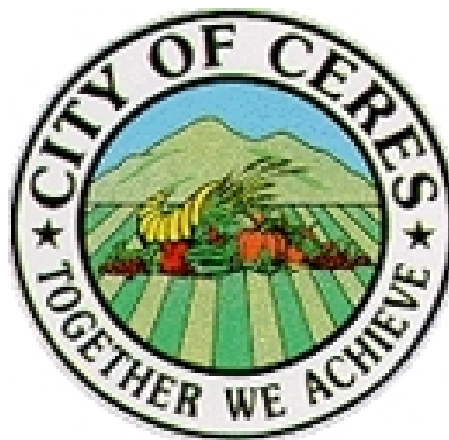


CITY OF CERES, CALIFORNIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022



Prepared by:

Leticia Dias
Finance Director

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City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

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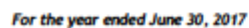
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Organization Chart



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City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

List of Officials

CITY COUNCIL

- Javier Lopez, Mayor
- Bret Silveira
- James Casey
- Rosalinda L. Vierra
- Daniel A. Martinez

CITY OFFICIALS

- Doug Dunford, Interim City Manager
- Leticia Dias, Finance Director
- Kayla Martinez, City Treasurer
- Fallon Martin, City Clerk
- Nubia Goldstein, City Attorney

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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 Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ceres, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Street Expansion Special Revenue Fund, Home Program Grants Special Revenue Fund, and CDBG Grants Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-16, the City's Schedules of Contributions, Pensions on pages 94, and the Schedules of the City's Proportionate Share of the Net Pension Liability on pages 95, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2023 on our consideration of 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 City's internal control over financial reporting and compliance.

June 2, 2023

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

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, 2022. It should be read in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

- ◆ As of June 30, 2022, total assets of the City exceeded its liabilities by \$173,281,067 (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 \$35,754,293. There are currently \$12,507,846 of net position that are restricted and may only be used for a specific purpose. The remaining \$125,018,928 is the net investment in capital assets.
- ◆ As of June 30, 2022, the City's Governmental Activities reported combined net position of \$91,987,659 of that, (\$1,302,389) is unrestricted.
- ◆ As of June 30, 2022, the City's governmental funds reported combined ending fund balances of \$27,912,226. Approximately 85% of this total amount (\$23.6 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, \$7,627,796 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, decreased to \$81,578,892 from \$84,379,402, which includes \$107,551,424 of infrastructure per the requirements of GASB 34. This decrease is attributed to the disposal of city vehicles and equipment. The city was unable to acquire scheduled equipment replacements due to supply chain issues.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

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, 2022

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, 2022

Management's Discussion and Analysis, Continued

OVERVIEW OF THE ANNUAL FINANCIAL REPORT, Continued

Fund Financial Statements, Continued

For the fiscal year ended June 30, 2022, 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 45–91 of this report.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

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 \$173,281,067 as of June 30, 2022.

The Summary of Net Position as of June 30, 2022, and 2021, follows:

Summary of Net Position						
	2022			2021		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
Current and other assets	\$ 37,336,693	\$ 44,561,683	\$ 81,898,376	\$ 30,577,671	\$ 56,249,926	\$ 86,827,597
Noncurrent assets	89,252,378	72,095,947	161,348,325	92,414,107	36,386,744	128,800,851
Total assets	126,589,071	116,657,630	243,246,701	122,991,778	92,636,670	215,628,448
Deferred outflows: Pension Plan	7,559,716	1,117,794	8,677,510	13,971,344	2,350,299	16,321,643
Total assets and deferred outflows	134,148,787	117,775,424	251,924,211	136,963,122	94,986,969	231,950,091
Current and other liabilities	6,441,814	2,991,664	9,433,478	5,926,561	2,184,223	8,110,784
Long-term liabilities	22,626,479	31,042,671	53,669,150	45,023,551	36,032,715	81,056,266
Total liabilities	29,068,293	34,034,335	63,102,628	50,950,112	38,216,938	89,167,050
Deferred inflows: Pension Plan	13,092,835	2,447,681	15,540,516	2,428,676	393,650	2,822,326
Total liabilities and deferred inflows	42,161,128	36,482,016	78,643,144	53,378,788	38,610,588	91,989,376
Net position:						
Net investment in capital assets	80,782,202	44,236,726	125,018,928	83,487,997	5,062,262	88,550,259
Restricted	12,507,876	-	12,507,876	9,065,702	-	9,065,702
Unrestricted	(1,302,419)	37,056,682	35,754,263	(8,969,365)	51,314,119	42,344,754
Total net position	\$ 91,987,659	\$ 81,293,408	\$ 173,281,067	\$ 83,584,334	\$ 56,376,381	\$ 139,960,715

Restricted net position increased by \$3,442,144 due to increased revenue from Measure H, Measure L and American Rescue Plan Act (ARPA) funding. The increased revenues are committed to public safety personnel and equipment costs, and projects approved by the City Council, respectively.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The change in net position for the fiscal years ended June 30, 2022, and 2020, follows:

	2022			2021		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 2,228,871	\$ 27,698,671	\$ 29,927,542	\$ 1,513,702	\$ 26,727,162	\$ 28,240,864
Grants and contributions:						
Operating	20,366,231	-	20,366,231	16,501,734	-	16,501,734
Capital	3,909,176	-	3,909,176	2,485,927	-	2,485,927
General revenues:						
Property taxes and assessments	2,474,768	-	2,474,768	2,493,299	-	2,493,299
Sales and use tax	9,587,174	-	9,587,174	8,764,804	-	8,764,804
Utility users tax	1,057,622	-	1,057,622	861,325	-	861,325
Other taxes	961,921	-	961,921	1,030,586	-	1,030,586
State motor vehicle in-lieu tax	4,284,543	-	4,284,543	4,059,777	-	4,059,777
Use of money and property	438,261	126,380	564,641	275,976	332,682	608,658
Other general	3,059,800	12,402,350	15,462,150	96,337	5,256,099	5,352,436
Total revenues	48,368,367	40,227,401	88,595,768	38,083,467	32,315,943	70,399,410
Expenses:						
Governmental activities:						
General government	5,396,614	-	5,396,614	7,671,594	-	7,671,594
Public safety	24,362,856	-	24,362,856	23,201,443	-	23,201,443
Engineering and transportation	364,629	-	364,629	641,146	-	641,146
Public works	6,025,953	-	6,025,953	5,176,901	-	5,176,901
Community services	3,393,321	-	3,393,321	3,791,032	-	3,791,032
Economic development	108,315	-	108,315	207,914	-	207,914
Interest and fiscal charges	9,354	-	9,354	12,570	-	12,570
Business-type activities:						
Water	-	7,228,391	7,228,391	-	22,255,898	22,255,898
Sewer	-	8,385,900	8,385,900	-	9,219,352	9,219,352
STANCOG	-	83	83	-	14,584	14,584
Total expenses	39,661,042	15,614,374	55,275,416	40,702,600	31,489,834	72,192,434
Excess (Deficiency) of revenues over expenditures before transfers	8,707,325	24,613,027	33,320,352	(2,619,133)	826,109	(1,793,024)
Transfers	(304,000)	304,000	-	(304,949)	304,949	-
Change in net position	8,403,325	24,917,027	33,320,352	(2,924,082)	1,131,058	(1,793,024)
Net position:						
Beginning of year	83,584,334	56,376,381	139,960,715	86,508,416	55,245,323	141,753,739
End of year	\$ 91,987,659	\$ 81,293,408	\$ 173,281,067	\$ 83,584,334	\$ 56,376,381	\$ 139,960,715

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Revenues

The City's total revenues for governmental and business-type activities were \$88,595,768 for the fiscal year ended June 30, 2022. Approximately 46% 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 9%. This increase is mainly attributed to a slow increase in the economy and consumer spending as a result of COVID-19 restrictions being lifted
- 2. Property Tax.** Annual receipts decreased by .7%, due to a slowdown of homes being sold.
- 3. Grants and Contributions – Governmental Activities Operating.** There was an increase of 23% in Governmental operating grants and contributions mainly due to the American Rescue Plan Act (ARPA) grant revenues. The grant funds were given to the City as an emergency relief measure intended to provide relief to address the impact of COVID-19.
- 4. State Motor Vehicle In-Tax –** Annual receipts increased by 6%. The increase is due to increased vehicle registration fees.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

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 \$55,275,416. Governmental activity expenses totaled \$39,661,042 or 72% of total expenses. Business-type activities incurred \$15,614,374 of expenses during the fiscal year. Public safety costs represented 62% 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, 2022, and 2021, are as follows:

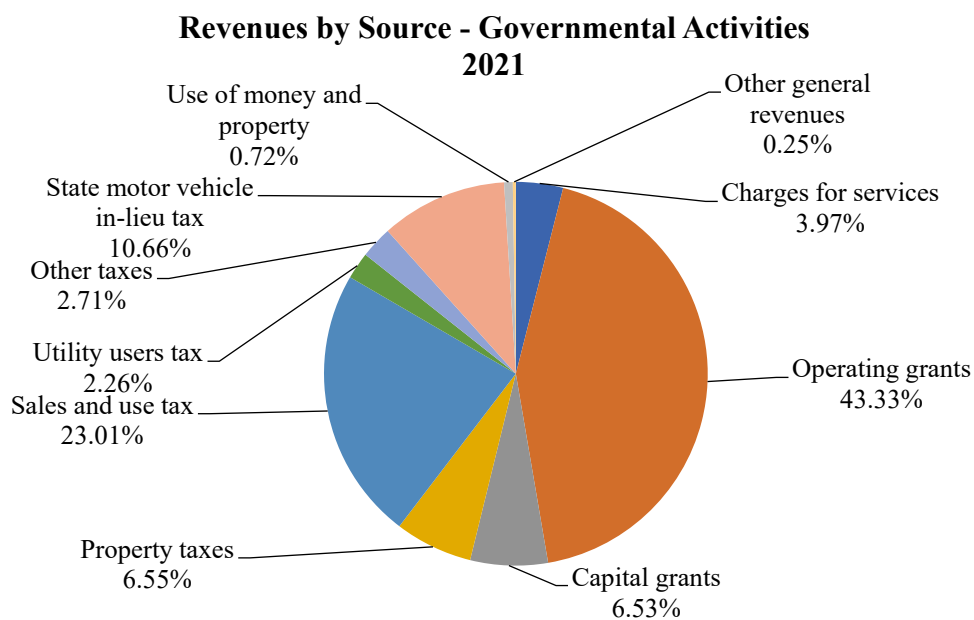
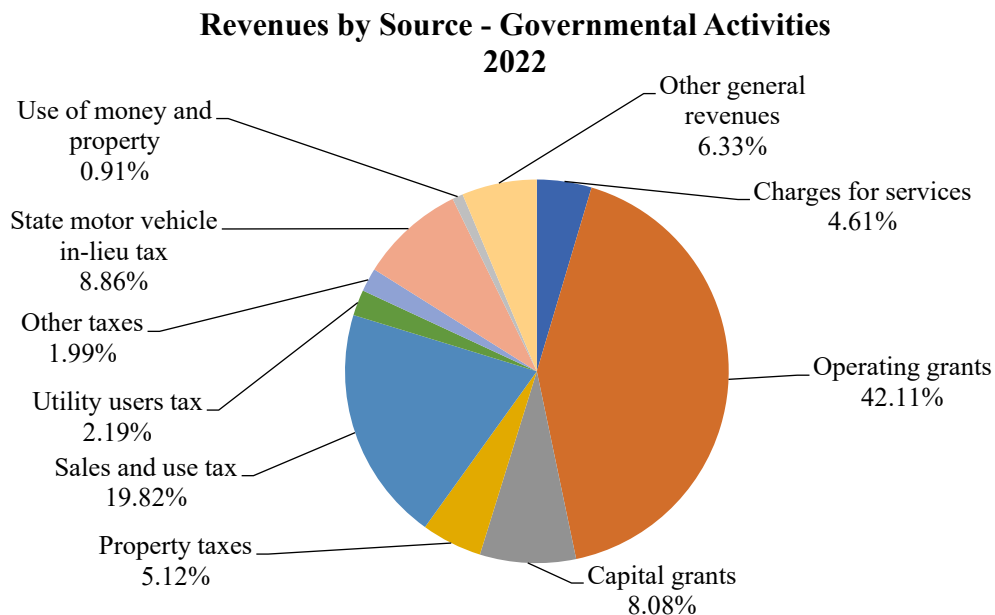
	2022		2021	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 5,396,614	\$ 2,292,108	\$ 7,671,594	\$ (3,779,120)
Public safety	24,362,856	(17,361,848)	23,201,443	(16,596,330)
Engineering and transportation	364,629	3,262,135	641,146	2,882,311
Public works	6,025,953	421,269	5,176,901	(820,153)
Community services	3,393,321	(1,665,102)	3,791,032	(1,677,541)
Economic development	108,315	(95,972)	207,914	(197,834)
Interest and fiscal charges	9,354	(9,354)	12,540	(12,570)
Total	<u>\$ 39,661,042</u>	<u>\$ (13,156,764)</u>	<u>\$ 40,702,570</u>	<u>\$ (20,201,237)</u>

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Revenues by source for the fiscal years ended June 30, 2022, and 2021, are as follows:

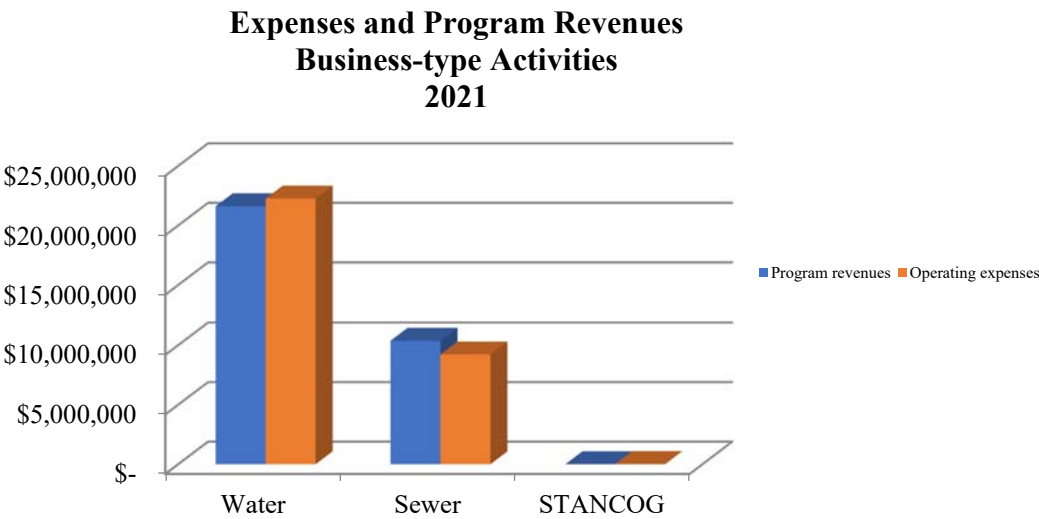
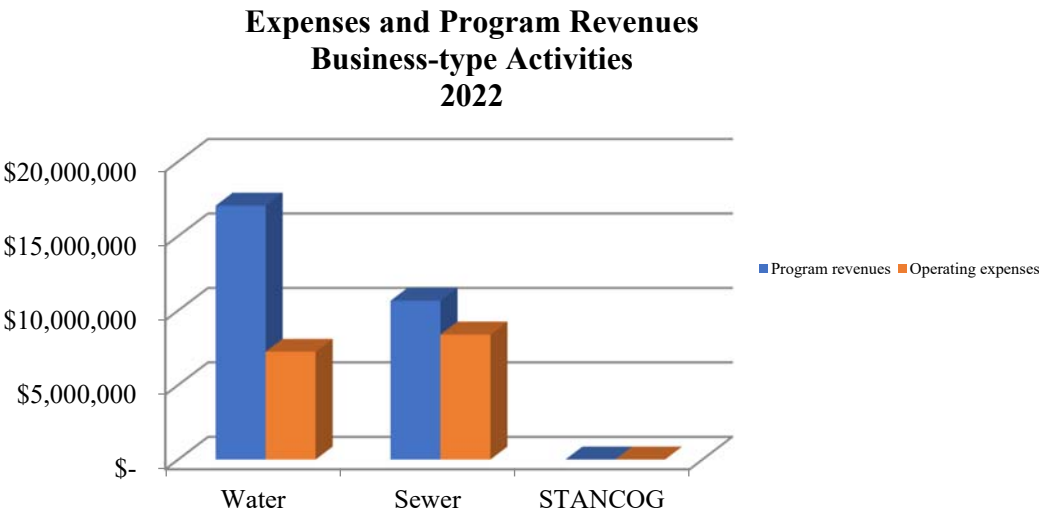


City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Business-type activities. Business-type activities increased the City’s net position to \$24,917,027. The City has three business-type activities: Water, Sewer, and STANCOG. Water accounts for 62%, Sewer accounts for 38% of total business-type activity revenue, and STANCOG accounts for less than 1%. The expenses and program revenues for the business-type activities for the fiscal year ended June 30, 2022, and 2021, are as follows:



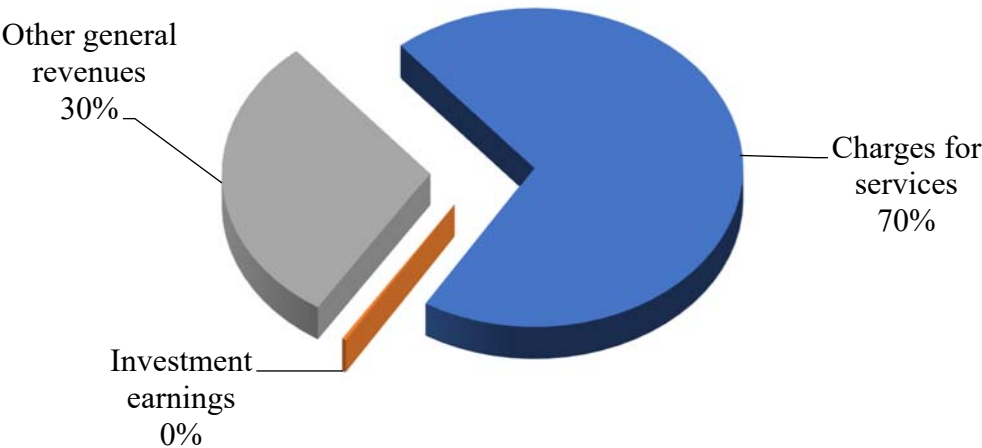
City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

Management’s Discussion and Analysis, Continued

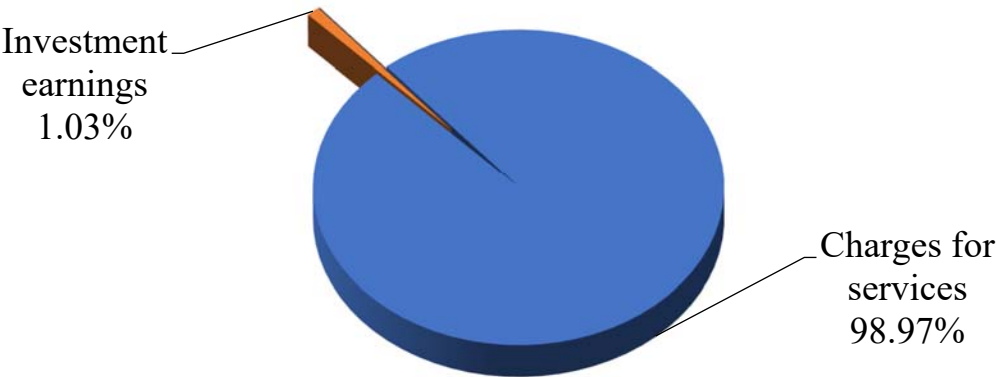
GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The revenues by source for the business-type activities for the fiscal years ended June 30, 2022, and 2021, are as follows:

**Revenues by Source - Business-type Activities
2022**



**Revenues by Source - Business-type Activities
2021**



City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

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, 2022, the City's governmental funds reported combined fund balances of \$27,912,226. This is an increase of \$8,224,914 or 42% more than last year. The increase was mainly due to the American Rescue Plan Act (ARPA) grant funds given to the City to help recover from the COVID-19 pandemic. The General Fund is the chief operating fund of the City. At the fiscal year ended June 30, 2022, General Fund unassigned fund balance totaled \$7,627,796 with \$15,345 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, 2022, the majority of this money was used to start the Morrow Village sidewalk improvement project.

Proprietary funds. The City's proprietary funds net position increased by \$24,917,027 in the fiscal year ended June 30, 2022. This was primarily due to the scheduled increase in water rates; and the funds received through the TCP settlement. 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 negative of \$126,894. This was mainly due to the decrease in charges for services. Total general fund final budget for expenditures was \$25,219,301. Actual expenditures were \$14,499 over budget (approximately .05% of budget).

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2022

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, 2022, amount to \$153,674,839. This net investment in capital assets includes land, intangible asset, buildings and improvements, machinery and equipment, and infrastructure.

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Land	\$ 14,753,193	\$ 14,753,193	\$ 3,291,818	\$ 3,291,818	\$ 18,045,011	\$ 18,045,011
Intangible asset	-	-	33,620,000	-	33,620,000	-
Buildings and improvements	21,385,563	22,687,631	3,166,550	3,458,180	24,552,113	26,145,811
Machinery and equipment	6,377,354	5,710,678	1,019,138	1,181,341	7,396,492	6,892,019
Infrastructure	39,062,782	41,227,900	30,998,441	26,087,523	70,061,223	67,315,423
Total	\$ 81,578,892	\$ 84,379,402	\$ 72,095,947	\$ 34,018,862	\$ 153,674,839	\$ 118,398,264

Major capital asset events during the year included: the purchase of machinery, equipment, capitalization of intangible asset for water rights; 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 unemployment rate decreased to 3.8% down from 6.1% in 2021. While the City responded to the economic crisis created by COVID-19 without compromising services or closing focus on priorities, the long-term impacts of COVID-19 have yet to be fully realized. Consumer prices increased up to 9.1%. This is the largest increase in over 40 years. It is clear that economic conditions and outcomes will need to be closely monitored.

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 7% in fiscal year 2022–2023. Also, in fiscal year 2022–2023, we are estimating property tax revenue to increase by 3%. Additionally, with the two cannabis dispensaries and the cannabis manufacturing facility, the City's General Fund has received an influx of revenue that reached \$1,080,000 for FY 2022 and is expected to reach \$1,380,000 in FY 2023. 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.

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, Finance Director, 2220 Magnolia, Ceres, CA 95307, or visit the City's web page at www.ci.ceres.ca.us/.

BASIC FINANCIAL STATEMENTS

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City of Ceres, California
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 33,290,908	\$ 40,855,578	\$ 74,146,486
Cash and investments with trustee/fiscal agent	-	62	62
Receivables:			
Accounts receivable	6,164,590	1,571,125	7,735,715
Prepaid items	15,345	-	15,345
Inventory	768		768
Internal balances	(2,134,918)	2,134,918	-
Total current assets	37,336,693	44,561,683	81,898,376
Noncurrent assets:			
Advances to fiduciary activities	1,978,636	-	1,978,636
Loans receivable	5,694,850	-	5,694,850
Intangible assets	-	33,620,000	33,620,000
Capital assets:			
Nondepreciable	14,753,193	3,291,818	18,045,011
Depreciable	66,825,699	35,184,129	102,009,828
Total noncurrent assets	89,252,378	72,095,947	161,348,325
Total assets	126,589,071	116,657,630	243,246,701
DEFERRED OUTFLOWS OF RESOURCES			
Pension Plan	7,559,716	1,117,794	8,677,510
Total deferred outflows of resources	7,559,716	1,117,794	8,677,510
Total assets and deferred outflows	134,148,787	117,775,424	251,924,211
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	3,777,557	1,199,229	4,976,786
Deposits payable	2,551,319	524,349	3,075,668
Unearned revenue	-	141,713	141,713
Interest payable	-	28,994	28,994
Due within one year	112,938	1,097,379	1,210,317
Total current liabilities	6,441,814	2,991,664	9,433,478
Noncurrent liabilities:			
Long-term liabilities:			
Compensated absences	1,710,024	338,276	2,048,300
Due after one year	116,347	27,859,221	27,975,568
Liability for claims	1,404,797	-	1,404,797
Net pension liability	19,395,311	2,845,174	22,240,485
Total noncurrent liabilities	22,626,479	31,042,671	53,669,150
Total liabilities	29,068,293	34,034,335	63,102,628
DEFERRED INFLOWS OF RESOURCES			
Pension Plan	13,092,835	2,447,681	15,540,516
Total liabilities and deferred inflows of resources	42,161,128	36,482,016	78,643,144
NET POSITION			
Net investment in capital assets	80,782,202	44,236,726	125,018,928
Restricted	12,507,876	-	12,507,876
Unrestricted	(1,302,419)	37,056,682	35,754,263
Total net position	91,987,659	81,293,408	173,281,067
Total liabilities, deferred inflows, and net position	\$ 134,148,787	\$ 117,775,424	\$ 251,924,211

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, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 5,396,614	\$ 115,361	\$ 7,573,361	\$ -
Public safety	24,362,856	756,102	6,244,906	-
Engineering and Transportation	364,629	119,544	2,860,300	646,920
Public works	6,025,953	923,386	2,261,580	3,262,256
Community services	3,393,321	310,901	1,417,318	-
Economic development	108,315	3,577	8,766	-
Interest and fiscal charges	9,354	-	-	-
Total governmental activities	<u>39,661,042</u>	<u>2,228,871</u>	<u>20,366,231</u>	<u>3,909,176</u>
Business-type activities:				
Water	7,228,391	17,043,372	-	-
Sewer	8,385,900	10,655,299	-	-
STANCOG	83	-	-	-
Total business-type activities	<u>15,614,374</u>	<u>27,698,671</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 55,275,416</u>	<u>\$ 29,927,542</u>	<u>\$ 20,366,231</u>	<u>\$ 3,909,176</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 (MVLTF)

Use of money and property

Capital contributions

Other general revenues

Pension credit

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
\$ 2,292,108	\$ -	\$ 2,292,108
(17,361,848)	-	(17,361,848)
3,262,135	-	3,262,135
421,269	-	421,269
(1,665,102)	-	(1,665,102)
(95,972)	-	(95,972)
(9,354)	-	(9,354)
(13,156,764)	-	(13,156,764)
-	9,814,981	9,814,981
-	2,269,399	2,269,399
-	(83)	(83)
-	12,084,297	12,084,297
(13,156,764)	12,084,297	(1,072,467)
2,474,768	-	2,474,768
9,587,174	-	9,587,174
1,057,622	-	1,057,622
961,921	-	961,921
4,284,543	-	4,284,543
438,261	126,380	564,641
-	8,825,000	8,825,000
74,983	3,000,000	3,074,983
2,984,817	577,350	3,562,167
21,864,089	12,528,730	34,392,819
(304,000)	304,000	-
21,560,089	12,832,730	34,392,819
8,403,325	24,917,027	33,320,352
83,584,334	56,376,381	139,960,715
\$ 91,987,659	\$ 81,293,408	\$ 173,281,067

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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, 2022

	Major Funds			
	General Fund	Street Expansion Special Revenue	Home Program Grants Special Revenue	CDBG Grants Special Revenue
ASSETS				
Cash and investments	\$ 6,146,863	\$ 2,077,098	\$ 1,123,368	\$ 658,026
Receivables:				
Interest	1,315	123	-	37
Intergovernmental	-	-	-	-
Loans receivable	-	-	5,463,556	454,649
Other receivable	3,922,431	-	-	4,058
Due from other funds	3,627,138	-	-	-
Advances to Former Redevelopment Agencies				
Private Purpose Trust	1,978,636	-	-	-
Prepaid items	15,345	-	-	-
Inventory	768	-	-	-
Total assets	\$ 15,692,496	\$ 2,077,221	\$ 6,586,924	\$ 1,116,770
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 2,911,696	\$ 83,975	\$ -	\$ 174,462
Deposits payable	2,435,336	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Advances from other funds	2,134,918	-	-	-
Total liabilities	7,481,950	83,975	-	174,462
Deferred inflows: Unavailable revenue	567,405	-	5,463,557	454,649
Total liabilities and deferred inflows	8,049,355	83,975	5,463,557	629,111
Fund balances:				
Nonspendable:				
Prepaid items	15,345	-	-	-
Restricted reported in:				
Special revenue funds	-	-	1,123,367	487,659
Committed	-	-	-	-
Assigned reported in:				
Special revenue funds	-	1,993,246	-	-
Unassigned (deficit), reported in:				
General fund	7,627,796	-	-	-
Special revenue funds	-	-	-	-
Total fund balances	7,643,141	1,993,246	1,123,367	487,659
Total liabilities and fund balances	\$ 15,692,496	\$ 2,077,221	\$ 6,586,924	\$ 1,116,770

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

Nonmajor Governmental Funds	Totals
\$18,038,421	\$ 28,043,776
1,350	2,825
1,144,982	1,144,982
344,050	6,262,255
1,089,887	5,016,376
-	3,627,138
-	1,978,636
-	15,345
	768
<u>\$20,618,690</u>	<u>\$ 46,092,101</u>

\$ 398,746	\$ 3,568,879
115,983	2,551,319
3,095,098	3,095,098
-	-
-	2,134,918
<u>3,609,827</u>	<u>11,350,214</u>
<u>344,050</u>	<u>6,829,661</u>
<u>3,953,877</u>	<u>18,179,875</u>

-	15,345
10,896,850	12,507,876
82,637	82,637
9,008,672	11,001,918
-	7,627,796
<u>(3,323,346)</u>	<u>(3,323,346)</u>
<u>16,664,813</u>	<u>27,912,226</u>
<u>\$20,618,690</u>	<u>\$ 46,092,101</u>

City of Ceres, California
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2022

Total fund balances - total governmental funds		\$ 27,912,226
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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.		77,743,263
--	--	------------

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	\$ (1,574,844)	
Due after one year	(229,285)	
Net pension obligation	<u>(19,395,311)</u>	(21,199,440)

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.		6,262,256
--	--	-----------

Pension obligations result in deferred outflows and inflows of resources associated with actuarial value of contributions, assets, and liabilities		
Deferred outflows	7,559,716	
Deferred inflows	<u>(13,092,835)</u>	(5,533,119)

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	5,247,539	
Noncurrent assets	3,835,629	
Accounts payable and accrued liabilities	(740,718)	
Long-term liabilities	<u>(1,539,977)</u>	6,802,473
Net position of governmental activities		<u><u>\$ 91,987,659</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, 2022

	Governmental Funds Balance Sheet	Reclassifications	Internal Service Funds	Changes in GAAP	Statement of Net Position
ASSETS					
Current assets:					
Cash and investments	\$ 28,043,776	\$ -	\$ 5,247,132	\$ -	\$ 33,290,908
Receivables:					
Interest	2,825	-	-	-	2,825
Intergovernmental	1,144,982	-	-	-	1,144,982
Other receivable	5,016,376	-	407	-	5,016,783
Due from other funds	3,627,138	(3,627,138)	-	-	-
Prepaid items	15,345	-	-	-	15,345
Inventory	768	-	-	-	768
Internal balances	-	-	-	-	-
Total current assets	37,851,210	(3,627,138)	5,247,539	-	39,471,611
Noncurrent assets:					
Advances to(from) fiduciary activities	1,978,636	-	-	-	1,978,636
Loans/Notes receivable	6,262,255	-	-	(567,405)	5,694,850
Capital assets, net	-	-	3,835,629	77,743,263	81,578,892
Total noncurrent assets	8,240,891	-	3,835,629	77,175,858	89,252,378
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows: Pension Plan	-	-	-	7,559,716	7,559,716
Total assets and deferred outflows of resources	\$ 46,092,101	\$ (3,627,138)	\$ 9,083,168	\$ 84,735,574	\$ 136,283,705
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 3,568,879	\$ -	\$ 208,678	\$ -	\$ 3,777,557
Deposits payable	2,551,319	-	-	-	2,551,319
Due to other funds	3,095,098	(3,627,138)	532,040	-	-
Due within one year	-	-	-	112,938	112,938
Total current liabilities	9,215,296	(3,627,138)	740,718	112,938	6,441,814
Noncurrent liabilities:					
Long-term debt:					
Advances from other funds	2,134,918	-	-	-	2,134,918
Compensated absences	-	-	135,180	1,574,844	1,710,024
Due after one year	-	-	-	116,347	116,347
Liability for claims	-	-	1,404,797	-	1,404,797
Net pension obligation	-	-	-	19,395,311	19,395,311
Total noncurrent liabilities	2,134,918	-	1,539,977	21,086,502	24,761,397
Total liabilities	11,350,214	(3,627,138)	2,280,695	21,199,440	31,203,211
Deferred inflows: Grants	6,262,256	-	-	(6,262,256)	-
Deferred inflows: Unavailable revenue	567,405	-	-	(567,405)	-
Deferred inflows: Pension plan	-	-	-	13,092,835	13,092,835
Total liabilities and deferred inflows	18,179,875	(3,627,138)	2,280,695	27,462,614	44,296,046
FUND BALANCES/NET POSITION					
Fund balances:					
Nonspendable	15,345	(15,345)	-	-	-
Restricted	12,507,876	(12,507,876)	-	-	-
Committed	82,637	(82,637)	-	-	-
Assigned	11,001,918	(11,001,918)	-	-	-
Unassigned	4,304,450	(4,304,450)	-	-	-
Net position:					
Net investment in capital assets	-	-	3,835,629	76,946,573	80,782,202
Restricted	-	-	-	12,507,876	12,507,876
Unrestricted	-	27,912,226	2,966,844	(32,181,489)	(1,302,419)
Total fund balances/ net position	27,912,226	-	6,802,473	57,272,960	91,987,659
Total liabilities, deferred inflows, and net position	\$ 46,092,101	\$ (3,627,138)	\$ 9,083,168	\$ 84,735,574	\$ 136,283,705

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, 2022

	Major Funds			
	General Fund	Street Expansion Special Revenue	Home Program Grants Special Revenue	CDBG Grants Special Revenue
REVENUES:				
Property and other taxes	\$ 18,457,995	\$ -	\$ -	\$ -
Licenses and permits	2,305,069	-	-	-
Fines, forfeitures and penalties	113,447	-	-	-
Charges for services	1,502,047	-	-	-
Intergovernmental	1,354,532	1,444,337	351,221	22,555
Use of money and property	202,441	2,860	-	1,124
Other revenues	14,078	-	4,919	-
Total revenues	23,949,609	1,447,197	356,140	23,679
EXPENDITURES:				
Current:				
General government	2,513,556	-	-	-
Public safety	19,678,543	-	-	-
Engineering and Transportation	56,441	20,394	-	-
Public works	389,508	-	-	-
Community services	2,595,711	-	-	-
Economic development	-	-	20,523	180
Capital outlay	41	145,213	-	175,139
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	25,233,800	165,607	20,523	175,319
REVENUES OVER (UNDER) EXPENDITURES	(1,284,191)	1,281,590	335,617	(151,640)
OTHER FINANCING SOURCES (USES):				
Transfers in	825,881	-	-	-
Transfers out	(316,853)	-	-	-
Total other financing sources (uses)	509,028	-	-	-
Net change in fund balances	(775,163)	1,281,590	335,617	(151,640)
FUND BALANCES:				
Beginning of year	8,418,304	711,656	787,750	639,299
End of year	\$ 7,643,141	\$ 1,993,246	\$ 1,123,367	\$ 487,659

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

Other Governmental Funds		Totals	
\$	6,049,611	\$	24,507,606
	-		2,305,069
	47,770		161,217
	709,287		2,211,334
	12,760,253		15,932,898
	36,652		243,077
	3,248		22,245
	19,606,821		45,383,446
	737,987		3,251,543
	4,356,482		24,035,025
	287,794		364,629
	1,509,621		1,899,129
	772,324		3,368,035
	16,145		36,848
	3,459,951		3,780,344
	109,625		109,625
	9,354		9,354
	11,259,283		36,854,532
	8,347,538		8,528,914
	7,811		833,692
	(820,839)		(1,137,692)
	(813,028)		(304,000)
	7,534,510		8,224,914
	9,130,303		19,687,312
\$	16,664,813	\$	27,912,226

City of Ceres, California

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

For the year ended June 30, 2022

Functions/Programs	Fund Based Totals	Debt/ Compensated Absences	Deferred Revenue	Depreciation	Capital Asset (Additions)/ Retirements	Internal Service Funds	Government- wide Totals
Governmental activities:							
General government	\$ 3,251,543	\$ (144,313)	\$ 370,800	\$ 1,918,584	\$ -		\$ 5,396,614
Public safety	24,035,025	-	-	327,831	-	-	24,362,856
Engineering and Transportation	364,629	-	-	-	-	-	364,629
Public works	1,899,129	-	-	3,509,503	727,303	(109,982)	6,025,953
Community services	3,368,035	-	-	25,286	-	-	3,393,321
Economic development	36,848	-	-	71,467	-	-	108,315
Capital outlay	3,780,344	-	-	-	(3,780,344)	-	-
Debt service/Interest	118,979	(109,625)	-	-	-	-	9,354
Total governmental activities	\$ 36,854,532	\$ (253,938)	\$ 370,800	\$ 5,852,671	\$ (3,053,041)	\$ (109,982)	\$ 39,661,042

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, 2022

Net change in fund balances - total governmental funds	\$	8,224,914
--	----	-----------

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	\$	3,053,041	
Depreciation expense		<u>(5,852,671)</u>	(2,799,630)

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.

109,625

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		144,313	
Pension credit		<u>2,984,817</u>	3,129,130

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			(370,800)
------------------	--	--	-----------

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 is included in the governmental activities in the government-wide Statement of Net Position less amounts due to changes in capital assets reported above for capital assets.

109,982

Change in net position of governmental activities

\$	<u><u>8,403,221</u></u>
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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, 2022

	General Fund			
	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Property and other taxes	\$ 18,143,504	18,143,504	\$ 18,457,995	\$ 314,491
Licenses and permits	2,183,500	2,183,500	2,305,069	121,569
Fines, forfeitures and penalties	68,000	68,000	113,447	45,447
Charges for services	1,871,818	1,871,818	1,502,047	(369,771)
Intergovernmental	1,464,000	1,589,081	1,354,532	(234,549)
Use of money and property	170,600	170,600	202,441	31,841
Other revenues	50,000	50,000	14,078	(35,922)
Total revenues	23,951,422	24,076,503	23,949,609	(126,894)
EXPENDITURES:				
Current:				
General government	2,907,856	2,941,264	2,513,556	427,708
Public safety	18,534,257	18,663,384	19,678,543	(1,015,159)
Engineering and Transportation	121,511	121,511	56,441	65,070
Public works	490,511	490,601	389,508	101,093
Community services	2,930,489	2,992,337	2,595,711	396,626
Capital outlay	-	10,204	41	10,163
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	24,984,624	25,219,301	25,233,800	(14,499)
REVENUES OVER (UNDER) EXPENDITURES	(1,033,202)	(1,142,798)	(1,284,191)	(141,393)
OTHER FINANCING SOURCES (USES):				
Proceeds from sales of assets	-	-	-	-
Transfers in	844,247	844,247	825,881	(18,366)
Transfers out	(320,612)	(320,612)	(316,853)	3,759
Total other financing sources (uses)	523,635	523,635	509,028	(14,607)
Net change in fund balances	(509,567)	(619,163)	(775,163)	(156,000)
FUND BALANCES:				
Beginning of year	8,418,304	8,418,304	8,418,304	-
End of year	<u>\$ 7,908,737</u>	<u>\$ 7,799,141</u>	<u>\$ 7,643,141</u>	<u>\$ (156,000)</u>

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		
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
300,000	300,000	1,444,337	1,144,337
15,000	15,000	2,860	(12,140)
-	-	-	-
315,000	315,000	1,447,197	1,132,197
2,066	2,066	-	2,066
-	-	-	-
20,000	27,000	20,394	6,606
-	-	-	-
-	-	-	-
-	572,698	145,213	427,485
-	-	-	-
-	-	-	-
22,066	601,764	165,607	436,157
292,934	(286,764)	1,281,590	1,568,354
-	-	-	-
-	-	-	-
-	-	-	-
292,934	(286,764)	1,281,590	1,568,354
711,656	711,656	711,656	-
\$ 1,004,590	\$ 424,892	\$ 1,993,246	\$ 1,568,354

(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, 2022

	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	0	-	351,221
Use of money and property	-	-	-
Other revenues	-	-	4,919
Total revenues	-	-	356,140
EXPENDITURES:			
Current:			
General government	-	-	-
Public safety	-	-	-
Engineering and Transportation	-	-	-
Public works	-	-	-
Community services	-	-	-
Economic development	120,140	120,140	20,523
Capital outlay	-	-	-
Total expenditures	120,140	120,140	99,617
REVENUES OVER (UNDER)			
EXPENDITURES	(120,140)	(120,140)	335,617
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(120,140)	(120,140)	455,757
FUND BALANCES (DEFICIT):			
Beginning of year	787,750	787,750	787,750
End of year	\$ 667,610	\$ 667,610	\$ 1,123,367

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)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
175,000	175,000	22,555	(152,445)
4,600	4,600	1,124	(3,476)
-	-	0	-
179,600	179,600	23,679	(155,921)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
302,950	302,950	180	302,770
235,000	704,943	175,139	529,804
537,950	1,007,893	175,319	832,574
(358,350)	(828,293)	(151,640)	676,653
-	-	-	-
-	-	-	-
-	-	-	-
(358,350)	(828,293)	(151,640)	676,653
639,299	639,299	639,299	-
\$ 280,949	\$ (188,994)	\$ 487,659	\$ 676,653

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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, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	STANCOG	Totals	Totals
Current assets:					
Cash and investments	\$ 20,249,659	\$ 20,050,875	\$ 555,044	\$ 40,855,578	\$ 5,247,132
Cash and investments with trustee/fiscal agent	62	-	-	62	-
Accounts receivable (net of uncollectible)	874,245	691,732	-	1,565,977	407
Interest receivable	3,237	1,858	53	5,148	-
Total current assets	21,127,203	20,744,465	555,097	42,426,765	5,247,539
Non-current assets:					
Intangible assets	33,620,000	-	-	33,620,000	-
Property, plant and equipment	38,294,943	29,673,985	-	67,968,928	9,272,454
Less accumulated depreciation	(13,953,312)	(15,539,669)	-	(29,492,981)	(5,436,825)
Property, plant, and equipment, net	57,961,631	14,134,316	-	72,095,947	3,835,629
Advances to other funds	-	2,134,918	-	2,134,918	-
Total non-current assets	57,961,631	16,269,234	-	74,230,865	3,835,629
Total assets	79,088,834	37,013,699	555,097	116,657,630	9,083,168
Deferred outflows: Pension Plan	548,272	553,730	15,792	1,117,794	-
Total assets and deferred outflows	\$ 79,637,106	\$ 37,567,429	\$ 570,889	\$ 117,775,424	\$ 9,083,168
LIABILITIES AND NET POSITION					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 653,016	\$ 546,213	\$ -	\$ 1,199,229	\$ 208,678
Deposits payable	524,349	-	-	524,349	-
Unearned revenue	141,713	-	-	141,713	-
Interest payable	12,412	16,582	-	28,994	-
Due to other funds	-	-	-	-	532,040
Current portion of long-term debt	825,379	272,000	-	1,097,379	-
Total current liabilities	2,156,869	834,795	-	2,991,664	740,718
Long-term liabilities:					
Compensated absences	179,046	159,230	-	338,276	135,180
Due after one year	22,563,221	5,296,000	-	27,859,221	-
Liability for claims	-	-	-	-	1,404,797
Net pension obligation	1,315,878	1,473,515	55,781	2,845,174	-
Total long-term liabilities	24,058,145	6,928,745	55,781	31,042,671	1,539,977
Total liabilities	26,215,014	7,763,540	55,781	34,034,335	2,280,695
Deferred inflows: Pension Plan	1,205,101	1,226,849	15,731	2,447,681	-
Total liabilities and deferred inflows	27,420,115	8,990,389	71,512	36,482,016	2,280,695
Net Position:					
Net investment in capital assets	35,398,410	8,838,316	-	44,236,726	3,835,629
Unrestricted	16,818,581	19,738,724	499,377	37,056,682	2,966,844
Total net position	52,216,991	28,577,040	499,377	81,293,408	6,802,473
Total liabilities, deferred inflows, and net position	\$ 79,637,106	\$ 37,567,429	\$ 570,889	\$ 117,775,424	\$ 9,083,168

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, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	STANCOG	Totals	Totals
OPERATING REVENUES:					
Charges for services	\$ 16,410,146	\$ 10,256,575	\$ -	\$ 26,666,721	\$ -
Interdepartmental charges	-	-	-	-	7,392,056
Other operating	633,226	398,724	-	1,031,950	141,565
Total operating revenues	17,043,372	10,655,299	-	27,698,671	7,533,621
OPERATING EXPENSES:					
Salaries and benefits	2,513,507	2,478,571	-	4,992,078	1,985,555
Contractual and other services	811,205	590,605	83	1,401,893	357,448
Materials and supplies	1,156,864	380,843	-	1,537,707	1,275,096
Depreciation and amortization	1,094,938	858,588	-	1,953,526	631,436
Other operating costs	1,550,477	4,077,293	-	5,627,770	2,338,937
Total operating expenses	7,126,991	8,385,900	83	15,512,974	6,588,472
OPERATING INCOME (LOSS)	9,916,381	2,269,399	(83)	12,185,697	945,149
NONOPERATING REVENUES (EXPENSES):					
Debt issuance costs	(101,400)	-	-	(101,400)	-
Investment income	55,068	52,353	1,621	109,042	(1)
Gain (Loss) on sale of assets	-	17,338	-	17,338	-
Interest and debt service expenses	-	-	-	-	-
Settlement revenue	3,000,000	-	-	3,000,000	-
Pension credit	291,502	285,848	-	577,350	-
Capital contributions	8,825,000	-	-	8,825,000	-
Total non-operating revenues	12,070,170	355,539	1,621	12,427,330	(1)
NET INCOME (LOSS) BEFORE TRANSFERS	21,986,551	2,624,938	1,538	24,613,027	945,148
Transfers in	212,000	304,000	-	516,000	-
Transfers out	(212,000)	-	-	(212,000)	-
Total Transfers	-	304,000	-	304,000	-
CHANGE IN NET POSITION	21,986,551	2,928,938	1,538	24,917,027	945,148
NET POSITION:					
Beginning of year	30,230,440	25,648,102	497,839	56,376,381	5,857,325
End of year	<u>\$ 52,216,991</u>	<u>\$ 28,577,040</u>	<u>\$ 499,377</u>	<u>\$ 81,293,408</u>	<u>\$ 6,802,473</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, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	STANCOG	Totals	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from interfund services provided	\$ -	\$ -	\$ -	\$ -	\$ 7,392,649
Cash receipts from customers	17,480,271	10,859,661	-	28,339,932	-
Cash payments to suppliers for goods and services	(3,386,480)	(5,130,846)	(523)	(8,517,849)	(1,545,647)
Cash payments to employees for services	(2,494,805)	(2,526,052)	-	(5,020,857)	(1,973,266)
Cash receipts (payments) for loss claims	-	-	-	-	(1,768,177)
Net cash used by operating activities	11,598,986	3,202,763	(523)	14,801,226	2,105,559
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Other income received	(101,400)	-	-	(101,400)	-
Transfers received (paid)	-	536,964	-	536,964	135,699
Changes in pension obligations	-	-	-	-	-
Non-operating revenue received	3,000,000	-	-	3,000,000	-
Net cash provided by noncapital financing activities	2,898,600	536,964	-	3,435,564	135,699
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
(Acquisition) Disposal and construction of capital assets	(31,160,971)	(27,302)	-	(31,188,273)	(1,466,602)
Proceeds from sale of capital assets	-	-	-	-	-
Interest paid	-	-	-	-	-
Payments on long-term debt	(149,000)	(263,000)	-	(412,000)	-
Net cash (used) by capital and related financing activities	(31,309,971)	(290,302)	-	(31,600,273)	(1,466,602)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment income received	53,141	51,242	1,594	105,977	(1)
Net cash provided by investing activities	53,141	51,242	1,594	105,977	(1)
Net increase (decrease) in cash and cash equivalents	(16,759,244)	3,500,667	1,071	(13,257,506)	774,655
CASH AND CASH EQUIVALENTS:					
Beginning of year	37,008,965	16,550,208	553,973	54,113,146	4,472,477
End of year	<u>\$ 20,249,721</u>	<u>\$ 20,050,875</u>	<u>\$ 555,044</u>	<u>\$ 40,855,640</u>	<u>\$ 5,247,132</u>
Presentation in Statement of Net Position:					
Cash and investments	\$ 20,249,659	\$ 20,050,875	\$ 555,044	\$ 40,855,578	\$ 5,247,132
Cash and investments with trustee/fiscal agent	62	-	-	62	-
Total cash and investments	<u>\$ 20,249,721</u>	<u>\$ 20,050,875</u>	<u>\$ 555,044</u>	<u>\$ 40,855,640</u>	<u>\$ 5,247,132</u>
Reconciliation of income (loss) from operations to net cash used by operating activities:					
Operating income (loss)	\$ 9,916,381	\$ 2,269,399	\$ (83)	\$ 12,185,697	\$ 945,149
Adjustments to reconcile operating income (loss) to net cash used in operating activities:					
Depreciation and amortization	1,094,938	858,588	-	1,953,526	631,436
(Increase) decrease in current assets:					
Accounts receivable	363,051	205,669	-	568,720	593
Increase (decrease) in liabilities:					
Accounts payable and accrued liabilities	132,066	(82,105)	(440)	49,521	130,091
Deposits payable	(1,645)	-	-	(1,645)	-
Unearned revenue	75,493	(1,307)	-	74,186	-
Compensated absences	18,702	(47,481)	-	(28,779)	12,289
Increase (decrease) in claims liability	-	-	-	-	386,001
Net cash used by operating activities	\$ 11,598,986	\$ 3,202,763	\$ (523)	\$ 14,801,226	\$ 2,105,559

There were no noncash investing, capital, or financing activities affecting recognized assets and liabilities for the year ended June 30, 2022.

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, 2022

	Successor Agencies Private Purpose Trust Funds	Westpointe Assessment District Debt Service Custodial Fund
ASSETS		
Current assets:		
Cash and investments	\$ 6,548,843	\$ 301,244
Cash and investments with trustee/fiscal agent	2,061,500	-
Interest receivable	469	30
Total current assets	8,610,812	301,274
Non-Current assets:		
Long-term loans receivable	2,214,371	-
Construction in progress	12,500,147	-
Total non-current assets	14,714,518	-
Other assets:		
Deferred charges		
Total other assets	-	-
Total assets	23,325,330	301,274
Deferred outflows: Pension plan	73,249	-
Total assets and deferred outflows	<u>\$ 23,398,579</u>	<u>\$ 301,274</u>
LIABILITIES AND NET POSITION		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 910	\$ 2,100
Interest payable	8,591	-
Compensated absences - current	11,507	-
Current portion of long term debt	1,697,415	-
Total current liabilities	1,718,423	2,100
Long-term liabilities:		
Advances from other government agencies	266,702	-
Advances from Governmental Activities	1,978,636	-
Due after one year	27,516,394	-
Net pension obligation	176,135	-
Total long-term liabilities	29,937,867	-
Total liabilities	31,656,290	2,100
Deferred inflows: Pension plan	115,285	-
Total liabilities and deferred inflows	31,771,575	2,100
Net Position (Deficit):		
Restricted for:		
Redevelopment Dissolution	(8,372,996)	-
Individuals, organizations, and other governments	-	299,174
Total liabilities, deferred inflows, and net position	<u>\$ 23,398,579</u>	<u>\$ 301,274</u>

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

City of Ceres, California

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the year ended June 30, 2022

	Successor Agencies Private Purpose Trust Funds	Westpointe Assessment District Debt Service Custodial Fund
ADDITIONS:		
Property taxes	\$ 3,264,267	\$ -
Investment earnings	342,724	929
Other revenue	65,182	-
Total additions	3,672,173	929
DEDUCTIONS:		
General and administrative	57,536	2,500
Salaries and benefits	196,648	-
Contractual and other services	74,019	-
Materials and supplies	-	26,988
Interest and debt service expenses	807,590	-
Total deductions	1,135,793	29,488
CHANGE IN FIDUCIARY NET ASSETS	2,536,380	(28,559)
NET POSITION (DEFICIT):		
Beginning of year	(10,909,376)	327,733
End of year	<u>\$ (8,372,996)</u>	<u>\$ 299,174</u>

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, 2022

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City of Ceres, California
Notes to Basic Financial Statements
For the year ended June 30, 2022

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, 2022

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 regard 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, 2022

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, 2022

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, 2022

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, 2022

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, 2022

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, 2022

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 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, 2022

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.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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.

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, 2022

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, 2022

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, 2022

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, 2022, were not significant.

Appropriations lapse at the end of the fiscal year and then are re-budgeted 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, 2022, 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, 2022

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, 2022

2. CASH AND INVESTMENTS

At June 30, 2022, 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	\$ -	\$ -	\$ -	\$ 37,173,536	\$ 37,173,536		
Petty cash	-	-	-	6,450	6,450		
Total pooled items	-	-	-	37,179,986	37,179,986		
Pooled investments, at fair value							
<u>Interest obligations</u>							
<u>Par</u>	<u>Rate</u>						
\$2,964,000	1.0 - 2.5%	Domestic Time Deposits	984,399	1,234,000	745,601	-	2,964,000
\$1,510,016	.075 - 2.75%	US Government Agency Securities	499,528	2,010,548	12,999,940	-	15,510,016
Municipal Investor Account			22,879,977	-	-	-	22,879,977
State of California Local Agency Investment Fund			4,524,156	-	-	-	4,524,156
Total pooled investments - interest obligations			28,888,060	3,244,548	13,745,541	-	45,878,149
Total cash equivalents and investments pooled			\$ 28,888,060	\$ 3,244,548	\$ 13,745,541	\$ 37,179,986	\$ 83,058,135
Amounts reported in:							
Government activities						\$	33,290,908
Business-type activities:							
Unrestricted cash and investments							40,855,578
Cash and investments with trustee/fiscal agent							62
Fiduciary activities:							
Unrestricted cash and investments							6,850,087
Cash and investments with trustee/fiscal agent							2,061,500
Total						\$	83,058,135

Investment Type	Fair Value	Maturity (in years)
Domestic Time Deposits	\$ 2,964,000	0.02
US Governments Agency Securities	15,510,016	1.72
Municipal Investor Account	22,879,977	0.00
Local Agency Investment Fund	4,524,156	0.00
Total fair value	\$ 45,878,149	

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, 2022, 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, 2022

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, 2022, the weighted average maturity was not applicable because all balances are current.

Credit risk – It is the City’s policy that commercial paper has 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 1.88% 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, 2022, the carrying amount of the City’s deposits was \$37,173,536 and the balance in financial institutions was \$34,456,288. Of the balance in financial institutions, \$500,000 was covered by federal depository insurance and \$33,956,288 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, 2022, 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, 2022

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, 2022 was \$35,761,173,309 of which the City had a balance of \$4,524,156. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2022 has a portfolio with market valuation of \$193,463,490 thousand. Of the total invested, 98.12% was invested in non-derivative financial products and 1.88% 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, 2022:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Total
Current:				
Accounts	\$ -	\$ 1,565,977	\$ -	\$ 1,565,977
Interest	2,825	5,148	-	7,973
Intergovernmental	1,144,982	-	-	1,144,982
Other receivable	5,016,783	-	-	5,016,783
Total current	6,164,590	1,571,125	-	7,735,715
Noncurrent:				
Loans receivable	6,262,255	-	2,214,371	8,476,626
Total noncurrent	6,262,255	-	2,214,371	8,476,626
Total receivables	\$ 12,426,845	\$ 1,571,125	\$ 2,214,371	\$ 16,212,341

These amounts resulted in the following concentrations in receivables:

Other Governments	7.06%
Individuals/Businesses	61.94%
Financial	0.05%
Other	30.95%

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, 2022

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, 2022, consisted of the following:

Description	Beginning July 1, 2021	Additions	(Deletions)	Ending June 30, 2022
First-Time Homebuyer Loans	\$ 2,319,535	\$ -	\$ (277,201)	\$ 2,042,334
Housing Rehabilitation Loans:				
CDBG Loan	219,397	-	(2,092)	217,305
Emergency Repair Loan	331,709	-	(24,903)	306,806
Begin Home Grant	409,670	-	(65,620)	344,050
Total Housing Rehabilitation Loans	960,776	-	(92,615)	868,161
Whitmore Oaks	865,361	-	-	865,361
Della Tiara	2,486,399	-	-	2,486,399
Total loans receivable	\$ 6,632,071	\$ -	\$ (369,816)	\$ 6,262,255

The following is a summary of the loans and notes receivable outstanding as of June 30, 2022:

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, 2022 were \$2,042,334.

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, 2022 were \$868,161.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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, 2022 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 2020, 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, 2022 was \$2,486,399.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

5. CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
<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	41,061,742	172,064	-	41,233,806
Machinery & equipment	18,775,721	1,829,310	(1,529,295)	19,075,736
Infrastructure	106,499,757	1,051,667	-	107,551,424
Total depreciable assets	<u>166,337,220</u>	<u>3,053,041</u>	<u>(1,529,295)</u>	<u>167,860,966</u>
Total	<u>181,090,413</u>	<u>3,053,041</u>	<u>(1,529,295)</u>	<u>182,614,159</u>
Accumulated depreciation:				
Buildings and improvements	(18,374,111)	(1,474,132)	-	(19,848,243)
Machinery & equipment	(13,065,043)	(1,161,754)	1,528,415	(12,698,382)
Infrastructure	(65,271,857)	(3,216,785)	-	(68,488,642)
Total accumulated depreciation	<u>(96,711,011)</u>	<u>(5,852,671)</u>	<u>1,528,415</u>	<u>(101,035,267)</u>
Net depreciable assets	<u>69,626,209</u>	<u>(2,799,630)</u>	<u>(880)</u>	<u>66,825,699</u>
Total net capital assets	<u>\$ 84,379,402</u>	<u>\$ (2,799,630)</u>	<u>\$ (880)</u>	<u>\$ 81,578,892</u>

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

General government	\$ 1,918,584
Public safety	327,831
Public works	3,509,503
Community services	25,286
Economic development	<u>71,467</u>
Total	<u>\$ 5,852,671</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

5. CAPITAL ASSETS, Continued

Capital asset activity for business-type activities for the year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
<u>Business-type activities:</u>				
Nondepreciable assets:				
Land	\$ 3,291,818	\$ -	\$ -	\$ 3,291,818
Intangible asset	-	33,620,000		33,620,000
Total nondepreciable assets	<u>3,291,818</u>	<u>33,620,000</u>	<u>-</u>	<u>36,911,818</u>
Depreciable assets:				
Buildings and improvements	9,510,944	-	-	9,510,944
Machinery & equipment	6,602,306	43,848	(15,838)	6,630,316
Infrastructure	42,169,088	6,366,763	-	48,535,851
Total depreciable assets	<u>58,282,338</u>	<u>6,410,611</u>	<u>(15,838)</u>	<u>64,677,111</u>
Total	<u>61,574,156</u>	<u>40,030,611</u>	<u>(15,838)</u>	<u>101,588,929</u>
Accumulated depreciation:				
Buildings and improvements	(6,052,764)	(291,630)	-	(6,344,394)
Machinery & equipment	(5,420,965)	(206,051)	15,838	(5,611,178)
Infrastructure	(16,081,565)	(1,455,845)	-	(17,537,410)
Total accumulated depreciation	<u>(27,555,294)</u>	<u>(1,953,526)</u>	<u>15,838</u>	<u>(29,492,982)</u>
Net depreciable assets	<u>30,727,044</u>	<u>4,457,085</u>	<u>-</u>	<u>35,184,129</u>
Total net capital assets	<u>\$ 34,018,862</u>	<u>\$ 38,077,085</u>	<u>\$ -</u>	<u>\$ 72,095,947</u>

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

Water	\$ 1,094,938
Sewer	858,588
STANCOG	-
Total	<u>\$ 1,953,526</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2022:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Total
Accounts payable	\$ 3,048,142	\$ 1,199,229	\$ 910	\$ 4,248,281
Accrued payroll and related liabilities	729,415		-	729,415
Total	<u>\$ 3,777,557</u>	<u>\$ 1,199,229</u>	<u>\$ 910</u>	<u>\$ 4,977,696</u>

These amounts resulted in the following concentrations in payables:

Vendors	85%
Employees	15%

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, 2022:

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, 2022, 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, 2022

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, 2022:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Due Within One Year
<u>Governmental Activities:</u>					
Loan Payable	\$ 338,910	\$ -	\$ (109,625)	\$ 229,285	\$ 112,938
Total governmental activities	<u>\$ 338,910</u>	<u>\$ -</u>	<u>\$ (109,625)</u>	<u>\$ 229,285</u>	<u>\$ 112,938</u>
<u>Business-type Activities:</u>					
2020 Water Refunding Bonds	\$ 3,359,000	\$ -	\$ (149,000)	\$ 3,210,000	\$ 154,000
2020 Water Revenue Bonds	20,280,000	-	-	20,280,000	675,000
Bond discount	(101,400)	-	-	(101,400)	(3,621)
2020 Wastewater Refunding Bonds	5,831,000	-	(263,000)	5,568,000	272,000
Total business-type activities	<u>\$ 29,368,600</u>	<u>\$ -</u>	<u>\$ (412,000)</u>	<u>\$ 28,956,600</u>	<u>\$ 1,097,379</u>

Loan Payable – Original Issue \$1,193,500

On March 15, 2012, the City entered into a loan agreement with the Energy Resources Conservation and Development Commission for the construction of City street lights. The loan principal is payable semiannually starting on December 22, 2012 through June 22, 2024. The interest rate is 3.0% and is semiannually on December 22 and June 22. The outstanding balance at June 30, 2022 is \$229,285.

2020 Water Revenue Bond, Refunding – Original Issue \$3,658,000

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. On March 1, 2020, the City issued \$3,658,000 principal amount of 2021 Water Revenue Bonds to refund the outstanding principal balance of \$3,830,000 for the 2009 Water Revenue Bonds. The reacquisition price did not exceed the net carrying amount of the old debt. This refunding decreased its total debts service payments by \$1,224,059 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$239,036. The bonds mature annually through June 1, 2038, in amounts ranging from \$145,000 to \$251,000. The interest rate is 3.27% 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 outstanding balance at June 30, 2022 is \$3,210,000.

2020 Water Revenue Bond – Original Issue \$20,280,000

On March 1 2021, The City issues \$20,280,000 principal amount of 2020 Water Revenue Bonds, Interim Financing to finance a portion of the initial design and construction costs of a Regional Water Supply Project and to pay costs incurred in connection with the issuance of the Bonds. The principal of the bonds are payable annually starting on June 1, 2023 through June 1, 2050, in amounts ranging from \$675,000 to \$775,000. The interest rate is 0.50% 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 outstanding balance at June 30, 2022 is \$20,280,000.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

8. LONG-TERM LIABILITIES, Continued

2020 Wastewater Revenue Bond, Refunding – Original Issue \$6,355,000

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. On March 1, 2020, the City issued \$6,355,000 principal amount of 2020 Wastewater Revenue Bonds to refund the outstanding principal balance of \$6,650,000 for the 2009 Wastewater Revenue Bonds. The reacquisition price did not exceed the net carrying amount of the old debt. This refunding decreased its total debts service payments by \$2,117,929 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$411,327. The principal of the bonds are payable annually starting on June 1, 2020 through June 1, 2038, in amounts ranging from \$270,000 to \$438,000. The interest rate is 3.27% 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 outstanding balance at June 30, 2022 is \$5,568,000.

Future debt service at June 30, 2022, is as follows for all remaining debt except claims liabilities:

Year Ending June 30,	Business-type Activities					
	2020 Water Refunding Bonds		2020 Water Revenue Bonds		2020 Wastewater Refunding Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 154,000	\$ 104,967	\$ 675,000	\$ 101,400	\$ 272,000	\$ 182,074
2024	163,000	99,931	680,000	98,025	281,000	173,179
2025	167,000	94,601	685,000	94,625	289,000	163,991
2026	171,000	89,140	685,000	91,200	297,000	154,540
2027	179,000	83,549	690,000	87,775	309,000	144,828
2028-2032	976,000	326,608	3,505,000	386,775	1,693,000	566,299
2033-2037	1,149,000	156,306	3,590,000	298,275	1,989,000	270,920
2038-2042	251,000	8,208	3,685,000	207,575	438,000	14,323
2043-2047	-	-	3,775,000	114,625	-	-
2048-2052	-	-	2,310,000	23,150	-	-
Total	<u>\$ 3,210,000</u>	<u>\$ 963,310</u>	<u>\$ 20,280,000</u>	<u>\$ 1,503,425</u>	<u>\$ 5,568,000</u>	<u>\$ 1,670,154</u>
Due within one year	\$ 154,000	\$ 104,967	\$ 675,000	\$ 101,400	\$ 272,000	\$ 182,074
Due after one year	3,056,000	858,343	19,605,000	1,402,025	5,296,000	1,488,080
Total	<u>\$ 3,210,000</u>	<u>\$ 963,310</u>	<u>\$ 20,280,000</u>	<u>\$ 1,503,425</u>	<u>\$ 5,568,000</u>	<u>\$ 1,670,154</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

9. NET POSITION/ FUND BALANCES

Net Position

	Governmental Activities	Business-type Activities	Totals
Net investment in capital assets	\$ 80,782,202	\$ 44,236,726	\$ 125,018,928
Restricted	12,507,846	-	12,507,846
Unrestricted	(1,302,419)	37,056,682	35,754,263
Total	<u>\$ 91,987,629</u>	<u>\$ 81,293,408</u>	<u>\$ 173,281,037</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, 2022:

Nonspendable:	
Prepaid items	\$ 15,345
Total nonspendable	<u>\$ 15,345</u>
Restricted for:	
Home Program	\$ 1,123,367
CDBG Programs	487,659
Storm Drain Benefit Districts	847,417
Eastgate Street Benefit District	69,755
BEGIN Grant Program	468,396
Program Income BEGIN	229,106
Measure H Income	2,607,824
SLESF	48,329
Dept of Conservation Grant	68,868
Fire Hydrant Benefit District	129,139
Transportation Development Act	25,418
Ceres Community Foundation	140,177
Measure L	4,475,124
Road Maintenance and Rehab	1,787,297
Total restricted	<u>\$ 12,507,876</u>
Committed:	
Community Facilities District	\$ 12,691
Total committed	<u>\$ 12,691</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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, 2022

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

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 - \$306,053 – resulted from the depletion of the fund balance through operational expenditures.

Street Light - Landscape District - \$292,378 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, 2022

9. NET POSITION/ FUND BALANCES, Continued

CMAQ – \$584,542 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 - \$2,021,486 resulted from operational costs in excess of revenues. The City plans to address this deficit in the next fiscal year.

Daniel Whitmore House - \$120 resulted from the advance of funds from the City with revenues to be received in future years.

Clinton Whitmore Mansion - \$116,404 resulted from the advance of funds from the City with revenues to be received in future years.

SB2 Planning Grants Program Fund - \$2363 resulted from depletion of the fund balance through operational expenditures.

Excess of Expenditures and Transfers Over Appropriations: Expenditures and transfers exceeded appropriations for the year ended June 30, 2022, for the following funds:

	<u>Final Budget</u>	<u>Total Expenditures and Transfers</u>	<u>Excess Expenditures Over Appropriations</u>
<u>Governmental Activities</u>			
Major Funds:			
General Fund	\$ 25,539,913	\$ 25,550,653	\$ (10,740)
Non-major Funds:			
Special Revenue Funds:			
SLESF	\$ -	\$ 155,944	\$ (155,944)
Traffic Safety	-	47,770	(47,770)
LLEBG	-	13,876	(13,876)

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

10. INTERFUND TRANSACTIONS

Due to and due from other funds consisted of the following as of June 30, 2022:

	Due from Other Funds	Due to Other Funds
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 3,627,138	\$ -
Total Major Funds	<u>3,627,138</u>	<u>-</u>
Non-major Funds:		
Special Revenue Funds:		
State Gas Tax	-	382,822
Street Light-Landscape District	-	272,831
Traffic Offender	-	16,215
Traffic Safety	-	2,313
CMAQ	-	389,039
Transportation Development Act	-	22,545
Community Center	-	1,890,625
Daniel Whitmore House	-	3
Clinton Whitmore Mansion	-	116,342
SB2 Planning Grants Program Fund	-	2,363
Total Non-major Special Revenue Funds	<u>-</u>	<u>3,095,098</u>
Total Non-major Funds	<u>-</u>	<u>3,095,098</u>
Internal Service Funds:		
Equipment Revolving	-	531,805
Risk Management	-	235
Total Governmental Activities	<u>\$ 3,627,138</u>	<u>\$ 3,627,138</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, 2022

10. INTERFUND TRANSACTIONS, Continued

Activity for advances for the year ended June 30, 2022, was as follows:

	Advances to Other Funds	Advances from Other Funds
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 1,978,636	\$ -
Total Governmental Activities	<u>1,978,636</u>	<u>-</u>
<u>Successor Agency</u>		
CRA	-	1,422,787
SCRC	-	555,849
Total Successor Agency	<u>-</u>	<u>1,978,636</u>
Total Advances	<u>\$ 1,978,636</u>	<u>\$ 1,978,636</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, 2022

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, 2022:

	Transfers In	Transfers Out
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 825,881	\$ 316,853
Total Major Funds	<u>825,881</u>	<u>316,853</u>
Non-major Funds:		
Special Revenue Funds:		
Measure H	-	152,000
Community Facilities District	-	668,839
Daniel Whitmore House	7,811	-
Total Non-major Special Revenue Funds	<u>7,811</u>	<u>820,839</u>
Total Governmental Activities	<u>833,692</u>	<u>1,137,692</u>
<u>Proprietary Funds</u>		
Water	212,000	212,000
Sewer	304,000	-
Total Proprietary Funds	<u>516,000</u>	<u>212,000</u>
Total Transfers	<u>\$ 1,349,692</u>	<u>\$ 1,349,692</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, 2022

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, 2022, the most recent available, is presented below:

Total assets	\$	150,837,823
Total liabilities		118,663,929
Total equities		32,173,894
Total revenues		58,911,480
Total expenses		47,584,363
Revenues over (under) expenses		11,327,117

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 2021-2022, 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, 2022

11. RISK MANAGEMENT, Continued

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

<u>Fiscal Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments for Current and Prior Years</u>	<u>End of Year Liability</u>
2017-2018	\$ 880,392	\$ 2,011,551	\$ (1,904,705)	\$ 987,238
2018-2019	987,238	2,227,567	(2,240,605)	974,200
2019-2020	974,200	2,344,046	(2,540,939)	1,171,093
2020-2021	1,171,093	2,104,386	(2,256,683)	1,018,796
2021-2022	1,018,796	3,373,922	(2,987,921)	1,404,797

12. PENSION PLAN

A. General Information about the Pension Plan

Plan Description

The City is a participant in the Stanislaus County Employees Retirement Association (StanCERA), a retirement system organized under the 1937 Retirement Act. StanCERA is a cost-sharing multiple employer Public Employee Retirement System (PERS). StanCERA provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits. Health and welfare insurance for retirees and their dependents is available however administered independently of StanCERA. The plan is administered by StanCERA. An actuarial valuation is performed for the system annually as a whole and the contribution rate is determined for each participating entity. The participating entities are the County, City of Ceres, and six special districts located in the County not governed by the County's Board of Supervisors. StanCERA issues a Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for StanCERA. The CAFR may be obtained by writing to Stanislaus County Employees Retirement Association, P.O. Box 3150, Modesto, CA 95353-3150 or by calling (209) 525-6393.

The StanCERA CAFR is prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. All other securities are valued at the last reported market price at current exchange rates.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

12. PENSION PLAN

Summary of Plans and Eligible Participants

General Tiers 1,2,4,5 (not open to new members)	Vests after five years of credited service and may retire at age 50 or older with 10 or more years of membership with StanCERA or any age with 30 or more years of credited service.
General Tier 3 (not open to new members)	Vests after ten years of credited service and may retire at age 55 with 10 or more years of credited service.
General Tier 6 (open to new members)	Vests after five years of credited service and may retire at age 52 with 5 years of service credit or age 70 regardless of service credit.
Safety Tiers 1, 2, 4, 5 (not open to new members)	Vests after five years of credited service and may retire at age 50 or older with 10 or more years of membership with StanCERA or any age with 20 or more years of credited service.
Safety Tier 6 (open to new members)	Vests after five years of credited service and may retire at age 50 with 5 years of service credit or age 70 regardless of service credit.

Benefits Provided

Members terminating employment before accruing ten years for Tier 3 of retirement service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within the prescribed time period. Non-vested members who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Members who terminate after earning five or ten years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement. Difference between expected or actual experience for vested and non-vested benefits may result in an increase or decrease to pension expense and net pension liability.

For members with Tier 1, Tier 4, or Tier 5 benefits, final average salary is the average monthly salary based on the highest twelve consecutive months of earnings. For members with Tier 2, Tier 3, or Tier 6 benefits, final average salary is the average monthly salary based on the highest thirty-six consecutive months of earnings.

The retirement benefit for Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 members includes a postretirement cost-of-living adjustment (COLA) based upon the Consumer Price Index. COL increases/decreases are limited to a maximum of 3% annually. Total COL decrease(s) cannot exceed the cumulative amount of previous COLA increase(s). Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 provide death and disability benefits.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

12. PENSION PLAN, Continued

Those members participating in Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 are required by statute to contribute to the pension plan. Members' contribution rates for Tier 1, Tier 2, Tier 4, and Tier 5 are formulated on the basis of the age at date of entry and the actuarially calculated future benefits. Members' contribution rate for Tier 6 is a flat rate based on the actuarially calculated future benefit. The City is required by statute to contribute the remaining amounts necessary to finance the estimated benefits accrued to its members. Member and employer contribution rates for each plan are as follows:

Plan	Employer Contribution Rates	Employee Contribution Rates
General Tier 2	29.51%	4.6-11.59%
General Tier 4	20.36%	3.25-7.91%
General Tier 5	34.93%	5.44-16.67%
General Tier 6	29.81%	9.10%
Safety Tier 5	49.41%	8.84-17.41%
Safety Tier 6	43.76%	14.72%

Contributions

The City's contributions to StanCERA for the fiscal year ended June 30, 2022, was equal to the required contributions. The required contributions for the last three fiscal years are noted in the below chart. The City does not contribute towards post-employment benefits other than retirement.

Fiscal Year End	Contributions
June 30, 2021	\$ 5,676,413
June 30, 2022	5,112,173

The County Employees' Retirement Law of 1937 establishes the basic obligations for employer and member contributions and benefits to and of the retirement system. The actual employer and member contribution rates in effect each year are based on recommendations made by an independent actuary and adopted by the StanCERA Board of Retirement.

StanCERA provides a death benefit of \$5,000 paid to the beneficiary or estate if a member dies after retirement, provided that Stanislaus County was the members' last public employer.

Ad-hoc benefits are non-vested benefits determined by the Board of Retirement. Approved changes to the excess earnings policy by the Board of Retirement on June 30, 2014 placed restrictions on offering ad-hoc benefits, specifically that the system must be 100% actuarially funded prior to the Board of Retirement offering any ad-hoc benefits. StanCERA is 78.8% actuarially funded as of June 30, 2022.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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, 2021, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2021 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, 2022 actuarial valuations was determined using the following actuarial assumptions:

Actuarial Assumptions	
Valuation date	June 30, 2020
Measurement date	June 30, 2021
Actuarial cost method	Entry-age normal cost method
Actuarial assumptions:	
Discount rate	6.75%
Inflation	2.50%
Payroll growth	2.75% for those eligible for COLA
Projected salary increases	2.75% plus merit component
Investment Rate of Return	6.75%

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 6.75%. 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, 2022

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, 2022 are summarized in the following table:

Asset Class	2021 Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equities		
US Large Cap	16.00%	6.20%
US Small Cap	3.50%	6.30%
International Equities		
International Development	18.00%	4.83%
Emerging Market Equity	5.00%	2.07%
US Fixed Income		
Core fixed income	7.00%	3.20%
US Treasury	5.00%	2.60%
Short-term Gov/Credit	8.00%	2.90%
Real Estate Securities		
Core	6.00%	5.60%
Value-add	5.00%	7.77%
Risk Parity	13.00%	5.10%
Private Equity	6.00%	9.90%
Private Credit	4.50%	7.80%
Infrastructure	2.00%	7.10%
Cash	1.00%	2.30%

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

As of June 30, 2022, the City reported net pension liabilities for its proportionate share of the net pension liability of the Plan of \$22,416,620.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

12. PENSION PLAN, Continued

B. Net Pension Liability, Continued

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, 2021, 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, 2020 rolled forward to June 30, 2021 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, 2022 and 2021 was 5.2415% and 5.7019% respectively.

For the year ended June 30, 2022, the City recognized pension expense of \$1,526,793. At June 30, 2022, 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	\$ 5,112,173	\$ -
Differences between actual and expected experience	1,620,879	127,599
Differences between the employer's contributions and the employer's proportionate share of the contributions	1,678,784	2,947,408
Net differences between projected and actual earnings on plan investments	-	11,615,353
Changes in assumptions	338,923	965,441
Total	<u>\$ 8,750,759</u>	<u>\$ 15,655,801</u>

\$5,112,173 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, 2023. 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	
2022	\$ (2,602,569)
2023	(2,036,477)
2024	(2,746,990)
2025	(4,631,178)
2026	-
Thereafter	-

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

12. PENSION PLAN, Continued

B. Net Pension Liability, Continued

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 6.75%, 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 (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Current Discount Rate (6.75%)	1% increase in Discount Rate (7.75%)
Net pension liability	\$ 45,465,255	\$ 22,416,620	\$ 3,610,559

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

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, 2022 as follows:

Revenues	\$ 31,772
Expenditures:	
Public safety	<u>49,316</u>
Revenues (under) expenditures	(17,544)
Fund balances:	
Beginning balance	<u>82,914</u>
Ending balance	<u><u>\$ 65,370</u></u>

AVA expenditures for 2022 are in compliance with Sections 9250.7 and 22710 of the Vehicle Code.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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.

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.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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

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.

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, 2022 for the Successor Agency, consisted of the following:

Description	Beginning July 1, 2021	Additions	(Deletions)	Ending June 30, 2022
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	56,353	-	-	56,353
Broad Acres	168,272	-	-	168,272
Total Housing Rehabilitation Loans	962,271	-	-	962,271
Whitmore Oaks	612,500	-	-	612,500
Della Tiara	633,000	-	-	633,000
Total loans receivable	\$ 2,214,371	\$ -	\$ -	\$ 2,214,371

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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

The following is a summary of the loans and notes receivable outstanding as of June 30, 2022:

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, 2022 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, 2022 were \$962,271.

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, 2022 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, 2022 was \$0.

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 2020, 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, 2022 was \$633,000.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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, 2022:

	Balance July 1, 2021	Transfers/ Additions	Retirements	Balance June 30, 2022	Due Within One Year
<u>Fiduciary Activities:</u>					
2000 SCRC Tax Allocation Bonds	\$ 795,000	\$ -	\$ (60,000)	\$ 735,000	\$ 60,000
2015 Successor CRA Tax Allocation Refunding Bonds	6,695,000	-	(325,000)	6,370,000	335,000
Bond premium	184,043		(12,270)	171,773	12,270
2020 CRA Non-Housing Refunding Tax Allocation Bonds	19,450,000	-	(1,015,000)	18,435,000	1,040,000
Bond premium	3,752,181	-	(250,145)	3,502,036	250,145
Total fiduciary activities	<u>\$ 30,876,224</u>	<u>\$ -</u>	<u>\$ (1,662,415)</u>	<u>\$ 29,213,809</u>	<u>\$ 1,697,415</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.

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, 2020, will not be subject to redemption prior to their stated maturity.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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

2020 CRA Non-Housing Tax Allocation Refunding Bonds – Original Issue \$20,615,000

On February 25, 2020, the City issued \$20,615,000 principal amount of 2021 CRA Non-Housing Tax Allocation Refunding Bonds to refund the outstanding principal balance of \$26,105,000 for the 2006 CRA Non-Housing Tax Allocation Bonds and \$850,000 for the 2006 CRA Housing Tax Allocation Bonds. The reacquisition price did not exceed the net carrying amount of the old debt. This refunding decreased its total debts service payments by \$9,430,620 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$7,346,661.

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, 2022, there were no arbitrage liabilities.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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

Future debt service at June 30, 2022, is as follows for fiduciary debt:

Year Ending June 30,	2000 SCRC Tax Allocation Bonds		2015 CRA Tax Allocation Refunding Bonds		2020 CRA Non-Housing Refunding Tax Allocation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 60,000	\$ 47,115	\$ 335,000	\$ 278,275	\$ 1,040,000	\$ 737,400
2024	65,000	42,959	350,000	293,000	1,080,000	695,800
2025	70,000	38,470	370,000	275,000	1,125,000	652,600
2026	75,000	33,649	390,000	256,000	1,175,000	607,600
2027	80,000	28,475	405,000	236,125	1,220,000	560,600
2028-2032	385,000	53,768	2,670,000	628,094	6,315,000	2,034,400
2033-2037	-	-	1,850,000	69,938	6,480,000	738,200
2038-2042	-	-	-	-	-	-
Total	\$ 735,000	\$ 244,436	\$ 6,370,000	\$ 2,036,432	\$ 18,435,000	\$ 6,026,600
Due within one year	\$ 60,000	\$ 47,115	\$ 335,000	\$ 278,275	\$ 1,040,000	\$ 737,400
Due after one year	675,000	197,321	6,035,000	1,758,157	17,395,000	5,289,200
Total	\$ 735,000	\$ 244,436	\$ 6,370,000	\$ 2,036,432	\$ 18,435,000	\$ 6,026,600

Year Ending June 30,	Premium 2015 CRA Tax Allocation Refunding Bonds		Premium2020 CRA Non-Housing Refunding Tax Allocation Bonds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 12,270	\$ -	\$ 250,145	\$ -	\$ 1,697,415	\$ 1,062,790
2024	12,270	-	250,145	-	1,757,415	1,031,759
2025	12,270	-	250,145	-	1,827,415	966,070
2026	12,270	-	250,145	-	1,902,415	897,249
2027	12,270	-	250,145	-	1,967,415	825,200
2028-2032	61,350	-	1,250,727	-	10,682,077	2,716,262
2033-2037	49,073	-	1,000,584	-	9,379,657	808,138
2038-2042	-	-	-	-	-	-
Total	\$ 171,773	\$ -	\$ 3,502,036	\$ -	\$ 29,213,809	\$ 8,307,468
Due within one year	\$ 12,270	\$ -	\$ 250,145	\$ -	\$ 1,697,415	\$ 1,062,790
Due after one year	159,503	-	3,251,891	-	27,516,394	8,307,468
Total	\$ 171,773	\$ -	\$ 3,502,036	\$ -	\$ 29,213,809	\$ 9,370,258

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

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

Activity for advances for the year ended June 30, 2022, was as follows:

	Advances to Other Funds	Advances from Other Funds
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 1,954,281	\$ -
Total Major Funds	1,954,281	-
Total Governmental Activities	1,954,281	-
Fiduciary Activities:		
Private Purpose Trust Funds:		
Former Ceres Redevelopment Agency		
Non-Housing	-	1,422,787
Former Stanislaus - Ceres Redevelopment		
Commission Successor Agency Non-Housing	-	531,494
Total Private Purpose Trust Funds	-	1,954,281
Total Fiduciary Activities	-	1,954,281
Totals	\$ 1,954,281	\$ 1,954,281

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. 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, 2023.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2022

16. NEW ACCOUNTING PRONOUNCEMENTS, Continued

The GASB has issued statement No. 94, “*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*”. The objective of this Statement is to better meet the information needs of financial statement users by improving the comparability of financial statements among governments that enter into PPPs and APAs and by enhancing the understandability, reliability, relevance, and consistency of information about PPPs and APAs. The City will implement this statement, as applicable, to its financial statements for the year ending June 30, 2023.

The GASB has issued statement No. 96, “*Subscription-Based Information Technology Arrangements*”. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. The City will implement this statement, as applicable, to its financial statements for the year ending June 30, 2023.

The GASB has issued statement No. 97, “*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*”. The primary objectives of this Statement are to (a) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (b) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (c) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

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REQUIRED SUPPLEMENTARY INFORMATION

City of Ceres, California

Required Supplementary Information - Schedule of Contributions

Last 10 Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution (actuarially determined)	\$ 5,217,995	\$ 5,281,755	\$ 5,036,102	\$ 4,265,800	\$ 3,831,916	\$ 3,554,625	\$ 3,393,450
Contributions in relation to the actuarially determined contributions	5,217,995	5,281,755	5,036,102	4,265,800	3,831,916	3,554,625	3,393,450
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 13,305,865	\$ 14,028,282	\$ 12,808,104	\$ 11,548,404	\$ 12,342,022	\$ 13,228,342	\$ 13,055,073
Contribution as a percentage of covered-employee payroll	39.22%	37.65%	39.32%	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.

*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*

	2022	2021	2020	2019	2018	2017	2016
Plan's Proportion of the Net Pension Liability/(Asset)	5.2415%	5.7019%	5.5842%	5.1682%	5.5554%	5.8514%	5.6629%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$22,416,620	\$46,489,029	\$36,868,449	\$33,371,414	\$36,959,387	\$43,142,269	\$16,714,375
Plan's Covered-Employee Payroll	\$13,305,865	\$14,028,282	\$12,808,104	\$11,548,404	\$12,342,022	\$13,228,342	\$13,055,073
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered-Employee Payroll	168.50%	331.40%	287.90%	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	86.50%	73.00%	77.00%	76.70%	75.00%	70.60%	86.10%
Plan's Proportionate Share of Aggregate Employer Contribution	\$ 5,217,995	\$ 5,281,755	\$ 5,036,102	\$ 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.

*Additional years will be presented as they become available.

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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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.
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.

(continued)

NON-MAJOR GOVERNMENTAL FUNDS, Continued

Fund	Description
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
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.
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.
SB2 Planning Grants Program Fund	SB2 Planning Grants Program Funds through the State Department of Housing and Community Development (HCD) is designed to provide technical planning assistance monies related to the preparation, adoption, and implementation of plans that streamline housing approvals and lead to the acceleration of housing production.
SB 1383	Fund Description: In September 2016 the State set methane emission reduction targets for California in Senate Bill 1383. The California Department of Resources, Recycling and Recovery (CalRecycle) worked to develop regulations to achieve the goals of SB1383. These new regulations were finalized CalRecycle and took effect in January 2022. The SB 1383 fund is a special revenue fund. This fund will track grant funds from CalRecycle and expenditures associated with complying with the new regulations.
CARES Act	The Corona Virus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law on March 27, 2020. It established a \$150 billion Coronavirus Relief Fund to provide State, Local, and Tribal governments impacted by the virus outbreak. The U.S. Department of Treasury has made payments from the Fund to States and eligible units of local governments. The payment made to the city are used to cover expense that are necessary expenditures incurred due to the virus and incurred from March 1, 2020 to December 30, 2020.

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City of Ceres, California
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Street Tree	Storm Drain Benefit Districts	Brown Annex	Eastgate Street Benefit District	AB 939
ASSETS					
Cash and investments	\$ 101,340	\$ 847,781	\$ 7,073	\$ 69,748	\$ 228,342
Receivables:					
Taxes	-	-	-	-	-
Interest	10	81	-	7	25
Intergovernmental	-	-	-	-	-
Loans receivable	-	-	-	-	-
Other receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u><u>\$ 101,350</u></u>	<u><u>\$ 847,862</u></u>	<u><u>\$ 7,073</u></u>	<u><u>\$ 69,755</u></u>	<u><u>\$ 228,367</u></u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ 445	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>445</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows: Grants	-	-	-	-	-
Total liabilities and deferred inflows	<u>-</u>	<u>445</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted	-	847,417	-	69,755	-
Committed	-	-	-	-	-
Assigned, reported in:					
Special revenue funds	101,350	-	7,073	-	228,367
Unassigned (deficit)	-	-	-	-	-
Total fund balances	<u>101,350</u>	<u>847,417</u>	<u>7,073</u>	<u>69,755</u>	<u>228,367</u>
Total liabilities and fund balances	<u><u>\$ 101,350</u></u>	<u><u>\$ 847,862</u></u>	<u><u>\$ 7,073</u></u>	<u><u>\$ 69,755</u></u>	<u><u>\$ 228,367</u></u>

Neighborhood Park Fees	BEGIN Grant	Program Income BEGIN	Measure H Income	State Gas Tax	SLESF
\$ 1,050,036	\$ 468,351	\$ 229,084	\$ 1,789,702	\$ -	\$ 48,329
-	-	-	-	-	-
100	45	22	230	-	-
-	-	-	-	-	-
-	344,050	-	-	-	-
-	-	-	845,499	91,469	-
-	-	-	-	-	-
<u>\$ 1,050,136</u>	<u>\$ 812,446</u>	<u>\$ 229,106</u>	<u>\$ 2,635,431</u>	<u>\$ 91,469</u>	<u>\$ 48,329</u>
\$ 1,540	\$ -	\$ -	\$ 27,607	\$ 14,700	\$ -
-	-	-	-	382,822	-
<u>1,540</u>	<u>-</u>	<u>-</u>	<u>27,607</u>	<u>397,522</u>	<u>-</u>
-	344,050	-	-	-	-
<u>1,540</u>	<u>344,050</u>	<u>-</u>	<u>27,607</u>	<u>397,522</u>	<u>-</u>
-	468,396	229,106	2,607,824	-	48,329
-	-	-	-	-	-
1,048,596	-	-	-	-	-
-	-	-	-	(306,053)	-
<u>1,048,596</u>	<u>468,396</u>	<u>229,106</u>	<u>2,607,824</u>	<u>(306,053)</u>	<u>48,329</u>
<u>\$ 1,050,136</u>	<u>\$ 812,446</u>	<u>\$ 229,106</u>	<u>\$ 2,635,431</u>	<u>\$ 91,469</u>	<u>\$ 48,329</u>

(continued)

City of Ceres, California
Combining Balance Sheet
Nonmajor Special Revenue Funds, Continued
June 30, 2022

	Abandoned Vehicle Abatement	Seized Property	Downtown Revitalization	Street Light- Landscape District	Traffic Offender
ASSETS					
Cash and investments	\$ 65,363	\$ 54,122	\$ 73,485	\$ -	\$ -
Receivables:					
Taxes	-	-	-	-	-
Interest	7	5	7	-	-
Intergovernmental	-	-	-	-	-
Loans receivable	-	-	-	-	-
Other receivable	-	-	-	-	62,000
Due from other funds	-	-	-	-	-
Total assets	<u><u>\$ 65,370</u></u>	<u><u>\$ 54,127</u></u>	<u><u>\$ 73,492</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 62,000</u></u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ 29,347	\$ 973	\$ 19,547	\$ 89
Due to other funds	-	-	-	272,831	16,215
Total liabilities	<u>-</u>	<u>29,347</u>	<u>973</u>	<u>292,378</u>	<u>16,304</u>
Deferred inflows: Grants	-	-	-	-	-
Total liabilities and deferred inflows	<u>-</u>	<u>29,347</u>	<u>973</u>	<u>292,378</u>	<u>16,304</u>
Fund Balances:					
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned, reported in:					
Special revenue funds	65,370	24,780	72,519	-	45,696
Unassigned (deficit)	-	-	-	(292,378)	-
Total fund balances	<u>65,370</u>	<u>24,780</u>	<u>72,519</u>	<u>(292,378)</u>	<u>45,696</u>
Total liabilities and fund balances	<u><u>\$ 65,370</u></u>	<u><u>\$ 54,127</u></u>	<u><u>\$ 73,492</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 62,000</u></u>

Traffic Safety	Used Oil Grants	Dept of Conservation Grant	CMAQ	Community Facilities District	Fire Hydrant Benefit District
\$ -	\$ 26,284	\$ 68,861	\$ -	\$ 12,635	\$ 129,139
-	-	-	-	-	-
-	3	7	-	56	-
-	-	-	-	-	-
-	-	-	-	-	-
2,313	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,313</u>	<u>\$ 26,287</u>	<u>\$ 68,868</u>	<u>\$ -</u>	<u>\$ 12,691</u>	<u>\$ 129,139</u>
\$ -	\$ -	\$ -	\$ 195,503	\$ -	\$ -
2,313	-	-	389,039	-	-
<u>2,313</u>	<u>-</u>	<u>-</u>	<u>584,542</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,313</u>	<u>-</u>	<u>-</u>	<u>584,542</u>	<u>-</u>	<u>-</u>
-	-	68,868	-	-	129,139
-	-	-	-	12,691	-
-	26,287	-	-	-	-
-	-	-	(584,542)	-	-
<u>-</u>	<u>26,287</u>	<u>68,868</u>	<u>(584,542)</u>	<u>12,691</u>	<u>129,139</u>
<u>\$ 2,313</u>	<u>\$ 26,287</u>	<u>\$ 68,868</u>	<u>\$ -</u>	<u>\$ 12,691</u>	<u>\$ 129,139</u>

(continued)

City of Ceres, California
Combining Balance Sheet
Nonmajor Governmental Funds, Continued
June 30, 2022

	Transportation Development Act	Community Center	LLEBG	Public Facilities Fees	Daniel Whitmore House	RiverBluff Regional Park
ASSETS						
Cash and investments	\$ 48,064	\$ -	\$ 29,871	\$ 2,495,720	\$ -	\$ 25,082
Receivables:						
Taxes	-	-	-	-	-	-
Interest	-	-	3	231	-	-
Intergovernmental	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-
Other receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	<u>\$ 48,064</u>	<u>\$ -</u>	<u>\$ 29,874</u>	<u>\$ 2,495,951</u>	<u>\$ -</u>	<u>\$ 25,082</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 101	\$ 14,878	\$ -	\$ 3,000	\$ 117	\$ -
Deposits payable	-	115,983	-	-	-	-
Due to other funds	22,545	1,890,625	-	-	3	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	<u>22,646</u>	<u>2,021,486</u>	<u>-</u>	<u>3,000</u>	<u>120</u>	<u>-</u>
Deferred inflows: Grants	-	-	-	-	-	-
Total liabilities and deferred inflows	<u>22,646</u>	<u>2,021,486</u>	<u>-</u>	<u>3,000</u>	<u>120</u>	<u>-</u>
Fund Balances:						
Restricted	25,418	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned, reported in:						
Special revenue funds	-	-	29,874	2,492,951	-	25,082
Unassigned (deficit)	-	(2,021,486)	-	-	(120)	-
Total fund balances	<u>25,418</u>	<u>(2,021,486)</u>	<u>29,874</u>	<u>2,492,951</u>	<u>(120)</u>	<u>25,082</u>
Total liabilities and fund balances	<u>\$ 48,064</u>	<u>\$ -</u>	<u>\$ 29,874</u>	<u>\$ 2,495,951</u>	<u>\$ -</u>	<u>\$ 25,082</u>

Ceres Community Foundation	Clinton Whitmore Mansion	Measure L	Road Maintenance and Rehab	SB2 Planning Grants Program Fund	SB 1383 Local Assistance Grant	CARESA Act	Totals
\$ 141,122	\$ -	\$ 3,392,266	1,698,637	\$ -	69,946	\$ 4,868,038	\$ 18,038,421
-	-	-	-	-	-	-	-
14	-	342	155	-	-	-	1,350
-	-	1,144,982	-	-	-	-	1,144,982
-	-	-	-	-	-	-	344,050
-	-	-	88,606	-	-	-	1,089,887
-	-	-	-	-	-	-	-
<u>\$ 141,136</u>	<u>\$ -</u>	<u>\$ 4,537,590</u>	<u>\$ 1,787,398</u>	<u>\$ -</u>	<u>\$ 69,946</u>	<u>\$ 4,868,038</u>	<u>\$ 20,618,690</u>
\$ 959	\$ 62	\$ 62,466	\$ 101	\$ -	\$ -	\$ 27,311	\$ 398,746
-	-	-	-	-	-	-	115,983
-	116,342	-	-	2,363	-	-	3,095,098
-	-	-	-	-	-	-	-
959	116,404	62,466	101	2,363	-	27,311	3,609,827
-	-	-	-	-	-	-	344,050
959	116,404	62,466	101	2,363	-	27,311	3,953,877
140,177	-	4,475,124	1,787,297	-	-	-	10,896,850
-	-	-	-	-	69,946	-	82,637
-	-	-	-	-	-	4,840,727	9,008,672
-	(116,404)	-	-	(2,363)	-	-	(3,323,346)
140,177	(116,404)	4,475,124	1,787,297	(2,363)	69,946	4,840,727	16,664,813
<u>\$ 141,136</u>	<u>\$ -</u>	<u>\$ 4,537,590</u>	<u>\$ 1,787,398</u>	<u>\$ -</u>	<u>\$ 69,946</u>	<u>\$ 4,868,038</u>	<u>\$ 20,618,690</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, 2022

	Street Tree	Storm Drain Benefit Districts	Brown Annex	Eastgate Street Benefit District
REVENUES:				
Property and other taxes	\$ -	\$ 43,619	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	337	2,451	20	205
Other revenues	-	-	-	-
Total revenues	<u>337</u>	<u>46,070</u>	<u>20</u>	<u>205</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Engineering and Transportation	-	15,872	-	-
Public works	-	-	-	-
Community services	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>15,872</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>337</u>	<u>30,198</u>	<u>20</u>	<u>205</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>337</u>	<u>30,198</u>	<u>20</u>	<u>205</u>
FUND BALANCES (DEFICIT):				
Beginning of year	101,013	817,219	7,053	69,550
End of year	<u>\$ 101,350</u>	<u>\$ 847,417</u>	<u>\$ 7,073</u>	<u>\$ 69,755</u>

AB 939		Neighborhood Park Fees	BEGIN Grant	Program Income BEGIN	Measure H	State Gas Tax	SLESF
\$	-	\$ -	\$ -	\$ -	\$ 4,891,723	\$ -	\$ -
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	137,074	-	-	-	-	-
	-	-	79,213	-	-	1,150,986	176,583
761	2,898	1,339	669	5,747	68	-	-
-	-	-	-	328	2,920	-	-
761	139,972	80,552	669	4,897,798	1,153,974	176,583	
-	-	-	-	-	-	-	-
-	-	-	-	3,872,736	-	155,944	-
53,633	-	-	-	-	1,901	-	-
-	5,834	-	-	-	1,234,080	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1,597	-	-	-	-	-	-
-	-	-	-	-	109,625	-	-
-	-	-	-	-	9,354	-	-
53,633	7,431	-	-	3,872,736	1,354,960	155,944	
(52,872)	132,541	80,552	669	1,025,062	(200,986)	20,639	
-	-	-	-	-	-	-	-
-	-	-	-	(152,000)	-	-	-
-	-	-	-	(152,000)	-	-	-
(52,872)	132,541	80,552	669	873,062	(200,986)	20,639	
281,239	916,055	387,844	228,437	1,734,762	(105,067)	27,690	
\$ 228,367	\$ 1,048,596	\$ 468,396	\$ 229,106	\$ 2,607,824	\$ (306,053)	\$ 48,329	

(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, 2022

	Abandoned Vehicle Abatement	Seized Property	Downtown Revitalization	Street Light- Landscape District	Traffic Offender
REVENUES:					
Property and other taxes	\$ -	\$ -	\$ -	\$ 437,398	\$ -
Licenses and permits	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Charges for services	-	-	8,766	-	64,113
Intergovernmental	31,536	8,952	-	-	62,000
Use of money and property	236	155	229	-	-
Other revenues	-	-	-	-	-
Total revenues	31,772	9,107	8,995	437,398	126,113
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	49,316	-	-	-	125,997
Engineering and Transportation	-	-	-	-	-
Public works	-	-	-	203,483	-
Community services	-	-	-	338,755	-
Economic development	-	-	16,145	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	49,316	-	16,145	542,238	125,997
REVENUES OVER (UNDER) EXPENDITURES	(17,544)	9,107	(7,150)	(104,840)	116
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)	(17,544)	9,107	(7,150)	(104,840)	116
FUND BALANCES (DEFICIT):					
Beginning of year	82,914	15,673	79,669	(187,538)	45,580
End of year	\$ 65,370	\$ 24,780	\$ 72,519	\$ (292,378)	\$ 45,696

Traffic Safety	Used Oil Grants	Dept of Conservation Grant	CMAQ	Community Facilities District	Fire Hydrant Benefit District
\$ -	\$ -	\$ -	\$ -	\$ 676,429	\$ 442
-	-	-	-	-	-
47,770	-	-	-	-	-
-	-	-	-	-	-
-	12,426	12,411	1,040,086	-	-
-	54	161	-	609	-
-	-	-	-	-	-
47,770	12,480	12,572	1,040,086	677,038	442
-	-	-	-	-	-
47,770	-	-	-	-	-
-	-	12,126	30,844	-	-
-	13,461	-	-	7,590	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,343,603	-	-
-	-	-	-	-	-
-	-	-	-	-	-
47,770	13,461	12,126	1,374,447	7,590	-
-	(981)	446	(334,361)	669,448	442
-	-	-	-	-	-
-	-	-	-	(668,839)	-
-	-	-	-	(668,839)	-
-	(981)	446	(334,361)	609	442
-	27,268	68,422	(250,181)	12,082	128,697
\$ -	\$ 26,287	\$ 68,868	\$ (584,542)	\$ 12,691	\$ 129,139

(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, 2022

	Transportation Development Act	Community Center	LLEBG	Public Facilities Fees	Daniel Whitmore House	RiverBluff Regional Park
REVENUES:						
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and penalties	-	-	-	-	-	-
Charges for services	-	276,085	-	222,546	-	703
Intergovernmental	-	-	-	-	-	48,925
Use of money and property	-	-	93	7,106	-	-
Other revenues	-	-	-	-	-	-
Total revenues	-	276,085	93	229,652	-	49,628
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	13,876	44,045	-	-
Engineering and Transportation	-	-	-	-	-	-
Public works	1,531	-	-	-	-	-
Community services	-	362,724	-	-	7,810	-
Economic development	-	-	-	-	-	-
Capital outlay	101	-	-	148,306	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	1,632	362,724	13,876	192,351	7,810	-
REVENUES OVER (UNDER) EXPENDITURES	(1,632)	(86,639)	(13,783)	37,301	(7,810)	49,628
OTHER FINANCING SOURCES (USES):						
Transfers in	-	0	-	-	7,811	-
Transfers out	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	7,811	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	(1,632)	(86,639)	(13,783)	37,301	1	49,628
FUND BALANCES (DEFICIT):						
Beginning of year	27,050	(1,934,847)	43,657	2,455,650	(121)	(24,546)
End of year	\$ 25,418	\$ (2,021,486)	\$ 29,874	\$ 2,492,951	\$ (120)	\$ 25,082

Ceres Community Foundation	Clinton Whitmore Mansion	Measure L	Road Maintenance and Rehab	SB2 Planning Grants Program Fund	SB 1383 Local Assistance Grant	CARES Act	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,049,611
-	-	-	-	-	-	-	47,770
-	-	-	-	-	-	-	709,287
-	-	3,261,762	979,672	-	69,946	5,825,755	12,760,253
415	-	9,512	3,587	-	-	-	36,652
-	-	-	-	-	-	-	3,248
415	-	3,271,274	983,259	-	69,946	5,825,755	19,606,821
2,989	-	-	-	-	-	734,998	737,987
-	-	-	-	-	-	46,798	4,356,482
-	-	-	-	-	-	173,418	287,794
-	-	41,542	-	2,100	-	-	1,509,621
-	42,163	-	-	-	-	20,872	772,324
-	-	-	-	-	-	-	16,145
-	-	1,934,660	22,141	-	-	9,543	3,459,951
-	-	-	-	-	-	-	109,625
-	-	-	-	-	-	-	9,354
2,989	42,163	1,976,202	22,141	2,100	-	985,629	11,259,283
(2,574)	(42,163)	1,295,072	961,118	(2,100)	69,946	4,840,126	8,347,538
-	-	-	-	-	-	-	7,811
-	-	-	-	-	-	-	(820,839)
-	-	-	-	-	-	-	(813,028)
(2,574)	(42,163)	1,295,072	961,118	(2,100)	69,946	4,840,126	7,534,510
142,751	(74,241)	3,180,052	826,179	(263)	-	601	9,130,303
\$ 140,177	\$ (116,404)	\$ 4,475,124	\$ 1,787,297	\$ (2,363)	\$ 69,946	\$ 4,840,727	\$ 16,664,813

(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, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Use of money and property	\$ 1,171	\$ 1,171	\$ 337	\$ (834)
Total revenues	<u>1,171</u>	<u>1,171</u>	<u>337</u>	<u>(834)</u>
EXPENDITURES:				
Current:				
Community services	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,171</u>	<u>1,171</u>	<u>337</u>	<u>(834)</u>
Net change in fund balances	1,171	1,171	337	(834)
FUND BALANCES:				
Beginning of year	101,013	101,013	101,013	-
End of year	<u>\$ 102,184</u>	<u>\$ 102,184</u>	<u>\$ 101,350</u>	<u>\$ (834)</u>

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, 2022

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Property and other taxes	\$ 22,800	\$ 22,800	\$ 43,619	\$ 20,819
Use of money and property	21,016	21,016	2,451	(18,565)
Total revenues	<u>43,816</u>	<u>43,816</u>	<u>46,070</u>	<u>2,254</u>
EXPENDITURES:				
Engineering and Transportation	-	78,219	15,872	62,347
Total expenditures	<u>-</u>	<u>78,219</u>	<u>15,872</u>	<u>62,347</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>43,816</u>	<u>(34,403)</u>	<u>30,198</u>	<u>64,601</u>
Net change in fund balances	43,816	(34,403)	30,198	64,601
FUND BALANCES:				
Beginning of year	<u>817,219</u>	<u>817,219</u>	<u>817,219</u>	<u>-</u>
End of year	<u>\$ 861,035</u>	<u>\$ 782,816</u>	<u>\$ 847,417</u>	<u>\$ 64,601</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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Charges for services	\$ 3,000	\$ 3,000	\$ -	\$ (3,000)
Use of money and property	300	300	20	(280)
Total revenues	3,300	3,300	20	(3,280)
EXPENDITURES:				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER)				
EXPENDITURES	3,300	3,300	20	(3,280)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	3,300	3,300	20	(3,280)
FUND BALANCES:				
Beginning of year	7,053	7,053	7,053	-
End of year	<u>\$ 10,353</u>	<u>\$ 10,353</u>	<u>\$ 7,073</u>	<u>\$ (3,280)</u>

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, 2022**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Use of money and property	500	500	205	(295)
Total revenues	500	500	205	(295)
EXPENDITURES:				
Current:				
Engineering and Transportation	-	14,076	-	14,076
Total expenditures	-	14,076	-	14,076
REVENUES OVER (UNDER) EXPENDITURES	500	(13,576)	205	13,781
Net change in fund balances	500	(13,576)	205	13,781
FUND BALANCES:				
Beginning of year	69,550	69,550	69,550	-
End of year	\$ 70,050	\$ 55,974	\$ 69,755	\$ 13,781

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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 18,400	\$ 18,400	\$ -	\$ (18,400)
Use of money and property	4,450	4,450	761	(3,689)
Total revenues	<u>22,850</u>	<u>22,850</u>	<u>761</u>	<u>(22,089)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	<u>75,298</u>	<u>75,321</u>	<u>53,633</u>	<u>21,688</u>
Total expenditures	<u>75,298</u>	<u>75,321</u>	<u>53,633</u>	<u>21,688</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(52,448)</u>	<u>(52,471)</u>	<u>(52,872)</u>	<u>(401)</u>
Net change in fund balances	<u>(52,448)</u>	<u>(52,471)</u>	<u>(52,872)</u>	<u>(401)</u>
FUND BALANCES:				
Beginning of year	<u>281,239</u>	<u>281,239</u>	<u>281,239</u>	<u>-</u>
End of year	<u>\$ 228,791</u>	<u>\$ 228,768</u>	<u>\$ 228,367</u>	<u>\$ (401)</u>

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, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Charges for services	\$ 100,000	\$ 100,000	\$ 137,074	\$ 37,074
Intergovernmental	-	-	-	-
Use of money and property	18,000	18,000	2,898	(15,102)
Total revenues	<u>118,000</u>	<u>118,000</u>	<u>139,972</u>	<u>21,972</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public works	20,700	20,700	5,834	14,866
Capital outlay	-	960,788	1,597	959,191
Total expenditures	<u>20,700</u>	<u>981,488</u>	<u>7,431</u>	<u>974,057</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>97,300</u>	<u>(863,488)</u>	<u>132,541</u>	<u>996,029</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>97,300</u>	<u>(863,488)</u>	<u>132,541</u>	<u>996,029</u>
FUND BALANCES:				
Beginning of year	916,055	916,055	916,055	-
End of year	<u>\$ 1,013,355</u>	<u>\$ 52,567</u>	<u>\$ 1,048,596</u>	<u>\$ 996,029</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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 79,213	\$ 79,213
Use of money and property	500	500	1,339	839
Total revenues	500	500	80,552	80,052
EXPENDITURES:				
Current:				
Economic development	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	500	500	80,552	80,052
Net change in fund balances	500	500	80,552	80,052
FUND BALANCES:				
Beginning of year	387,844	387,844	387,844	-
End of year	\$ 388,344	\$ 388,344	\$ 468,396	\$ 80,052

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, 2022**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Use of money and property	3,000	3,000	669	(2,331)
Total revenues	3,000	3,000	669	(2,331)
EXPENDITURES:				
Current:				
Economic development	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	3,000	3,000	669	(2,331)
Net change in fund balances	3,000	3,000	669	(2,331)
FUND BALANCES:				
Beginning of year	228,437	228,437	228,437	-
End of year	\$ 231,437	\$ 231,437	\$ 229,106	\$ (2,331)

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, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property and other taxes	\$ 4,336,616	\$ 4,336,616	\$ 4,891,723	\$ 555,107
Use of money and property	8,000	8,000	5,747	(2,253)
Other revenues	-	-	328	328
Total revenues	<u>4,344,616</u>	<u>4,344,616</u>	<u>4,897,798</u>	<u>553,182</u>
EXPENDITURES:				
Current:				
Public safety	4,258,895	4,303,815	3,872,736	431,079
Capital outlay	-	-	-	-
Total expenditures	<u>4,258,895</u>	<u>4,303,815</u>	<u>3,872,736</u>	<u>431,079</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>85,721</u>	<u>40,801</u>	<u>1,025,062</u>	<u>984,261</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(152,000)	(152,000)	(152,000)	-
Total other financing sources (uses)	<u>(152,000)</u>	<u>(152,000)</u>	<u>(152,000)</u>	<u>-</u>
Net change in fund balances	<u>(66,279)</u>	<u>(111,199)</u>	<u>873,062</u>	<u>984,261</u>
FUND BALANCES:				
Beginning of year	1,734,762	1,734,762	1,734,762	-
End of year	<u>\$ 1,668,483</u>	<u>\$ 1,623,563</u>	<u>\$ 2,607,824</u>	<u>\$ 984,261</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, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 1,163,698	\$ 1,163,698	\$ 1,150,986	\$ (12,712)
Use of money and property	0	0	68	68
Other revenues	1,000	1,000	2,920	1,920
Total revenues	<u>1,164,698</u>	<u>1,164,698</u>	<u>1,153,974</u>	<u>(10,724)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	7,300	12,973	1,901	11,072
Public works	1,310,308	1,317,637	1,234,080	83,557
Capital outlay	-	-	-	-
Debt service:				
Principal	109,625	109,625	109,625	-
Interest and fiscal charges	9,354	9,354	9,354	-
Total expenditures	<u>1,436,587</u>	<u>1,449,589</u>	<u>1,354,960</u>	<u>94,629</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(271,889)</u>	<u>(284,891)</u>	<u>(200,986)</u>	<u>83,905</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>(271,889)</u>	<u>(284,891)</u>	<u>(200,986)</u>	<u>83,905</u>
FUND BALANCES (DEFICIT):				
Beginning of year	(105,067)	(105,067)	(105,067)	-
End of year	<u>\$ (376,956)</u>	<u>\$ (389,958)</u>	<u>\$ (306,053)</u>	<u>\$ 83,905</u>

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, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 176,583	\$ 76,583
Total revenues	100,000	100,000	176,583	76,583
EXPENDITURES:				
Current:				
Public safety	-	-	155,944	(155,944)
Total expenditures	-	-	155,944	(155,944)
REVENUES OVER (UNDER) EXPENDITURES	100,000	100,000	20,639	(79,361)
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	-	-	20,639	20,639
FUND BALANCES:				
Beginning of year	27,690	27,690	27,690	-
End of year	<u>\$ 27,690</u>	<u>\$ 27,690</u>	<u>\$ 48,329</u>	<u>\$ 20,639</u>

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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 44,000	\$ 44,000	\$ 31,536	\$ (12,464)
Use of money and property	1,000	1,000	236	(764)
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>31,772</u>	<u>(13,228)</u>
EXPENDITURES:				
Current:				
Public safety	64,827	66,827	49,316	17,511
Total expenditures	<u>64,827</u>	<u>66,827</u>	<u>49,316</u>	<u>17,511</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(19,827)</u>	<u>(21,827)</u>	<u>(17,544)</u>	<u>4,283</u>
Net change in fund balances	(19,827)	(21,827)	(17,544)	4,283
FUND BALANCES (DEFICIT):				
Beginning of year	82,914	82,914	82,914	-
End of year	<u>\$ 63,087</u>	<u>\$ 61,087</u>	<u>\$ 65,370</u>	<u>\$ 4,283</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, 2022

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Intergovernmental	\$ 1,600	\$ 1,600	\$ 8,952	\$ 7,352
Use of money and property	250	250	155	(95)
Total revenues	<u>1,850</u>	<u>1,850</u>	<u>9,107</u>	<u>7,257</u>
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>1,850</u>	<u>1,850</u>	<u>9,107</u>	<u>7,257</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>1,850</u>	<u>1,850</u>	<u>9,107</u>	<u>7,257</u>
FUND BALANCES:				
Beginning of year	<u>15,673</u>	<u>15,673</u>	<u>15,673</u>	<u>-</u>
End of year	<u>\$ 17,523</u>	<u>\$ 17,523</u>	<u>\$ 24,780</u>	<u>\$ 7,257</u>

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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Charges for services	\$ 11,751	\$ 11,751	\$ 8,766	\$ (2,985)
Use of money and property	1,100	1,100	229	(871)
Total revenues	12,851	12,851	8,995	(3,856)
EXPENDITURES:				
Current:				
Economic development	35,855	35,855	16,145	19,710
Total expenditures	35,855	35,855	16,145	19,710
REVENUES OVER (UNDER) EXPENDITURES	(23,004)	(23,004)	(7,150)	15,854
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(23,004)	(23,004)	(7,150)	15,854
FUND BALANCES:				
Beginning of year	79,669	79,669	79,669	-
End of year	<u>\$ 56,665</u>	<u>\$ 56,665</u>	<u>\$ 72,519</u>	<u>\$ 15,854</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, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property and other taxes	\$ 447,408	\$ 447,408	\$ 437,398	\$ (10,010)
Use of money and property	-	-	-	-
Total revenues	<u>447,408</u>	<u>447,408</u>	<u>437,398</u>	<u>(10,010)</u>
EXPENDITURES:				
Current:				
Public works	204,640	204,640	203,482	1,158
Community services	<u>394,989</u>	<u>394,989</u>	<u>338,755</u>	<u>56,234</u>
Total expenditures	<u>599,629</u>	<u>599,629</u>	<u>542,237</u>	<u>57,392</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(152,221)</u>	<u>(152,221)</u>	<u>(104,839)</u>	<u>47,382</u>
Net change in fund balances	(152,221)	(152,221)	(104,839)	47,382
FUND BALANCES (DEFICIT):				
Beginning of year	<u>(187,538)</u>	<u>(187,538)</u>	<u>(187,538)</u>	<u>-</u>
End of year	<u>\$ (339,759)</u>	<u>\$ (339,759)</u>	<u>\$ (292,377)</u>	<u>\$ 47,382</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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Charges for services	\$ 50,000	\$ 50,000	\$ 64,113	\$ 14,113
Intergovernmental	-	73,900	62,000	(11,900)
Total revenues	<u>50,000</u>	<u>123,900</u>	<u>126,113</u>	<u>2,213</u>
EXPENDITURES:				
Current:				
Public safety	<u>70,525</u>	<u>144,425</u>	<u>125,997</u>	<u>18,428</u>
Total expenditures	<u>70,525</u>	<u>144,425</u>	<u>125,997</u>	<u>18,428</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(20,525)</u>	<u>(20,525)</u>	<u>116</u>	<u>20,641</u>
Net change in fund balances	(20,525)	(20,525)	116	20,641
FUND BALANCES (DEFICIT):				
Beginning of year	<u>45,580</u>	<u>45,580</u>	<u>45,580</u>	<u>-</u>
End of year	<u>\$ 25,055</u>	<u>\$ 25,055</u>	<u>\$ 45,696</u>	<u>\$ 20,641</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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Fines and forfeitures	\$ 42,000	\$ 42,000	\$ 47,770	\$ 5,770
Total revenues	42,000	42,000	47,770	5,770
EXPENDITURES:				
Current:				
Public safety	-	-	47,770	(47,770)
Total expenditures	-	-	47,770	(47,770)
REVENUES OVER (UNDER)				
EXPENDITURES	42,000	42,000	-	(42,000)
Net change in fund balances	42,000	42,000	-	(42,000)
FUND BALANCES (DEFICIT):				
Beginning of year	-	-	-	-
End of year	\$ 42,000	\$ 42,000	\$ -	\$ (42,000)

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, 2022**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 13,400	\$ 13,400	\$ 12,426	\$ (974)
Use of money and property	350	350	54	(296)
Total revenues	<u>13,750</u>	<u>13,750</u>	<u>12,480</u>	<u>(1,270)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	-	-	-	-
Public works	<u>14,375</u>	<u>14,375</u>	<u>13,461</u>	<u>914</u>
Total expenditures	<u>14,375</u>	<u>14,375</u>	<u>13,461</u>	<u>914</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(625)</u>	<u>(625)</u>	<u>(981)</u>	<u>(356)</u>
Net change in fund balances	(625)	(625)	(981)	(356)
FUND BALANCES:				
Beginning of year	<u>27,268</u>	<u>27,268</u>	<u>27,268</u>	<u>-</u>
End of year	<u>\$ 26,643</u>	<u>\$ 26,643</u>	<u>\$ 26,287</u>	<u>\$ (356)</u>

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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 15,000	\$ 15,000	\$ 12,411	\$ (2,589)
Use of money and property	900	900	161	(739)
Total revenues	<u>15,900</u>	<u>15,900</u>	<u>12,572</u>	<u>(3,328)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	15,000	15,000	12,126	2,874
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>12,126</u>	<u>2,874</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>900</u>	<u>900</u>	<u>446</u>	<u>(454)</u>
Net change in fund balances	900	900	446	(454)
FUND BALANCES:				
Beginning of year	68,422	68,422	68,422	-
End of year	<u>\$ 69,322</u>	<u>\$ 69,322</u>	<u>\$ 68,868</u>	<u>\$ (454)</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, 2022**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,502,460	\$ 1,502,460	\$ 1,040,086	\$ (462,374)
Total revenues	1,502,460	1,502,460	1,040,086	(462,374)
EXPENDITURES:				
Current:				
Engineering and Transportation	10,765	10,765	30,844	(20,079)
Capital outlay	818,401	5,363,447	1,343,603	4,019,844
Total expenditures	829,166	5,374,212	1,374,447	3,999,765
REVENUES OVER (UNDER) EXPENDITURES	673,294	(3,871,752)	(334,361)	3,537,391
Net change in fund balances	673,294	(3,871,752)	(334,361)	3,537,391
FUND BALANCES (DEFICIT):				
Beginning of year	(250,181)	(250,181)	(250,181)	-
End of year	\$ 423,113	\$ (4,121,933)	\$ (584,542)	\$ 3,537,391

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, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property and other taxes	\$ 680,101	\$ 680,101	\$ 676,429	\$ (3,672)
Use of money and property	2,732	2,732	609	(2,123)
Total revenues	<u>682,833</u>	<u>682,833</u>	<u>677,038</u>	<u>(5,795)</u>
EXPENDITURES:				
Current:				
Public works	-	-	7,590	(7,590)
Total expenditures	<u>-</u>	<u>-</u>	<u>7,590</u>	<u>(7,590)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>682,833</u>	<u>682,833</u>	<u>669,448</u>	<u>(13,385)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(683,747)	(683,747)	(668,839)	14,908
Total other financing sources (uses)	<u>(683,747)</u>	<u>(683,747)</u>	<u>(668,839)</u>	<u>14,908</u>
Net change in fund balances	(914)	(914)	609	1,523
FUND BALANCES:				
Beginning of year	12,082	12,082	12,082	-
End of year	<u>\$ 11,168</u>	<u>\$ 11,168</u>	<u>\$ 12,691</u>	<u>\$ 1,523</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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Property and other taxes	\$ 200	\$ 200	\$ 442	\$ 242
Total revenues	200	200	442	242
EXPENDITURES:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	200	200	442	242
Net change in fund balances	200	200	442	242
FUND BALANCES:				
Beginning of year	128,697	128,697	128,697	-
End of year	\$ 128,897	\$ 128,897	\$ 129,139	\$ 242

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, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Use of money and property	12	12	-	(12)
Total revenues	12	12	-	(12)
EXPENDITURES:				
Current:				
Public works	2,500	2,500	1,531	969
Capital outlay	-	260,884	101	260,783
Total expenditures	2,500	263,384	1,632	261,752
REVENUES OVER (UNDER) EXPENDITURES	(2,488)	(263,372)	(1,632)	261,740
Net change in fund balances	(2,488)	(263,372)	(1,632)	261,740
FUND BALANCES (DEFICIT):				
Beginning of year	27,050	27,050	27,050	-
End of year	\$ 24,562	\$ (236,322)	\$ 25,418	\$ 261,740

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, 2022**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 160,000	\$ 160,000	\$ 276,085	\$ 116,085
Other revenues	-	-	-	-
Total revenues	<u>160,000</u>	<u>160,000</u>	<u>276,085</u>	<u>116,085</u>
EXPENDITURES:				
Current:				
Community services	<u>465,366</u>	<u>465,366</u>	<u>362,724</u>	<u>102,642</u>
Total expenditures	<u>465,366</u>	<u>465,366</u>	<u>362,724</u>	<u>102,642</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(305,366)</u>	<u>(305,366)</u>	<u>(86,639)</u>	<u>218,727</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	0	-
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>(305,366)</u>	<u>(305,366)</u>	<u>(86,639)</u>	<u>218,727</u>
FUND BALANCES (DEFICIT):				
Beginning of year	<u>(1,934,847)</u>	<u>(1,934,847)</u>	<u>(1,934,847)</u>	<u>-</u>
End of year	<u><u>\$ (2,240,213)</u></u>	<u><u>\$ (2,240,213)</u></u>	<u><u>\$ (2,021,486)</u></u>	<u><u>\$ 218,727</u></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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ 119	\$ -	\$ (119)
Use of money and property	350	350	93	(257)
Total revenues	350	469	93	(376)
EXPENDITURES:				
Current:				
Public safety	-	-	13,876	(13,876)
Total expenditures	-	-	13,876	(13,876)
REVENUES OVER (UNDER) EXPENDITURES	350	469	(13,783)	(14,252)
Net change in fund balances	350	469	(13,783)	(14,252)
FUND BALANCES:				
Beginning of year	43,657	43,657	43,657	-
End of year	\$ 44,007	\$ 44,126	\$ 29,874	\$ (14,252)

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, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Charges for services	\$ 117,000	\$ 117,000	\$ 222,546	\$ 105,546
Use of money and property	35,000	35,000	7,106	(27,894)
Other revenues	-	-	-	-
Total revenues	<u>152,000</u>	<u>152,000</u>	<u>229,652</u>	<u>77,652</u>
EXPENDITURES:				
Current:				
General government				
Public safety	44,042	44,042	44,045	(3)
Capital outlay	<u>300,000</u>	<u>1,513,054</u>	<u>148,306</u>	<u>1,364,748</u>
Total expenditures	<u>344,042</u>	<u>1,557,096</u>	<u>192,351</u>	<u>1,364,745</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(192,042)</u>	<u>(1,405,096)</u>	<u>37,301</u>	<u>1,442,397</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>(192,042)</u>	<u>(1,405,096)</u>	<u>37,301</u>	<u>1,442,397</u>
FUND BALANCES:				
Beginning of year	<u>2,455,650</u>	<u>2,455,650</u>	<u>2,455,650</u>	<u>-</u>
End of year	<u>\$ 2,263,608</u>	<u>\$ 1,050,554</u>	<u>\$ 2,492,951</u>	<u>\$ 1,442,397</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, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Community services	8,112	8,112	7,810	302
Total expenditures	8,112	8,112	7,810	302
REVENUES OVER (UNDER) EXPENDITURES	(8,112)	(8,112)	(7,810)	302
OTHER FINANCING SOURCES (USES):				
Transfers in	8,112	8,112	7,811	(301)
Total other financing sources (uses)	8,112	8,112	7,811	(301)
Net change in fund balances	-	-	1	1
FUND BALANCES (DEFICIT):				
Beginning of year	(121)	(121)	(121)	-
End of year	<u>\$ (121)</u>	<u>\$ (121)</u>	<u>\$ (120)</u>	<u>\$ 1</u>

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, 2022**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 1,300	\$ 1,300	\$ 703	(597)
Intergovernmental	-	-	48,925	48,925
Total revenues	<u>1,300</u>	<u>1,300</u>	<u>49,628</u>	<u>48,328</u>
EXPENDITURES:				
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,300</u>	<u>1,300</u>	<u>49,628</u>	<u>48,328</u>
Net change in fund balances	<u>1,300</u>	<u>1,300</u>	<u>49,628</u>	<u>48,328</u>
FUND BALANCES (DEFICIT):				
Beginning of year	<u>(24,546)</u>	<u>(24,546)</u>	<u>(24,546)</u>	<u>-</u>
End of year	<u>\$ (23,246)</u>	<u>\$ (23,246)</u>	<u>\$ 25,082</u>	<u>\$ 48,328</u>

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, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 415	\$ 415
Other revenues	2,000	2,000	-	(2,000)
Total revenues	2,000	2,000	415	(1,585)
EXPENDITURES:				
Current:				
General government	6,120	6,120	2,989	3,131
Community services	-	-	-	-
Total expenditures	6,120	6,120	2,989	3,131
REVENUES OVER (UNDER) EXPENDITURES	(4,120)	(4,120)	(2,574)	1,546
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(4,120)	(4,120)	(2,574)	1,546
FUND BALANCES:				
Beginning of year	142,751	142,751	142,751	-
End of year	\$ 138,631	\$ 138,631	\$ 140,177	\$ 1,546

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, 2022

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
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, 2022**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Other revenues	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Community services	45,469	45,469	42,163	3,306
Total expenditures	45,469	45,469	42,163	3,306
REVENUES OVER (UNDER) EXPENDITURES	(45,469)	(45,469)	(42,163)	3,306
Net change in fund balances	(45,469)	(45,469)	(42,163)	3,306
FUND BALANCES (DEFICIT):				
Beginning of year	(74,242)	(74,242)	(74,242)	-
End of year	<u>\$ (119,711)</u>	<u>\$ (119,711)</u>	<u>\$ (116,405)</u>	<u>\$ 3,306</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, 2022**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,555,211	\$ 1,555,211	\$ 3,261,762	\$ 1,706,551
Use of money and property	10,000	10,000	9,512	(488)
Total revenues	<u>1,565,211</u>	<u>1,565,211</u>	<u>3,271,274</u>	<u>1,706,063</u>
EXPENDITURES:				
Current:				
Public works	83,200	96,020	41,542	54,478
Capital outlay	<u>1,332,509</u>	<u>6,653,875</u>	<u>1,934,660</u>	<u>4,719,215</u>
Total expenditures	<u>1,415,709</u>	<u>6,749,895</u>	<u>1,976,202</u>	<u>4,773,693</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>149,502</u>	<u>(5,184,684)</u>	<u>1,295,072</u>	<u>6,479,756</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	149,502	(5,184,684)	1,295,072	6,479,756
FUND BALANCES (DEFICIT):				
Beginning of year	<u>3,180,052</u>	<u>3,180,052</u>	<u>3,180,052</u>	<u>-</u>
End of year	<u>\$ 3,329,554</u>	<u>\$ (2,004,632)</u>	<u>\$ 4,475,124</u>	<u>\$ 6,479,756</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, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 930,355	\$ 930,355	\$ 979,672	\$ 49,317
Use of money and property	5,000	5,000	3,587	(1,413)
Total revenues	<u>935,355</u>	<u>935,355</u>	<u>983,259</u>	<u>47,904</u>
EXPENDITURES:				
Current:				
Public works	30,000	30,000	-	30,000
Capital outlay	<u>602,642</u>	<u>2,325,130</u>	<u>22,141</u>	<u>2,302,989</u>
Total expenditures	<u>632,642</u>	<u>2,355,130</u>	<u>22,141</u>	<u>2,332,989</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>302,713</u>	<u>(1,419,775)</u>	<u>961,118</u>	<u>2,380,893</u>
Net change in fund balances	302,713	(1,419,775)	961,118	2,380,893
FUND BALANCES (DEFICIT):				
Beginning of year	<u>826,179</u>	<u>826,179</u>	<u>826,179</u>	<u>-</u>
End of year	<u>\$ 1,128,892</u>	<u>\$ (593,596)</u>	<u>\$ 1,787,297</u>	<u>\$ 2,380,893</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****SB2 Planning Grants Program Special Revenue Fund****For the year ended June 30, 2022**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 160,000	\$ 160,000	\$ -	\$ (160,000)
Use of money and property	-	-	-	-
Total revenues	<u>160,000</u>	<u>160,000</u>	<u>-</u>	<u>(160,000)</u>
EXPENDITURES:				
Current:				
Public works	<u>115,000</u>	<u>115,000</u>	<u>2,100</u>	<u>112,900</u>
Total expenditures	<u>115,000</u>	<u>115,000</u>	<u>2,100</u>	<u>112,900</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>45,000</u>	<u>45,000</u>	<u>(2,100)</u>	<u>(47,100)</u>
Net change in fund balances	45,000	45,000	(2,100)	(47,100)
FUND BALANCES (DEFICIT):				
Beginning of year	<u>(263)</u>	<u>(263)</u>	<u>(263)</u>	<u>-</u>
End of year	<u>\$ 44,737</u>	<u>\$ 44,737</u>	<u>\$ (2,363)</u>	<u>\$ (47,100)</u>

City of Ceres, California

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

SB 1383 Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 69,946	\$ 69,946
Use of money and property	-	-	-	-
Total revenues	-	-	69,946	69,946
EXPENDITURES:				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	-	-	69,946	69,946
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	69,946	69,946
FUND BALANCES (DEFICIT):				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ 69,946	\$ 69,946

City of Ceres, California

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

CARES Act Special Revenue Fund

For the year ended June 30, 2022

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 5,825,755	\$ 5,825,755
Use of money and property	-	-	-	-
Total revenues	-	-	5,825,755	5,825,755
EXPENDITURES:				
Current:				
General government	-	1,385,000	734,998	650,002
Public safety	-	1,087,500	46,798	1,040,702
Engineering and Transportation	-	350,000	173,418	176,582
Public works	-	125,000	-	125,000
Community services	-	475,000	20,872	454,128
Economic development	-	180,000	-	180,000
Capital outlay	-	1,565,000	9,543	1,555,457
Total expenditures	-	5,167,500	985,629	4,181,871
REVENUES OVER (UNDER) EXPENDITURES	-	(5,167,500)	4,840,126	10,007,626
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(5,167,500)	4,840,126	10,007,626
FUND BALANCES (DEFICIT):				
Beginning of year	601	601	601	-
End of year	\$ 601	\$ (5,166,899)	\$ 4,840,727	\$ 10,007,626

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, 2022

	Equipment Revolving	Information Technology	Risk Management	Building Maintenance	Totals
ASSETS					
Current assets:					
Cash and investments	\$ 2,504,989	\$ 265,975	\$ 1,442,122	\$ 1,034,046	\$ 5,247,132
Accounts receivable	407	-	-	-	407
Total current assets	<u>2,505,396</u>	<u>265,975</u>	<u>1,442,122</u>	<u>1,034,046</u>	<u>5,247,539</u>
Noncurrent assets:					
Machinery and equipment	8,505,257	443,306	-	323,891	9,272,454
Less accumulated depreciation	(5,031,542)	(263,920)	-	(141,363)	(5,436,825)
Total noncurrent assets	<u>3,473,715</u>	<u>179,386</u>	<u>-</u>	<u>182,528</u>	<u>3,835,629</u>
Total assets	<u>\$ 5,979,111</u>	<u>\$ 445,361</u>	<u>\$ 1,442,122</u>	<u>\$ 1,216,574</u>	<u>\$ 9,083,168</u>
LIABILITIES AND NET POSITION					
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 183,477	\$ 3,643	\$ 3,150	\$ 18,408	\$ 208,678
Due to other funds	531,805	-	235	-	532,040
Total current liabilities	<u>715,282</u>	<u>3,643</u>	<u>3,385</u>	<u>18,408</u>	<u>740,718</u>
Noncurrent liabilities:					
Compensated absences	69,643	-	-	65,537	135,180
Liability for claims	-	-	1,404,797	-	1,404,797
Total noncurrent liabilities	<u>69,643</u>	<u>-</u>	<u>1,404,797</u>	<u>65,537</u>	<u>1,539,977</u>
Total liabilities	<u>784,925</u>	<u>3,643</u>	<u>1,408,182</u>	<u>83,945</u>	<u>2,280,695</u>
Net Position:					
Net investment in capital assets	3,473,715	179,386	-	182,528	3,835,629
Unrestricted net position (deficit)	1,720,471	262,332	33,940	950,101	2,966,844
Total net position	<u>5,194,186</u>	<u>441,718</u>	<u>33,940</u>	<u>1,132,629</u>	<u>6,802,473</u>
Total liabilities and net position	<u>\$ 5,979,111</u>	<u>\$ 445,361</u>	<u>\$ 1,442,122</u>	<u>\$ 1,216,574</u>	<u>\$ 9,083,168</u>

City of Ceres, California

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

Internal Service Funds

For the year ended June 30, 2022

	Equipment Revolving	Information Technology	Risk Management	Building Maintenance	Totals
OPERATING REVENUES:					
Interdepartmental charges	\$ 2,515,887	\$ 1,133,659	\$ 2,200,526	\$ 1,541,984	\$ 7,392,056
Other	133,545	126	7,607	287	141,565
Total operating revenues	2,649,432	1,133,785	2,208,133	1,542,271	7,533,621
OPERATING EXPENSES:					
Salaries and benefits	529,053	654,157	92,159	710,186	1,985,555
Contractual and other services	51,099	191,923	-	114,426	357,448
Materials and supplies	848,801	150,310	-	275,985	1,275,096
Depreciation	562,693	46,076	-	22,667	631,436
Other operating costs	108,091	-	2,161,785	69,061	2,338,937
Total operating expenses	2,099,737	1,042,466	2,253,944	1,192,325	6,588,472
OPERATING INCOME (LOSS)	549,695	91,319	(45,811)	349,946	945,149
NONOPERATING REVENUE (EXPENSE):					
Investment earnings	(1)	-	-	-	(1)
Transfers in (out)	-	-	-	-	-
Total non-operating revenue	(1)	-	-	-	(1)
NET INCOME (LOSS)	549,694	91,319	(45,811)	349,946	945,148
CHANGE IN NET POSITION	549,694	91,319	(45,811)	349,946	945,148
NET POSITION (DEFICIT):					
Beginning of year	4,644,492	350,399	79,751	782,683	5,857,325
End of year	<u>\$ 5,194,186</u>	<u>\$ 441,718</u>	<u>\$ 33,940</u>	<u>\$ 1,132,629</u>	<u>\$ 6,802,473</u>

City of Ceres, California
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2022

	Equipment Revolving	Information Technology	Risk Management	Building Maintenance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from other funds for services	\$ 2,515,480	\$ 1,133,659	\$ 2,201,526	\$ 1,541,984	\$ 7,392,649
Cash received from loss claim recoveries	-	-	7,607	-	7,607
Cash payments to suppliers for goods and services	(751,822)	(344,640)	2,100	(451,285)	(1,545,647)
Cash payments to employees for services	(522,531)	(654,157)	(92,159)	(704,419)	(1,973,266)
Cash payments for loss claims	-	-	(1,775,784)	-	(1,775,784)
Net cash provided (used) by operating activities	1,241,127	134,862	343,290	386,280	2,105,559
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers received (paid)	135,699	-	-	-	135,699
Net cash provided by noncapital financing activities	135,699	-	-	-	135,699
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital assets	(1,407,019)	(59,582)	-	(1)	(1,466,602)
Net cash (used) by capital and related financing activities	(1,407,019)	(59,582)	-	(1)	(1,466,602)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest earning	(1)	-	-	-	(1)
Net increase in cash and cash equivalents	(30,194)	75,280	343,290	386,279	774,655
CASH AND CASH EQUIVALENTS:					
Beginning of year	2,535,183	190,695	1,098,832	647,767	4,472,477
End of year	<u>\$ 2,504,989</u>	<u>\$ 265,975</u>	<u>\$ 1,442,122</u>	<u>\$ 1,034,046</u>	<u>\$ 5,247,132</u>
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:					
Income (loss) from operations	\$ 549,695	\$ 91,319	\$ (45,811)	\$ 349,946	\$ 945,149
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:					
Depreciation	562,693	46,076	-	22,667	631,436
(Increase) decrease in current assets:					
Accounts receivable	(407)	-	1,000	-	593
Increase (decrease) in liabilities:					
Accounts payable and accrued liabilities	122,624	(2,533)	2,100	7,900	130,091
Compensated absences	6,522	-	-	5,767	12,289
Increase (decrease) in claims liability - noncurrent	-	-	386,001	-	386,001
Net cash provided (used) by operating activities	1,241,127	134,862	343,290	386,280	2,105,559

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.

City of Ceres, California
Combining Statement of Net Position
Private Purpose Trust Funds
June 30, 2022

	Former Ceres Redevelopment Agency Successor Agency		Former Stanislaus - Ceres Redevelopment Commission Successor Agency		Totals
	Non-Housing	Housing	Non-Housing	Housing	2022
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Current assets:					
Cash and investments	\$ 5,803,303	\$ 630,423	\$ 115,117	\$ -	\$ 6,548,843
Cash and investments with trustee/fiscal agent	2,061,500	-	-	-	2,061,500
Interest receivable	469	-	-	-	469
Total current assets	7,865,272	630,423	115,117	-	8,610,812
Non-Current assets:					
Advances to other funds	-	1,826,680	-	-	1,826,680
Long-term loans receivable	-	2,021,849	-	192,522	2,214,371
Construction in progress	12,500,147	-	-	-	12,500,147
Total Non-current assets	12,500,147	3,848,529	-	192,522	16,541,198
Total assets	20,365,419	4,478,952	115,117	192,522	25,152,010
Deferred outflows: Pension plan	-	-	73,249	-	73,249
Total assets and deferred outflows	\$ 20,365,419	\$ 4,478,952	\$ 188,366	\$ 192,522	25,225,259
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 910	\$ -	\$ -	\$ -	\$ 910
Interest payable	-	8,591	-	-	8,591
Compensated absences - current	9,589	-	1,918	-	11,507
Current portion of long term debt	1,637,415	-	60,000	-	1,697,415
Total current liabilities	1,647,914	8,591	61,918	-	1,718,423
Long-term liabilities:					
Advances from Stanislaus County	-	-	266,702	-	266,702
Advances from City of Ceres General Fund	1,422,787	-	555,849	-	1,978,636
Advances from other funds	1,826,680	-	-	-	1,826,680
Due after one year	26,841,394	-	675,000	-	27,516,394
Net pension liability	53,125	-	123,010	-	176,135
Total long-term liabilities	30,143,986	-	1,620,561	-	31,764,547
Total liabilities	31,791,900	8,591	1,682,479	-	33,482,970
Deferred inflows: Pension plan	77,724	-	37,561	-	115,285
Total liabilities and deferred inflows	31,869,624	8,591	1,720,040	-	33,598,255
Net Position (Deficit):					
Net position held in trust for Redevelopment Dissolution	(11,504,205)	4,470,361	(1,531,674)	192,522	(8,372,996)
Total liabilities, deferred inflows, and net position	\$ 20,365,419	\$ 4,478,952	\$ 188,366	\$ 192,522	\$ 25,225,259

City of Ceres, California

Combining Statement of Changes in Fiduciary Net Position

Private Purpose Trust Funds

For the year ended June 30, 2022

	Former Ceres Redevelopment Agency Successor Agency		Former Stanislaus - Ceres Redevelopment Commission Successor Agency		Totals
	Non-Housing	Housing	Non-Housing	Housing	2022
ADDITIONS:					
Property taxes	\$ 3,095,939	\$ -	\$ 168,328	\$ -	\$ 3,264,267
Investment earnings	342,699	-	25	-	342,724
Other revenue	26,396	30,404	8,382	-	65,182
Total additions	<u>3,465,034</u>	<u>30,404</u>	<u>176,735</u>	<u>-</u>	<u>3,672,173</u>
DEDUCTIONS:					
General and administrative	34,681	-	22,855	-	57,536
Salaries and benefits	126,561	-	70,087	-	196,648
Contractual and other services	66,741	-	7,278	-	74,019
Interest and debt service expenses	756,485	-	51,105	-	807,590
Total deductions	<u>984,468</u>	<u>-</u>	<u>151,325</u>	<u>-</u>	<u>1,135,793</u>
CHANGE IN FIDUCIARY NET POSITION	2,480,566	30,404	25,410	-	2,536,380
NET POSITION (DEFICIT):					
Beginning of year	(13,984,771)	4,439,957	(1,557,084)	192,522	(10,909,376)
End of year	<u>\$ (11,504,205)</u>	<u>\$ 4,470,361</u>	<u>\$ (1,531,674)</u>	<u>\$ 192,522</u>	<u>\$ (8,372,996)</u>

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