120,784
Total liabilities and deferred inflows of resources	42,936,513	17,391,601	60,328,114
NET POSITION			
Net investment in capital assets	86,719,136	21,810,010	108,529,146
Restricted	6,558,514	-	6,558,514
Unrestricted	(1,441,246)	23,995,244	22,553,998
Total net position	91,836,404	45,805,254	137,641,658
Total liabilities, deferred inflows, and net position	\$ 134,772,917	\$ 63,196,855	\$ 197,969,772

The accompanying notes are an integral part of these basic financial statements.

City of Ceres, California
Statement of Activities
For the year ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 4,118,389	\$ 293,484	\$ 1,443,149	\$ -
Public safety	23,028,824	626,289	5,102,533	-
Engineering and Transportation	1,437,315	747,472	1,487,402	-
Public works	2,630,476	616,683	2,878,101	3,333,479
Community services	3,045,511	980,460	2,644,394	-
Economic development	345,156	-	202,864	-
Interest and fiscal charges	18,721	-	-	-
Total governmental activities	<u>34,624,392</u>	<u>3,264,388</u>	<u>13,758,443</u>	<u>3,333,479</u>
Business-type activities:				
Water	8,575,003	12,601,535	-	-
Sewer	8,834,190	10,725,549	-	-
STANCOG	844,737	723,650	-	-
Total business-type activities	<u>18,253,930</u>	<u>24,050,734</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 52,878,322</u>	<u>\$ 27,315,122</u>	<u>\$ 13,758,443</u>	<u>\$ 3,333,479</u>

General revenues:

Taxes:

Property taxes, levied for general purposes
Sales and use tax
Utility users tax
Other taxes

Intergovernmental:

State motor vehicle in-lieu tax (MVLFF)
Other State intergovernmental revenue

Use of money and property

Other general revenues

Total general revenues

Transfers

Total general revenues and transfers

Change in net position

Net position:

Beginning of year
Net position - Ending

The accompanying notes are an integral part of these basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Totals
\$ (2,381,756)	\$ -	\$ (2,381,756)
(17,300,002)	-	(17,300,002)
797,559	-	797,559
4,197,787	-	4,197,787
579,343	-	579,343
(142,292)	-	(142,292)
(18,721)	-	(18,721)
(14,268,082)	-	(14,268,082)
-	4,026,532	4,026,532
-	1,891,359	1,891,359
-	(121,087)	(121,087)
-	5,796,804	5,796,804
(14,268,082)	5,796,804	(8,471,278)
2,314,612	-	2,314,612
8,465,453	-	8,465,453
804,203	-	804,203
825,894	-	825,894
3,713,407	-	3,713,407
226,290	320,506	546,796
123,319	11,341	134,660
16,473,178	331,847	16,805,025
2,815,759	(2,815,759)	-
19,288,937	(2,483,912)	16,805,025
5,020,855	3,312,892	8,333,747
86,815,549	42,492,362	129,307,911
\$ 91,836,404	\$ 45,805,254	\$ 137,641,658

This page intentionally left blank.



FUND FINANCIAL STATEMENTS
MAJOR FUNDS

Fund	Description
Governmental Funds:	
General	Primary operating fund of the City; accounts for all activities except those legally or administratively required to be accounted for in other funds.
Street Expansion Special Revenue	Accounts for fees collected from developers to be used to widen streets due to the traffic impact of their projects.
Home Program Grants Special Revenue	Accounts for activities related to housing and the related Home Program funding.
CDBG Grants Special Revenue	Accounts for activities related to housing and the related CDBG funding.

City of Ceres, California
Balance Sheet
Governmental Funds
June 30, 2019

	Major Funds			
	General Fund	Street Expansion Special Revenue	Home Program Grants Special Revenue	CDBG Grants Special Revenue
ASSETS				
Cash and investments	\$ 8,661,127	\$ 1,441,844	\$ 331,776	\$ 410,680
Receivables:				
Taxes	-	-	-	-
Interest	11,255	1,662	-	352
Notes receivable	-	-	-	-
Loans receivable	-	-	6,056,840	485,428
Other receivable	3,045,401	-	-	161,634
Due from other funds	1,805,467	150,527	-	-
Advances to Former Redevelopment Agencies				
Private Purpose Trust	531,494	-	-	-
Prepaid items	8,286	-	-	-
Total assets	\$ 14,063,030	\$ 1,594,033	\$ 6,388,616	\$ 1,058,094
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,900,498	\$ 211,443	\$ -	\$ 94,642
Deposits payable	2,301,181	-	-	-
Intergovernmental payable	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	2,856,041	-	-	-
Total liabilities	7,057,720	211,443	-	94,642
Deferred inflows: Unavailable revenue	545,571	-	6,056,841	485,427
Total liabilities and deferred inflows	7,603,291	211,443	6,056,841	580,069
Fund balances:				
Nonspendable:				
Petty cash	6,850	-	-	-
Prepaid items	8,286	-	-	-
Restricted reported in:				
Special revenue funds	-	-	331,775	478,025
Committed	145,008	13,045	-	-
Assigned reported in:				
Special revenue funds	-	1,369,545	-	-
Unassigned (deficit), reported in:				
General fund	6,299,595	-	-	-
Special revenue funds	-	-	-	-
Total fund balances	6,459,739	1,382,590	331,775	478,025
Total liabilities and fund balances	\$ 14,063,030	\$ 1,594,033	\$ 6,388,616	\$ 1,058,094

The accompanying notes are an integral part of these basic financial statements.

Nonmajor Governmental Funds		Totals
\$	10,648,252	\$ 21,493,679
	265,664	265,664
	10,369	23,638
	699,340	699,340
	-	6,542,268
	96,605	3,303,640
	9,388	1,965,382
	-	531,494
	-	8,286
<u>\$</u>	<u>12,020,011</u>	<u>\$ 35,123,784</u>

\$	670,276	\$ 2,876,859
	79,493	2,380,674
	102,931	102,931
	1,965,147	1,965,147
	-	2,856,041
	<u>2,817,847</u>	<u>10,181,652</u>
	<u>699,340</u>	<u>7,787,179</u>
	<u>3,517,187</u>	<u>17,968,831</u>

	-	6,850
	-	8,286
	5,748,714	6,558,514
	209,227	367,280
	4,833,542	6,203,087
	-	6,299,595
	<u>(2,288,659)</u>	<u>(2,288,659)</u>
	<u>8,502,824</u>	<u>17,154,953</u>
<u>\$</u>	<u>12,020,011</u>	<u>\$ 35,123,784</u>

City of Ceres, California
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Total fund balances - total governmental funds		\$ 17,154,953
---	--	----------------------

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.		85,620,592
--	--	------------

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

Compensated absences	\$ (1,605,922)	
Due after one year	(548,566)	
Net pension obligation	<u>(28,430,847)</u>	(30,585,335)

Governmental funds notes receivable from various loan programs are deferred under the current financial resources measurement focus. The notes receivable are recognized in the government-wide Statement of Net Position under the accrual basis of accounting.		7,241,608
--	--	-----------

Pension obligations result in deferred outflows and inflows of resources associated with actuarial value of contributions, assets, and liabilities		
Deferred outflows	11,226,326	
Deferred inflows	<u>(2,690,156)</u>	8,536,170

Internal services funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are:

Current assets	3,120,487	
Noncurrent assets	2,192,681	
Accounts payable and accrued liabilities	(285,538)	
Long-term liabilities	<u>(1,159,214)</u>	3,868,416
Net position of governmental activities		<u><u>\$ 91,836,404</u></u>

The accompanying notes are an integral part of these basic financial statements.

City of Ceres, California

Reconciliation of Fund Basis Balance Sheet to Government-wide Statement of Net Position

Governmental Activities

June 30, 2019

	Governmental Funds Balance Sheet	Reclassifications	Internal Service Funds	Changes in GAAP	Statement of Net Position
ASSETS					
Current assets:					
Cash and investments	\$ 21,493,679	\$ -	\$ 3,120,487	\$ -	\$ 24,614,166
Cash and investments with fiscal agent	-	-	-	-	-
Receivables:					
Taxes	265,664	-	-	-	265,664
Interest	23,638	-	-	-	23,638
Intergovernmental	290,393	-	-	-	290,393
Other receivable	3,303,640	-	-	-	3,303,640
Due from other funds	1,965,382	(1,965,382)	-	-	-
Prepaid items	8,286	-	-	-	8,286
Total current assets	27,350,682	(1,965,382)	3,120,487	-	28,505,787
Noncurrent assets:					
Advances to(from) fiduciary activities	531,494	-	-	-	531,494
Loans/Notes receivable	7,241,608	-	-	(545,571)	6,696,037
Capital assets, net	-	-	2,192,681	85,620,592	87,813,273
Total noncurrent assets	7,773,102	-	2,192,681	85,075,021	95,040,804
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows: Pension Plan	-	-	-	11,226,326	11,226,326
Total assets and deferred outflows of resources	\$ 35,123,784	\$ (1,965,382)	\$ 5,313,168	\$ 96,301,347	\$ 134,772,917
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 2,876,859	\$ -	\$ 285,303	\$ -	\$ 3,162,162
Deposits payable	2,380,674	-	-	-	2,380,674
Intergovernmental payable	102,931	-	-	-	102,931
Due to other funds	1,965,147	(1,965,382)	235	-	-
Total current liabilities	7,325,611	(1,965,382)	285,538	-	5,645,767
Noncurrent liabilities:					
Long-term debt:					
Advances from other funds	2,856,041	-	-	-	2,856,041
Compensated absences	-	-	185,014	1,605,922	1,790,936
Due within one year	-	-	-	-	-
Due after one year	-	-	-	548,566	548,566
Liability for claims	-	-	974,200	-	974,200
Net pension obligation	-	-	-	28,430,847	28,430,847
Total noncurrent liabilities	2,856,041	-	1,159,214	30,585,335	34,600,590
Total liabilities	10,181,652	(1,965,382)	1,444,752	30,585,335	40,246,357
Deferred inflows: Grants	7,241,608	-	-	(7,241,608)	-
Deferred inflows: Unavailable revenue	545,571	-	-	(545,571)	-
Deferred inflows: Pension plan	-	-	-	2,690,156	2,690,156
Total liabilities and deferred inflows	17,968,831	(1,965,382)	1,444,752	25,488,312	42,936,513
FUND BALANCES/NET POSITION					
Fund balances:					
Nonspendable	15,136	(15,136)	-	-	-
Restricted	6,558,514	(6,558,514)	-	-	-
Committed	367,280	(367,280)	-	-	-
Assigned	6,203,087	(6,203,087)	-	-	-
Unassigned	4,010,936	(4,010,936)	-	-	-
Net position:					
Net investment in capital assets	-	-	2,192,681	84,526,455	86,719,136
Restricted	-	-	-	6,558,514	6,558,514
Unrestricted	-	17,154,953	1,675,735	(20,271,934)	(1,441,246)
Total fund balances/ net position	17,154,953	-	3,868,416	70,813,035	91,836,404
Total liabilities, deferred inflows, and net position	\$ 35,123,784	\$ (1,965,382)	\$ 5,313,168	\$ 96,301,347	\$ 134,772,917

The accompanying notes are an integral part of these basic financial statements.

City of Ceres, California
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2019

	Major Funds			
	General Fund	Street Expansion Special Revenue	Home Program Grants Special Revenue	CDBG Grants Special Revenue
REVENUES:				
Property and other taxes	\$ 16,184,812	\$ -	\$ -	\$ -
Licenses and permits	1,953,288	-	-	-
Fines, forfeitures and penalties	246,833	-	-	-
Charges for services	3,178,196	-	-	-
Intergovernmental	887,379	555,545	175,775	175,784
Use of money and property	179,436	22,254	27	3,864
Other revenues	38,510	-	14	14,751
Total revenues	22,668,454	577,799	175,816	194,399
EXPENDITURES:				
Current:				
General government	1,825,012	-	-	-
Public safety	20,089,204	-	-	-
Engineering and Transportation	143,978	2,210	-	-
Public works	139,730	-	-	-
Community services	2,685,939	-	-	-
Economic development	-	-	545	264,497
Capital outlay	61,433	2,250,765	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	24,945,296	2,252,975	545	264,497
REVENUES OVER (UNDER) EXPENDITURES	(2,276,842)	(1,675,176)	175,271	(70,098)
OTHER FINANCING SOURCES (USES):				
Proceeds from sales of assets	150	-	-	-
Transfers in	3,505,939	-	-	-
Transfers out	(16,081)	-	-	-
Total other financing sources (uses)	3,490,008	-	-	-
Net change in fund balances	1,213,166	(1,675,176)	175,271	(70,098)
FUND BALANCES:				
Beginning of year	5,246,573	3,057,766	156,504	548,123
End of year	\$ 6,459,739	\$ 1,382,590	\$ 331,775	\$ 478,025

The accompanying notes are an integral part of these basic financial statements.

Other Governmental Funds		Totals	
\$	5,686,503	\$	21,871,315
	-		1,953,288
	39,531		286,364
	863,631		4,041,827
	6,434,302		8,228,785
	158,740		364,321
	30,313		83,588
	13,213,020		36,829,488
	8,709		1,833,721
	3,197,406		23,286,610
	1,316,286		1,462,474
	54,611		194,341
	397,756		3,083,695
	13,438		278,480
	4,846,353		7,158,551
	118,979		118,979
	9,953,538		37,416,851
	3,259,482		(587,363)
	-		150
	10,081		3,516,020
	(684,180)		(700,261)
	(674,099)		2,815,909
	2,585,383		2,228,546
	5,917,441		14,926,407
\$	8,502,824	\$	17,154,953

City of Ceres, California

Reconciliation of Fund Basis Statements to Government-wide Statement of Activities

For the year ended June 30, 2019

Functions/Programs	Fund Based Totals	Debt/ Compensated Absences	Deferred Revenue	Depreciation	Capital Asset (Additions)/ Retirements	Pension Plan	Internal Service Funds	Government- wide Totals
Governmental activities:								
General government	\$ 1,833,721	\$ 242,699	\$ 187,311	\$ 2,242,682	\$ -	(31,544)	\$ (356,480)	\$ 4,118,389
Public safety	23,286,610	-	-	142,808	-	(400,594)	-	23,028,824
Engineering and Transportation	1,462,474	-	-	-	-	(25,159)	-	1,437,315
Public works	194,341	-	-	2,837,711	(398,233)	(3,343)	-	2,630,476
Community services	3,083,695	-	-	14,864	-	(53,048)	-	3,045,511
Economic development	278,480	-	-	71,467	-	(4,791)	-	345,156
Capital outlay	7,158,551	-	-	-	(7,158,551)	-	-	-
Debt service/Interest	118,979	(100,258)	-	-	-	-	-	18,721
Total governmental activities	\$ 37,416,851	\$ 142,441	\$ 187,311	\$ 5,309,532	\$ (7,556,784)	\$ (518,479)	\$ (356,480)	\$ 34,624,392

The accompanying notes are an integral part of these basic financial statements.

City of Ceres, California

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the year ended June 30, 2019

Net change in fund balances - total governmental funds	\$ 2,228,546
---	---------------------

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	\$ 7,556,784	
Proceeds from sale of capital assets	(150)	
Depreciation expense	<u>(5,309,532)</u>	2,247,102

Repayment and issuance of debt is an expenditure and other financing source in the governmental funds, but the repayment reduces and the issuance increases long-term liabilities in the Statement of Net Position.

100,258

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Change in compensated absences	(242,699)	
Change in pension expense	<u>518,479</u>	275,780

Deferred Inflows related to the notes receivables in the governmental fund are reversed to reduce the expenditures of loan payments in the Government-Wide Financial Statements.

Deferred inflows (187,311)

Internal services funds are used by management to charge the costs of certain activities, such as risk management, to individual funds. The change in net position of the Internal Service Funds (\$28,653) is included in the governmental activities in the government-wide Statement of Net Position less amounts due to changes in capital assets \$189,091 reported above for capital assets.

356,480

Change in net position of governmental activities	\$ <u>5,020,855</u>
--	----------------------------

The accompanying notes are an integral part of these basic financial statements.

City of Ceres, California

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual - General Fund and Major Special Revenue Funds For the year ended June 30, 2019

	General Fund			
	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property and other taxes	\$ 15,740,288	\$ 15,740,288	\$ 16,184,812	\$ 444,524
Licenses and permits	1,552,250	1,552,250	1,953,288	401,038
Fines, forfeitures and penalties	229,000	229,000	246,833	17,833
Charges for services	2,936,053	2,936,053	3,178,196	242,143
Intergovernmental	922,489	922,489	887,379	(35,110)
Use of money and property	142,700	142,700	179,436	36,736
Other revenues	118,000	118,000	38,510	(79,490)
Total revenues	21,640,780	21,640,780	22,668,454	1,027,674
EXPENDITURES:				
Current:				
General government	1,682,441	1,682,441	1,825,012	(142,571)
Public safety	20,402,848	20,402,848	20,089,204	313,644
Engineering and Transportation	270,692	270,692	143,978	126,714
Public works	124,656	124,656	139,730	(15,074)
Community services	2,996,263	2,996,263	2,685,939	310,324
Capital outlay	219,294	219,294	61,433	157,861
Total expenditures	25,696,194	25,696,194	24,945,296	750,898
REVENUES OVER (UNDER) EXPENDITURES	(4,055,414)	(4,055,414)	(2,276,842)	1,778,572
OTHER FINANCING SOURCES (USES):				
Transfers from Successor Agency	-	-	-	-
Proceeds from sales of assets	1,000	1,000	150	(850)
Transfers in	3,505,939	3,505,939	3,505,939	-
Transfers out	(29,801)	(29,801)	(16,081)	13,720
Total other financing sources (uses)	3,477,138	3,477,138	3,490,008	12,870
Net change in fund balances	(578,276)	(578,276)	1,213,166	1,791,442
FUND BALANCES:				
Beginning of year	5,246,573	5,246,573	5,246,573	-
End of year	\$ 4,668,297	\$ 4,668,297	\$ 6,459,739	\$ 1,791,442

The accompanying notes are an integral part of these basic financial statements.

Street Expansion Special Revenue Fund			
Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
Original	Final		
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
75,000	75,000	555,545	480,545
20,000	20,000	22,254	2,254
-	-	-	-
95,000	95,000	577,799	482,799
-	-	-	-
-	-	-	-
25,570	25,570	2,210	23,360
-	-	-	-
-	-	-	-
3,599,263	3,599,263	2,250,765	1,348,498
3,624,833	3,624,833	2,252,975	1,371,858
(3,529,833)	(3,529,833)	(1,675,176)	1,854,657
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
(3,529,833)	(3,529,833)	(1,675,176)	1,854,657
3,057,766	3,057,766	3,057,766	-
\$ (472,067)	\$ (472,067)	\$ 1,382,590	\$ 1,854,657

(continued)

City of Ceres, California

Statement of Revenues, Expenditures, and Changes in Fund Balances -

Budget to Actual - General Fund and Major Special Revenue Funds, Continued

For the year ended June 30, 2019

	Home Program Grants Special Revenue Fund		
	Budgeted Amounts		Variance w/Final
	Original	Final	Positive (Negative)
REVENUES:			
Property and other taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Fines, forfeitures and penalties	-	-	-
Charges for services	-	-	-
Intergovernmental	1,200	1,200	174,575
Use of money and property	-	-	27
Other revenues	-	-	14
Total revenues	<u>1,200</u>	<u>1,200</u>	<u>174,616</u>
EXPENDITURES:			
Current:			
General government	-	-	-
Public safety	-	-	-
Engineering and Transportation	-	-	-
Public works	-	-	-
Community services	-	-	-
Economic development	71,183	71,183	70,638
Capital outlay	-	-	-
Total expenditures	<u>71,183</u>	<u>71,183</u>	<u>70,638</u>
REVENUES OVER (UNDER)			
EXPENDITURES	<u>(69,983)</u>	<u>(69,983)</u>	<u>245,254</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(69,983)</u>	<u>(69,983)</u>	<u>245,254</u>
FUND BALANCES (DEFICIT):			
Beginning of year	<u>156,504</u>	<u>156,504</u>	<u>156,504</u>
End of year	<u>\$ 86,521</u>	<u>\$ 86,521</u>	<u>\$ 245,254</u>

The accompanying notes are an integral part of these basic financial statements.

CDBG Grants Special Revenue Fund			
Budgeted Amounts		Actual	Variance w/Final
Original	Final		Positive (Negative)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
235,000	235,000	175,784	(59,216)
2,500	2,500	3,864	1,364
1,500	1,500	14,751	13,251
239,000	239,000	194,399	(44,601)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
615,250	615,250	264,497	350,753
1,884	1,884	-	1,884
617,134	617,134	264,497	352,637
(378,134)	(378,134)	(70,098)	308,036
-	-	-	-
-	-	-	-
-	-	-	-
(378,134)	(378,134)	(70,098)	308,036
548,123	548,123	548,123	-
\$ 169,989	\$ 169,989	\$ 478,025	\$ 308,036

(concluded)

This page intentionally left blank.



PROPRIETARY FUNDS

Fund	Description
Major Funds:	
Water	Accounts for the operation of the City's water utility. It is a self-supporting activity that provides services on a user-charge basis to residents and businesses located in the City.
Sewer	Accounts for the operation of the City's sewer utility. It is a self-supporting activity that provides services on a user-charge basis to residents and businesses located in the City.
STANCOG	Accounts for local transportation funds restricted to transit, street, pedestrian, and bike purposes funded through passenger fares.

City of Ceres, California

Statement of Net Position

Proprietary Funds

June 30, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	STANCOG	Totals	Totals
Current assets:					
Cash and investments	\$ 13,108,106	\$ 10,976,353	\$ 485,257	\$ 24,569,716	\$ 3,120,487
Cash and investments with trustee/fiscal agent	309,871	534,168	-	844,039	-
Accounts receivable (net of uncollectible)	623,423	596,977	45,664	1,266,064	-
Interest receivable	13,727	12,188	460	26,375	-
Total current assets	14,055,127	12,119,686	531,381	26,706,194	3,120,487
Non-current assets:					
Property, plant and equipment	26,827,689	28,296,131	713,866	55,837,686	7,008,937
Less accumulated depreciation	(10,969,766)	(12,674,986)	(408,373)	(24,053,125)	(4,816,256)
Property, plant, and equipment, net	15,857,923	15,621,145	305,493	31,784,561	2,192,681
Advances to other funds	-	2,856,041	-	2,856,041	-
Total non-current assets	15,857,923	18,477,186	305,493	34,640,602	2,192,681
Total assets	29,913,050	30,596,872	836,874	61,346,796	5,313,168
Deferred outflows: Pension Plan	923,483	910,784	15,792	1,850,059	-
Total assets and deferred outflows	\$ 30,836,533	\$ 31,507,656	\$ 852,666	\$ 63,196,855	\$ 5,313,168
LIABILITIES AND NET POSITION					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 550,227	\$ 525,430	\$ 104,724	\$ 1,180,381	\$ 285,303
Deposits payable	281,440	-	-	281,440	-
Unearned revenue	49,677	-	-	49,677	-
Interest payable	23,457	34,346	-	57,803	-
Due to other funds	-	-	-	-	235
Current portion of long-term debt	116,593	204,073	-	320,666	-
Total current liabilities	1,021,394	763,849	104,724	1,889,967	285,538
Long-term liabilities:					
Compensated absences	168,899	243,556	-	412,455	185,014
Due after one year	3,646,262	6,328,289	-	9,974,551	-
Liability for claims	-	-	-	-	974,200
Net pension obligation	2,272,508	2,355,711	55,781	4,684,000	-
Total long-term liabilities	6,087,669	8,927,556	55,781	15,071,006	1,159,214
Total liabilities	7,109,063	9,691,405	160,505	16,960,973	1,444,752
Deferred inflows: Pension Plan	190,307	224,590	15,731	430,628	-
Total liabilities and deferred inflows	7,299,370	9,915,995	176,236	17,391,601	1,444,752
Net Position:					
Net investment in capital assets	12,211,661	9,292,856	305,493	21,810,010	2,192,681
Unrestricted	11,325,502	12,298,805	370,937	23,995,244	1,675,735
Total net position	23,537,163	21,591,661	676,430	45,805,254	3,868,416
Total liabilities, deferred inflows, and net position	\$ 30,836,533	\$ 31,507,656	\$ 852,666	\$ 63,196,855	\$ 5,313,168

The accompanying notes are an integral part of these basic financial statements.

City of Ceres, California

Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds

For the year ended June 30, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	STANCOG	Totals 2019	Totals 2019
OPERATING REVENUES:					
Charges for services	\$ 11,806,941	\$ 10,118,367	\$ 25,602	\$ 21,950,910	\$ -
Interdepartmental charges	-	-	-	-	6,731,352
Other operating	794,594	607,182	698,048	2,099,824	224,924
Total operating revenues	12,601,535	10,725,549	723,650	24,050,734	6,956,276
OPERATING EXPENSES:					
Salaries and benefits	2,261,548	2,638,946	88,688	4,989,182	2,009,432
Contractual and other services	474,532	2,866,692	646,046	3,987,270	339,825
Materials and supplies	3,600,801	376,672	37,254	4,014,727	703,241
Depreciation and amortization	887,969	784,245	69,751	1,741,965	447,864
Other operating costs	1,162,378	1,841,847	2,998	3,007,223	2,565,164
Total operating expenses	8,387,228	8,508,402	844,737	17,740,367	6,065,526
OPERATING INCOME (LOSS)	4,214,307	2,217,147	(121,087)	6,310,367	890,750
NONOPERATING REVENUES (EXPENSES):					
Other income	11,341	-	-	11,341	-
Investment income	146,909	167,243	4,892	319,044	547
Gain on sale of assets	100	1,362	-	1,462	-
Interest and debt service expenses	(187,775)	(325,788)	-	(513,563)	-
Total non-operating revenues	(29,425)	(157,183)	4,892	(181,716)	547
Transfers in (out)	-	(2,856,041)	40,282	(2,815,759)	-
CHANGE IN NET POSITION	4,184,882	(796,077)	(75,913)	3,312,892	891,297
NET POSITION:					
Beginning of year	19,352,281	22,387,738	752,343	42,492,362	2,977,119
End of year	<u>\$ 23,537,163</u>	<u>\$ 21,591,661</u>	<u>\$ 676,430</u>	<u>\$ 45,805,254</u>	<u>\$ 3,868,416</u>

The accompanying notes are an integral part of these basic financial statements.

City of Ceres, California

Statement of Cash Flows

Proprietary Funds

For the year ended June 30, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	STANCOG	Totals 2019	Totals 2019
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from interfund services provided	\$ -	\$ -	\$ -	\$ -	\$ 6,731,352
Cash receipts from customers	12,568,980	10,728,196	747,185	24,044,361	-
Cash payments to suppliers for goods and services	(5,253,295)	(5,029,807)	(683,138)	(10,966,240)	(1,437,921)
Cash payments to employees for services	(2,226,979)	(2,598,990)	(88,688)	(4,914,657)	(1,988,213)
Cash receipts (payments) for loss claims	-	-	-	-	(1,768,768)
Net cash used by operating activities	5,088,706	3,099,399	(24,641)	8,163,464	1,536,450
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Other income received	11,341	-	-	11,341	-
Transfers received (paid)	-	(5,712,082)	40,282	(5,671,800)	-
Changes in pension obligations	(44,548)	(53,031)	(884)	(98,463)	-
Net cash provided by noncapital financing activities	(33,207)	(5,765,113)	39,398	(5,758,922)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
(Acquisition) Disposal and construction of capital assets	(2,712,732)	(947,857)	-	(3,660,589)	(982,681)
Interest paid	(187,775)	(325,788)	-	(513,563)	-
Payments on long-term debt	(116,593)	(199,073)	-	(315,666)	-
Net cash (used) by capital and related financing activities	(3,017,100)	(1,472,718)	-	(4,489,818)	(982,681)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment income received	133,182	155,055	4,432	292,669	547
Net cash provided by investing activities	133,182	155,055	4,432	292,669	547
Net increase (decrease) in cash and cash equivalents	2,171,581	(3,983,377)	19,189	(1,792,607)	554,316
CASH AND CASH EQUIVALENTS:					
Beginning of year	11,246,396	15,493,898	466,068	27,206,362	2,566,171
End of year	<u>\$ 13,417,977</u>	<u>\$ 11,510,521</u>	<u>\$ 485,257</u>	<u>\$ 25,413,755</u>	<u>\$ 3,120,487</u>
Presentation in Statement of Net Position:					
Cash and investments	\$ 13,108,106	\$ 10,976,353	\$ 485,257	\$ 24,569,716	\$ 3,120,487
Cash and investments with trustee/fiscal agent	309,871	534,168	-	844,039	-
Total cash and investments	<u>\$ 13,417,977</u>	<u>\$ 11,510,521</u>	<u>\$ 485,257</u>	<u>\$ 25,413,755</u>	<u>\$ 3,120,487</u>
Reconciliation of income (loss) from operations to net cash used by operating activities:					
Operating income (loss)	\$ 4,214,307	\$ 2,217,147	\$ (121,087)	\$ 6,310,367	\$ 890,750
Adjustments to reconcile operating income (loss) to net cash used in operating activities:					
Depreciation and amortization	887,969	784,245	69,751	1,741,965	447,864
(Increase) decrease in current assets:					
Accounts receivable	(27,306)	2,647	23,535	(1,124)	-
Prepaid items	-	-	-	-	-
Increase (decrease) in liabilities:					
Accounts payable and accrued liabilities	(15,584)	55,404	3,160	42,980	189,654
Deposits payable	(1,740)	-	-	(1,740)	-
Unearned revenue	(3,509)	-	-	(3,509)	-
Compensated absences	34,569	39,956	-	74,525	21,219
Increase (decrease) in claims liability	-	-	-	-	(13,037)
Net cash used by operating activities	\$ 5,088,706	\$ 3,099,399	\$ (24,641)	\$ 8,163,464	\$ 1,536,450

There were no noncash investing, capital, or financing activities affecting recognized assets and liabilities for the year ended June 30, 2019.

The accompanying notes are an integral part of these basic financial statements.

City of Ceres, California
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Successor Agencies Private Purpose Trust Funds	Westpointe Assessment District Debt Service Agency Fund
ASSETS		
Current assets:		
Cash and investments	\$ 2,422,467	\$ 692,851
Cash and investments with trustee/fiscal agent	3,707,745	-
Interest receivable	2,490	708
Total current assets	6,132,702	693,559
Non-Current assets:		
Long-term loans receivable	2,650,420	-
Construction in progress	12,500,147	-
Total non-current assets	15,150,567	-
Total assets	21,283,269	693,559
Deferred outflows: Pension plan	91,057	-
Total assets and deferred outflows	<u>\$ 21,374,326</u>	<u>\$ 693,559</u>
LIABILITIES AND NET POSITION		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 6,116	\$ -
Interest payable	188,150	-
Due to others	-	693,559
Compensated absences - current	14,206	-
Current portion of long term debt	1,436,649	-
Total current liabilities	1,645,121	693,559
Long-term liabilities:		
Advances from other government agencies	266,702	-
Advances from Governmental Activities	531,494	-
Due after one year	33,280,568	-
Net pension obligation	256,567	-
Total long-term liabilities	34,335,331	-
Total liabilities	35,980,452	<u>\$ 693,559</u>
Deferred inflows: Pension plan	37,959	-
Total liabilities and deferred inflows	36,018,411	
Net Position (Deficit):		
Net position held in trust for Redevelopment Dissolution	(14,644,085)	
Total liabilities, deferred inflows, and net position	<u>\$ 21,374,326</u>	

The accompanying notes are an integral part of these basic financial statements.

City of Ceres, California

Statement of Changes in Fiduciary Net Position

Private Purpose Trust Funds

For the year ended June 30, 2019

	Successor Agencies Private Purpose Trust Funds
ADDITIONS:	
Property taxes	\$ 3,213,069
Investment earnings	607,641
Other revenue	65,763
Total additions	3,886,473
DEDUCTIONS:	
General and administrative	6,102
Salaries and benefits	139,201
Contractual and other services	74,775
Materials and supplies	53,248
Interest and debt service expenses	2,860,175
Amortization	228,056
Total deductions	3,363,396
CHANGE IN FIDUCIARY NET ASSETS	523,077
NET POSITION (DEFICIT):	
Beginning of year	(15,167,162)
End of year	\$ (14,644,085)

The accompanying notes are an integral part of these basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2019

Index to Notes to Basic Financial Statements

	<u>Page</u>
Note 1 – Summary of Significant Accounting Policies	45
Financial Reporting Entity.....	45
Basis of Accounting and Measurement Focus.....	46
Assets, Liabilities, and Equity	50
Revenues, Expenditures, and Expenses.....	56
Budgetary Accounting	57
Note 2 – Cash and Investments.....	59
Note 3 – Accounts Receivable	61
Note 4 – Loans and Notes Receivable	62
Note 5 – Capital Assets	64
Note 6 – Accounts Payable and Accrued Liabilities	66
Note 7 – Special Assessment Districts	66
Note 8 – Long-term Liabilities.....	67
Note 9 – Net Position/ Fund Balances	69
Note 10 – Interfund Transactions	73
Note 11 – Risk Management	76
Note 12 – Pension Plan	77
Note 13 – Abandoned Vehicle Abatement Program.....	83
Note 14 – Successor Agency Trust for Assets of Former Redevelopment Agency	83
Note 15 – Commitments and Contingencies.....	90
Note 16 – New Accounting Pronouncements.....	90

City of Ceres, California
Notes to Basic Financial Statements
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Ceres, California (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. *Financial Reporting Entity*

The City of Ceres (City) was incorporated on February 25, 1918, under the laws and regulations of the State of California (State). The City operates under a City Council/Manager form of government and provides the following services: public safety (Police and Fire), highways and streets, water service, sewer service, solid waste, storm water utility, public improvements, planning and zoning, and general administration.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. On June 15, 1987, GASB issued a codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The City applies all GASB pronouncements to its activities.

In addition, the City applies all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) issued after November 30, 1989, unless they conflict with or contradict GASB pronouncements. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

The City was incorporated under the General Laws of the State of California and enjoys all the rights and privileges pertaining to such "General Law" cities. The City uses the City Council/Manager form of government. The financial reporting entity consists of: (a) the primary government, the City; (b) organizations for which the primary government is financially accountable; and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the primary government's exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

A. *Financial Reporting Entity, Continued*

The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the City. The City currently has no blended or discretely reported component units.

B. *Basis of Accounting and Measurement Focus*

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The government-wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental and business-type activities for the City, the primary government, accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These government-wide financial statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets and related infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position.

Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. Transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Government–Wide Financial Statements, Continued

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out

The City applies all applicable GASB pronouncements (including all National Council on Governmental Accounting (NCGA) Statements and Interpretations currently in effect) as well as the following pronouncements issued on or before November 30, 1989, to the business-type activities, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) of the committee on Accounting Procedure. The City applies all applicable FASB Statements and Interpretations issued after November 30, 1989, to proprietary funds, except those that conflict with or contradict GASB pronouncements.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria. The following were the City's major governmental funds:

- ***The General Fund*** - Accounts for all general revenues of the city not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in other funds.
- ***Street Expansion Special Revenue Fund*** - Fees collected from developers to be used to widen streets due to the traffic impact of their projects.
- ***HOME Program Grants Special Revenue Fund*** - This fund is used to account for Federal funds used for housing assistance payments to low-income, elderly, disabled, and handicapped people qualifying for the programs, as well as rehabilitation for rental property.
- ***Community Development Block Grant Special Revenue Fund*** - These funds are used to account for community development block grants that the City has been awarded and income received from loans granted to participants. The funds are primarily used for local home improvements and public infrastructure enhancements.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except those revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues, and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Deferred inflows arise when potential revenues do not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred inflows also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the deferred inflows is removed from the balance sheet and revenue is recognized.

Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences between the two methods of measurement focus.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Change in Net Position, and a Statement of Cash Flows for all proprietary funds. The City has determined that all its enterprise funds are major funds. The following were the City’s major enterprise funds:

The **Water Fund** consists of:

- *Water Service Fund* - This fund was established as a separate fund to account for the operation of the City's water utility. It is a self-supporting activity that provides services on a user-charge basis to residents and businesses located in the City.
- *Water Quality Sinking Fund* - Revenue from this fund comes from a \$3.00 per account transfer from the Water Service added to the water bill. Expenditures are for water system improvements.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

- *Water Supply Fund* - Revenue from this fund comes from water connection fees. Expenditures are for major system improvements, including debt service payments if the improvements are financed.
- *2009 Water Bond Fund* – This fund is used to account for projects financed with 2009 Water Revenue Bonds. The bond funds are being used to finance the acquisition and construction of certain improvements to the Water Enterprise system.

The **Sewer Fund** consists of:

- *Sewer Main Line Construction Fund* - Revenue from this fund comes from sewer connection fees. Expenditures are for plant improvements and pump station construction.
- *Sewer Service Fund* - This fund was established as a separate fund to account for the operation of the City's sewer utility. It is a self-supporting activity that provides services on a user-charge basis to residents and businesses located in the City.
- *2009 Sewer Bond Fund* – This fund is used to account for projects financed with 2009 Sewer Revenue Bonds. The bond funds are being used to finance the acquisition and construction of certain improvements to the Sewer Enterprise system.

Stancog Dial-A-Ride Fund - This fund is a local transportation fund restricted to transit, street, pedestrian, and bike purposes.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements.

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which a liability is incurred.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Proprietary Fund Financial Statements, Continued

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The City's fiduciary funds include both agency funds and private purpose trust funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Private Purpose Trust Funds account for resources held for other individuals or entities in a manner similar to private enterprise. These funds are accounted for using the accrual basis of accounting.

C. Cash, Cash Equivalents, and Investments

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments. For purposes of the statement of cash flows of the proprietary fund types, cash and cash equivalents include all investments, as the City operates an internal cash management pool which maintains the general characteristics of a demand deposit account.

Disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Cash, Cash Equivalents and Investments, Continued

The City participates in the Local Agency Investment Fund (LAIF), an investment pool managed by the State of California. LAIF has invested a portion of the pool funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as a result of changes in interest rates.

D. Restricted Cash and Investments

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt and for acquisition and construction of capital projects. Cash and investments are also restricted for deposits held for others within the enterprise funds.

E. Inventories

The City accounts for inventories using the first-in, first-out method. Inventories consist primarily of supplies and are carried at cost. Governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

F. Capital Assets

Government-Wide Financial Statements

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated fixed assets are valued at their estimated fair market value on the date donated. City policy has set the capitalization threshold for reporting infrastructure at \$100,000; all other capital assets are set at \$5,000. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Buildings	50-60 years
Improvements other than buildings	30-50 years
Machinery and equipment	5-20 years
Infrastructure	15-50 years

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

F. Capital Assets, Continued

Government-Wide Financial Statements, Continued

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include streets, sewer, park lands, and buildings. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping, and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Interest accrued during capital assets construction, if any, is capitalized for the business-type and proprietary funds as part of the asset cost.

For all infrastructure systems, the City elected to use the Basic Approach defined by GASB Statement No. 34, which requires all infrastructures be reported at historical cost and be depreciated over their estimated useful lives.

G. Long-Term Liabilities

Government-Wide Financial Statements

Long-term debt and other financial obligations are reported as liabilities in the appropriate activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are reported as deferred outflows.

Fund Financial Statements

The Governmental Fund Financial Statements do not present long-term debt. Consequently, long-term debt is shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

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

Proprietary Fund Financial Statements use the same principles as those used in the Government-Wide Financial Statements.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

H. Compensated Absences

Government-Wide Financial Statements

For governmental and business-type activities, compensated absences are recorded as incurred and the related expenses and liabilities are reported in the appropriate activity.

Fund Financial Statements

In governmental funds, compensated absences are recorded as expenditures in the years paid, as it is the City's policy to liquidate any unpaid compensated absences at June 30 from future resources, rather than currently available financial resources. In proprietary funds, compensated absences are expensed to the various funds in the period they are earned, and such fund's share of the unpaid liability is recorded as a long-term liability of the fund.

The City accrues vacation time payable to employees based on agreements between the City and the various City employee bargaining units. Vacation time generally accrues as follows:

<u>Years of Service</u>	<u>Annual Vacation Earned</u>
1 - 4	2 weeks
5 - 10	3 weeks
11 - 19	4 weeks
20 +	One day per year for each year over 20 to a maximum of 25 days per year

Employees may accumulate a maximum of 480 hours. Vacation is accrued per pay period. Although new employees immediately begin earning vacation time, they are not eligible to use it until 30 days of service has passed. The accrued liability of governmental fund types for compensated absences is not expected to be paid from current available funds and, therefore, has been recorded in the governmental activities of the Government-Wide Financial Statements. The liability in proprietary fund types is carried as an obligation in the Fund Financial Statements and in the business-type activities of the Government-Wide Financial Statements. The City does not pay any post-employment benefits.

I. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has only has one item that qualifies for reporting in this category. It is the deferred charge on pension plan contributions on the statement of net position.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

I. Deferred outflows/inflows of resources, Continued

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item reported as a deferred inflow of resources. The deferred inflow our resources is the net difference between projected and actual earnings on pension plan investments and is reported on the statement of net position.

J. Net Position and Fund Equity

Government-Wide Financial Statements

In the Government-Wide Financial Statements, net position are classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Net Position – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted.”

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance is classified as nonspendable, restricted, committed, assigned or unassigned. Proprietary fund equity is classified the same as in the government-wide statements. The classifications for governmental funds are defined as follows for the City:

Nonspendable Fund Balance –

- Assets that will never convert to cash (prepaid items, inventory).
- Assets that will not convert to cash soon enough to affect the current period (long-term notes or loans receivable).
- Resources that must be maintained intact pursuant to legal or contractual requirements (the principal of an endowment).

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. Net Position and Fund Equity, Continued

Government-Wide Financial Statements, Continued

Restricted Fund Balance –

- Resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the government (Creditors, Grantors, Contributors and Other Governments).
- Resources that are subject to limitations imposed by law through constitutional provisions or enabling legislation (Gas Tax).

Committed Fund Balance –

- Self imposed limitations set in place prior to the end of the period. (Encumbrances, economic contingencies and uncertainties)
- Limitation at the highest level of decision-making (Council) that requires formal action at the same level to remove.
- Council resolution is required to be taken to establish, modify or rescind a fund balance commitment.

Assigned Fund Balance –

- Amounts in excess of nonspendable, restricted and committed fund balance in funds other than the general fund automatically are reported as assigned fund balance.
- Assigned amounts for a specific purpose are as authorized by the City's Finance Director through its fund balance policy.

Unassigned Fund Balance –

- Residual net resources
- Total fund balance in the general fund in excess of nonspendable, restricted, committed and assigned fund balance (surplus).
- Excess of nonspendable, restricted, and committed fund balance over total fund balance (deficit).

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

K. Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are receivable from the county within ninety days after year end.

Lien Date	January 1
Levy Date	January 1
Due Date	November 1 and February 1
Collection Date	December 10 and April 10

Property taxes levied are recorded as revenue when received in the fiscal year of levy, because of the adoption of the “alternate method of property tax distribution,” known as the Teeter Plan, by the City and the County of Stanislaus. The Teeter Plan authorizes the Auditor/Controller of the County of Stanislaus to allocate 100% of the secured property taxes billed, but not yet paid.

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

O. Interfund Balances/Internal Balances

Advances to and advances from other funds represent interfund loans in the fund financial statements. Advances between funds are offset by a fund liability or by deferred inflows in the applicable governmental funds to indicate that they are not expendable available financial resources. Any unpaid interest due to lack of funds in the borrowing fund increases the principal owed and is reported in the lending fund as deferred inflows.

All other outstanding balances between funds are reported as due to and due from other funds. These are generally repaid within the following fiscal year.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-Wide Financial Statements as “internal balances.”

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

P. Use of Restricted and Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the City's policy is to apply restricted net position first.

Q. Budgetary Accounting

The City followed these procedures in establishing the budgetary data reflected in the financial statements:

1. Public hearings are conducted to obtain public comments. The City Council annually adopts the budget for the ensuing fiscal year prior to July 1st.
2. The City Manager is authorized to transfer budgetary amounts within a Department; however, any revisions that alter the total expenditures of any Department must be approved by the City Council.
3. Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Formal budgetary integration is not employed for the debt service funds because effective budgetary control is alternatively achieved through bond indenture provisions. The capital projects, proprietary and trust and agency funds are not budgeted.
4. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. Budgeted revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year which were contingent upon new or additional revenue sources and reappropriated amounts for prior year encumbrances. The City Manager may amend the budgeted amounts within departmental expenditure classifications. Appropriation revisions made during the year ended June 30, 2019, were not significant.

Appropriations lapse at the end of the fiscal year and then are rebudgeted for the coming year.

Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2019, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Q. Budgetary Accounting, Continued

Budgeted appropriations for the various governmental funds become effective each July 1. The City Council may amend the budget during the fiscal year. The legal level of budgetary control has been established at the fund level. Appropriations generally lapse at the end of the fiscal year to the extent they have not been expended or encumbered.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

2. CASH AND INVESTMENTS

At June 30, 2019, the City's pooled cash and investments, classified by maturity, consisted of the following stated at fair market value:

	Maturities (in years)				Fair		
	< 1	1 to 2	> 2	Deposits	Market Value		
<u>Cash equivalents and investments pooled</u>							
Pooled cash, at fair value:							
Cash in bank	\$ -	\$ -	\$ -	\$ 14,272,500	\$ 14,272,500		
Petty cash	-	-	-	6,450	6,450		
Total pooled items	-	-	-	14,278,950	14,278,950		
Pooled investments, at fair value							
<u>Interest obligations</u>							
<u>Par</u>	<u>Rtae</u>						
\$8,352,000	1.0 - 3.25%	Domestic Time Deposits	1,935,000	3,214,000	3,203,000	-	8,352,000
\$27,276,000	.875 - 3.00%	US Government Agency Securities	9,988,498	14,004,392	300,178	-	24,293,068
Municipal Investor Account			1,602,283	-	-	-	1,602,283
State of California Local Agency Investment Fund			8,324,356	-	-	-	8,324,356
Total pooled investments - interest obligations			21,850,137	17,218,392	3,503,178	-	42,571,707
Total cash equivalents and investments pooled			\$ 21,850,137	\$ 17,218,392	\$ 3,503,178	\$ 14,278,950	\$ 56,850,657
Amounts reported in:							
Government activities							\$ 24,613,839
Business-type activities:							
Unrestricted cash and investments							24,569,716
Cash and investments with trustee/fiscal agent							844,039
Fiduciary activities:							
Unrestricted cash and investments							2,825,363
Cash and investments with trustee/fiscal agent							3,997,700
Total							\$ 56,850,657

Investment Type	Fair Value	Maturity (in years)
Domestic Time Dposits	\$ 8,352,000	2.38
US Government Agency Securities	26,993,068	1.33
Municipal Investor Account	1,602,283	0.00
Local Agency Investment Fund	8,324,356	0.00
Total fair value	\$ 45,271,707	
Portfolio weighted average maturity		1.58

California statutes authorize cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. During the year ended June 30, 2019, the City's permissible investments included the following instruments:

Medium-term Corporate Notes	Commercial Paper	Treasury Bills and Notes
Certificates of Deposit	Repurchase Agreements	Passbook Savings Accounts
Bankers' Acceptances	Government Agency Securities	Local Agency Investment Fund

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

2. CASH AND INVESTMENTS, Continued

Interest rate risk – In accordance with its investment policy, the City manages its exposures to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than 5 years. As of June 30, 2019, the weighted average maturity was not applicable because all balances are current.

Credit risk – It is the City's policy that commercial paper have a rating of "A1" or higher by a nationally recognized statistical rating organization (NRSRO) and with a maturity date not exceeding 180 days from the date of purchase. Medium-term notes, with a final maturity not exceeding five years from the date of purchase, must have a rating of A or the equivalent by a NRSRO. Federal instrumentalities must have a rating of AAA or the equivalent by a NRSRO at the time of purchase with a maximum maturity of five years at the time of purchase. The LAIF, administered by the State of California, has a separate investment policy, governed by Government Code Sections 16480-16481.2, that provides credit standards for its investments.

Concentration of credit risk – The City's investment policy does not allow for an investment in any one issuer that is in excess of five percent of the government's total investments. The investments made by the City Treasurer are limited to those allowable under State statutes as incorporated into the City's Investment Policy, which is accepted annually by the City Council. There were no concentrations in any one issuer for the year.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested 1.77% of the pool funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to changes in interest rates.

Custodial credit risk – deposits. For deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned. The City's Investment Policy addresses custodial credit risk, which follows the Government Code.

At June 30, 2019, the carrying amount of the City's deposits was \$5,534,223 and the balance in financial institutions was \$5,745,107. Of the balance in financial institutions, \$500,000 was covered by federal depository insurance and \$5,245,107 was collateralized as required by State law (Government Code Section 53630), by the pledging financial institution with assets held in a common pool for the City and other governmental agencies, but not in the name of the City. As of June 30, 2019, the City's investments were held by the City's custodial agent, but not in the City's name, and were insured up to specified limits by the Securities Investor Protection Corporation (SIPC) and supplemental private insurance up to a limit of \$150 million.

Custodial credit risk – investments. For investments, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside counterparty. For the investments maintained by the City, no security was uninsured or unregistered or held by a brokerage firm which is also the counterparty for the security.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

2. CASH AND INVESTMENTS, Continued

Investment in LAIF: The City is a voluntary participant in California Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section under the oversight of the Local Investment Advisory Board (Board). The Board consists of five members as designated by state statute, and is chaired by the State Treasurer who is responsible for day to day administration of LAIF. The total amount invested by all public agencies as of June 30, 2019 was \$24,584,685,280 of which the City had a balance of \$8,324,356. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2019 has a portfolio with market valuation of \$106,046,486 thousand. Of the total invested, 98.23% was invested in non-derivative financial products and 1.77% in structured notes and asset-backed securities. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

3. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2019:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Total
Current:				
Accounts	\$ -	\$ 1,282,342	\$ -	\$ 1,282,342
Taxes	265,664	-	-	265,664
Interest	23,638	26,375	2,490	52,503
Intergovernmental	-	-	-	-
Other receivable	3,303,640	-	-	3,303,640
Total current	<u>3,592,942</u>	<u>1,308,717</u>	<u>2,490</u>	<u>4,904,149</u>
Noncurrent:				
Loans receivable	<u>7,241,608</u>	<u>-</u>	<u>2,650,420</u>	<u>9,892,028</u>
Total noncurrent	<u>7,241,608</u>	<u>-</u>	<u>2,650,420</u>	<u>9,892,028</u>
Total receivables	<u>\$ 10,834,550</u>	<u>\$ 1,308,717</u>	<u>\$ 2,652,910</u>	<u>\$ 14,796,177</u>

These amounts resulted in the following concentrations in receivables:

Other Governments	1.80%
Individuals/Businesses	75.52%
Financial	0.35%
Other	22.33%

Amounts do not indicate a significant concentration (greater than 25%) with any single individual, business, or agency.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

4. LOANS AND NOTES RECEIVABLE

Through the City's various housing rehabilitation funds and first-time home buyer's funds, the City has loaned funds to qualifying individuals and businesses. Interest rates vary depending on the terms of the loan. Interest is accrued on the loans that bear interest.

Loans and notes receivable for the year ended June 30, 2019, consisted of the following:

Description	Beginning July 1, 2018	Additions	(Deletions)	Ending June 30, 2019
First-Time Homebuyer Loans	\$ 2,714,143	\$ -	\$ (162,810)	\$ 2,551,333
Housing Rehabilitation Loans:				
CDBG Loan	235,734	-	-	235,734
Emergency Repair Loan	354,909	-	(14,278)	340,631
Begin Home Grant	762,150	-	-	762,150
Total Housing Rehabilitation Loans	1,352,793	-	(14,278)	1,338,515
Whitmore Oaks	865,361	-	-	865,361
Della Tiara	2,486,399	-	-	2,486,399
Total loans receivable	<u>\$ 7,418,696</u>	<u>\$ -</u>	<u>\$ (177,088)</u>	<u>\$ 7,241,608</u>

The following is a summary of the loans and notes receivable outstanding as of June 30, 2019:

First-Time Homebuyer Loans

The City has provided various loans to assist first-time homebuyers with loans up to \$50,000. Loan repayment is deferred for 30 years or until sale or refinancing of the property. Interest rates vary from 1% to 5%. Total first-time homebuyer loans outstanding at June 30, 2019 were \$2,551,333.

Housing Rehabilitation Loans

The City administers various housing rehabilitation loan programs using Community Development Block Grant funds and Begin Home Funds. Under these programs, individuals with incomes below a certain level are eligible to receive low interest, variable term loans, secured by deeds of trust for rehabilitation work on their homes. Interest rates may vary from 0% to 3%. The loan repayments may be amortized over the life of the loans, deferred or a combination of both. Total rehabilitation loans outstanding at June 30, 2019 were \$1,338,515.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

4. LOANS AND NOTES RECEIVABLE, Continued

Whitmore Oaks

The Whitmore Oaks loan was made to assist the developer with the costs to develop and construct a 53 unit apartment complex for seniors. The CRA provided a loan of \$612,500 and the City, through the State's HOME Investment Partnership Program, provided a loan of up to \$865,361. Loan provisions require the apartment complex provide not less than eleven affordable housing units to be rented to qualified very-low and low income persons and families. The CRA loan carries an interest rate of 3% starting 2015 and the note is payable in full in 2057. The HOME loan carries an interest rate of 3% starting in 2027 and the note is payable in full in 2042. The amount outstanding at June 30, 2019 was \$865,361.

Della Tiara

The CRA provided a loan to Della Tiara for the construction of a 26-unit apartment complex (the "Project") using HOME grant funds. The loan bears simple interest of 3% per year and interest begins to accrue January 1, 2015. The loan is deferred for 55 years. Commencing in 2018, principal and interest is due in an amount equal to 35% of residual cash flow from the Project provided that the residual cash flow in any year is over \$10,000. The amount outstanding at June 30, 2019 was \$2,486,399.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

5. CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
<u>Governmental activities:</u>				
Nondepreciable assets:				
Land	\$ 14,753,193	\$ -	\$ -	\$ 14,753,193
Total nondepreciable assets	<u>14,753,193</u>	<u>-</u>	<u>-</u>	<u>14,753,193</u>
Depreciable assets:				
Buildings and improvements	38,969,792	137,532	-	39,107,324
Machinery & equipment	13,227,944	3,750,485	-	16,978,429
Infrastructure	99,238,360	3,668,618	-	102,906,978
Total depreciable assets	<u>151,436,096</u>	<u>7,556,635</u>	<u>-</u>	<u>158,992,731</u>
Total	<u>166,189,289</u>	<u>7,556,635</u>	<u>-</u>	<u>173,745,924</u>
Accumulated depreciation:				
Buildings and improvements	(14,065,770)	(1,398,104)	-	(15,463,874)
Machinery & equipment	(11,051,945)	(744,789)	-	(11,796,734)
Infrastructure	<u>(55,505,403)</u>	<u>(3,166,639)</u>	<u>(1)</u>	<u>(58,672,043)</u>
Total accumulated depreciation	<u>(80,623,118)</u>	<u>(5,309,532)</u>	<u>(1)</u>	<u>(85,932,651)</u>
Net depreciable assets	<u>70,812,978</u>	<u>2,247,103</u>	<u>(1)</u>	<u>73,060,080</u>
Total net capital assets	<u>\$ 85,566,171</u>	<u>\$ 2,247,103</u>	<u>\$ (1)</u>	<u>\$ 87,813,273</u>

Depreciation expense for capital assets was charged to functions as follows:

General government	\$ 2,242,682
Public safety	142,808
Public works	2,837,711
Community services	14,864
Economic development	<u>71,467</u>
Total	<u>\$ 5,309,532</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

5. CAPITAL ASSETS, Continued

Capital asset activity for business-type activities for the year ended June 30, 2019, was as follows:

	July 1, 2018	Additions	Deletions	Reclassifications	June 30, 2019
<u>Business-type activities:</u>					
Nondepreciable assets:					
Land	\$ 1,783,812	\$ -	\$ -	\$ -	\$ 1,783,812
Total nondepreciable assets	<u>1,783,812</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,783,812</u>
Depreciable assets:					
Buildings and improvements	9,563,657	16,486	-	-	9,580,143
Machinery & equipment	7,094,076	65,367	-	-	7,159,443
Infrastructure	33,743,424	3,570,864	-	-	37,314,288
Total depreciable assets	<u>50,401,157</u>	<u>3,652,717</u>	<u>-</u>	<u>-</u>	<u>54,053,874</u>
Total	<u>52,184,969</u>	<u>3,652,717</u>	<u>-</u>	<u>-</u>	<u>55,837,686</u>
Accumulated depreciation:					
Buildings and improvements	(5,178,581)	(295,493)	-	-	(5,474,074)
Machinery & equipment	(4,812,034)	(396,905)	-	-	(5,208,939)
Infrastructure	(12,329,879)	(1,040,233)	-	-	(13,370,112)
Total accumulated depreciation	<u>(22,320,494)</u>	<u>(1,732,631)</u>	<u>-</u>	<u>-</u>	<u>(24,053,125)</u>
Net depreciable assets	<u>28,080,663</u>	<u>1,920,086</u>	<u>-</u>	<u>-</u>	<u>30,000,749</u>
Total net capital assets	<u>\$ 29,864,475</u>	<u>\$ 1,920,086</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,784,561</u>

Depreciation expense for business-type activity capital assets was charged to functions as follows:

Water	\$ 884,562
Sewer	778,318
STANCOG	<u>69,751</u>
Total	<u>\$ 1,732,631</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2019:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Total
Accounts payable	\$ 2,406,490	\$ 1,196,659	\$ 363,941	\$ 3,967,090
Accrued payroll and related liabilities	755,672	-	-	755,672
Total	<u>\$ 3,162,162</u>	<u>\$ 1,196,659</u>	<u>\$ 363,941</u>	<u>\$ 4,722,762</u>

These amounts resulted in the following concentrations in payables:

Vendors	84%
Employees	16%

Amounts do not indicate a significant concentration (greater than 25%) with any single vendor or employee.

7. SPECIAL ASSESSMENT DISTRICTS

Special Assessment bonds have been issued under the 1915 Bond Act. The City is in no way liable for repayment of any bonds of the funds reflected in the Agency funds, according to bond counsel, but is acting only as an agent for the property owners/bond holders in collecting and forwarding the special assessments. Balances of the various assessment district bonds were as follows as of June 30, 2019:

2002 - WestPointe Refunding Reassessment District – Original Issue \$2,960,000

In fiscal year 2003, the City issued the WestPointe Refunding Reassessment District Bonds. Proceeds from the sale of the bonds was used to call and redeem all of the outstanding principal amount of the bonds previously issued by the City for its Westpointe Improvement Assessment District and to pay certain costs of issuance of the bonds. The City is the collecting and paying agent for the bonds issued by the WestPointe Assessment District (District), but has no direct or contingent liability or moral obligation for the payment of these bonds. Assets held by the City on behalf of the District are recorded in an agency fund. Accordingly, the assets and outstanding bond obligations of the District are not presented in the accompanying Basic Financial Statements. As of June 30, 2019, there is no outstanding balance of the Westpointe Refunding Reassessment District Bonds.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

8. LONG-TERM LIABILITIES

The following is a summary of changes in long-term debt for business-type activities for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Due Within One Year
<u>Business-type Activities:</u>					
2009 Water Revenue Bonds, Series A	\$ 3,950,000	\$ -	\$ (120,000)	\$ 3,830,000	\$ 120,000
Bond discount	(70,552)	-	3,407	(67,145)	(3,407)
2009 Wastewater Revenue Bonds, Series A	6,855,000	-	(205,000)	6,650,000	210,000
Bond discount	(123,565)	-	5,927	(117,638)	(5,927)
Total business-type activities	<u>\$ 10,610,883</u>	<u>\$ -</u>	<u>\$ (315,666)</u>	<u>\$ 10,295,217</u>	<u>\$ 320,666</u>

Business-type Activities:

2009 Wastewater Revenue Bond – Original Issue \$8,220,000

On December 22, 2009, Ceres Financing Authority issued the Wastewater Revenue Bonds, Series A in the amount of \$8,220,000 to finance the acquisition and construction of certain improvements to the wastewater enterprise system of the City. The principal of the bonds are payable annually starting on June 1, 2011 through June 1, 2039, in amounts ranging from \$150,000 to \$505,000. Interest rates range from 2.0% to 5.0% and are payable semiannually on June 1 and December 1. Bonds are payable from revenues consisting primarily of installment payments payable by the City to the Authority under a Wastewater Installment Purchase Agreement. The bonds were issued at a discount of \$177,801, which is amortized over the life of the bond.

2009 Water Revenue Bond – Original Issue \$4,750,000

The Ceres Financing Authority issued the Water Revenue Bonds, Series A in the amount of \$4,750,000 to finance the acquisition and construction of certain improvements to the water enterprise system of the City. The bonds mature annually through June 1, 2039, in amounts ranging from \$90,000 to \$290,000. Interest rates vary from 4.50% to a maximum of 5.00% and are payable semiannually on June 1 and December 1. Bonds are payable from revenues consisting primarily of installment payments payable by the City to the Authority under a Water Installment Purchase Agreement. The bonds were issued at a discount of \$102,202, which is being amortized over the life of the bond.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

8. LONG-TERM LIABILITIES, Continued

Future debt service at June 30, 2019, is as follows for all remaining debt except claims liabilities:

Year Ending June 30,	Business-type Activities				
	2009 Water Revenue Bonds		Discount - 2009 Water Revenue Bonds	Sub-Totals	
	Principal	Interest		Principal	Interest
2020	\$ 120,000	\$ 182,975	\$ (3,407)	\$ 116,593	\$ 182,975
2021	125,000	178,175	(3,407)	121,593	178,175
2022	130,000	173,175	(3,407)	126,593	173,175
2023	135,000	167,813	(3,407)	131,593	167,813
2024	145,000	162,075	(3,407)	141,593	162,075
2025-2029	820,000	707,325	(17,035)	802,965	707,325
2030-2034	1,035,000	490,250	(17,035)	1,017,965	490,250
2035-2039	1,320,000	204,250	(16,040)	1,303,960	204,250
Total	<u>\$ 3,830,000</u>	<u>\$ 2,266,038</u>	<u>\$ (67,145)</u>	<u>\$ 3,762,855</u>	<u>\$ 2,266,038</u>
Due within one year	\$ 120,000	\$ 182,975	\$ (3,407)	\$ 116,593	\$ 182,975
Due after one year	3,710,000	2,083,063	(63,738)	3,646,262	2,083,063
Total	<u>\$ 3,830,000</u>	<u>\$ 2,266,038</u>	<u>\$ (67,145)</u>	<u>\$ 3,762,855</u>	<u>\$ 2,266,038</u>

Year Ending June 30,	2009 Wastewater Revenue Bonds		Discount - 2009 Wastewater Revenue Bonds	Grand Totals	
	Principal	Interest	Principal	Principal	Interest
2020	\$ 210,000	\$ 317,588	\$ (5,927)	\$ 320,666	\$ 500,563
2021	220,000	309,188	(5,927)	335,666	487,363
2022	230,000	300,387	(5,927)	350,666	473,562
2023	240,000	290,900	(5,927)	365,666	458,713
2024	250,000	280,700	(5,927)	385,666	442,775
2025-2029	1,420,000	1,225,075	(29,635)	2,193,330	1,932,400
2030-2034	1,790,000	849,750	(29,635)	2,778,330	1,340,000
2035-2039	2,290,000	354,750	(28,733)	3,565,227	559,000
Total	<u>\$ 6,650,000</u>	<u>\$ 3,928,338</u>	<u>\$ (117,638)</u>	<u>\$ 10,295,217</u>	<u>\$ 6,194,376</u>
Due within one year	\$ 210,000	\$ 317,588	\$ (5,927)	\$ 320,666	\$ 500,563
Due after one year	6,440,000	3,610,750	(111,711)	9,974,551	5,693,813
Total	<u>\$ 6,650,000</u>	<u>\$ 3,928,338</u>	<u>\$ (117,638)</u>	<u>\$ 10,295,217</u>	<u>\$ 6,194,376</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

9. NET POSITION/ FUND BALANCES

Net Position

	Governmental Activities	Business-type Activities	Totals
Net investment in capital assets	\$ 86,719,136	\$ 21,810,010	\$ 108,529,146
Restricted	6,558,514	-	6,558,514
Unrestricted	(1,441,246)	23,995,244	22,553,998
Total	<u>\$ 91,836,404</u>	<u>\$ 45,805,254</u>	<u>\$ 137,641,658</u>

- Restricted balances are for the same purposes as fund balance restrictions because external restriction requirements are the same. See descriptions of the restrictions below.

Fund Balance

Nonspendable, Restricted and Committed fund balance consisted of the following at June 30, 2019:

Nonspendable:	
Petty cash	\$ 6,850
Prepaid items	8,286
Total nonspendable	<u>\$ 15,136</u>
Restricted for:	
Home Program	\$ 331,775
CDBG Programs	478,025
Storm Drain Benefit Districts	1,697,932
Eastgate Street Benefit District	75,734
BEGIN Grant Program	39,792
Program Income BEGIN	223,369
Measure H Income	1,047,718
Dept of Conservation Grant	81,021
Fire Hydrant Benefit District	128,361
Transportation Development Act	504,120
Ceres Community Foundation	171,796
Measure L	1,665,236
Road Maintenance and Rehab	113,635
Total restricted	<u>\$ 6,558,514</u>
Committed:	
General Fund Reserve	\$ 145,008
Street Expansion	13,045
Neighborhood Park Fees	201,738
Community Facilities District	7,489
Total committed	<u>\$ 367,280</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

9. NET POSITION/ FUND BALANCES, Continued

The following describe the purpose of each nonspendable, restriction and commitment used by the City:

Nonspendable

Petty cash – includes imprest balances, which do not represent available, spendable resources even though they are components of assets.

Prepaid items – used to segregate that portion of fund balance to indicate that prepaid amounts do not represent available, spendable resources even though they are components of assets.

Restricted

HOME Program – represents amounts restricted for housing under the HOME program.

CDBG Programs – represents amounts restricted for housing purposes by the Department of Housing and Urban Development.

Storm Drain Benefit Districts – represents amounts restricted for use on the storm drain systems in the WestPointe, Eastgate, Mitchell Road, and North East benefit districts.

Eastgate Street Benefit District – represents amounts restricted for use on the streets in the Eastgate benefit district.

BEGIN Grant Program – represents amounts restricted for the Building Equity & Growth in Neighborhoods grant to be utilized for deferred-payment second mortgage loans for down payment assistance to lower to moderate-income first-time homebuyers of new homes in projects with affordability enhanced by local regulatory incentives or barrier reductions.

Program Income BEGIN – represents amounts restricted for housing purposes under the BEGIN Grant Program.

Measure H Income – represents amounts restricted as a result of a voter approved ½-cent retail transaction and use tax (sales tax) for the improvement of police, fire and 9-1-1 emergency response; to fund additional personnel and equipment costs.

State Gas Tax – represents amounts restricted for street purposes by the California Streets and Highways Code.

Street Light – Landscape District - represents amounts restricted for the City-wide 1972 Act Landscaping and Lighting District.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

9. NET POSITION/ FUND BALANCES, Continued

Restricted, Continued

Dept. of Conservation Grant – represents amounts restricted for department of conservation grant programs.

Fire Hydrant Benefit District – represents amounts restricted for use in the fire hydrant benefit district.

Transportation Development Act – represents amounts restricted by use by the Transportation Development Act for transportation, including streets and roads.

Ceres Community Foundation - represents amounts restricted for use for the Ceres Community Foundation.

Measure L – represents amounts restricted for use of local street and road improvements, arterial street widening, signalization, pedestrian, bicyclist, and driver safety improvement projects.

Road Maintenance and Rehab – Restricted to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options to the traveling public.

Committed

General Fund Reserve – used to represent that portion of fund balance set aside for unexpected events that may impact the City's ability to provide essential day-to-day services. This amount can only be changed by Council Resolution.

Street Expansion – represents purchase orders issued for ongoing street projects. These amounts are under contract.

Neighborhood Park Fees– represents purchase orders issued for ongoing parks projects. These amounts are under contract.

Community Facilities District – amounts committed for Police, Fire, Parks and Administrative Services. These amounts can only be charged by Council Resolution.

Deficit fund balances consisted of the following:

Nonmajor Special Revenue Funds:

State Gas Tax - \$167,364 – resulted from the depletion of the fund balance through operational expenditures.

Street Light - Landscape District - \$20,528 resulted from depletion of the fund balance through operational expenditures.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

9. NET POSITION/ FUND BALANCES, Continued

CMAQ – \$457,956 resulted from the advance of funds through a Federal grant setup on a cost reimbursement basis with revenues to be received in future years.

Community Center - \$1,604,864 resulted from operational costs in excess of revenues. The City plans to address this deficit in the next fiscal year.

Daniel Whitmore House - \$121 resulted from the advance of funds from the City with revenues to be received in future years.

Clinton Whitmore Mansion - \$37,829 resulted from the advance of funds from the City with revenues to be received in future years.

Excess of Expenditures and Transfers Over Appropriations: Expenditures and transfers exceeded appropriations for the year ended June 30, 2019, for the following funds:

	<u>Final Budget</u>	<u>Total Expenditures and Transfers</u>	<u>Excess Expenditures Over Appropriations</u>
<u>Governmental Activities</u>			
Non-major Funds:			
Special Revenue Funds:			
SLESF	-	100,000	(100,000)
LLEBG	10,000	10,224	(224)

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

10. INTERFUND TRANSACTIONS

Due to and due from other funds consisted of the following as of June 30, 2019:

	Due from Other Funds	Due to Other Funds
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 1,805,467	\$ -
CDBG Grants Special Revenue	150,527	-
Total Major Funds	<u>1,955,994</u>	<u>-</u>
Non-major Funds:		
Special Revenue Funds:		
Neighborhood Park Fees	9,388	-
State Gas Tax	-	150,527
Street Light-Landscape District	-	9,388
Traffic Safety	-	35,818
CMAQ	-	229,482
Transportation Development Act	-	25
Community Center	-	1,502,215
Daniel Whitmore House	-	21
Clinton Whitmore Mansion	-	37,671
Total Non-major Special Revenue Funds	<u>9,388</u>	<u>1,965,147</u>
Total Non-major Funds	<u>9,388</u>	<u>1,965,147</u>
Internal Service Funds:		
Risk Management	-	235
Total Governmental Activities	<u>\$ 1,965,382</u>	<u>\$ 1,965,382</u>
Total	<u>\$ 1,965,382</u>	<u>\$ 1,965,382</u>

Due to and from balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

10. INTERFUND TRANSACTIONS, Continued

Activity for advances for the year ended June 30, 2019, was as follows:

	Advances to Other Funds	Advances from Other Funds
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 531,494	\$ -
Total Governmental Activities	<u>531,494</u>	<u>-</u>
<u>Successor Agency</u>		
SCRC	-	531,494
Total Successor Agency	<u>-</u>	<u>531,494</u>
Total Advances	<u>\$ 531,494</u>	<u>\$ 531,494</u>

Advances from the General Fund to the Successor Agency - SCRC were for Redevelopment Agency start-up costs.

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

10. INTERFUND TRANSACTIONS, Continued

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfers consisted of the following at June 30, 2019:

	Transfers In	Transfers Out
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 3,505,939	\$ 16,081
Total Major Funds	<u>3,505,939</u>	<u>16,081</u>
Non-major Funds:		
Special Revenue Funds:		
Community Facilities District	-	643,898
Daniel Whitmore House	10,081	-
Measure L	-	40,282
Total Non-major Special Revenue Funds	<u>10,081</u>	<u>684,180</u>
Total Non-major Funds	<u>10,081</u>	<u>684,180</u>
Total Governmental Activities	<u>3,516,020</u>	<u>700,261</u>
<u>Proprietary Funds</u>		
Sewer	-	2,856,041
STANCOG	40,282	-
Total Proprietary Funds	<u>40,282</u>	<u>2,856,041</u>
Total Transfers	<u>\$ 3,556,302</u>	<u>\$ 3,556,302</u>

Transfers In reported in the General fund from the Non-Major Governmental funds represent the City's commitment to supporting recreation programs. Transfers In reported in Non-Major Governmental funds from Major Governmental funds represent support for community services expenses.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

11. RISK MANAGEMENT

The City participates with other public entities in a joint venture under a joint powers agreement which established the Central San Joaquin Valley Risk Management Authority (CSJVRMA). The relationship between the City and the CSJVRMA is such that the CSJVRMA is not a component unit of the City for financial reporting purposes.

The City is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each workers' compensation claim through the CSJVRMA. The City has the right to receive dividends or the obligation to pay assessments based on a formula which, among other expenses, charges the City's account for liability losses under the City's self-insurance retention of \$50,000 and workers' compensation losses under the City's self-insurance retention of \$100,000. The CSJVRMA participates in an excess pool, which provides general liability coverage from \$1,000,001 to \$15,000,000. The CSJVRMA participates in an excess pool, which provides workers' compensation coverage from \$500,001 to \$5,000,000 and also purchases excess insurance above the \$5,000,000 to the statutory limit.

The CSJVRMA is a consortium of fifty-four (54) cities in San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500 et seq. The CSJVRMA is governed by a Board of Directors, which meets three to four times per year, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by the CSJVRMA.

The financial information from the audited financial statements of the CSJVRMA, as of June 30, 2019, the most recent available, is presented below:

Total assets	\$	128,442,162
Total liabilities		109,661,346
Total equities		18,780,816
Total revenues		53,005,963
Total expenses		52,250,549
Revenues over (under) expenses		755,414

Detailed financial information may be obtained from the CSJVRMA.

At the termination of the joint powers agreement and after all claims have been settled, any excess or deficit will be divided among the cities in accordance with the governing documents. There were no excess claims over premiums for any of the City's risk management programs in 2017-2018, and there were no changes to the City's insurance coverage from the prior year.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

11. RISK MANAGEMENT, Continued

The following chart depicts the claims payments and liability amounts for the years shown:

Fiscal Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments for Current and Prior Years	End of Year Liability
2013-2014	\$ 1,069,104	\$ 1,542,610	\$ (1,579,841)	\$ 1,031,873
2014-2015	1,031,873	1,733,076	(1,908,477)	856,472
2015-2016	856,472	16,512,903	(15,621,589)	1,747,786
2016-2017	1,747,786	1,347,031	(2,214,425)	880,392
2017-2018	880,392	2,011,551	(1,904,705)	987,238
2018-2019	987,238	2,227,567	(2,240,605)	974,200

12. PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified full-time employees are eligible to participate in the City's public employee retirement system, a cost sharing, multiple-employer, defined benefit pension plans administered by the Stanislaus County Employees Retirement Association (Association). The Association provides defined benefit plans, which include retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Association acts as a common investment and administrative agent for participating public entities. Benefit provisions and all other requirements are established by State statute and City ordinance. Copies of the Association's annual financial report may be obtained from their offices located at 832 12th Street, Suite 600, Modesto, California 95353.

Benefits Provided

The Association provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

12. PENSION PLAN, Continued

The Plan's provisions and benefits in effect at June 30, 2019, are summarized as follows:

	Miscellaneous Plan	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2% to 2.7%	1.0% to 2.5%
Required employee contribution rates	8%	10.98%
Required employer contribution rates	29.96%	25.09%

Employees Covered

At June 30, 2019, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	83
Inactive employees entitled but not yet receiving benefits	40
Active employees	105
Total	228

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by the Association. The actuarially determined rate is based on the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the measurement period ended June 30, 2018 (the measurement date), the active employees are required to contribute 8.0 percent of their annual pay. The City's average required contribution rate was 26.844 percent of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan recognized as pension expense from the City were \$6,046,232 for the year ended June 30, 2019.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

12. PENSION PLAN, Continued

B. Net Pension Liability

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2017, using an annual actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions Used to Calculate Net Pension Liability

The total pension liability in the June 30, 2018 actuarial valuations was determined using the following actuarial assumptions:

Actuarial Assumptions	
Valuation date	June 30, 2017
Measurement date	June 30, 2018
Actuarial cost method	Entry-age normal cost method
Actuarial assumptions:	
Discount rate	7.25%
Inflation	3.00%
Payroll growth	100% of CPI to 3.0% annually with banking. 2.7% annual increases assumed
Projected salary increases	3.25% plus service based rates
Investment Rate of Return	7.75%

Post-retirement mortality rates were based on the RP2000 Combined tables projected to the year 2020 with adjustments for mortality improvements based on Society of Actuaries Scale AA. For pre-retirement mortality, withdrawal rates, disability rates and service retirement rates, the rates vary by age, gender and classification.

Discount Rate - The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

12. PENSION PLAN, Continued

B. Net Pension Liability, Continued

The long-term defined benefit pension plan return expectations were determined using a building-block approach. An inflation forecast is the baseline and various real return premiums (e.g. bonds, equities, etc.) are added to create nominal return expectations for each asset class.

These expectations are combined to produce the long-term expected rate of return by weighting the expected nominal rates of return by the target asset allocation percentages and including an expected return from rebalancing uncorrelated asset classes.

Best estimates of geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2018 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic Equities	
US Large Cap	5.30%
US Small Cap	5.60%
International Equities	
International Development	5.60%
Emerging Market Equity	6.40%
US Fixed Income	0.70%
Real Estate Securities	3.90%
Direct Lending	5.60%
Infrastructure	3.70%
Cash	-0.70%

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2019, the City reported net pension liabilities for its proportionate share of the net pension liability of the Plan of \$33,371,414.

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2018, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2018 and 2017 was 5.1682% and 5.5554% respectively.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

12. PENSION PLAN, Continued

B. Net Pension Liability, Continued

For the year ended June 30, 2019, the City recognized pension expense of \$6,468,499. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Pension contributions subsequent to measurement date	\$ 5,867,950	\$ -
Differences between actual and expected experience	915,336	636,073
Changes in proportions	250,284	2,274,406
Differences between the employer's contributions and the employer's proportionate share of the contributions	557,337	-
Net differences between projected and actual earnings on plan investments	-	248,264
Changes in assumptions	5,576,535	
Total	<u>\$ 13,167,442</u>	<u>\$ 3,158,743</u>

\$5,867,950 reported as deferred outflows of resources related to contributions subsequent to the measurement date and changes in proportion that will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended 30-Jun	
2019	\$ 3,611,505
2020	2,827,713
2021	(1,735,806)
2022	(562,665)
2023	-
Thereafter	-

C. Changes in Net Pension Liability

At June 30, 2019, the City reported a net pension liability of \$33,371,414. The City's net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

12. PENSION PLAN, Continued

C. Changes in Net Pension Liability, Continued

The changes in the Net Pension Liability for the entire Plan was as follows:

	Increase (Decrease)		
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability / (Asset) (c) = (a) - (b)
Balance at 6/30/2017	2,659,510,907	1,994,223,311	665,287,596
Balance at 6/30/2018	2,772,667,458	2,126,960,745	645,706,713
Net changes during 2017-18	\$ 113,156,551	\$ 132,737,434	\$ (19,580,883)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City calculated using the discount rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease in Discount Rate (6.25%)	Current Discount Rate (7.25%)	1% increase in Discount Rate (8.25%)
Net pension liability	\$ 53,569,582	\$ 33,371,414	\$ 16,907,241

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued Association financial reports.

E. Payable to the Pension Plan

At June 30, 2019, the City reported a payable of \$258,590 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2019.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

13. ABANDONED VEHICLE ABATEMENT PROGRAM

The City has an Abandoned Vehicle Abatement Program (AVA) with revenues, expenditures, and balances of abandoned vehicle abatement funds for the year ended June 30, 2019 as follows:

Revenues	\$ 22,810
Expenditures:	
Public safety	<u>20,515</u>
Revenues (under) expenditures	2,295
Fund balances:	
Beginning balance	<u>79,812</u>
Ending balance	<u><u>\$ 82,107</u></u>

AVA expenditures for 2019 are in compliance with Sections 9250.7 and 22710 of the Vehicle Code.

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2013, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Ceres that previously had reported two redevelopment agencies within the reporting entity of the City as blended component units.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 9, 2013, the City Council elected to become the Successor Agency for both the former Ceres Redevelopment Agency and Stanislaus-Ceres Redevelopment Commission in accordance with the Bill as part of City resolution number 2013-04 and 2013-05, respectively.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2013. Prior to that date, the final seven months of the activity of the redevelopment agency continued to be reported in the governmental funds of the City included in the fund financial statements as Former Ceres Redevelopment Agency Special Revenue Fund and Low/Moderate Income Housing Fund, Capital Projects Fund and Debt Service Fund. The

City also reported the Former Stanislaus-Ceres Redevelopment Commission Special Revenue Fund and Low/Moderate Income Housing Fund, Capital Projects Fund and Debt Service Fund.

After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City. The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2013 (effectively the same date as January 31, 2013) from governmental funds of the City to fiduciary funds was reported in the governmental funds as an extraordinary loss (or gain) in the governmental fund financial statements. The receipt of these assets and liabilities as of January 31, 2013 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

Because of the different measurement focus of the governmental funds (*current financial resources measurement focus*) and the measurement focus of the trust funds (*economic resources measurement focus*), the extraordinary loss (gain) recognized in the governmental funds was not the same amount as the extraordinary gain (loss) that was recognized in the fiduciary fund financial statements.

Loans and notes receivable

Through the City's various housing rehabilitation funds and first-time home buyer's funds, the City has loaned funds to qualifying individuals and businesses. Interest rates vary depending on the terms of the loan. Interest is accrued on the loans that bear interest.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

Through the City's various housing rehabilitation funds and first-time home buyer's funds, the City has loaned funds to qualifying individuals and businesses. Interest rates vary depending on the terms of the loan. Interest is accrued on the loans that bear interest.

Loans and notes receivable for the year ended June 30, 2019 for the Successor Agency, consisted of the following:

Description	Beginning July 1, 2018	Additions	(Deletions)	Ending June 30, 2019
First-Time Homebuyer Loans	\$ 6,600	\$ -	\$ -	\$ 6,600
Housing Rehabilitation Loans:				
Home Exterior Grant Program	16,624	-	-	16,624
2004 Walnut	96,772	-	-	96,772
Low Income Deferred Loans	24,250	-	-	24,250
River Crest	600,000	-	-	600,000
Habitat for Humanity Loans	56,352	-	-	56,352
Broad Acres	168,272	-	-	168,272
Total Housing Rehabilitation Loans	962,270	-	-	962,270
Whitmore Oaks	612,500	-	-	612,500
ACLC	436,050	-	-	436,050
Della Tiara	633,000	-	-	633,000
Total loans receivable	<u>\$ 2,650,420</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,650,420</u>

The following is a summary of the loans and notes receivable outstanding as of June 30, 2019:

First-Time Homebuyer Loans

The City has provided various loans to assist first-time homebuyers with loans up to \$50,000. Loan repayment is deferred for 30 years or until sale or refinancing of the property. Interest rates vary from 1% to 5%. Total first-time homebuyer loans outstanding at June 30, 2019 were \$6,600.

Housing Rehabilitation Loans

The City administers various housing rehabilitation loan programs that used the former CRA 20% Set Aside funds. Under these programs, individuals with incomes below a certain level are eligible to receive low interest, variable term loans, secured by deeds of trust for rehabilitation work on their homes. Interest rates may vary from 0% to 3%. The loan repayments may be amortized over the life of the loans, deferred or a combination of both. Total rehabilitation loans outstanding at June 30, 2019 were \$962,271.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

Whitmore Oaks

The Whitmore Oaks loan was made to assist the developer with the costs to develop and construct a 53 unit apartment complex for seniors. The former CRA provided a loan of \$612,500 and the City, through the State's HOME Investment Partnership Program, provided a loan of up to \$865,361. Loan provisions require the apartment complex provide not less than eleven affordable housing units to be rented to qualified very-low and low income persons and families. The CRA loan carries an interest rate of 3% starting 2015 and the note is payable in full in 2057. The HOME loan carries an interest rate of 3% starting in 2027 and the note is payable in full in 2042. The amount outstanding at June 30, 2019 was \$612,500.

ACLC

The CRA provided a loan to Asociacion Campesina "Lazaro Cardenas" (ACLC) to assist in the acquisition and rehabilitation of a 46 unit affordable apartment complex in the City. This project will preserve the 46 units of affordable housing stock in the City. This project was funded through the former CRA Low/Mod housing funds. The interest rate on the loan is 3% simple interest and the loan is deferred for 55 years. The amount outstanding at June 30, 2019 was \$436,050.

Della Tiara

The CRA provided a loan to Della Tiara for the construction of a 26-unit apartment complex (the "Project") using HOME grant funds. The loan bears simple interest of 3% per year and interest begins to accrue January 1, 2015. The loan is deferred for 55 years. Commencing in 2018, principal and interest is due in an amount equal to 35% of residual cash flow from the Project provided that the residual cash flow in any year is over \$10,000. The amount outstanding at June 30, 2019 was \$633,000.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

Long-term Liabilities

The following is a summary of changes in long-term debt for fiduciary activities for the year ended June 30, 2019:

	Balance July 1, 2018	Transfers/ Additions	Retirements	Balance June 30, 2019	Due Within One Year
<u>Fiduciary Activities:</u>					
2000 SCRC Tax Allocation Bonds	\$ 950,000	\$ -	\$ (50,000)	\$ 900,000	\$ 50,000
2015 Successor CRA Tax Allocation Refunding Bonds	7,615,000	-	(300,000)	7,315,000	305,000
Bond premium	220,853		(12,270)	208,583	12,270
2006 CRA Housing Refunding Tax Allocation Bonds	970,000	-	(60,000)	910,000	60,000
Bond discount	(14,170)		1,125	(13,045)	(1,124)
Deferred amount on refunding	(10,455)		829	(9,626)	(829)
2006 CRA Non-Housing Refunding Tax Allocation Bonds	27,120,000	-	(1,015,000)	26,105,000	1,055,000
Bond discount	(427,564)	-	25,328	(402,236)	(25,328)
Deferred amount on refunding	(314,799)	-	18,340	(296,459)	(18,340)
Total fiduciary activities	<u>\$ 36,108,865</u>	<u>\$ -</u>	<u>\$ (1,391,648)</u>	<u>\$ 34,717,217</u>	<u>\$ 1,436,649</u>

2000 SCRC Tax Allocation Bonds – Original Issue \$1,440,000

On May 16, 2000, the SCRC issued tax allocation bonds for the purpose of financing a portion of the costs of the Stanislaus/Ceres Redevelopment Project. The bonds are payable from and secured by the tax revenues to be derived from the project area. The bonds mature annually through 2030, in amounts ranging from \$20,000 to \$105,000.

Interest rates vary from 4.65% to a maximum of 6.70% and are payable semiannually on May 1 and November 1. The bonds maturing before November 1, 2010, are not subject to optional redemption prior to their stated maturities. Bonds maturing on or after November 1, 2010, are subject to redemption in whole or in part on any interest payment date. Redemption includes a premium of 2% commencing on November 1, 2010, and reduced by 1% on each November 1 thereafter.

2006 CRA Housing Tax Allocation Refunding Bonds — Original Issue \$1,480,000

The CRA issued tax allocation bonds for the purpose of financing certain redevelopment activities and to refund and defease the 2000 CRA Tax Allocation Bonds. The bonds are payable from and secured by the tax revenues to be derived from the project area. The bonds mature annually through 2030, in amounts ranging from \$40,000 to \$100,000. Interest rates vary from 3.25% to a maximum of 5.00% and are payable semiannually on May 1 and November 1. The bonds maturing on or before November 1, 2018, are not subject to optional redemption prior to their stated maturities. Bonds maturing on or after November 1, 2018, are subject to redemption in whole or in part on any interest payment date.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

2015 Successor Agency to the Ceres Redevelopment Agency Tax Allocation Refunding Bonds

On June 17, 2015, the Successor Agency to the CRA issued the CRA Project Area No. 1 Non-Housing bonds. The proceeds will be used to refund and defease the 2003 CRA Tax Allocation Bonds. The Non-Housing Bonds are payable from and secured by Tax Revenues allocated to the CRA from the Project Area. Interest on the bonds will be payable on May 1 and November 1 of each year. Non-Housing Bonds maturing on or before November 1, 2018, will not be subject to redemption prior to their stated maturity.

2006 CRA Non-Housing Tax Allocation Refunding Bonds — Original Issue \$36,645,000

On December 21, 2006, the CRA issued the CRA Project Area No. 1 Non-Housing bonds. The proceeds will be used to finance projects in Project Area No. 1 and to refund and defease the 2000 CRA Tax Allocation Bonds, which was completed in year 2006-07. The Non-Housing Bonds are payable from and secured by Tax Revenues allocated to the CRA from the Project Area. Interest on the bonds will be payable on May 1 and November 1 of each year. Non-Housing Bonds maturing on or before November 1, 2018, will not be subject to redemption prior to their stated maturity. Those maturing on or after November 1, 2018, are subject to redemption prior to their stated maturity at the option of the Agency, in whole or in part on any date, from the proceeds of refunding bonds or other available funds in the manner determined by the Agency and by lot within a maturity on or after November 1, 2018 at a redemption price equal to 100% of the principal amount thereof, together with accrued interest to the redemption date, without premium.

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. The City performed calculations of excess investment earnings on various bonds and financings and at June 30, 2019, there were no arbitrage liabilities.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

Future debt service at June 30, 2019, is as follows for fiduciary debt:

Year Ending June 30,	Governmental Activities							
	2000 SCRC Tax Allocation		2015 CRA Tax Allocation		2006 CRA Housing		2006 CRA Non-Housing	
	Bonds		Refunding Bonds		Refunding Tax Allocation		Refunding Tax Allocation	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 50,000	\$ 58,420	\$ 305,000	\$ 178,300	\$ 60,000	\$ 36,868	\$ 1,055,000	\$ 1,048,013
2021	55,000	54,929	315,000	205,575	60,000	34,468	1,100,000	999,413
2022	60,000	51,105	325,000	227,825	65,000	31,968	1,155,000	948,812
2023	60,000	47,115	335,000	278,275	65,000	29,303	1,200,000	897,963
2024	65,000	42,959	350,000	293,000	70,000	26,468	1,255,000	843,544
2025-2029	405,000	140,459	2,035,000	1,081,487	400,000	83,645	7,105,000	3,381,537
2030-2034	205,000	13,903	3,650,000	383,669	190,000	8,287	7,815,000	1,946,100
2035-2039	-	-	-	-	-	-	5,420,000	218,800
Total	<u>\$ 900,000</u>	<u>\$ 408,890</u>	<u>\$ 7,315,000</u>	<u>\$ 2,648,131</u>	<u>\$ 910,000</u>	<u>\$ 251,007</u>	<u>\$ 26,105,000</u>	<u>\$ 10,284,182</u>
Due within one year	\$ 50,000	\$ 58,420	\$ 305,000	\$ 178,300	\$ 60,000	\$ 36,868	\$ 1,055,000	\$ 1,048,013
Due after one year	850,000	350,470	7,010,000	2,469,831	850,000	214,139	25,050,000	9,236,169
Total	<u>\$ 900,000</u>	<u>\$ 408,890</u>	<u>\$ 7,315,000</u>	<u>\$ 2,648,131</u>	<u>\$ 910,000</u>	<u>\$ 251,007</u>	<u>\$ 26,105,000</u>	<u>\$ 10,284,182</u>

Year Ending June 30,	Discount and Deferred Amount -		Discount and Deferred Amount -		Premium			
	2006 CRA Housing		2006 CRA Non-Housing		2015 CRA Tax Allocation		Totals	
	Refunding Tax Allocation	Bonds	Refunding Tax Allocation	Bonds	Refunding Bonds		Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ (1,953)	\$ -	\$ (43,668)	\$ -	\$ 12,270	\$ -	\$ 1,436,649	\$ 1,321,601
2021	(1,953)	-	(43,668)	-	12,270	-	1,496,649	1,294,385
2022	(1,953)	-	(43,668)	-	12,270	-	1,571,649	1,259,710
2023	(1,953)	-	(43,668)	-	12,270	-	1,626,649	1,252,656
2024	(1,953)	-	(43,668)	-	12,270	-	1,706,649	1,205,971
2025-2029	(9,765)	-	(218,340)	-	61,350	-	9,778,245	4,687,128
2030-2034	(3,141)	-	(218,340)	-	61,350	-	11,699,869	2,351,959
2035-2039	-	-	(43,675)	-	24,533	-	5,400,858	218,800
Total	<u>\$ (22,671)</u>	<u>\$ -</u>	<u>\$ (698,695)</u>	<u>\$ -</u>	<u>\$ 208,583</u>	<u>\$ -</u>	<u>\$ 34,717,217</u>	<u>\$ 13,592,210</u>
Due within one year	\$ (1,953)	\$ -	\$ (43,668)	\$ -	\$ 12,270	\$ -	\$ 1,436,649	\$ 1,321,601
Due after one year	(20,718)	-	(655,027)	-	196,313	-	33,280,568	12,270,609
Total	<u>\$ (22,671)</u>	<u>\$ -</u>	<u>\$ (698,695)</u>	<u>\$ -</u>	<u>\$ 208,583</u>	<u>\$ -</u>	<u>\$ 34,717,217</u>	<u>\$ 13,592,210</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

14. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

Activity for advances for the year ended June 30, 2019, was as follows:

	Other Funds	Other Funds
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 531,494	\$ -
Total Major Funds	531,494	-
Total Governmental Activities	531,494	-
Fiduciary Activities:		
Private Purpose Trust Funds:		
Former Stanislaus - Ceres Redevelopment		
Commission Successor Agency Non-Housing	-	531,494
Total Private Purpose Trust Funds	-	531,494
Total Fiduciary Activities	-	531,494
Totals	\$ 531,494	\$ 531,494

Advances from the General Fund to the Former Redevelopment Agency Fund were for Redevelopment start-up costs.

15. COMMITMENTS AND CONTINGENCIES

The City is a party to claims and lawsuits arising in the ordinary course of business. The City's management and legal council are of the opinion that the ultimate liability, if any, arising from these claims will not have material adverse impact on the financial position of the City. The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

16. NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued Statement No. 83, "*Certain Asset Retirement Obligations*." The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This statement had no effect on these financial statements.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

16. NEW ACCOUNTING PRONOUNCEMENTS, CONTINUED

The GASB has issued Statement No. 84, "*Fiduciary Activities*." The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The City will implement this statement, as applicable, to its financial statements for the year ending June 30, 2020.

The GASB has issued Statement No. 87, "*Leases*." The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The City will implement this statement, as applicable, to its financial statements for the year ending June 30, 2021.

The GASB has issued Statement No. 88, "*Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*." The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This statement had no effect on these financial statements.

The GASB has issued Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*." The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The City will implement this statement, as applicable, to its financial statements for the year ending June 30, 2021.

The GASB has issued Statement No. 90, "*Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*." The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The City will implement this statement, as applicable, to its financial statements for the year ending June 30, 2020.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2019

16. NEW ACCOUNTING PRONOUNCEMENTS, CONTINUED

The GASB has issued Statement No. 91, "*Conduit Debt Obligations*." The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The City will implement this statement, as applicable, to its financial statements for the year ending June 30, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

City of Ceres, California

Required Supplementary Information - Schedule of Contributions

Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution (actuarially determin	\$ 4,265,800	\$ 3,831,916	\$ 3,554,625	\$ 3,393,450
Contributions in relation to the actuarially determined contributions	<u>4,265,800</u>	<u>3,831,916</u>	<u>3,554,625</u>	<u>3,393,450</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 11,548,404	\$ 12,342,021	\$ 13,228,342	\$ 13,055,073
Contribution as a percentage of covered-employee payroll	36.94%	31.05%	26.87%	25.99%

Notes to Schedule

1) Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of retirement benefits are included.

* Due changes in StanCERA reporting, only 2017 and 2015 were available. Additional years will be presented as they become available.

City of Ceres, California

Required Supplementary Information - Schedule of the City's Proportionate Share of the Net Pension Liability

Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Plan's Proportion of the Net Pension Liability/(Asset)	5.1682%	5.5554%	5.8514%	5.6629%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$33,371,414	\$36,959,387	\$43,142,269	\$16,714,375
Plan's Covered-Employee Payroll	<u>\$ 11,548,404</u>	<u>\$ 12,342,021</u>	<u>\$ 13,228,342</u>	<u>\$ 13,055,073</u>
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered-Employee Payroll	288.97%	299.46%	326.14%	128.03%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	76.70%	75.00%	70.60%	86.10%
Plan's Proportionate Share of Aggregate Employer Contribution	\$ 4,265,800	\$ 3,831,916	\$ 3,554,625	\$ 3,393,450

Notes to Schedule

1) Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of retirement benefits are included.

* Due changes in StanCERA reporting, only 2017 and 2015 were available. Additional years will be presented as they become available.

This page intentionally left blank.



COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

This page intentionally left blank.



NON-MAJOR GOVERNMENTAL FUNDS

Fund	Description
Street Tree	Fees collected from developers to be used by the City for planting trees along City streets and roads in new subdivisions.
Storm Drain Benefit Districts	These benefit district funds are used to account for developer fees used for the construction of the storm drain systems in the specific districts of WestPointe, Eastgate, Mitchell Road, and North East.
Brown Annex - Public Safety Mitigation	To account for public safety mitigation fees collected for the Brown Annexation area; to provide funding for police salaries.
Eastgate Street & Landscape Benefit District	To account for street and landscape improvements made in the Eastgate subdivisions, funded by fees collected on property developed within the benefited area.
AB939 Source Reduction/Recycle	This fund is to account for funds received to be used to inform citizens of recycling requirements.
Neighborhood Park Fees	Fees collected from each new dwelling constructed, to be used for planning, acquisition, improvement, and expansion of neighborhood parks.
BEGIN Grant	Fund established for State Housing & Community Development Building Equity & Growth in Neighborhoods grant to be utilized for deferred-payment second mortgage loans for down payment assistance to lower to moderate-income first-time homebuyers of new homes in projects with affordability enhanced by local regulatory incentives or barrier reductions.
Program Income	Fund established for the Program Income from the State Housing & Community Development Building Equity & Growth in Neighborhoods grant.
Measure H	Voter approved ½-cent retail transaction and use tax (sales tax) for the improvement of police, fire and 9-1-1 emergency response; to fund additional personnel and equipment costs.
State Gas Tax	The City's share of the State gas tax allocations are recorded in this fund. These funds can be used for any street purpose. The City charges the street department to the gas tax
Prop 1B	State allocation of 2006 Transportation Bond, Local Streets and Roads funding to be utilized for transportation improvements, including maintenance, rehabilitation and construction or as local match for state and federal transportation funds for similar purposes.
SLESF Grant	Accounts for revenues and expenditures associated with State funds provided as a match for the COPS Universal Hiring Grant.
Abandoned Vehicle Abatement	This fund contains revenues obtained from the sale of forfeited vehicle. Funds are used for law enforcement supplies and equipment.
Seized Property	This fund contains revenues obtained from the sale of forfeited property in drug related cases. Funds are used for law enforcement equipment.
Downtown Revitalization	Revenues for this fund come from assessments to downtown businesses. These funds are used to improve the downtown area with such programs as façade and streetscape improvements and promotional events.
Street-Light and Landscape District	This fund is used to account for financial activity relating to the City-wide 1972 Act Landscaping and Lighting District. Revenues include assessment to the property owners within the district and expenditures related to the maintenance and upkeep of the street lights, median landscaping, and landscaping adjacent to sound walls.

(continued)

NON-MAJOR GOVERNMENTAL FUNDS, Continued

Fund	Description
Traffic Offender	To account for activities of the Police Traffic Unit, including towing/impound fees and State grants utilized for Unit expenditures.
State Traffic Safety	This fund is used to account for fines as a result of arrests by City officers. These funds can only be used for traffic control devices and maintenance of equipment and supplies for traffic enforcement.
Used Oil Recycling Grant	This fund is to account for grant funds received to be used to inform citizens of oil recycling opportunities and procedures.
American Recovery & Reinvestment Act	This fund is used to account for activities for the projects funded by the American Recovery and Reinvestment Act .
Department of Conservation	State Department of Conservation grant utilized for promotion of recycling, reuse, and other green initiatives within the City.
CMAQ	This fund is used to account for Federal funds used for transit and street-related purposes.
Community Facilities District	To account for the special property taxes levied for the provision of public services (Police, Fire, and Parks).
Fire Hydrant Benefit District	These funds are collected from developers in the district for the installation of additional fire hydrants because the existing hydrant spacing does not meet City standards.
Transportation Development Act	This fund is used to account for local transportation funds restricted to transit, street, pedestrian, and bike purposes.
Community Center	To account for operational revenues and expenses of Ceres Community Center.
Local Law Enforcement Block Grant	The City's receipt and expenditures of the federal grants are recorded in these funds. Expenditures are made to assist in projects that reduce crime and improve public safety.
Public Facilities Fees	These fees are received from developers to increase space and improve to City buildings, specifically, Public Safety, Planning, Public Works, and City Hall to mitigate the growth of the City.
Daniel Whitmore House	The City owns the Daniel Whitmore Home. It is the oldest house in the City and is now a museum. These funds are used for museum expenses and improvements.
River Bluff Regional Park	To account for construction of Ceres River Bluff Regional Park and associated State grant revenues utilized for project.
Ceres Community Foundation	Accounts for activities related to the Ceres Community Foundation.
2018 Public Safety Grants	This fund is to account for the COPS Hiring Grant and SAFER Hiring Grant to increase staffing in Police and Fire services.
Clinton Whitmore Mansion	The City owns the Clinton Whitmore Mansion. These funds are used for operating expenses and improvements.
Measure L	Local Roads First Transportation Funding Measure which establishes and implements a one-half cent transaction and use tax. Funding is to be used for local street and road improvements, arterial street widening, signalization, pedestrian, bicyclist, and drive safety improvements. The tax will expire on March 31, 2042.
Road Maintenance & Rehab	Senate Bill 1, the Road and Repair and Accountability Act of 2017. Funds are used to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options to the traveling public.

(concluded)

This page intentionally left blank.



City of Ceres, California
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019

	Street Tree	Storm Drain Benefit Districts	Brown Annex	Eastgate Street Benefit District	AB 939
ASSETS					
Cash and investments	\$ 98,671	\$ 1,700,998	\$ 18,128	\$ 75,657	\$ 362,898
Receivables:					
Taxes	-	-	-	-	-
Interest	101	1,745	19	77	373
Intergovernmental	-	-	-	-	-
Loans receivable	-	-	-	-	-
Other receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u><u>\$ 98,772</u></u>	<u><u>\$ 1,702,743</u></u>	<u><u>\$ 18,147</u></u>	<u><u>\$ 75,734</u></u>	<u><u>\$ 363,271</u></u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ 4,811	\$ -	\$ -	\$ 150
Due to other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>4,811</u>	<u>-</u>	<u>-</u>	<u>150</u>
Deferred inflows: Grants	-	-	-	-	-
Total liabilities and deferred inflows	<u>-</u>	<u>4,811</u>	<u>-</u>	<u>-</u>	<u>150</u>
Fund Balances:					
Restricted	-	1,697,932	-	75,734	-
Committed	-	-	-	-	-
Assigned, reported in:					
Special revenue funds	98,772	-	18,147	-	363,121
Unassigned (deficit)	-	-	-	-	-
Total fund balances	<u>98,772</u>	<u>1,697,932</u>	<u>18,147</u>	<u>75,734</u>	<u>363,121</u>
Total liabilities and fund balances	<u><u>\$ 98,772</u></u>	<u><u>\$ 1,702,743</u></u>	<u><u>\$ 18,147</u></u>	<u><u>\$ 75,734</u></u>	<u><u>\$ 363,271</u></u>

Neighborhood Park Fees	BEGIN Grant	Program Income BEGIN	Measure H Income	State Gas Tax	Prop 1B	SLESF
\$ 1,659,876	\$ 39,765	\$ 223,141	\$ 827,120	\$ -	\$ -	\$ -
-	-	-	265,664	-	-	-
1,647	27	228	622	-	-	-
-	-	-	-	-	-	-
-	699,340	-	-	-	-	-
-	-	-	-	345	-	-
9,388	-	-	-	-	-	-
<u>\$ 1,670,911</u>	<u>\$ 739,132</u>	<u>\$ 223,369</u>	<u>\$ 1,093,406</u>	<u>\$ 345</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 34,318	\$ -	\$ -	\$ 45,688	\$ 17,182	\$ -	\$ -
-	-	-	-	150,527	-	-
34,318	-	-	45,688	167,709	-	-
-	699,340	-	-	-	-	-
34,318	699,340	-	45,688	167,709	-	-
-	39,792	223,369	1,047,718	-	-	-
201,738	-	-	-	-	-	-
1,434,855	-	-	-	-	-	-
-	-	-	-	(167,364)	-	-
1,636,593	39,792	223,369	1,047,718	(167,364)	-	-
<u>\$ 1,670,911</u>	<u>\$ 739,132</u>	<u>\$ 223,369</u>	<u>\$ 1,093,406</u>	<u>\$ 345</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

City of Ceres, California
Combining Balance Sheet
Nonmajor Special Revenue Funds, Continued
June 30, 2019

	Abandoned Vehicle Abatement	Seized Property	Downtown Revitalization	Street Light- Landscape District	Traffic Offender
ASSETS					
Cash and investments	\$ 82,345	\$ 113,748	\$ 84,907	\$ -	\$ 40,100
Receivables:					
Taxes	-	-	-	-	-
Interest	85	111	87	-	-
Intergovernmental	-	-	-	-	-
Loans receivable	-	-	-	-	-
Other receivable	-	-	-	4,057	-
Due from other funds	-	-	-	-	-
Total assets	<u><u>\$ 82,430</u></u>	<u><u>\$ 113,859</u></u>	<u><u>\$ 84,994</u></u>	<u><u>\$ 4,057</u></u>	<u><u>\$ 40,100</u></u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 323	\$ -	\$ 888	\$ 15,197	\$ 3,004
Due to other funds	-	-	-	9,388	-
Total liabilities	<u>323</u>	<u>102,931</u>	<u>888</u>	<u>24,585</u>	<u>3,004</u>
Deferred inflows: Grants	-	-	-	-	-
Total liabilities and deferred inflows	<u>323</u>	<u>102,931</u>	<u>888</u>	<u>24,585</u>	<u>3,004</u>
Fund Balances:					
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned, reported in:					
Special revenue funds	82,107	10,928	84,106	-	37,096
Unassigned (deficit)	-	-	-	(20,528)	-
Total fund balances	<u>82,107</u>	<u>10,928</u>	<u>84,106</u>	<u>(20,528)</u>	<u>37,096</u>
Total liabilities and fund balances	<u><u>\$ 82,430</u></u>	<u><u>\$ 113,859</u></u>	<u><u>\$ 84,994</u></u>	<u><u>\$ 4,057</u></u>	<u><u>\$ 40,100</u></u>

Traffic Safety	Used Oil Grants	ARRA	Dept of Conservation Grant	CMAQ	Community Facilities District
\$ -	\$ 36,635	\$ -	\$ 80,942	\$ -	\$ 2,590
-	-	-	-	-	-
-	37	-	79	-	106
-	-	-	-	136,511	-
-	-	-	-	-	-
4,328	-	-	-	-	4,793
-	-	-	-	-	-
<u>\$ 4,328</u>	<u>\$ 36,672</u>	<u>\$ -</u>	<u>\$ 81,021</u>	<u>\$ 136,511</u>	<u>\$ 7,489</u>
\$ -	\$ -	\$ -	\$ -	\$ 364,985	\$ -
35,818	-	-	-	229,482	0
<u>35,818</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>594,467</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>35,818</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>594,467</u>	<u>-</u>
-	-	-	81,021	-	-
-	-	-	-	-	7,489
(31,490)	36,672	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(457,956)</u>	<u>-</u>
<u>(31,490)</u>	<u>36,672</u>	<u>-</u>	<u>81,021</u>	<u>(457,956)</u>	<u>7,489</u>
<u>\$ 4,328</u>	<u>\$ 36,672</u>	<u>\$ -</u>	<u>\$ 81,021</u>	<u>\$ 136,511</u>	<u>\$ 7,489</u>

(continued)

City of Ceres, California
Combining Balance Sheet
Nonmajor Governmental Funds, Continued
June 30, 2019

	Fire Hydrant Benefit District	Transportation Development Act	Community Center	LLEBG	Public Facilities Fees
ASSETS					
Cash and investments	\$ 128,361	\$ 503,679	\$ -	\$ 32,634	\$ 2,660,485
Receivables:					
Taxes	-	-	-	-	-
Interest	-	466	-	33	2,645
Intergovernmental	-	-	-	-	-
Loans receivable	-	-	-	-	-
Other receivable	-	-	-	-	-
Due from other funds		-	-	-	-
Total assets	<u>\$ 128,361</u>	<u>\$ 504,145</u>	<u>\$ -</u>	<u>\$ 32,667</u>	<u>\$ 2,663,130</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 23,153	\$ -	\$ 4,600
Deposits payable	-	-	79,493	-	-
Intergovernmental payable	-	-	-	-	-
Due to other funds	-	25	1,502,215	-	-
Total liabilities	<u>-</u>	<u>25</u>	<u>1,604,861</u>	<u>-</u>	<u>4,600</u>
Deferred inflows: Grants	-	-	-	-	-
Total liabilities and deferred inflows	<u>-</u>	<u>25</u>	<u>1,604,861</u>	<u>-</u>	<u>4,600</u>
Fund Balances:					
Restricted	128,361	504,120	-	-	-
Committed	-	-	-	-	-
Assigned, reported in:					
Special revenue funds	-	-	-	32,667	2,658,530
Unassigned (deficit)	-	-	(1,604,861)	-	-
Total fund balances	<u>128,361</u>	<u>504,120</u>	<u>(1,604,861)</u>	<u>32,667</u>	<u>2,658,530</u>
Total liabilities and fund balances	<u>\$ 128,361</u>	<u>\$ 504,145</u>	<u>\$ -</u>	<u>\$ 32,667</u>	<u>\$ 2,663,130</u>

Daniel Whitmore House	RiverBluff Regional Park	Ceres Community Foundation	2018 Public Safety Grants	Clinton Whitmore Mansion	Measure L	Road Maintenance and Rehab	Totals
\$ -	\$ 8,031	\$ 172,578	\$ -	\$ -	\$ 1,583,798	111,165	\$ 10,648,252
-	-	-	-	-	-	-	265,664
-	-	177	-	-	1,538	166	10,369
-	-	-	-	-	153,882	-	290,393
-	-	-	-	-	-	-	699,340
-	-	-	-	-	-	83,082	96,605
-	-	-	-	-	-	-	9,388
<u>\$ -</u>	<u>\$ 8,031</u>	<u>\$ 172,755</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,739,218</u>	<u>\$ 194,413</u>	<u>\$ 12,020,011</u>
\$ 100	\$ -	\$ 959	\$ -	\$ 158	\$ 73,982	\$ 80,778	\$ 670,276
-	-	-	-	-	-	-	79,493
-	-	-	-	-	-	-	102,931
21	-	-	-	37,671	-	-	1,965,147
121	-	959	-	37,829	73,982	80,778	2,817,847
-	-	-	-	-	-	-	699,340
121	-	959	-	37,829	73,982	80,778	3,517,187
-	-	171,796	-	-	1,665,236	113,635	5,748,714
-	-	-	-	-	-	-	209,227
-	8,031	-	-	-	-	-	4,833,542
(121)	-	-	-	(37,829)	-	-	(2,288,659)
(121)	8,031	171,796	-	(37,829)	1,665,236	113,635	8,502,824
<u>\$ -</u>	<u>\$ 8,031</u>	<u>\$ 172,755</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,739,218</u>	<u>\$ 194,413</u>	<u>\$ 12,020,011</u>

(concluded)

City of Ceres, California

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the year ended June 30, 2019

	Street Tree	Storm Drain Benefit Districts	Brown Annex	Eastgate Street Benefit District
REVENUES:				
Property and other taxes	\$ -	\$ 30,338	\$ 2,973	\$ 754
Fines, forfeitures and penalties	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	1,138	20,765	182	866
Other revenues	-	-	-	-
Total revenues	<u>1,138</u>	<u>51,103</u>	<u>3,155</u>	<u>1,620</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Engineering and Transportation	-	-	-	-
Public works	-	-	-	-
Community services	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	206,465	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>206,465</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,138</u>	<u>(155,362)</u>	<u>3,155</u>	<u>1,620</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	<u>1,138</u>	<u>(155,362)</u>	<u>3,155</u>	<u>1,620</u>
FUND BALANCES (DEFICIT):				
Beginning of year	97,634	1,853,294	14,992	74,114
End of year	<u>\$ 98,772</u>	<u>\$ 1,697,932</u>	<u>\$ 18,147</u>	<u>\$ 75,734</u>

AB 939	Neighborhood Park Fees	BEGIN Grant	Program Income BEGIN	Measure H	State Gas Tax	Prop 1B	SLESF
\$ -	\$ -	\$ -	\$ -	\$ 3,658,492	\$ 927,667	\$ -	\$ -
-	-	-	-	-	-	-	-
-	336,885	-	-	-	-	-	-
-	-	39,413	36,173	-	-	-	100,000
4,359	17,030	59	2,363	2,791	553	-	-
-	-	-	-	-	1,383	-	-
4,359	353,915	39,472	38,536	3,661,283	929,603	-	100,000
-	168	-	-	-	-	-	-
-	-	-	-	2,910,715	-	-	100,000
30,280	-	-	-	-	1,023,523	-	-
-	-	-	-	-	16,150	-	-
-	-	-	-	-	-	-	-
-	-	0	-	-	-	-	-
-	247,603	-	-	27,645	114	-	-
-	-	-	-	-	118,979	-	-
30,280	247,771	-	-	2,938,360	1,158,766	-	100,000
(25,921)	106,144	39,472	38,536	722,923	(229,163)	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(25,921)	106,144	39,472	38,536	722,923	(229,163)	-	-
389,042	1,530,449	320	184,833	324,795	61,799	-	-
\$ 363,121	\$ 1,636,593	\$ 39,792	\$ 223,369	\$ 1,047,718	\$ (167,364)	\$ -	\$ -

(continued)

City of Ceres, California

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

Nonmajor Special Revenue Funds

For the year ended June 30, 2019

	Abandoned Vehicle Abatement	Seized Property	Downtown Revitalization	Street Light- Landscape District	Traffic Offender
REVENUES:					
Property and other taxes	\$ -	\$ -	\$ -	\$ 414,000	\$ -
Fines, forfeitures and penalties	-	-	-	-	-
Charges for services	-	-	12,748	-	61,034
Intergovernmental	21,868	1,870	-	-	-
Use of money and property	942	1,209	996	-	-
Other revenues	-	-	-	-	5
Total revenues	22,810	3,079	13,744	414,000	61,039
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	20,515	-	-	-	40,889
Engineering and Transportation	-	-	-	200,637	-
Public works	-	-	-	-	-
Community services	-	-	-	215,853	-
Economic development	-	-	13,438	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	20,515	-	13,438	416,490	40,889
REVENUES OVER (UNDER) EXPENDITURES	2,295	3,079	306	(2,490)	20,150
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	2,295	3,079	306	(2,490)	20,150
FUND BALANCES (DEFICIT):					
Beginning of year	79,812	7,849	83,800	(18,038)	16,946
End of year	\$ 82,107	\$ 10,928	\$ 84,106	\$ (20,528)	\$ 37,096

Traffic Safety	Used Oil Grants	ARRA	Dept of Conservation Grant	CMAQ	Community Facilities District
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 652,246
39,531	-	-	-	-	-
-	-	-	-	-	-
-	25,308	-	12,126	2,853,842	-
-	308	-	840	-	463
-	-	-	-	-	-
39,531	25,616	-	12,966	2,853,842	652,709
-	-	-	-	-	-
71,021	-	-	-	-	-
-	6,783	-	4,504	50,559	-
-	-	-	-	-	5,225
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2,058,668	-
-	-	-	-	-	-
71,021	6,783	-	4,504	2,109,227	5,225
(31,490)	18,833	-	8,462	744,615	647,484
-	-	-	-	-	-
-	-	-	-	-	(643,898)
-	-	-	-	-	(643,898)
(31,490)	18,833	-	8,462	744,615	3,586
-	17,839	-	72,559	(1,202,571)	3,903
\$ (31,490)	\$ 36,672	\$ -	\$ 81,021	\$ (457,956)	\$ 7,489

(continued)

City of Ceres, California

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds, Continued

For the year ended June 30, 2019

	Fire Hydrant Benefit District	Transportation Development Act	Community Center	LLEBG	Public Facilities Fees
REVENUES:					
Property and other taxes	\$ 33	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and penalties	-	-	-	-	-
Charges for services	-	-	155,131	-	297,833
Intergovernmental	-	500,000	-	10,223	-
Use of money and property	-	3,548	-	309	29,604
Other revenues	-	-	-	-	5,052
Total revenues	33	503,548	155,131	10,532	332,489
EXPENDITURES:					
Current:					
General government	-	5,473	-	-	-
Public safety	-	-	-	10,224	44,042
Engineering and Transportation	-	-	-	-	-
Public works	-	-	-	-	-
Community services	-	-	157,261	-	-
Economic development	-	-	-	-	-
Capital outlay	-	-	-	-	57,617
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	-	5,473	157,261	10,224	101,659
REVENUES OVER (UNDER) EXPENDITURES	33	498,075	(2,130)	308	230,830
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	33	498,075	(2,130)	308	230,830
FUND BALANCES (DEFICIT):					
Beginning of year	128,328	6,045	(1,602,731)	32,359	2,427,700
End of year	\$ 128,361	\$ 504,120	\$ (1,604,861)	\$ 32,667	\$ 2,658,530

Daniel Whitmore House	RiverBluff Regional Park	Ceres Community Foundation	2018 Public Safety Grants	Clinton Whitmore Mansion	Measure L	Road Maintenance and Rehab	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,686,503
-	-	-	-	-	-	-	39,531
-	-	-	-	-	-	-	863,631
-	-	-	-	-	2,022,348	811,131	6,434,302
-	2	1,906	-	-	12,862	55,645	158,740
-	1,332	22,541	-	-	-	-	30,313
-	1,334	24,447	-	-	2,035,210	866,776	13,213,020
-	-	3,068	-	-	-	-	8,709
-	-	-	-	-	-	-	3,197,406
-	-	-	-	-	-	-	1,316,286
-	-	-	-	-	33,236	-	54,611
10,081	-	2,241	-	12,320	-	-	397,756
-	-	-	-	-	-	-	13,438
-	-	-	-	-	1,215,069	1,033,172	4,846,353
-	-	-	-	-	-	-	118,979
10,081	-	5,309	-	12,320	1,248,305	1,033,172	9,953,538
(10,081)	1,334	19,138	-	(12,320)	786,905	(166,396)	3,259,482
10,081	-	-	-	-	-	-	10,081
-	-	-	-	-	(40,282)	-	(684,180)
10,081	-	-	-	-	(40,282)	-	(674,099)
-	1,334	19,138	-	(12,320)	746,623	(166,396)	2,585,383
(121)	6,697	152,658	-	(25,509)	918,613	280,031	5,917,441
\$ (121)	\$ 8,031	\$ 171,796	\$ -	\$ (37,829)	\$ 1,665,236	\$ 113,635	\$ 8,502,824

(concluded)

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Street Tree Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Use of money and property	\$ 800	\$ 800	\$ 1,138	\$ 338
Total revenues	800	800	1,138	338
EXPENDITURES:				
Current:				
Community services	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	800	800	1,138	338
Net change in fund balances	800	800	1,138	338
FUND BALANCES:				
Beginning of year	97,634	97,634	97,634	-
End of year	\$ 98,434	\$ 98,434	\$ 98,772	\$ 338

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Storm Drain Benefit Districts Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property and other taxes	\$ 20,000	\$ 20,000	\$ 30,338	\$ 10,338
Use of money and property	15,312	15,312	20,765	5,453
Total revenues	<u>35,312</u>	<u>35,312</u>	<u>51,103</u>	<u>15,791</u>
EXPENDITURES:				
Capital outlay	10,000	1,240,646	206,465	1,034,181
Total expenditures	<u>10,000</u>	<u>1,240,646</u>	<u>206,465</u>	<u>1,034,181</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>25,312</u>	<u>(1,205,334)</u>	<u>(155,362)</u>	<u>1,049,972</u>
Net change in fund balances	25,312	(1,205,334)	(155,362)	1,049,972
FUND BALANCES:				
Beginning of year	1,853,294	1,853,294	1,853,294	-
End of year	<u>\$ 1,878,606</u>	<u>\$ 647,960</u>	<u>\$ 1,697,932</u>	<u>\$ 1,049,972</u>

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Brown Annex Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property and other taxes	\$ -	\$ -	\$ 2,973	\$ 2,973
Use of money and property	(150)	(150)	182	332
Total revenues	(150)	(150)	3,155	3,305
EXPENDITURES:				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	(150)	(150)	3,155	3,305
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(150)	(150)	3,155	3,305
FUND BALANCES:				
Beginning of year	14,992	14,992	14,992	-
End of year	\$ 14,842	\$ 14,842	\$ 18,147	\$ 3,305

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Eastgate Street Benefit District Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Property and other taxes	\$ 4,600	\$ 4,600	\$ 754	\$ (3,846)
Use of money and property	600	600	866	266
Total revenues	<u>5,200</u>	<u>5,200</u>	<u>1,620</u>	<u>(3,580)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	<u>-</u>	<u>21,893</u>	<u>-</u>	<u>21,893</u>
Total expenditures	<u>-</u>	<u>21,893</u>	<u>-</u>	<u>21,893</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>5,200</u>	<u>(16,693)</u>	<u>1,620</u>	<u>18,313</u>
Net change in fund balances	5,200	(16,693)	1,620	18,313
FUND BALANCES:				
Beginning of year	<u>74,114</u>	<u>74,114</u>	<u>74,114</u>	<u>-</u>
End of year	<u>\$ 79,314</u>	<u>\$ 57,421</u>	<u>\$ 75,734</u>	<u>\$ 18,313</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****AB 939 Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Use of money and property	3,500	3,500	4,359	859
Total revenues	3,500	3,500	4,359	859
EXPENDITURES:				
Current:				
Engineering and Transportation	39,040	41,873	30,280	11,593
Total expenditures	39,040	41,873	30,280	11,593
REVENUES OVER (UNDER) EXPENDITURES	(35,540)	(38,373)	(25,921)	12,452
Net change in fund balances	(35,540)	(38,373)	(25,921)	12,452
FUND BALANCES:				
Beginning of year	389,042	389,042	389,042	-
End of year	\$ 353,502	\$ 350,669	\$ 363,121	\$ 12,452

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Neighborhood Park Fees Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Charges for services	\$ 50,000	\$ 50,000	\$ 336,885	\$ 286,885
Use of money and property	14,000	14,000	17,030	3,030
Total revenues	<u>64,000</u>	<u>64,000</u>	<u>353,915</u>	<u>289,915</u>
EXPENDITURES:				
Current:				
General government	500	500	168	332
Public works	20,000	20,000	-	20,000
Capital outlay	<u>1,000,000</u>	<u>2,005,624</u>	<u>247,603</u>	<u>1,758,021</u>
Total expenditures	<u>1,020,500</u>	<u>2,026,124</u>	<u>247,771</u>	<u>1,778,353</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(956,500)</u>	<u>(1,962,124)</u>	<u>106,144</u>	<u>2,068,268</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(956,500)</u>	<u>(1,962,124)</u>	<u>106,144</u>	<u>2,068,268</u>
FUND BALANCES:				
Beginning of year	<u>1,530,449</u>	<u>1,530,449</u>	<u>1,530,449</u>	<u>-</u>
End of year	<u>\$ 573,949</u>	<u>\$ (431,675)</u>	<u>\$ 1,636,593</u>	<u>\$ 2,068,268</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****BEGIN Grant Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 39,413	\$ 39,413
Use of money and property	(2)	(2)	59	61
Total revenues	(2)	(2)	39,472	39,474
EXPENDITURES:				
Current:				
Economic development	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	(2)	(2)	39,472	39,474
Net change in fund balances	(2)	(2)	39,472	39,474
FUND BALANCES:				
Beginning of year	320	320	320	-
End of year	\$ 318	\$ 318	\$ 39,792	\$ 39,474

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Program Income BEGIN Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 36,173	\$ 36,173
Use of money and property	1,400	1,400	2,363	963
Total revenues	1,400	1,400	38,536	37,136
EXPENDITURES:				
Current:				
Economic development	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	1,400	1,400	38,536	37,136
Net change in fund balances	1,400	1,400	38,536	37,136
FUND BALANCES:				
Beginning of year	184,833	184,833	184,833	-
End of year	<u>\$ 186,233</u>	<u>\$ 186,233</u>	<u>\$ 223,369</u>	<u>\$ 37,136</u>

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Measure H Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property and other taxes	\$ 3,201,001	\$ 3,201,001	\$ 3,658,492	\$ 457,491
Use of money and property	-	-	2,791	2,791
Total revenues	<u>3,201,001</u>	<u>3,201,001</u>	<u>3,661,283</u>	<u>460,282</u>
EXPENDITURES:				
Current:				
Public safety	3,287,900	3,322,234	2,910,715	411,519
Capital outlay	-	93,000	27,645	65,355
Total expenditures	<u>3,287,900</u>	<u>3,415,234</u>	<u>2,938,360</u>	<u>476,874</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(86,899)</u>	<u>(214,233)</u>	<u>722,923</u>	<u>937,156</u>
Net change in fund balances	(86,899)	(214,233)	722,923	937,156
FUND BALANCES:				
Beginning of year	324,795	324,795	324,795	-
End of year	<u>\$ 237,896</u>	<u>\$ 110,562</u>	<u>\$ 1,047,718</u>	<u>\$ 937,156</u>

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

State Gas Tax Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property and other taxes	\$ 1,033,137	\$ 1,033,137	\$ 927,667	\$ (105,470)
Use of money and property	1,500	1,500	553	(947)
Other revenues	1,500	1,500	1,383	(117)
Total revenues	<u>1,036,137</u>	<u>1,036,137</u>	<u>929,603</u>	<u>(106,534)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	1,122,075	1,122,075	1,023,523	98,552
Public works	21,039	21,039	16,150	4,889
Capital outlay	17,853	17,853	114	17,739
Debt service:				
Interest and fiscal charges	118,979	118,979	118,979	-
Total expenditures	<u>1,279,946</u>	<u>1,279,946</u>	<u>1,158,766</u>	<u>121,180</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(243,809)</u>	<u>(243,809)</u>	<u>(229,163)</u>	<u>14,646</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(243,809)</u>	<u>(243,809)</u>	<u>(229,163)</u>	<u>14,646</u>
FUND BALANCES (DEFICIT):				
Beginning of year	61,799	61,799	61,799	-
End of year	<u>\$ (182,010)</u>	<u>\$ (182,010)</u>	<u>\$ (167,364)</u>	<u>\$ 14,646</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Prop 1B Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
FUND BALANCES:				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

SLESF Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Total revenues	100,000	100,000	100,000	-
EXPENDITURES:				
Current:				
Public safety	-	-	100,000	(100,000)
Total expenditures	-	-	100,000	(100,000)
REVENUES OVER (UNDER) EXPENDITURES	100,000	100,000	-	(100,000)
OTHER FINANCING SOURCES (USES):				
Transfers out	(100,000)	(100,000)	-	100,000
Total other financing sources (uses)	(100,000)	(100,000)	-	100,000
Net change in fund balances	-	-	-	-
FUND BALANCES:				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Abandoned Vehicle Abatement Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 21,868	\$ (28,132)
Use of money and property	400	400	942	542
Total revenues	<u>50,400</u>	<u>50,400</u>	<u>22,810</u>	<u>(27,590)</u>
EXPENDITURES:				
Current:				
Public safety	60,801	60,801	20,515	40,286
Total expenditures	<u>60,801</u>	<u>60,801</u>	<u>20,515</u>	<u>40,286</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(10,401)</u>	<u>(10,401)</u>	<u>2,295</u>	<u>12,696</u>
Net change in fund balances	(10,401)	(10,401)	2,295	12,696
FUND BALANCES (DEFICIT):				
Beginning of year	79,812	79,812	79,812	-
End of year	<u>\$ 69,411</u>	<u>\$ 69,411</u>	<u>\$ 82,107</u>	<u>\$ 12,696</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Seized Property Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 1,870	\$ 1,870
Use of money and property	900	900	1,209	309
Total revenues	900	900	3,079	2,179
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	900	900	3,079	2,179
Net change in fund balances	900	900	3,079	2,179
FUND BALANCES:				
Beginning of year	7,849	7,849	7,849	-
End of year	\$ 8,749	\$ 8,749	\$ 10,928	\$ 2,179

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Downtown Revitalization Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Charges for services	\$ 13,000	\$ 13,000	\$ 12,748	\$ (252)
Use of money and property	650	650	996	346
Total revenues	<u>13,650</u>	<u>13,650</u>	<u>13,744</u>	<u>94</u>
EXPENDITURES:				
Current:				
Economic development	39,675	39,675	13,438	26,237
Total expenditures	<u>39,675</u>	<u>39,675</u>	<u>13,438</u>	<u>26,237</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(26,025)</u>	<u>(26,025)</u>	<u>306</u>	<u>26,331</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(26,025)</u>	<u>(26,025)</u>	<u>306</u>	<u>26,331</u>
FUND BALANCES:				
Beginning of year	83,800	83,800	83,800	-
End of year	<u>\$ 57,775</u>	<u>\$ 57,775</u>	<u>\$ 84,106</u>	<u>\$ 26,331</u>

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Street-Light and Landscape District Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Property and other taxes	\$ 419,291	\$ 419,291	\$ 414,000	\$ (5,291)
Use of money and property	-	-	-	-
Total revenues	<u>419,291</u>	<u>419,291</u>	<u>414,000</u>	<u>(5,291)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	204,050	204,050	200,637	3,413
Community services	<u>220,782</u>	<u>220,782</u>	<u>215,853</u>	<u>4,929</u>
Total expenditures	<u>424,832</u>	<u>424,832</u>	<u>416,490</u>	<u>8,342</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(5,541)</u>	<u>(5,541)</u>	<u>(2,490)</u>	<u>3,051</u>
Net change in fund balances	(5,541)	(5,541)	(2,490)	3,051
FUND BALANCES (DEFICIT):				
Beginning of year	(18,038)	(18,038)	(18,038)	-
End of year	<u>\$ (23,579)</u>	<u>\$ (23,579)</u>	<u>\$ (20,528)</u>	<u>\$ 3,051</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Traffic Offender Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Charges for services	\$ 53,000	\$ 53,000	\$ 61,034	\$ 8,034
Other revenues	-	-	5	5
Total revenues	<u>53,000</u>	<u>53,000</u>	<u>61,039</u>	<u>8,039</u>
EXPENDITURES:				
Current:				
Public safety	<u>60,938</u>	<u>60,938</u>	<u>40,889</u>	<u>20,049</u>
Total expenditures	<u>60,938</u>	<u>60,938</u>	<u>40,889</u>	<u>20,049</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(7,938)</u>	<u>(7,938)</u>	<u>20,150</u>	<u>28,088</u>
Net change in fund balances	(7,938)	(7,938)	20,150	28,088
FUND BALANCES (DEFICIT):				
Beginning of year	<u>16,946</u>	<u>16,946</u>	<u>16,946</u>	<u>-</u>
End of year	<u>\$ 9,008</u>	<u>\$ 9,008</u>	<u>\$ 37,096</u>	<u>\$ 28,088</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Traffic Safety Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Fines and forfeitures	\$ 75,000	\$ 75,000	\$ 39,531	\$ (35,469)
Total revenues	75,000	75,000	39,531	(35,469)
EXPENDITURES:				
Current:				
Public safety	71,021	71,021	71,021	-
Total expenditures	71,021	71,021	71,021	-
REVENUES OVER (UNDER) EXPENDITURES	3,979	3,979	(31,490)	(35,469)
Net change in fund balances	3,979	3,979	(31,490)	(35,469)
FUND BALANCES (DEFICIT):				
Beginning of year	-	-	-	-
End of year	\$ 3,979	\$ 3,979	\$ (31,490)	\$ (35,469)

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Used Oil Grants Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 12,118	\$ 12,118	\$ 25,308	\$ 13,190
Use of money and property	80	80	308	228
Total revenues	<u>12,198</u>	<u>12,198</u>	<u>25,616</u>	<u>13,418</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	12,996	12,996	6,783	6,213
Public works			-	-
Total expenditures	<u>12,996</u>	<u>12,996</u>	<u>6,783</u>	<u>6,213</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(798)</u>	<u>(798)</u>	<u>18,833</u>	<u>19,631</u>
Net change in fund balances	(798)	(798)	18,833	19,631
FUND BALANCES:				
Beginning of year	17,839	17,839	17,839	-
End of year	<u>\$ 17,041</u>	<u>\$ 17,041</u>	<u>\$ 36,672</u>	<u>\$ 19,631</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****ARRA Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Engineering and Transportation	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
FUND BALANCES:				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Department of Conservation Grant Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 12,996	\$ 12,996	\$ 12,126	\$ (870)
Use of money and property	600	600	840	240
Total revenues	<u>13,596</u>	<u>13,596</u>	<u>12,966</u>	<u>(630)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	<u>18,248</u>	<u>18,248</u>	<u>4,504</u>	<u>13,744</u>
Total expenditures	<u>18,248</u>	<u>18,248</u>	<u>4,504</u>	<u>13,744</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(4,652)</u>	<u>(4,652)</u>	<u>8,462</u>	<u>13,114</u>
Net change in fund balances	(4,652)	(4,652)	8,462	13,114
FUND BALANCES:				
Beginning of year	<u>72,559</u>	<u>72,559</u>	<u>72,559</u>	<u>-</u>
End of year	<u>\$ 67,907</u>	<u>\$ 67,907</u>	<u>\$ 81,021</u>	<u>\$ 13,114</u>

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

CMAQ Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 792,597	\$ 792,597	\$ 2,853,842	\$ 2,061,245
Total revenues	<u>792,597</u>	<u>792,597</u>	<u>2,853,842</u>	<u>2,061,245</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	43,060	43,060	50,559	(7,499)
Capital outlay	<u>7,012,143</u>	<u>7,012,143</u>	<u>2,058,668</u>	<u>4,953,475</u>
Total expenditures	<u>7,055,203</u>	<u>7,055,203</u>	<u>2,109,227</u>	<u>4,945,976</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(6,262,606)</u>	<u>(6,262,606)</u>	<u>744,615</u>	<u>7,007,221</u>
Net change in fund balances	(6,262,606)	(6,262,606)	744,615	7,007,221
FUND BALANCES (DEFICIT):				
Beginning of year	<u>(1,202,571)</u>	<u>(1,202,571)</u>	<u>(1,202,571)</u>	<u>-</u>
End of year	<u>\$ (7,465,177)</u>	<u>\$ (7,465,177)</u>	<u>\$ (457,956)</u>	<u>\$ 7,007,221</u>

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Community Facilities District Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property and other taxes	\$ 704,915	\$ 704,915	\$ 652,246	\$ (52,669)
Use of money and property	20	20	463	443
Total revenues	<u>704,935</u>	<u>704,935</u>	<u>652,709</u>	<u>(52,226)</u>
EXPENDITURES:				
Current:				
Public works	10,000	10,000	5,225	4,775
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>5,225</u>	<u>4,775</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>694,935</u>	<u>694,935</u>	<u>647,484</u>	<u>(47,451)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(643,900)	(643,900)	(643,898)	2
Total other financing sources (uses)	<u>(643,900)</u>	<u>(643,900)</u>	<u>(643,898)</u>	<u>2</u>
Net change in fund balances	51,035	51,035	3,586	(47,449)
FUND BALANCES:				
Beginning of year	3,903	3,903	3,903	-
End of year	<u>\$ 54,938</u>	<u>\$ 54,938</u>	<u>\$ 7,489</u>	<u>\$ (47,449)</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Fire Hydrant Benefit District Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Property and other taxes	\$ 1,500	\$ 1,500	\$ 33	\$ (1,467)
Total revenues	1,500	1,500	33	(1,467)
EXPENDITURES:				
Capital outlay	-	100,000	-	100,000
Total expenditures	-	100,000	-	100,000
REVENUES OVER (UNDER) EXPENDITURES	1,500	(98,500)	33	98,533
Net change in fund balances	1,500	(98,500)	33	98,533
FUND BALANCES:				
Beginning of year	128,328	128,328	128,328	-
End of year	\$ 129,828	\$ 29,828	\$ 128,361	\$ 98,533

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Transportation Development Act Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 500,000	\$ 500,000
Use of money and property	-	-	3,548	3,548
Total revenues	-	-	503,548	503,548
EXPENDITURES:				
Current:				
General government	8,100	8,100	5,473	2,627
Capital outlay	-	502,080	-	502,080
Total expenditures	8,100	510,180	5,473	504,707
REVENUES OVER (UNDER)				
EXPENDITURES	(8,100)	(510,180)	498,075	1,008,255
Net change in fund balances	(8,100)	(510,180)	498,075	1,008,255
FUND BALANCES (DEFICIT):				
Beginning of year	6,045	6,045	6,045	-
End of year	<u>\$ (2,055)</u>	<u>\$ (504,135)</u>	<u>\$ 504,120</u>	<u>\$ 1,008,255</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Community Center Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 120,350	\$ 120,350	\$ 155,131	\$ 34,781
Other revenues	-	-	-	-
Total revenues	<u>120,350</u>	<u>120,350</u>	<u>155,131</u>	<u>34,781</u>
EXPENDITURES:				
Current:				
Community services	<u>206,739</u>	<u>206,739</u>	<u>157,261</u>	<u>49,478</u>
Total expenditures	<u>206,739</u>	<u>206,739</u>	<u>157,261</u>	<u>49,478</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(86,389)</u>	<u>(86,389)</u>	<u>(2,130)</u>	<u>84,259</u>
Net change in fund balances	(86,389)	(86,389)	(2,130)	84,259
FUND BALANCES (DEFICIT):				
Beginning of year	<u>(1,602,731)</u>	<u>(1,602,731)</u>	<u>(1,602,731)</u>	<u>-</u>
End of year	<u>\$ (1,689,120)</u>	<u>\$ (1,689,120)</u>	<u>\$ (1,604,861)</u>	<u>\$ 84,259</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****LLEBG Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 10,223	\$ 223
Use of money and property	300	300	309	9
Total revenues	<u>10,300</u>	<u>10,300</u>	<u>10,532</u>	<u>232</u>
EXPENDITURES:				
Current:				
Public safety	10,000	10,000	10,224	(224)
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>10,224</u>	<u>(224)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>300</u>	<u>300</u>	<u>308</u>	<u>8</u>
Net change in fund balances	300	300	308	8
FUND BALANCES:				
Beginning of year	32,359	32,359	32,359	-
End of year	<u>\$ 32,659</u>	<u>\$ 32,659</u>	<u>\$ 32,667</u>	<u>\$ 8</u>

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Public Facilities Fees Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Charges for services	\$ 121,835	\$ 121,835	\$ 297,833	\$ 175,998
Use of money and property	26,000	26,000	29,604	3,604
Other revenues	-	-	5,052	5,052
Total revenues	<u>147,835</u>	<u>147,835</u>	<u>332,489</u>	<u>184,654</u>
EXPENDITURES:				
Capital outlay	<u>2,004,042</u>	<u>1,490,909</u>	<u>57,617</u>	<u>1,433,292</u>
Total expenditures	<u>2,048,084</u>	<u>1,534,951</u>	<u>101,659</u>	<u>1,433,292</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,900,249)</u>	<u>(1,387,116)</u>	<u>230,830</u>	<u>1,617,946</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(1,900,249)</u>	<u>(1,387,116)</u>	<u>230,830</u>	<u>1,617,946</u>
FUND BALANCES:				
Beginning of year	<u>2,427,700</u>	<u>2,427,700</u>	<u>2,427,700</u>	<u>-</u>
End of year	<u>\$ 527,451</u>	<u>\$ 1,040,584</u>	<u>\$ 2,658,530</u>	<u>\$ 1,617,946</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Daniel Whitmore House Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Community services	10,684	10,684	10,081	603
Total expenditures	10,684	10,684	10,081	603
REVENUES OVER (UNDER) EXPENDITURES	(10,684)	(10,684)	(10,081)	603
OTHER FINANCING SOURCES (USES):				
Transfers in	23,801	23,801	10,081	(13,720)
Total other financing sources (uses)	23,801	23,801	10,081	(13,720)
Net change in fund balances	13,117	13,117	-	(13,117)
FUND BALANCES (DEFICIT):				
Beginning of year	(121)	(121)	(121)	-
End of year	\$ 12,996	\$ 12,996	\$ (121)	\$ (13,117)

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****RiverBluff Regional Park Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 489,250	\$ 489,250	\$ -	\$ (489,250)
Other revenues	1,000	1,000	1,332	332
Total revenues	490,250	490,250	1,334	(488,916)
EXPENDITURES:				
Capital outlay	489,250	489,250	-	489,250
Total expenditures	489,250	489,250	-	489,250
REVENUES OVER (UNDER)				
EXPENDITURES	1,000	1,000	1,334	334
Net change in fund balances	1,000	1,000	1,334	334
FUND BALANCES (DEFICIT):				
Beginning of year	6,697	6,697	6,697	-
End of year	\$ 7,697	\$ 7,697	\$ 8,031	\$ 334

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Ceres Community Foundation Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Use of money and property	\$ 1,500	\$ 1,500	\$ 1,906	\$ 406
Other revenues	50,000	50,000	22,541	(27,459)
Total revenues	51,500	51,500	24,447	(27,053)
EXPENDITURES:				
Current:				
General government	20,100	20,100	3,068	17,032
Community services	6,020	6,020	2,241	3,779
Total expenditures	26,120	26,120	5,309	20,811
REVENUES OVER (UNDER) EXPENDITURES	25,380	25,380	19,138	(6,242)
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	25,380	25,380	19,138	(6,242)
FUND BALANCES:				
Beginning of year	152,658	152,658	152,658	-
End of year	\$ 178,038	\$ 178,038	\$ 171,796	\$ (6,242)

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****2018 Public Safety Grants Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
Net change in fund balances	-	-	-	-
FUND BALANCES (DEFICIT):				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****Clinton Whitmore Mansion Special Revenue Fund****For the year ended June 30, 2019**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Other revenues	\$ 4,000	\$ 4,000	\$ -	\$ (4,000)
Total revenues	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>(4,000)</u>
EXPENDITURES:				
Current:				
Community services	7,081	7,081	12,320	(5,239)
Total expenditures	<u>7,081</u>	<u>7,081</u>	<u>12,320</u>	<u>(5,239)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(3,081)</u>	<u>(3,081)</u>	<u>(12,320)</u>	<u>(9,239)</u>
Net change in fund balances	(3,081)	(3,081)	(12,320)	(9,239)
FUND BALANCES (DEFICIT):				
Beginning of year	(25,509)	(25,509)	(25,509)	-
End of year	<u>\$ (28,590)</u>	<u>\$ (28,590)</u>	<u>\$ (37,829)</u>	<u>\$ (9,239)</u>

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Measure L Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 1,609,795	\$ 1,609,795	\$ 2,022,348	\$ 412,553
Use of money and property	3,000	3,000	12,862	9,862
Total revenues	<u>1,612,795</u>	<u>1,612,795</u>	<u>2,035,210</u>	<u>422,415</u>
EXPENDITURES:				
Current:				
Public works	59,143	59,143	33,236	25,907
Capital outlay	-	3,025,296	1,215,069	1,810,227
Total expenditures	<u>59,143</u>	<u>3,084,439</u>	<u>1,248,305</u>	<u>1,836,134</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,553,652</u>	<u>(1,471,644)</u>	<u>786,905</u>	<u>2,258,549</u>
Net change in fund balances	1,553,652	(1,471,644)	786,905	2,258,549
FUND BALANCES (DEFICIT):				
Beginning of year	918,613	918,613	918,613	-
End of year	<u>\$ 2,472,265</u>	<u>\$ (553,031)</u>	<u>\$ 1,705,518</u>	<u>\$ 2,258,549</u>

City of Ceres, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Road Maintenance and Rehab Special Revenue Fund

For the year ended June 30, 2019

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 799,020	\$ 799,020	\$ 811,131	\$ 12,111
Use of money and property	-	-	55,645	55,645
Total revenues	<u>799,020</u>	<u>799,020</u>	<u>866,776</u>	<u>67,756</u>
EXPENDITURES:				
Current:				
Economic development	-	1,059,492	1,033,172	26,320
Total expenditures	<u>-</u>	<u>1,059,492</u>	<u>1,033,172</u>	<u>26,320</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>799,020</u>	<u>(260,472)</u>	<u>(166,396)</u>	<u>94,076</u>
Net change in fund balances	799,020	(260,472)	(166,396)	94,076
FUND BALANCES (DEFICIT):				
Beginning of year	280,031	280,031	280,031	-
End of year	<u>\$ 1,079,051</u>	<u>\$ 19,559</u>	<u>\$ 113,635</u>	<u>\$ 94,076</u>

This page intentionally left blank.



INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for special activities and services performed by a designated City department for other departments on a cost reimbursement basis.

Fund	Description
Equipment Revolving	Accounts for the operation, maintenance, and replacement of City equipment.
Information Technology	Accounts for costs associated with maintaining the City's information systems.
Risk Management	Accounts for the cost of providing workers' compensation and liability insurance coverage on a City-wide basis.
Building Maintenance	Accounts for the activities of building maintenance, custodial service, and building modification projects on a City-wide basis.

City of Ceres, California
Statement of Fund Net Position
Internal Service Funds
June 30, 2019

	Equipment Revolving	Information Technology	Risk Management	Building Maintenance	Totals
ASSETS					
Current assets:					
Cash and investments	\$ 1,453,919	\$ 193,110	\$ 864,471	\$ 608,987	\$ 3,120,487
Interest receivable	-	-	-	-	-
Total current assets	<u>1,453,919</u>	<u>193,110</u>	<u>864,471</u>	<u>608,987</u>	<u>3,120,487</u>
Noncurrent assets:					
Machinery and equipment	6,530,598	240,601	-	237,738	7,008,937
Less accumulated depreciation	(4,583,682)	(145,719)	-	(86,855)	(4,816,256)
Total noncurrent assets	<u>1,946,916</u>	<u>94,882</u>	<u>-</u>	<u>150,883</u>	<u>2,192,681</u>
Total assets	<u>\$ 3,400,835</u>	<u>\$ 287,992</u>	<u>\$ 864,471</u>	<u>\$ 759,870</u>	<u>\$ 5,313,168</u>
LIABILITIES AND NET POSITION					
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 199,785	\$ 59,167	\$ 1,050	\$ 25,301	\$ 285,303
Due to other funds	-	-	235	-	235
Total current liabilities	<u>199,785</u>	<u>59,167</u>	<u>1,285</u>	<u>25,301</u>	<u>285,538</u>
Noncurrent liabilities:					
Compensated absences	109,527	-	-	75,487	185,014
Liability for claims	-	-	974,200	-	974,200
Total noncurrent liabilities	<u>109,527</u>	<u>-</u>	<u>974,200</u>	<u>75,487</u>	<u>1,159,214</u>
Total liabilities	<u>309,312</u>	<u>59,167</u>	<u>975,485</u>	<u>100,788</u>	<u>1,444,752</u>
Net Position:					
Net investment in capital assets	1,946,916	94,882	-	150,883	2,192,681
Unrestricted net position (deficit)	1,144,607	133,943	(111,014)	508,199	1,675,735
Total net position	<u>3,091,523</u>	<u>228,825</u>	<u>(111,014)</u>	<u>659,082</u>	<u>3,868,416</u>
Total liabilities and net position	<u>\$ 3,400,835</u>	<u>\$ 287,992</u>	<u>\$ 864,471</u>	<u>\$ 759,870</u>	<u>\$ 5,313,168</u>

City of Ceres, California

Statement of Revenues, Expenses, and Changes in Fund Net Position

Internal Service Funds

For the year ended June 30, 2019

	Equipment Revolving	Information Technology	Risk Management	Building Maintenance	Totals
OPERATING REVENUES:					
Interdepartmental charges	\$ 2,564,082	\$ 844,389	\$ 2,030,737	\$ 1,292,144	\$ 6,731,352
Other	-	-	224,804	120	224,924
Total operating revenues	<u>2,564,082</u>	<u>844,389</u>	<u>2,255,541</u>	<u>1,292,264</u>	<u>6,956,276</u>
OPERATING EXPENSES:					
Salaries and benefits	553,998	577,101	153,680	724,653	2,009,432
Contractual and other services	29,491	147,957	-	162,377	339,825
Materials and supplies	597,689	62,497	-	43,055	703,241
Depreciation	405,792	27,976	-	14,096	447,864
Other operating costs	240,006	115,069	1,980,535	229,554	2,565,164
Total operating expenses	<u>1,826,976</u>	<u>930,600</u>	<u>2,134,215</u>	<u>1,173,735</u>	<u>6,065,526</u>
OPERATING INCOME (LOSS)	<u>737,106</u>	<u>(86,211)</u>	<u>121,326</u>	<u>118,529</u>	<u>890,750</u>
NONOPERATING REVENUE (EXPENSE):					
Investment earnings	288	62	197	-	547
Transfers in (out)	-	-	-	-	-
Total non-operating revenue	<u>288</u>	<u>62</u>	<u>197</u>	<u>-</u>	<u>547</u>
NET INCOME (LOSS)	<u>737,394</u>	<u>(86,149)</u>	<u>121,523</u>	<u>118,529</u>	<u>891,297</u>
CHANGE IN NET POSITION	<u>737,394</u>	<u>(86,149)</u>	<u>121,523</u>	<u>118,529</u>	<u>891,297</u>
NET POSITION (DEFICIT):					
Beginning of year	2,354,129	314,974	(232,537)	540,553	2,977,119
End of year	<u>\$ 3,091,523</u>	<u>\$ 228,825</u>	<u>\$ (111,014)</u>	<u>\$ 659,082</u>	<u>\$ 3,868,416</u>

City of Ceres, California
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2019

	Equipment Revolving	Information Technology	Risk Management	Building Maintenance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from other funds for services	\$ 2,564,082	\$ 844,389	\$ 2,030,737	\$ 1,292,144	\$ 6,731,352
Cash received from loss claim recoveries	-	-	224,804	-	224,804
Cash payments to suppliers for goods and services	(736,798)	(284,218)	-	(416,905)	(1,437,921)
Cash payments to employees for services	(536,638)	(577,101)	(153,680)	(720,794)	(1,988,213)
Cash payments for loss claims	-	-	(1,993,572)	-	(1,993,572)
Net cash provided (used) by operating activities	1,290,646	(16,930)	108,289	154,445	1,536,450
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers received (paid)	-	-	-	-	-
Net cash provided by noncapital financing activities	-	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital assets	(942,662)	(27,515)	-	(12,504)	(982,681)
Proceeds from sale of capital assets	-	-	-	-	-
Net cash (used) by capital and related financing activities	(942,662)	(27,515)	-	(12,504)	(982,681)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment expense paid	288	62	197	-	547
Net increase in cash and cash equivalents	348,272	(44,383)	108,486	141,941	554,316
CASH AND CASH EQUIVALENTS:					
Beginning of year	1,105,647	237,493	755,985	467,046	2,566,171
End of year	<u>\$ 1,453,919</u>	<u>\$ 193,110</u>	<u>\$ 864,471</u>	<u>\$ 608,987</u>	<u>\$ 3,120,487</u>
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:					
Income (loss) from operations	\$ 737,106	\$ (86,211)	\$ 121,326	\$ 118,529	\$ 890,750
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:					
Depreciation	405,792	27,976	-	14,096	447,864
(Increase) decrease in current assets:					
Accounts receivable	-	-	-	-	-
Increase (decrease) in liabilities:					
Accounts payable and accrued liabilities	130,388	41,305	-	17,961	189,654
Compensated absences	17,360	-	-	3,859	21,219
Increase (decrease) in claims liability - noncurrent	-	-	(13,037)	-	(13,037)
Net cash provided (used) by operating activities	\$ 1,290,646	\$ (16,930)	\$ 108,289	\$ 154,445	\$ 1,536,450

TRUST AND AGENCY FUNDS

Fund	Description
Private Purpose Trust Funds	
Former Ceres Redevelopment Agency	
Successor Agency - Non-Housing	Accounts for funds collected and disbursed for the dissolution of the former Ceres Redevelopment Agency related to Administration and Retirement of enforceable obligations.
Successor Agency - Housing	Accounts for funds collected and disbursed for the dissolution of the former Ceres Redevelopment Agency's housing related debts.
Former Stanislaus-Ceres Redevelopment Commission	
Successor Agency - Non-Housing	Accounts for funds collected and disbursed for the dissolution of the former Stanislaus-Ceres Redevelopment Commission related to Administration and Retirement of enforceable obligations.
Successor Agency - Housing	Accounts for funds collected and disbursed for the dissolution of the former Stanislaus-Ceres Redevelopment Commission's housing related debts.
Agency Funds	
Westpointe Assessment District Debt Service	Accounts for assessments made for debt service of the Westpointe AD bonds for which the City is not obligated.

City of Ceres, California
Combining Statement of Net Position
Private Purpose Trust Funds
June 30, 2019

	Former Ceres Redevelopment Agency Successor Agency		Former Stanislaus - Ceres Redevelopment Commission Successor Agency		Totals
	Non-Housing	Housing	Non-Housing	Housing	2019
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Current assets:					
Cash and investments	\$ 2,203,294	\$ 75,172	\$ 144,001	\$ -	\$ 2,422,467
Cash and investments with trustee/fiscal agent	3,592,283	-	115,462	-	3,707,745
Interest receivable	2,335	-	155	-	2,490
Total current assets	5,797,912	75,172	259,618	-	6,132,702
Non-Current assets:					
Advances to other funds	-	1,826,680	-	-	1,826,680
Long-term loans receivable	-	2,457,898	-	192,522	2,650,420
Construction in progress	12,500,147	-	-	-	12,500,147
Total Non-current assets	12,500,147	4,284,578	-	192,522	16,977,247
Total assets	18,298,059	4,359,750	259,618	192,522	23,109,949
Deferred outflows: Pension plan	4,688	-	86,369	-	91,057
Total assets and deferred outflows	\$ 18,302,747	\$ 4,359,750	\$ 345,987	\$ 192,522	23,201,006
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 5,356	\$ -	\$ 760	\$ -	\$ 6,116
Interest payable	179,559	8,591	-	-	188,150
Compensated absences - current	11,324	-	2,882	-	14,206
Current portion of long term debt	1,328,602	58,047	50,000	-	1,436,649
Total current liabilities	1,524,841	66,638	53,642	-	1,645,121
Long-term liabilities:					
Advances from Stanislaus County	-	-	266,702	-	266,702
Advances from City of Ceres General Fund	-	-	531,494	-	531,494
Advances from other funds	1,826,680	-	-	-	1,826,680
Due after one year	31,601,286	829,282	850,000	-	33,280,568
Net pension obligation	96,698	-	159,869	-	256,567
Total long-term liabilities	33,524,664	829,282	1,808,065	-	36,162,011
Total liabilities	35,049,505	895,920	1,861,707	-	37,807,132
Deferred inflows: Pension plan	29,807	-	8,152	-	37,959
Total liabilities and deferred inflows	35,079,312	895,920	1,869,859	-	37,845,091
Net Position (Deficit):					
Net position held in trust for Redevelopment Dissolution	(16,776,565)	3,463,830	(1,523,872)	192,522	(14,644,085)
Total liabilities, deferred inflows, and net position	\$ 18,302,747	\$ 4,359,750	\$ 345,987	\$ 192,522	\$ 23,201,006

City of Ceres, California

Combining Statement of Changes in Fiduciary Net Position

Private Purpose Trust Funds

For the year ended June 30, 2019

	Former Ceres Redevelopment Agency Successor Agency		Former Stanislaus - Ceres Redevelopment Commission Successor Agency		Totals
	Non-Housing	Housing	Non-Housing	Housing	2019
ADDITIONS:					
Property taxes	\$ 3,152,251	\$ -	\$ 60,818	\$ -	\$ 3,213,069
Investment earnings	605,101	19	2,521	-	607,641
Other revenue	-	65,763	-	-	65,763
Total additions	<u>3,757,352</u>	<u>65,782</u>	<u>63,339</u>	<u>-</u>	<u>3,886,473</u>
DEDUCTIONS:					
General and administrative	-	-	6,102	-	6,102
Salaries and benefits	103,142	-	36,059	-	139,201
Contractual and other services	63,433	-	11,342	-	74,775
Materials and supplies	45,624	-	7,624	-	53,248
Economic development	1,839	-	-	-	1,839
Interest and debt service expenses	2,798,430	-	61,745	-	2,860,175
Amortization	226,102	1,954	-	-	228,056
Total deductions	<u>3,238,570</u>	<u>1,954</u>	<u>122,872</u>	<u>-</u>	<u>3,363,396</u>
CHANGE IN FIDUCIARY NET POSITION	518,782	63,828	(59,533)	-	523,077
NET POSITION (DEFICIT):					
Beginning of year	(17,295,347)	3,400,002	(1,464,339)	192,522	(15,167,162)
End of year	<u>\$ (16,776,565)</u>	<u>\$ 3,463,830</u>	<u>\$ (1,523,872)</u>	<u>\$ 192,522</u>	<u>\$ (14,644,085)</u>

City of Ceres, California
Combining Statement of Changes in Assets and Liabilities
Westpointe Assessment District Debt Service Agency Fund
For the year ended June 30, 2019

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
ASSETS				
Cash and investments	\$ 603,799	\$ 692,851	\$ (603,799)	\$ 692,851
Cash and investments held by fiscal agent	289,955	-	(289,955)	-
Receivables:				
Interest	1,065	708	(1,065)	708
Other	360,373	-	(360,373)	-
Total assets	<u><u>\$ 1,255,192</u></u>	<u><u>\$ 693,559</u></u>	<u><u>\$ (1,255,192)</u></u>	<u><u>\$ 693,559</u></u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to (from) others	1,255,192	693,559	(1,255,192)	693,559
Total liabilities	<u><u>\$ 1,255,192</u></u>	<u><u>\$ 693,559</u></u>	<u><u>\$ (1,255,192)</u></u>	<u><u>\$ 693,559</u></u>

This page intentionally left blank.

