

CITY OF CERES, CALIFORNIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2023



Prepared by:

Shannon Esenwein
Finance Director

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City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Table of Contents	i
Organization Chart	v
List of Officials	vii
FINANCIAL SECTION	
Independent Auditors’ Report	1
Management’s Discussion and Analysis (Required Supplementary Information)	4
Basic Financial Statements:	
<i>Government-Wide Financial Statements:</i>	
Statement of Net Position	21
Statement of Activities	22
<i>Fund Financial Statements:</i>	
Governmental Funds:	
Balance Sheet	26
Reconciliation of Governmental Funds Balance Sheet to the	
Statement of Net Position	28
Reconciliation of Fund Basis Balance Sheet to Government-wide	
Statement of Net Position – Governmental Activities	29
Statement of Revenues, Expenditures, and Changes	
in Fund Balances – Governmental Funds	30
Reconciliation of Fund Basis Statements to Government-wide	
Statement of Activities	32
Reconciliation of the Statement of Revenues, Expenditures, and Changes	
in Fund Balances of Governmental Funds to the Statement of Activities	33
Statement of Revenues, Expenditures, and Changes in	
Fund Balances - Budget to Actual – General Fund and	
Major Special Revenue Funds	34

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Table of Contents, Continued

	<u>Page</u>
Basic Financial Statements, Continued:	
<i>Fund Financial Statements, Continued:</i>	
Proprietary Funds:	
Statement of Net Position – Proprietary Funds	40
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	41
Statement of Cash Flows – Proprietary Funds	42
Fiduciary Funds:	
Statement of Fiduciary Net Position – Fiduciary Funds.....	43
Statement of Changes in Fiduciary Net Position – Private Purpose Trust Funds	44
Notes to Basic Financial Statements	47
Required Supplementary Information:	
Schedule of Employer Contributions	96
Schedule of the Changes in Net Pension Liability and Related Ratios	97
Combining and Individual Fund Financial Statements and Schedules:	
Nonmajor Special Revenue Funds:	
Combining Balance Sheet.....	104
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	110
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Street Expansion.....	116
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – CDBG Grants	117
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Street Tree	118
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Storm Drain Benefit Districts.....	119
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Brown Annex	120
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Eastgate Street Benefit District	121
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – AB 939	122
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Neighborhood Park Fees	123
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – BEGIN Grant.....	124
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Program Income BEGIN	125

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Table of Contents, Continued

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

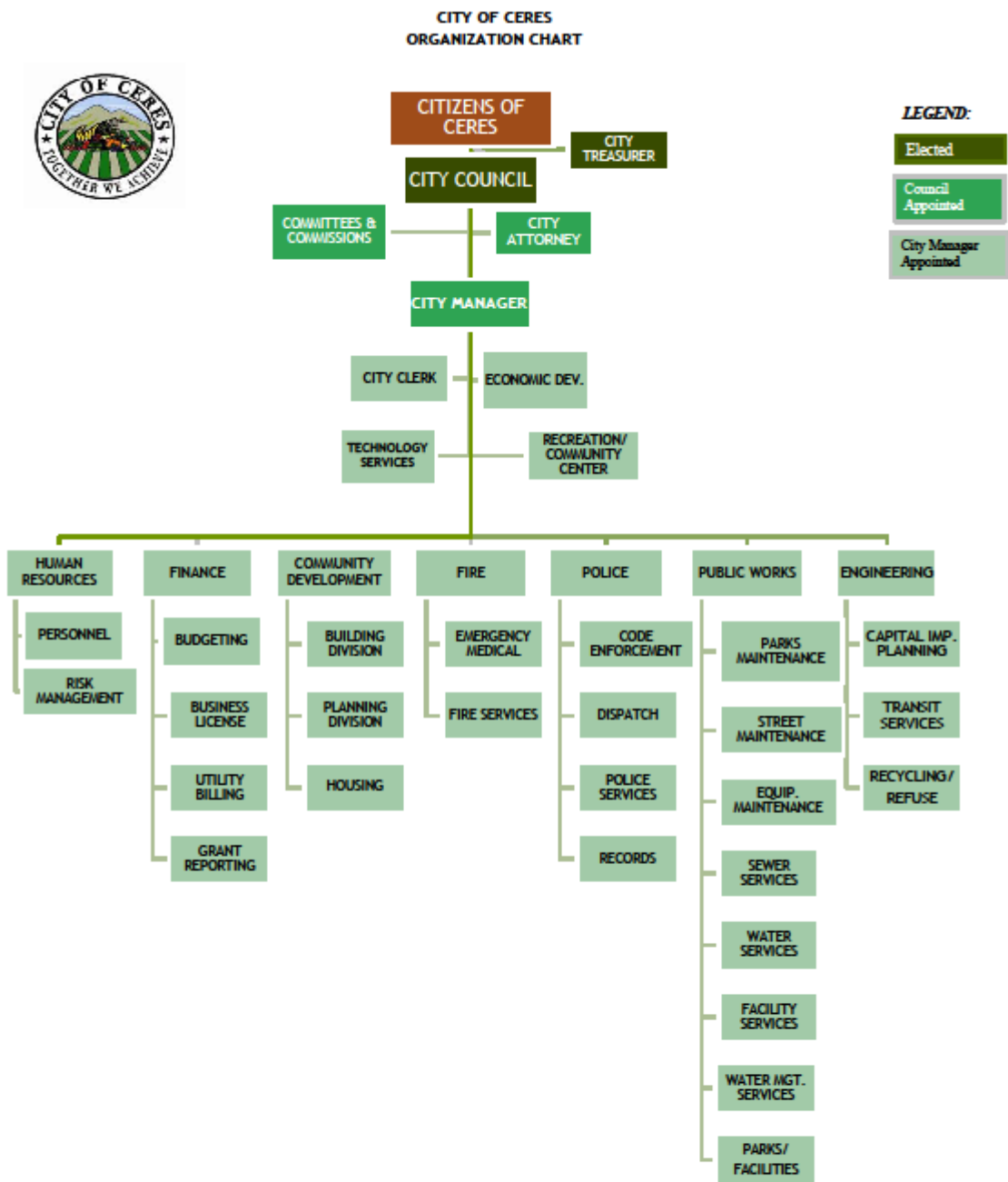
City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Table of Contents, Continued

	<u>Page</u>
Combining and Individual Fund Financial Statements and Schedules, Continued:	
Nonmajor Special Revenue Funds, Continued:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Daniel Whitmore House	142
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – River Bluff Regional Park	143
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Ceres Community Foundation.....	144
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Clinton Whitmore Mansion.....	145
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Measure L.....	146
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Road Maintenance and Rehab	147
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – SB2 Planning Grants Program	148
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – SB 1383	149
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – CARES Act	150
Internal Service Funds:	
Statement of Fund Net Position – Internal Service Funds.....	152
Statement of Revenues, Expenses, and Changes in Fund Net Position– Internal Service Funds	153
Combining Statement of Cash Flows – Internal Service Funds	154
Trust and Agency Funds:	
Combining Statement of Net Position – Private Purpose Trust Funds.....	156
Combining Statement of Changes in Fiduciary Net Position– Private Purpose Trust Funds	157

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Organization Chart



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City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

List of Officials

CITY COUNCIL

- Javier Lopez, Mayor
- Daniel A. Martinez, Vice Mayor
- James Casey
- Rosalinda L. Vierra
- Cerina Otero

CITY OFFICIALS

- Doug Dunford, City Manager
- Shannon Esenwein, 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, 2023, 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, 2023, 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 4-17, the City's Schedules of Contributions, Pensions on pages 96, and the Schedules of the City's Proportionate Share of the Net Pension Liability on pages 97, 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 October 21, 2025, under separate cover, 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.

October 21, 2025

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

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, 2023. It should be read in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

- ◆ As of June 30, 2023, total assets of the City exceeded its liabilities by \$235,727,481 (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 \$32,267,666. There are currently \$12,026,765 of net position that are restricted and may only be used for a specific purpose. The remaining \$191,433,050 is the net investment in capital assets.
- ◆ As of June 30, 2023, the City's Governmental Activities reported combined net position of \$97,421,840 of that, \$3,576,991 is unrestricted.
- ◆ As of June 30, 2023, the City's governmental funds reported combined ending fund balances of \$31,988,537. Approximately 87% of this total amount (\$27.9 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 laws, regulations, or Council actions or it is not part of available, spendable resources. Of the remaining balance, \$7,351,278 is unassigned general fund balance and (\$3,287,251) is unassigned special revenue fund balance.
- ◆ Capital assets in the governmental activities, net of depreciation, increased to \$81,934,431 from \$81,578,892, which includes \$111,225,836 of infrastructure per the requirements of GASB 34. This increase is attributed to the purchase of additional machinery and equipment due to the easing of supply chain issues.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

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, 2023

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, 2023

Management's Discussion and Analysis, Continued

OVERVIEW OF THE ANNUAL FINANCIAL REPORT, Continued

Fund Financial Statements, Continued

For the fiscal year ended June 30, 2023, the City's major funds are as follows:

GOVERNMENTAL FUNDS:

- ◆ General Fund
- ◆ Measure H Special Revenue Fund
- ◆ Community Center Special Revenue Fund
- ◆ HOME 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 47–93 of this report.

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 104-157 of this report.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Management's Discussion and Analysis, Continued

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 \$235,727,481 as of June 30, 2023.

The Summary of Net Position as of June 30, 2023, and 2022, follows:

	2023			2022		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
Current and other assets	\$ 42,717,983	\$ 56,906,292	\$ 99,624,275	\$ 37,336,693	\$ 44,561,683	\$ 81,898,376
Noncurrent assets	88,693,460	101,706,966	190,400,426	89,252,378	72,095,947	161,348,325
Total assets	131,411,443	158,613,258	290,024,701	126,589,071	116,657,630	243,246,701
Deferred outflows: Pension Plan	18,653,573	2,962,695	21,616,268	7,559,716	1,117,794	8,677,510
Total assets and deferred outflows	150,065,016	161,575,953	311,640,969	134,148,787	117,775,424	251,924,211
Current and other liabilities	5,904,340	7,887,720	13,792,060	6,441,814	2,991,664	9,433,478
Long-term liabilities	42,161,700	14,349,450	56,511,150	22,626,479	31,042,671	53,669,150
Total liabilities	48,066,040	22,237,170	70,303,210	29,068,293	34,034,335	63,102,628
Deferred inflows: Pension Plan	4,577,136	1,033,142	5,610,278	13,092,835	2,447,681	15,540,516
Total liabilities and deferred inflows	52,643,176	23,270,312	75,913,488	42,161,128	36,482,016	78,643,144
Net position:						
Net investment in capital assets	81,818,084	109,614,966	191,433,050	80,782,202	44,236,726	125,018,928
Restricted	12,026,765	-	12,026,765	12,507,876	-	12,507,876
Unrestricted	3,576,991	28,690,675	32,267,666	(1,302,419)	37,056,682	35,754,263
Total net position	\$ 97,421,840	\$ 138,305,641	\$ 235,727,481	\$ 91,987,659	\$ 81,293,408	\$ 173,281,067

Restricted net position decreased by \$481,111 primarily due to higher expenditures related to Measure H, which required the use of restricted fund balance.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The change in net position for the fiscal years ended June 30, 2023, and 2022, follows:

	2023			2022		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 5,175,997	\$ 28,236,824	\$ 33,412,821	\$ 2,228,871	\$ 27,698,671	\$ 29,927,542
Grants and contributions:						
Operating	14,354,016	-	14,354,016	20,366,231	-	20,366,231
Capital	5,368,640	43,723,782	49,092,422	3,909,176	-	3,909,176
General revenues:						
Property taxes						
and assessments	4,054,327	-	4,054,327	2,474,768	-	2,474,768
Sales and use tax	8,130,402	-	8,130,402	9,587,174	-	9,587,174
Utility users tax	1,523,199	-	1,523,199	1,057,622	-	1,057,622
Other taxes	3,053,996	-	3,053,996	961,921	-	961,921
State motor vehicle in-lieu tax	4,570,402	-	4,570,402	4,284,543	-	4,284,543
Use of money and property	504,482	237,841	742,323	438,261	126,380	564,641
Other general	32,767	2,867,253	2,900,020	3,059,800	12,402,350	15,462,150
Total revenues	46,768,228	75,065,700	121,833,928	48,368,367	40,227,401	70,399,410
Expenses:						
Governmental activities:						
General government	6,083,262	-	6,083,262	5,396,614	-	5,396,614
Public safety	27,330,653	-	27,330,653	24,362,856	-	24,362,856
Engineering and transportation	167,039	-	167,039	364,629	-	364,629
Public works	3,483,044	-	3,483,044	6,025,953	-	6,025,953
Community services	3,733,912	-	3,733,912	3,393,321	-	3,393,321
Economic development	226,096	-	226,096	108,315	-	108,315
Interest and fiscal charges	6,041	-	6,041	9,354	-	9,354
Business-type activities:						
Water	-	8,495,569	8,495,569	-	7,228,391	7,228,391
Sewer	-	9,858,254	9,858,254	-	8,385,900	8,385,900
STANCOG	-	3,644	3,644	-	83	83
Total expenses	41,030,047	18,357,467	59,387,514	39,661,042	15,614,374	55,275,416
Excess (Deficiency) of revenues over expenditures before transfers	5,738,181	56,708,233	62,446,414	8,707,325	24,613,027	33,320,352
Transfers	(304,000)	304,000	-	(304,000)	304,000	-
Change in net position	5,434,181	57,012,233	62,446,414	8,403,325	24,917,027	33,320,352
Net position:						
Beginning of year	91,987,659	81,293,408	173,281,067	83,584,334	56,376,381	139,960,715
End of year	\$ 97,421,840	\$ 138,305,641	\$ 235,727,481	\$ 91,987,659	\$ 81,293,408	\$ 173,281,067

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Revenues

The City's total revenues for governmental and business-type activities were \$121,833,928 for the fiscal year ended June 30, 2023. Approximately 61% of the City's key revenues are generated from five major sources.

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

1. **Sales Tax.** Annual receipts decreased by 15%. This decrease is mainly attributed to a slow down of the economy due to inflation pressures and a reduction in consumer spending.
2. **Property Tax.** Annual receipts increased by 64%, due to rising home prices and a shift in the property tax allocation between the City and the County.
3. **Grants and Contributions – Governmental Activities Operating.** There was a decrease of 30% in Governmental operating grants and contributions mainly due to changes in the classification in revenue.
4. **Grants and Contributions – Business Type Activities Capital.** There was an increase from \$0 in Fiscal Year 2022 to \$43,723,782 in Fiscal Year 2023 for capital grants and contributions in the water fund. This increase is mainly due to the draw down of funds from the State Water Resources Control Board State Revolving Fund loan for the Stanislaus Regional Water Authority infrastructure project.
5. **State Motor Vehicle In-Tax –** Annual receipts increased by 7%. The increase is due to increased vehicle registration fees.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

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 \$59,387,514. Governmental activity expenses totaled \$41,030,047 or 69% of total expenses. Business-type activities incurred \$18,357,467 of expenses during the fiscal year. Public safety costs represented 67% of total governmental activities expenses, which represented the largest single expense for governmental activities.

Governmental Activities

The following table shows the cost of each of the City's major programs and the net cost of the programs. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the City's taxpayers by each of the programs. The total cost of services and the net cost of services for the fiscal years ended June 30, 2023, and 2022, are as follows:

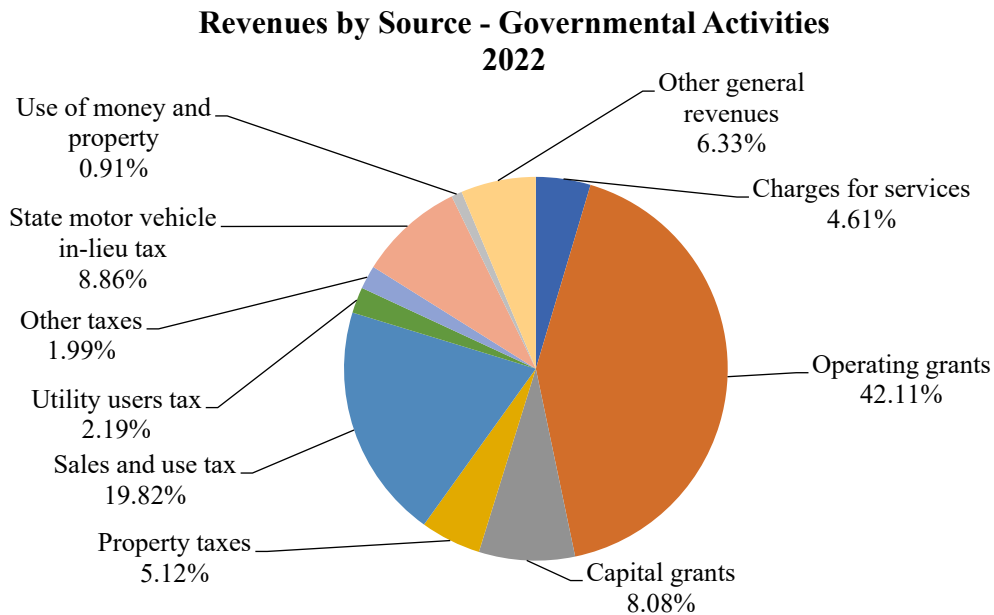
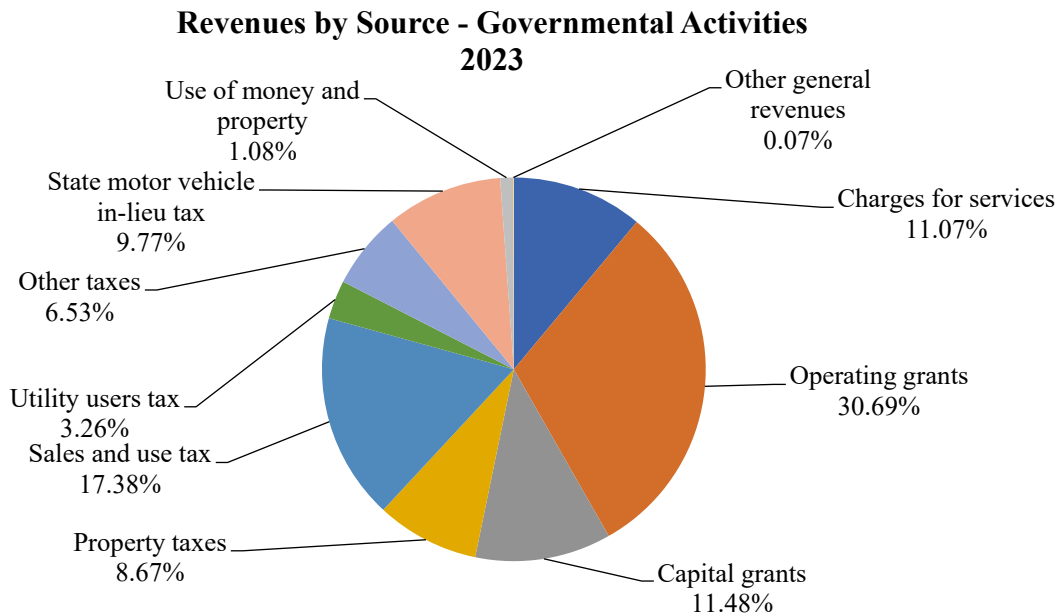
	2023		2022	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 6,083,262	\$ 244,419	\$ 5,396,614	\$ 2,292,108
Public safety	27,330,653	(20,178,890)	24,362,856	(17,361,848)
Engineering and transportation	167,039	1,076,238	364,629	3,262,135
Public works	3,483,044	4,339,909	6,025,953	421,269
Community services	3,733,912	(1,380,933)	3,393,321	(1,665,102)
Economic development	226,096	(226,096)	108,315	(95,972)
Interest and fiscal charges	6,041	(6,041)	9,354	(9,354)
Total	<u>\$ 41,030,047</u>	<u>\$ (16,131,394)</u>	<u>\$ 39,661,042</u>	<u>\$ (13,156,764)</u>

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Revenues by source for the fiscal years ended June 30, 2023, and 2022, are as follows:

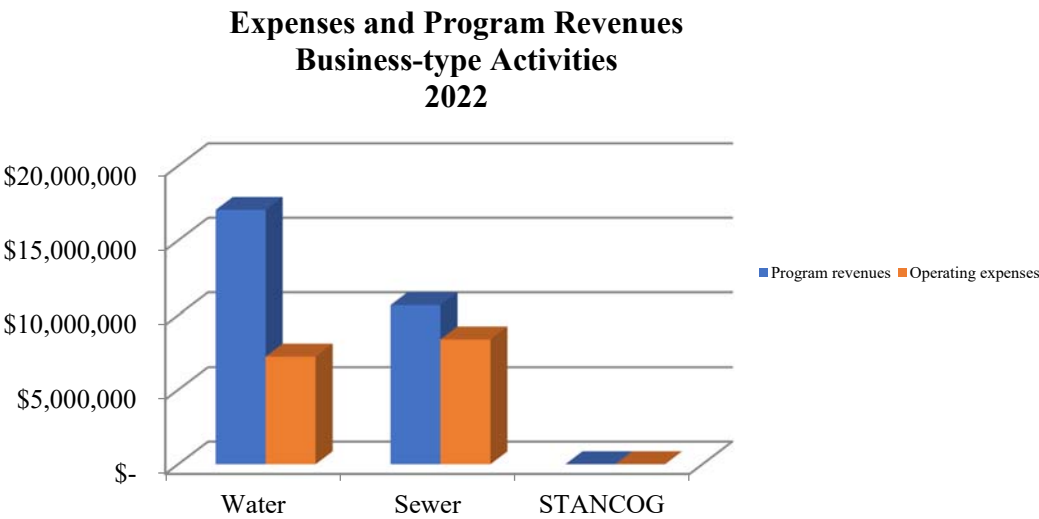
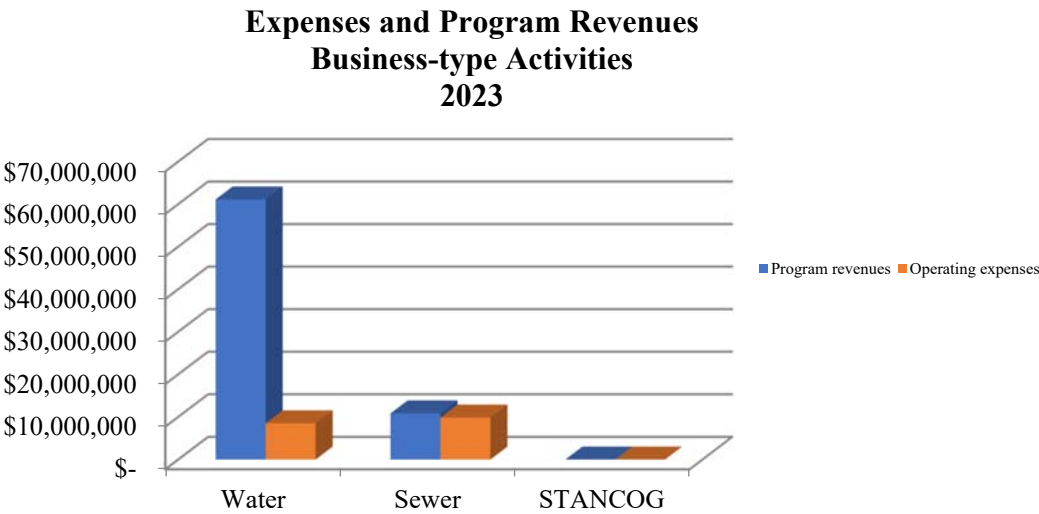


City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Business-type activities. Business-type activities increased the City’s net position to \$138,305,641. The City has three business-type activities: Water, Sewer, and STANCOG. Water accounts for 62%, Sewer accounts for 38% of total business-type operating 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, 2023, and 2022, are as follows:

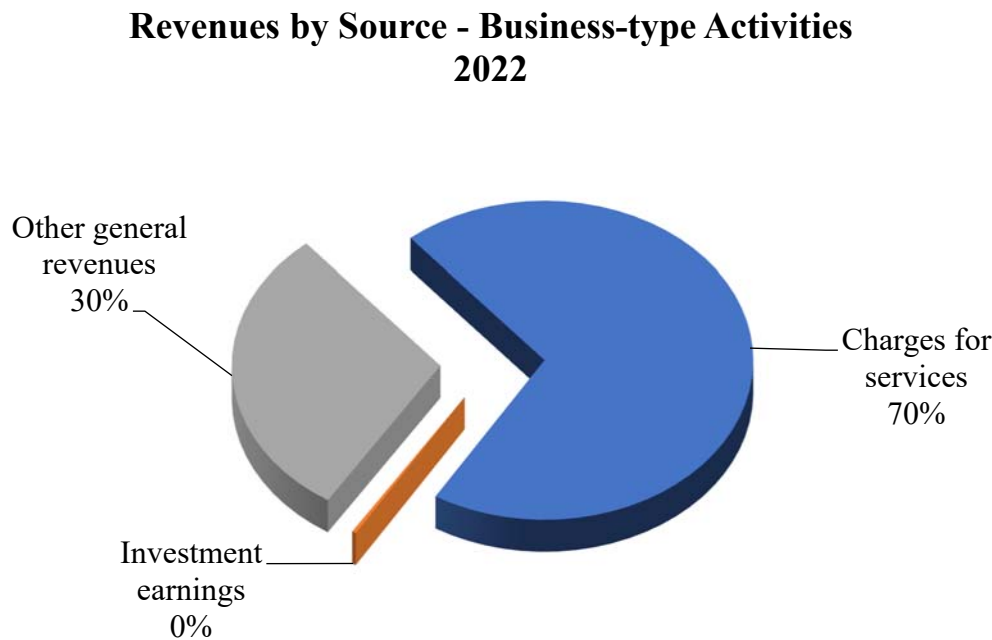
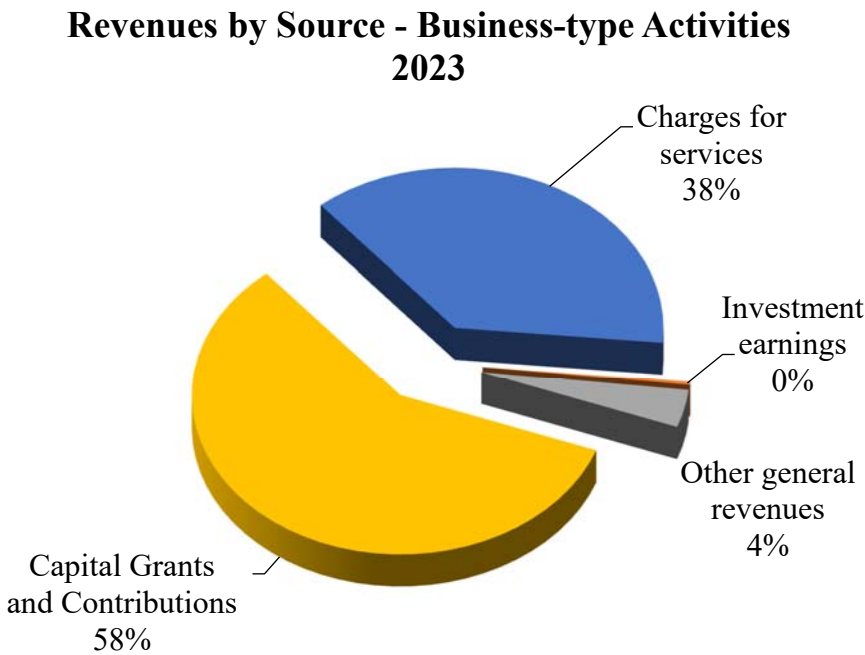


City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

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, 2023, and 2022, are as follows:



City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

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, 2023, the City's governmental funds reported combined fund balances of \$31,988,537. This is an increase of \$4,076,311 or 15% 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, 2023, General Fund unassigned fund balance totaled \$7,351,278 with \$17,963 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, 2023, the majority of this money was used to continue with the Morrow Village sidewalk improvement project.

Proprietary funds. The City's proprietary funds net position increased by \$57,012,233 in the fiscal year ended June 30, 2023. This was primarily due to funds received through the TCP settlement and capital contributions from the draw down of State Revolving Loan funds to build the Stanislaus Regional Water Authority infrastructure. 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 shows an increase of \$639,372, primarily driven by higher collections in property taxes, other taxes, and license and permit revenues. The final General Fund expenditure budget totaled \$27,207,163, with actual expenditures of \$26,731,504. Expenditures exceeded revenues by \$855,613.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

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, 2023, amount to \$183,641,397. This net investment in capital assets includes land, intangible asset, buildings and improvements, machinery and equipment, and infrastructure.

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$ 14,753,193	\$ 14,753,193	\$ 3,291,818	\$ 3,291,818	\$ 18,045,011	\$ 18,045,011
Intangible asset	-	-	59,069,152	33,620,000	59,069,152	33,620,000
Buildings and improvements	20,305,583	21,385,563	3,007,942	3,166,550	23,313,525	24,552,113
Machinery and equipment	7,535,833	6,377,354	1,066,315	1,019,138	8,602,148	7,396,492
Infrastructure	39,339,822	39,062,782	35,271,739	30,998,441	74,611,561	70,061,223
Total	<u>\$ 81,934,431</u>	<u>\$ 81,578,892</u>	<u>\$ 101,706,966</u>	<u>\$ 72,095,947</u>	<u>\$ 183,641,397</u>	<u>\$ 153,674,839</u>

Major capital asset events during the year included: the purchase of machinery, equipment, water infrastructure, 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 53 and 54 for significant accounting policies and Note 5 on pages 65 and 66 for other capital asset information.

Economic Outlook

As of late 2025, the national economy shows signs of stabilizing after multiple years of inflationary pressure. Inflation has gradually eased from peaks above 8%, and the Federal Reserve's interest rate policy continues to weigh on borrowing costs and consumer spending. National unemployment has held in the low 4% range, but the recovery has been uneven across regions and sectors.

Ceres continues to face significant economic pressures. According to the most recent data from the Employment Development Department, Ceres unemployment rate was 8.1% as of September 2025, one of the highest among cities in Stanislaus County. Stanislaus County's overall unemployment rate hovers around 7.0% and California's statewide unemployment is approximately 5.8%. Local employment gains in agriculture, warehousing, and retail have been modest and inconsistent, and wage growth has struggled to keep pace with inflation. Pressures remain from rising cost of living, housing, and energy, factors that constrain household discretionary income and slow consumer demand. On the revenue front, sales tax trends have shown only moderate gains in many jurisdictions across the county. For Ceres, the challenge is that many discretionary purchases are sensitive to economic stress, and the city's sales tax base may underperform under these conditions.

City of Ceres, California
Basic Financial Statements
For the year ended June 30, 2023

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Economic Outlook, Continued

Ceres must also contend with structural stresses on its revenue streams. In California overall, cannabis tax revenue remains under pressure. In 2025, cannabis retailer tax receipts fell, reflecting declining volumes across the sector. In Stanislaus County, projected cannabis industry fee revenue is down roughly 56% from three years ago. For Ceres, this means less upside from cannabis related revenues than has been anticipated in prior years. At the same time, the expiration of American Rescue Plan Act (ARPA) funding removes a critical buffer many municipalities used to balance budget gaps in recent years. Coupled with inflationary cost escalations the city is facing a persistent general fund deficit that will require ongoing monitoring and adjustments. In response to these pressures, Ceres aims to take a proactive approach by using conservative revenue projections, enhancing reserves when possible, considering structural changes like service prioritization, cost management, and fee adjustments, and tracking economic indicators to make timely adjustments as circumstances change.

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 Shannon Esenwein, Finance Director, 2220 Magnolia, Ceres, CA 95307, or visit the City's web page at www.ceres.gov.

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BASIC FINANCIAL STATEMENTS

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City of Ceres, California
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 38,789,026	\$ 53,550,603	\$ 92,339,629
Cash and investments with trustee/fiscal agent	-	37	37
Receivables:			
Accounts receivable	5,804,779	1,460,686	7,265,465
Prepaid items	17,963	-	17,963
Inventory	1,181	-	1,181
Internal balances	(1,894,966)	1,894,966	-
Total current assets	42,717,983	56,906,292	99,624,275
Noncurrent assets:			
Advances to fiduciary activities	531,494	-	531,494
Loans receivable	6,227,535	-	6,227,535
Intangible assets	-	59,069,152	59,069,152
Capital assets:			
Nondepreciable	14,753,193	28,740,970	43,494,163
Depreciable	67,181,238	13,896,844	81,078,082
Total noncurrent assets	88,693,460	101,706,966	190,400,426
Total assets	131,411,443	158,613,258	290,024,701
DEFERRED OUTFLOWS OF RESOURCES			
Pension Plan	18,653,573	2,962,695	21,616,268
Total deferred outflows of resources	18,653,573	2,962,695	21,616,268
Total assets and deferred outflows	150,065,016	161,575,953	311,640,969
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	2,206,591	7,038,186	9,244,777
Deposits payable	2,880,375	272,320	3,152,695
Unearned revenue	701,027	104,220	805,247
Interest payable	-	28,994	28,994
Due within one year	116,347	444,000	560,347
Total current liabilities	5,904,340	7,887,720	13,792,060
Noncurrent liabilities:			
Long-term liabilities:			
Compensated absences	1,462,518	316,178	1,778,696
Due after one year	-	7,908,000	7,908,000
Liability for claims	1,557,271	-	1,557,271
Net pension liability	39,141,911	6,125,272	45,267,183
Total noncurrent liabilities	42,161,700	14,349,450	56,511,150
Total liabilities	48,066,040	22,237,170	70,303,210
DEFERRED INFLOWS OF RESOURCES			
Pension Plan	4,577,136	1,033,142	5,610,278
Total liabilities and deferred inflows of resources	52,643,176	23,270,312	75,913,488
NET POSITION			
Net investment in capital assets	81,818,084	109,614,966	191,433,050
Restricted	12,026,765	-	12,026,765
Unrestricted	3,576,991	28,690,675	32,267,666
Total net position	97,421,840	138,305,641	235,727,481
Total liabilities, deferred inflows, and net position	\$ 150,065,016	\$ 161,575,953	\$ 311,640,969

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, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 6,083,262	\$ 378,467	\$ 5,949,214	\$ -
Public safety	27,330,653	879,174	6,272,589	-
Engineering and Transportation	167,039	444,793	20,690	777,794
Public works	3,483,044	1,608,949	1,623,158	4,590,846
Community services	3,733,912	1,864,614	488,365	-
Economic development	226,096	-	-	-
Interest and fiscal charges	6,041	-	-	-
Total governmental activities	<u>41,030,047</u>	<u>5,175,997</u>	<u>14,354,016</u>	<u>5,368,640</u>
Business-type activities:				
Water	8,495,569	17,399,024	-	43,723,782
Sewer	9,858,254	10,837,800	-	-
STANCOG	3,644	-	-	-
Total business-type activities	<u>18,357,467</u>	<u>28,236,824</u>	<u>-</u>	<u>43,723,782</u>
Total primary government	<u><u>\$ 59,387,514</u></u>	<u><u>\$ 33,412,821</u></u>	<u><u>\$ 14,354,016</u></u>	<u><u>\$ 49,092,422</u></u>
General revenues:				
Taxes:				
Property taxes, levied for general purposes				
Sales and use tax				
Utility users tax				
Other taxes				
Intergovernmental:				
State motor vehicle in-lieu tax (MVLFF)				
Use of money and property				
Other general revenues				
Total general revenues				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position:				
Beginning of year				
Net position - Ending				

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

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Totals
\$ 244,419	\$ -	\$ 244,419
(20,178,890)	-	(20,178,890)
1,076,238	-	1,076,238
4,339,909	-	4,339,909
(1,380,933)	-	(1,380,933)
(226,096)	-	(226,096)
(6,041)	-	(6,041)
(16,131,394)	-	(16,131,394)
-	52,627,237	52,627,237
-	979,546	979,546
-	(3,644)	(3,644)
-	53,603,139	53,603,139
(16,131,394)	53,603,139	37,471,745
4,054,327	-	4,054,327
8,130,402	-	8,130,402
1,523,199	-	1,523,199
3,053,996	-	3,053,996
4,570,402	-	4,570,402
504,482	237,841	742,323
32,767	2,867,253	2,900,020
21,869,575	3,105,094	24,974,669
(304,000)	304,000	-
21,565,575	3,409,094	24,974,669
5,434,181	57,012,233	62,446,414
91,987,659	81,293,408	173,281,067
\$ 97,421,840	\$ 138,305,641	\$ 235,727,481

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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.
Measure H Special Revenue	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.
Community Center Special Revenue	To account for operational revenues and expenses of Ceres Community Center.
Home Program Grants Special Revenue	Accounts for activities related to housing and the related Home Program funding.

City of Ceres, California

Balance Sheet

Governmental Funds

June 30, 2023

	Major Funds			
	General Fund	Measure H Special Revenue	Community Center Special Revenue	Home Program Grants Special Revenue
ASSETS				
Cash and investments	\$ 7,101,275	\$ 512,019	\$ -	\$ 1,117,419
Receivables:				
Taxes	-	827,331	-	-
Interest	13,159	720	-	-
Intergovernmental	-	-	-	-
Loans receivable	-	-	-	5,431,530
Other receivable	3,197,607	-	317	-
Due from other funds	3,423,968	-	-	-
Advances to Former Redevelopment Agencies Private Purpose Trust	531,494	-	-	-
Prepaid items	17,963	-	-	-
Inventory	1,181	-	-	-
Total assets	<u>\$ 14,286,647</u>	<u>\$ 1,340,070</u>	<u>\$ 317</u>	<u>\$ 6,548,949</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,537,504	\$ 8,387	\$ 39,734	\$ -
Deposits payable	2,783,909	-	96,466	-
Due to other funds	-	-	2,006,594	-
Unearned revenue	701,027	-	-	-
Advances from other funds	1,894,966	-	-	-
Total liabilities	<u>6,917,406</u>	<u>8,387</u>	<u>2,142,794</u>	<u>-</u>
Deferred inflows: Unavailable revenue	-	-	-	5,431,531
Total liabilities and deferred inflows	<u>6,917,406</u>	<u>8,387</u>	<u>2,142,794</u>	<u>5,431,531</u>
Fund balances:				
Nonspendable:				
Prepaid items	17,963	-	-	-
Restricted reported in:				
Special revenue funds	-	1,331,683	-	1,117,418
Committed	-	-	-	-
Assigned reported in:				
Special revenue funds	-	-	-	-
Unassigned (deficit), reported in:				
General fund	7,351,278	-	-	-
Special revenue funds	-	-	(2,142,477)	-
Total fund balances	<u>7,369,241</u>	<u>1,331,683</u>	<u>(2,142,477)</u>	<u>1,117,418</u>
Total liabilities and fund balances	<u>\$ 14,286,647</u>	<u>\$ 1,340,070</u>	<u>\$ 317</u>	<u>\$ 6,548,949</u>

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

Nonmajor Governmental Funds		Totals	
\$	24,449,686	\$	33,180,399
	638,867		1,466,198
	13,431		27,310
	921,361		921,361
	796,005		6,227,535
	9,663		3,207,587
	-		3,423,968
	-		531,494
	-		17,963
			1,181
\$	26,829,013	\$	49,004,996

\$	303,198	\$	1,888,823
	-		2,880,375
	1,417,139		3,423,733
	-		701,027
	-		1,894,966
	1,720,337		10,788,924
	796,004		6,227,535
	2,516,341		17,016,459

	-		17,963
	9,577,664		12,026,765
	12,690		12,690
	15,867,092		15,867,092
	-		7,351,278
	(1,144,774)		(3,287,251)
	24,312,672		31,988,537
\$	26,829,013	\$	49,004,996

City of Ceres, California
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2023

Total fund balances - total governmental funds		\$ 31,988,537
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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.		77,132,325
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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	(1,352,717)	
Due after one year	(116,347)	
Net pension obligation	<u>(39,141,911)</u>	(40,610,975)

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.		6,227,535
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Pension obligations result in deferred outflows and inflows of resources associated with actuarial value of contributions, assets, and liabilities		
Deferred outflows	18,653,573	
Deferred inflows	<u>(4,577,136)</u>	14,076,437

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	5,790,950	
Noncurrent assets	4,802,106	
Accounts payable and accrued liabilities	(318,003)	
Long-term liabilities	<u>(1,667,072)</u>	8,607,981
Net position of governmental activities		<u>\$ 97,421,840</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, 2023

	Governmental Funds Balance Sheet	Reclassifications	Internal Service Funds	Changes in GAAP	Statement of Net Position
ASSETS					
Current assets:					
Cash and investments	\$ 33,180,399	\$ -	\$ 5,608,627	\$ -	\$ 38,789,026
Receivables:					
Taxes	1,466,198	-	-	-	1,466,198
Interest	27,310	-	-	-	27,310
Intergovernmental	921,361	-	-	-	921,361
Loans receivable	6,227,535	(6,227,535)	-	-	-
Other receivable	3,207,587	-	182,323	-	3,389,910
Due from other funds	3,423,968	(3,423,968)	-	-	-
Advances to Former Redevelopment Agencies Private Purpose Trust	531,494	(531,494)	-	-	-
Prepaid items	17,963	-	-	-	17,963
Inventory	1,181	-	-	-	1,181
Internal balances	-	(1,894,966)	-	-	(1,894,966)
Total current assets	49,004,996	(12,077,963)	5,790,950	-	42,717,983
Noncurrent assets:					
Advances to(from) fiduciary activities	-	531,494	-	-	531,494
Loans/Notes receivable	-	6,227,535	-	-	6,227,535
Capital assets, net	-	-	4,802,106	77,132,325	81,934,431
Total noncurrent assets	-	6,759,029	4,802,106	77,132,325	88,693,460
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows: Pension Plan	-	-	-	18,653,573	18,653,573
Total assets and deferred outflows of resources	\$ 49,004,996	\$ (5,318,934)	\$ 10,593,056	\$ 95,785,898	\$ 150,065,016
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 1,888,823	\$ -	\$ 317,768	\$ -	\$ 2,206,591
Deposits payable	2,880,375	-	-	-	2,880,375
Due to other funds	3,423,733	(3,423,968)	235	-	-
Advances from other funds	1,894,966	(1,894,966)	-	-	-
Unavailable revenue	701,027	-	-	-	701,027
Due within one year	-	-	-	116,347	116,347
Total current liabilities	10,788,924	(5,318,934)	318,003	116,347	5,904,340
Noncurrent liabilities:					
Long-term debt:					
Compensated absences	-	-	109,801	1,352,717	1,462,518
Liability for claims	-	-	1,557,271	-	1,557,271
Net pension obligation	-	-	-	39,141,911	39,141,911
Total noncurrent liabilities	-	-	1,667,072	40,494,628	42,161,700
Total liabilities	10,788,924	(5,318,934)	1,985,075	40,610,975	48,066,040
Deferred inflows: Grants	6,227,535	-	-	(6,227,535)	-
Deferred inflows: Pension plan	-	-	-	4,577,136	4,577,136
Total liabilities and deferred inflows	17,016,459	(5,318,934)	1,985,075	38,960,576	52,643,176
FUND BALANCES/NET POSITION					
Fund balances:					
Nonspendable	17,963	(17,963)	-	-	-
Restricted	12,026,765	(12,026,765)	-	-	-
Committed	12,690	(12,690)	-	-	-
Assigned	15,867,092	(15,867,092)	-	-	-
Unassigned	4,064,027	(4,064,027)	-	-	-
Net position:					
Net investment in capital assets	-	-	4,802,106	77,015,978	81,818,084
Restricted	-	-	-	12,026,765	12,026,765
Unrestricted	-	31,988,537	3,805,875	(32,217,421)	3,576,991
Total fund balances/ net position	31,988,537	-	8,607,981	56,825,322	97,421,840
Total liabilities, deferred inflows, and net position	\$ 49,004,996	\$ (5,318,934)	\$ 10,593,056	\$ 95,785,898	\$ 150,065,016

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, 2023

	Major Funds			
	General Fund	Measure H Special Revenue	Community Center Special Revenue	Home Program Grants Special Revenue
REVENUES:				
Property and other taxes	\$ 21,258,883	\$ 4,814,659	\$ -	\$ -
Licenses and permits	980,219	-	-	-
Fines, forfeitures and penalties	261,601	-	-	-
Charges for services	1,821,785	-	-	-
Intergovernmental	1,343,680	-	-	59,341
Use of money and property	169,682	7,332	260,722	-
Other revenues	40,041	125	315	5,974
Total revenues	25,875,891	4,822,116	261,037	65,315
EXPENDITURES:				
Current:				
General government	3,106,299	-	-	-
Public safety	20,197,373	5,869,491	-	-
Engineering and Transportation	85,028	-	-	-
Public works	402,217	-	-	-
Community services	2,885,011	-	382,028	-
Economic development	55,576	-	-	71,264
Capital outlay	-	76,766	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	26,731,504	5,946,257	382,028	71,264
REVENUES OVER (UNDER) EXPENDITURES	(855,613)	(1,124,141)	(120,991)	(5,949)
OTHER FINANCING SOURCES (USES):				
Proceeds from sales of assets	705	-	-	-
Transfers in	892,886	-	-	-
Transfers out	(311,878)	(152,000)	-	-
Total other financing sources (uses)	581,713	(152,000)	-	-
Net change in fund balances	(273,900)	(1,276,141)	(120,991)	(5,949)
FUND BALANCES:				
Beginning of year	7,643,141	2,607,824	(2,021,486)	1,123,367
End of year	\$ 7,369,241	\$ 1,331,683	\$ (2,142,477)	\$ 1,117,418

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

Other Governmental Funds		Totals	
\$	1,369,541	\$	27,443,083
	-		980,219
	53,022		314,623
	673,608		2,495,393
	13,577,419		14,980,440
	66,746		504,482
	2,828		49,283
	<u>15,743,164</u>		<u>46,767,523</u>
	1,108,165		4,214,464
	887,531		26,954,395
	82,011		167,039
	1,560,856		1,963,073
	437,551		3,704,590
	27,790		154,630
	5,033,981		5,110,747
	112,938		112,938
	6,041		6,041
	<u>9,256,864</u>		<u>42,387,917</u>
	<u>6,486,300</u>		<u>4,379,606</u>
	-		705
	5,371		898,257
	<u>(738,379)</u>		<u>(1,202,257)</u>
	<u>(733,008)</u>		<u>(303,295)</u>
	5,753,292		4,076,311
	<u>18,559,380</u>		<u>27,912,226</u>
\$	<u>24,312,672</u>	\$	<u>31,988,537</u>

City of Ceres, California

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

For the year ended June 30, 2023

Functions/Programs	Fund Based Totals	Debt/ Compensated Absences	Deferred Revenue	Depreciation	Capital Asset (Additions)/ Retirements	Pension Plan	Internal Service Funds	Government- wide Totals
Governmental activities:								
General government	\$ 4,214,464	\$ (222,127)	\$ 34,721	\$ 1,919,160	\$ -	137,044		\$ 6,083,262
Public safety	26,954,395	-	-	376,258	-	-	-	27,330,653
Engineering and Transportation	167,039	-	-	-	-	-	-	167,039
Public works	1,963,073	-	-	3,714,440	(1,355,438)	-	(839,031)	3,483,044
Community services	3,704,590	-	-	29,322	-	-	-	3,733,912
Economic development	154,630	-	-	71,466	-	-	-	226,096
Capital outlay	5,110,747	-	-	-	(5,110,747)	-	-	-
Debt service/Interest	118,979	(112,938)	-	-	-	-	-	6,041
Total governmental activities	\$ 42,387,917	\$ (335,065)	\$ 34,721	\$ 6,110,646	\$ (6,466,185)	\$ 137,044	\$ (839,031)	\$ 41,030,047

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, 2023

Net change in fund balances - total governmental funds	\$ 4,076,311
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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	\$ 6,466,185	
Depreciation expense	<u>(6,110,646)</u>	355,539

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.

112,938

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	222,127	
Pension expense	<u>(137,044)</u>	85,083

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	(34,721)
------------------	----------

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.

839,031

Change in net position of governmental activities

\$ 5,434,181

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, 2023

	General Fund			
	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Property and other taxes	\$ 20,842,188	20,842,188	\$ 21,258,883	\$ 416,695
Licenses and permits	616,900	616,900	980,219	363,319
Fines, forfeitures and penalties	295,000	295,000	261,601	(33,399)
Charges for services	1,965,950	1,965,950	1,821,785	(144,165)
Intergovernmental	1,285,881	1,285,881	1,343,680	57,799
Use of money and property	185,600	185,600	169,682	(15,918)
Other revenues	45,000	45,000	40,041	(4,959)
Total revenues	25,236,519	25,236,519	25,875,891	639,372
EXPENDITURES:				
Current:				
General government	3,016,729	3,124,727	3,106,299	18,428
Public safety	20,284,768	20,340,365	20,197,373	142,992
Engineering and Transportation	121,544	121,844	85,028	36,816
Public works	462,444	462,444	402,217	60,227
Community services	3,024,231	3,145,121	2,885,011	260,110
Economic development	-	2,500	55,576	(53,076)
Capital outlay	-	10,162	-	10,162
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	26,909,716	27,207,163	26,731,504	475,659
REVENUES OVER (UNDER) EXPENDITURES	(1,673,197)	(1,970,644)	(855,613)	1,115,031
OTHER FINANCING SOURCES (USES):				
Proceeds from sales of assets	1,000	1,000	705	(295)
Transfers in	1,986,564	1,996,564	892,886	(1,103,678)
Transfers out	(318,221)	(318,221)	(311,878)	6,343
Total other financing sources (uses)	1,669,343	1,679,343	581,713	(1,097,630)
Net change in fund balances	(3,854)	(291,301)	(273,900)	17,401
FUND BALANCES:				
Beginning of year	7,643,141	7,643,141	7,643,141	-
End of year	<u>\$ 7,639,287</u>	<u>\$ 7,351,840</u>	<u>\$ 7,369,241</u>	<u>\$ 17,401</u>

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

Measure H			
Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
Original	Final		
\$ 5,311,923	\$ 5,311,923	\$ 4,814,659	\$ (497,264)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
6,300	6,300	7,332	1,032
-	-	125	125
5,318,223	5,318,223	4,822,116	(496,107)
-	-	-	-
6,420,360	6,445,360	5,869,491	575,869
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
80,000	80,000	76,766	3,234
-	-	-	-
-	-	-	-
6,500,360	6,525,360	5,946,257	579,103
(1,182,137)	(1,207,137)	(1,124,141)	82,996
-	-	-	-
-	-	-	-
(152,000)	(152,000)	(152,000)	-
(152,000)	(152,000)	(152,000)	-
(1,334,137)	(1,359,137)	(1,276,141)	82,996
2,607,824	2,607,824	2,607,824	-
\$ 1,273,687	\$ 1,248,687	\$ 1,331,683	\$ 82,996

(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, 2023

	Community Center			Variance w/Final
	Budgeted Amounts		Actual	Positive (Negative)
	Original	Final		
REVENUES:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	0	-
Use of money and property	170,000	170,000	260,722	90,722
Other revenues	-	-	315	315
Total revenues	<u>170,000</u>	<u>170,000</u>	<u>261,037</u>	<u>91,037</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Engineering and Transportation	-	-	-	-
Public works	-	-	-	-
Community services	426,573	426,573	382,028	44,545
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>426,573</u>	<u>426,573</u>	<u>382,028</u>	<u>44,545</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(256,573)</u>	<u>(256,573)</u>	<u>(120,991)</u>	<u>135,582</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>(256,573)</u>	<u>(256,573)</u>	<u>(120,991)</u>	<u>135,582</u>
FUND BALANCES (DEFICIT):				
Beginning of year	<u>(2,021,486)</u>	<u>(2,021,486)</u>	<u>(2,021,486)</u>	<u>-</u>
End of year	<u><u>\$(2,278,059)</u></u>	<u><u>\$(2,278,059)</u></u>	<u><u>\$(2,142,477)</u></u>	<u><u>\$ 135,582</u></u>

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

Home Program Grants Special Revenue Fund			
Budgeted Amounts		Actual	Variance w/Final
Original	Final		Positive (Negative)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	59,341	59,341
-	-	-	-
-	-	5,974	5,974
-	-	65,315	65,315
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
109,640	109,640	71,264	38,376
-	-	-	-
109,640	109,640	71,264	38,376
(109,640)	(109,640)	(5,949)	103,691
-	-	-	-
-	-	-	-
-	-	-	-
(109,640)	(109,640)	(5,949)	103,691
1,123,367	1,123,367	1,123,367	-
\$ 1,013,727	\$ 1,013,727	\$ 1,117,418	\$ 103,691

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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, 2023

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	STANCOG	Totals	Totals
Current assets:					
Cash and investments	\$ 30,716,846	\$ 22,280,158	\$ 553,599	\$ 53,550,603	\$ 5,608,627
Cash and investments with trustee/fiscal agent	37	-	-	37	-
Accounts receivable (net of uncollectible)	736,121	677,469	-	1,413,590	182,323
Interest receivable	27,005	19,594	497	47,096	-
Total current assets	31,480,009	22,977,221	554,096	55,011,326	5,790,950
Non-current assets:					
Intangible assets	59,069,152	-	-	59,069,152	-
Property, plant and equipment	44,161,214	30,094,309	-	74,255,523	10,680,183
Less accumulated depreciation	(15,238,055)	(16,379,654)	-	(31,617,709)	(5,878,077)
Property, plant, and equipment, net	87,992,311	13,714,655	-	101,706,966	4,802,106
Other assets:					
Advances to other funds	-	1,894,966	-	1,894,966	-
Total non-current assets	87,992,311	15,609,621	-	103,601,932	4,802,106
Total assets	119,472,320	38,586,842	554,096	158,613,258	10,593,056
Deferred outflows: Pension Plan	1,510,035	1,436,868	15,792	2,962,695	-
Total assets and deferred outflows	\$ 120,982,355	\$ 40,023,710	\$ 569,888	\$ 161,575,953	\$ 10,593,056
LIABILITIES AND NET POSITION					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 6,517,702	\$ 520,484	\$ -	\$ 7,038,186	\$ 317,768
Deposits payable	272,320	-	-	272,320	-
Unearned revenue	104,220	-	-	104,220	-
Interest payable	12,412	16,582	-	28,994	-
Due to other funds	-	-	-	-	235
Current portion of long-term debt	163,000	281,000	-	444,000	-
Total current liabilities	7,069,654	818,066	-	7,887,720	318,003
Long-term liabilities:					
Compensated absences	160,734	155,444	-	316,178	109,801
Due after one year	2,893,000	5,015,000	-	7,908,000	-
Liability for claims	-	-	-	-	1,557,271
Net pension liability	3,025,822	3,043,669	55,781	6,125,272	-
Total long-term liabilities	6,079,556	8,214,113	55,781	14,349,450	1,667,072
Total liabilities	13,149,210	9,032,179	55,781	22,237,170	1,985,075
Deferred inflows: Pension Plan	467,689	549,722	15,731	1,033,142	-
Total liabilities and deferred inflows	13,616,899	9,581,901	71,512	23,270,312	1,985,075
Net Position:					
Net investment in capital assets	90,885,311	18,729,655	-	109,614,966	4,802,106
Unrestricted	16,480,145	11,712,154	498,376	28,690,675	3,805,875
Total net position	107,365,456	30,441,809	498,376	138,305,641	8,607,981
Total liabilities, deferred inflows, and net position	\$ 120,982,355	\$ 40,023,710	\$ 569,888	\$ 161,575,953	\$ 10,593,056

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, 2023

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	STANCOG	Totals	Totals
OPERATING REVENUES:					
Charges for services	\$ 17,081,000	\$ 10,678,521	\$ -	\$ 27,759,521	\$ -
Interdepartmental charges	-	-	-	-	8,517,377
Other operating	318,024	159,279	-	477,303	116,344
Total operating revenues	17,399,024	10,837,800	-	28,236,824	8,633,721
OPERATING EXPENSES:					
Salaries and benefits	2,807,403	2,675,788	-	5,483,191	1,918,237
Contractual and other services	1,035,806	533,476	3,500	1,572,782	762,896
Materials and supplies	1,589,619	271,163	144	1,860,926	1,025,227
Depreciation and amortization	1,287,705	881,544	-	2,169,249	727,146
Other operating costs	1,670,069	5,314,209	-	6,984,278	2,562,227
Total operating expenses	8,390,602	9,676,180	3,644	18,070,426	6,995,733
OPERATING INCOME (LOSS)	9,008,422	1,161,620	(3,644)	10,166,398	1,637,988
NONOPERATING REVENUES (EXPENSES):					
Investment income	131,625	103,573	2,643	237,841	-
Gain (Loss) on sale of assets	-	-	-	-	167,520
Settlement revenue	3,000,000	-	-	3,000,000	-
Interest and debt service expenses	(104,967)	(182,074)	-	(287,041)	-
Other nonoperating expenses	(132,747)	-	-	(132,747)	-
Capital contributions	43,246,132	477,650	-	43,723,782	-
Total non-operating revenues	46,140,043	399,149	2,643	46,541,835	167,520
NET INCOME (LOSS) BEFORE TRANSFERS	55,148,465	1,560,769	(1,001)	56,708,233	1,805,508
Transfers in	-	304,000	-	304,000	-
Transfers out	-	-	-	-	-
Total Transfers	-	304,000	-	304,000	-
CHANGE IN NET POSITION	55,148,465	1,864,769	(1,001)	57,012,233	1,805,508
NET POSITION:					
Beginning of year	52,216,991	28,577,040	499,377	81,293,408	6,802,473
End of year	\$ 107,365,456	\$ 30,441,809	\$ 498,376	\$ 138,305,641	\$ 8,607,981

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, 2023

	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	\$ -	\$ -	\$ -	\$ -	\$ 8,425,613
Cash receipts from customers	17,247,626	10,852,063	-	28,099,689	-
Cash payments to suppliers for goods and services	(3,919,540)	(6,144,577)	(3,644)	(10,067,761)	(1,701,199)
Cash payments to employees for services	(2,814,946)	(2,669,685)	-	(5,484,631)	(1,975,064)
Cash receipts (payments) for loss claims	-	-	-	-	(2,329,947)
Net cash used by operating activities	10,513,140	2,037,801	(3,644)	12,547,297	2,419,403
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Other income received	2,867,253	-	-	2,867,253	-
Transfers received (paid)	-	543,952	-	543,952	(531,805)
Net cash provided by noncapital financing activities	2,867,253	543,952	-	3,411,205	(531,805)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
(Acquisition) Disposal and construction of capital assets	(25,829,653)	(461,883)	-	(26,291,536)	(1,693,623)
Proceeds from sale of capital assets	-	-	-	-	167,520
Capital contributions	43,246,132	477,650	-	43,723,782	-
Payments on long-term debt	(20,332,600)	(272,000)	-	(20,604,600)	-
Interest paid on capital debt	(104,967)	(182,074)	-	(287,041)	-
Net cash (used) by capital and related financing activities	(3,021,088)	(438,307)	-	(3,459,395)	(1,526,103)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment income received	107,857	85,837	2,199	195,893	-
Net cash provided by investing activities	107,857	85,837	2,199	195,893	-
Net increase (decrease) in cash and cash equivalents	10,467,162	2,229,283	(1,445)	12,695,000	361,495
CASH AND CASH EQUIVALENTS:					
Beginning of year	20,249,721	20,050,875	555,044	40,855,640	5,247,132
End of year	<u>\$ 30,716,883</u>	<u>\$ 22,280,158</u>	<u>\$ 553,599</u>	<u>\$ 53,550,640</u>	<u>\$ 5,608,627</u>
Presentation in Statement of Net Position:					
Cash and investments	\$ 30,716,846	\$ 22,280,158	\$ 553,599	\$ 53,550,603	\$ 5,608,627
Cash and investments with trustee/fiscal agent	37	-	-	37	-
Total cash and investments	<u>\$ 30,716,883</u>	<u>\$ 22,280,158</u>	<u>\$ 553,599</u>	<u>\$ 53,550,640</u>	<u>\$ 5,608,627</u>
Reconciliation of income (loss) from operations to net cash used by operating activities:					
Operating income (loss)	\$ 9,008,422	\$ 1,161,620	\$ (3,644)	\$ 10,166,398	\$ 1,637,988
Adjustments to reconcile operating income (loss) to net cash used in operating activities:					
Depreciation and amortization	1,287,705	881,544	-	2,169,249	727,146
Pension expense	10,769	9,889	-	20,658	-
(Increase) decrease in current assets:					
Accounts receivable	138,124	14,263	-	152,387	(181,916)
Prepaid items	-	-	-	-	-
Increase (decrease) in liabilities:					
Accounts payable and accrued liabilities	375,954	(25,729)	-	350,225	109,090
Deposits payable	(252,029)	-	-	(252,029)	-
Unearned revenue	(37,493)	-	-	(37,493)	-
Compensated absences	(18,312)	(3,786)	-	(22,098)	(25,379)
Increase (decrease) in claims liability	-	-	-	-	152,474
Net cash used by operating activities	\$ 10,513,140	\$ 2,037,801	\$ (3,644)	\$ 12,547,297	\$ 2,419,403

There were no noncash investing, capital, or financing activities affecting recognized assets and liabilities for the year ended June 30, 2023.

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, 2023

	Successor Agencies Private Purpose Trust Funds	Westpointe Assessment District Debt Service Custodial Fund
ASSETS		
Current assets:		
Cash and investments	\$ 5,131,575	\$ 296,321
Cash and investments with trustee/fiscal agent	2,061,500	-
Interest receivable	4,481	266
Total current assets	7,197,556	296,587
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	21,912,074	296,587
Deferred outflows: Pension plan	169,368	-
Total assets and deferred outflows	<u>\$ 22,081,442</u>	<u>\$ 296,587</u>
LIABILITIES AND NET POSITION		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 883	\$ -
Interest payable	8,591	-
Compensated absences - current	13,972	-
Current portion of long term debt	1,759,687	-
Total current liabilities	1,783,133	-
Long-term liabilities:		
Advances from other government agencies	266,702	-
Advances from Governmental Activities	531,494	-
Due after one year	25,749,891	-
Net pension obligation	324,490	-
Total long-term liabilities	26,872,577	-
Total liabilities	28,655,710	-
Deferred inflows: Pension plan	51,306	-
Total liabilities and deferred inflows	28,707,016	-
Net Position (Deficit):		
Restricted for:		
Redevelopment Dissolution	(6,625,574)	-
Individuals, organizations, and other governments	-	296,587
Total liabilities, deferred inflows, and net position	<u>\$ 22,081,442</u>	<u>\$ 296,587</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, 2023

	Successor Agencies Private Purpose Trust Funds	Westpointe Assessment District Debt Service Custodial Fund
ADDITIONS:		
Property taxes	\$ 2,763,109	\$ -
Investment earnings	22,428	1,414
Other revenue	28,869	-
Total additions	2,814,406	1,414
DEDUCTIONS:		
General and administrative	28,941	-
Salaries and benefits	215,521	-
Contractual and other services	79,935	-
Materials and supplies	3	4,000
Interest and debt service expenses	742,584	-
Total deductions	1,066,984	4,000
CHANGE IN FIDUCIARY NET ASSETS	1,747,422	(2,586)
NET POSITION (DEFICIT):		
Beginning of year	(8,372,996)	299,173
End of year	<u>\$ (6,625,574)</u>	<u>\$ 296,587</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, 2023

Index to Notes to Basic Financial Statements

	<u>Page</u>
Note 1 – Summary of Significant Accounting Policies	47
Financial Reporting Entity.....	47
Basis of Accounting and Measurement Focus.....	48
Assets, Liabilities, and Equity	52
Revenues, Expenditures, and Expenses.....	58
Budgetary Accounting	59
Note 2 – Cash and Investments.....	60
Note 3 – Accounts Receivable	63
Note 4 – Loans and Notes Receivable	63
Note 5 – Capital Assets	65
Note 6 – Accounts Payable and Accrued Liabilities	67
Note 7 – Special Assessment Districts	67
Note 8 – Long-term Liabilities.....	68
Note 9 – Net Position/ Fund Balances	70
Note 10 – Interfund Transactions	74
Note 11 – Risk Management	77
Note 12 – Pension Plan	78
Note 13 – Abandoned Vehicle Abatement Program.....	84
Note 14 – Successor Agency Trust for Assets of Former Redevelopment Agency	85
Note 15 – Commitments and Contingencies.....	91
Note 16 – New Accounting Pronouncements.....	92

City of Ceres, California
Notes to Basic Financial Statements
For the year ended June 30, 2023

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, 2023

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, 2023

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.
- ***Measure H Special Revenue Fund*** – This fund is used to account for 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.
- ***Community Center Special Revenue Fund*** – This fund is used to account for operational revenues and expenses of Ceres Community Center.
- ***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.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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.”

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.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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, 2023, 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, 2023, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.

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, 2023

2. CASH AND INVESTMENTS

At June 30, 2023, 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 3	3 to 5	Deposits	Market Value		
<u>Cash equivalents and investments pooled</u>							
Pooled cash, at fair value:							
Cash in bank	\$ -	\$ -	\$ -	\$ 68,589,064	\$ 68,589,064		
Petty cash	-	-	-	4,250	4,250		
Total pooled items	-	-	-	68,593,314	68,593,314		
Pooled investments, at fair value							
<u>Interest obligations</u>							
<u>Par</u>	<u>Rate</u>						
\$3,208,000	0.55 - 4.95%	Domestic Time Deposits	1,234,000	1,481,000	493,000	-	3,208,000
\$17,000,000	0.5 - 4.87%	US Government Agency Securities	-	8,010,488	8,978,000	-	16,988,488
		Municipal Investor Account	6,436,639	-	-	-	6,436,639
		State of California Local Agency Investment Fund	4,602,621	-	-	-	4,602,621
		Total pooled investments - interest obligations	12,273,260	9,491,488	9,471,000	-	31,235,748
		Total cash equivalents and investments pooled	\$ 12,273,260	\$ 9,491,488	\$ 9,471,000	\$ 68,593,314	\$ 99,829,062
Amounts reported in:							
Government activities							\$ 38,789,026
Business-type activities:							
Unrestricted cash and investments							53,550,603
Cash and investments with trustee / fiscal agent							37
Fiduciary activities:							
Unrestricted cash and investments							5,427,896
Cash and investments with trustee/fiscal agent							2,061,500
Total							\$ 99,829,062

Investment Type	Fair Value	Maturity (in years)
Domestic Time Deposits	\$ 3,208,000	1.51
US Governments Agency Securities	16,988,488	2.62
Municipal Investor Account	6,436,639	0.000
Local Agency Investment Fund	4,602,621	0.000
Total fair value	\$ 31,235,748	

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, 2023, 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, 2023

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, 2023, 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 2.78% 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, 2023, the carrying amount of the City’s deposits was \$68,589,094 and the balance in financial institutions was \$67,279,428. Of the balance in financial institutions, \$500,000 was covered by federal depository insurance and \$66,779,428 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, 2023, 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, 2023

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, 2023, was \$25.67 billion of which the City had a balance of \$4,602,621. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2023 has a portfolio with market valuation including accrued interest of \$177 billion. 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, 2023:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Total
Current:				
Accounts	\$ -	\$ 1,413,590	\$ -	\$ 1,413,590
Taxes	1,466,198	-	-	1,466,198
Interest	27,310	47,096	4,747	79,153
Intergovernmental	921,361	-	-	921,361
Other receivable	3,389,910	-	-	3,389,910
Total current	<u>\$ 5,804,779</u>	<u>\$ 1,460,686</u>	<u>\$ 4,747</u>	<u>\$ 7,270,212</u>

These amounts resulted in the following concentrations in receivables:

Other Governments	32.84%
Individuals/Businesses	19.44%
Financial	1.09%
Other	46.63%

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, 2023

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, 2023, consisted of the following:

Description	Beginning July 1, 2022	Additions	(Deletions)	Ending June 30, 2023
First-Time Homebuyer Loans	\$ 2,042,334	\$ -	\$ (32,026)	\$ 2,010,308
Housing Rehabilitation Loans:				
CDBG Loan	217,305	-	(2,245)	215,060
Emergency Repair Loan	306,806	-	(449)	306,357
Begin Home Grant	344,050	-	-	344,050
Total Housing Rehabilitation Loans	960,776	-	(2,694)	865,467
Whitmore Oaks	865,361	-	-	865,361
Della Tiara	2,486,399	-	-	2,486,399
Total loans receivable	\$ 6,632,071	\$ -	\$ (34,720)	\$ 6,227,535

The following is a summary of the loans and notes receivable outstanding as of June 30, 2023:

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, 2023 were \$2,010,308.

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, 2023 were \$865,467.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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, 2023 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, 2023 was \$2,486,399.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

5. CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
<u>Governmental activities:</u>				
Nondepreciable assets:				
Land	\$ 14,753,193	\$ -	\$ -	\$ 14,753,193
Total nondepreciable assets	14,753,193	-	-	14,753,193
Depreciable assets:				
Buildings and improvements	41,233,806	413,278	-	41,647,084
Machinery & equipment	19,075,736	2,293,702	(286,037)	21,083,401
Infrastructure	107,551,424	3,674,412	-	111,225,836
Total depreciable assets	167,860,966	6,381,392	(286,037)	173,956,321
Total	182,614,159	6,381,392	(286,037)	188,709,514
Accumulated depreciation:				
Buildings and improvements	(19,848,243)	(1,493,258)	-	(21,341,501)
Machinery & equipment	(12,698,382)	(1,220,016)	370,830	(13,547,568)
Infrastructure	(68,488,642)	(3,397,372)	-	(71,886,014)
Total accumulated depreciation	(101,035,267)	(6,110,646)	370,830	(106,775,083)
Net depreciable assets	66,825,699	270,746	84,793	67,181,238
Total net capital assets	\$ 81,578,892	\$ 270,746	\$ 84,793	\$ 81,934,431

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

General government	\$ 1,919,160
Public safety	376,258
Public works	3,714,440
Community services	29,322
Economic development	71,466
Total	<u>\$ 6,110,646</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

5. CAPITAL ASSETS, Continued

Capital asset activity for business-type activities for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
<u>Business-type activities:</u>				
Nondepreciable assets:				
Land	\$ 3,291,818	\$ -	\$ -	\$ 3,291,818
Intangible Asset	33,620,000	25,449,152	-	59,069,152
Total nondepreciable assets	36,911,818	25,449,152	-	62,360,970
Depreciable assets:				
Buildings and improvements	9,510,944	133,772	-	9,644,716
Machinery & equipment	6,630,316	371,731	(150,064)	6,851,983
Infrastructure	48,535,851	5,931,156	-	54,467,007
Total depreciable assets	64,677,111	6,436,659	(150,064)	70,963,706
Total	101,588,929	31,885,811	(150,064)	133,324,676
Accumulated depreciation:				
Buildings and improvements	(6,344,394)	(292,380)	-	(6,636,774)
Machinery & equipment	(5,611,178)	(219,011)	44,521	(5,785,668)
Infrastructure	(17,537,410)	(1,657,858)	-	(19,195,268)
Total accumulated depreciation	(27,555,294)	(2,169,249)	44,521	(31,617,710)
Net depreciable assets	30,727,044	4,267,410	(105,543)	39,345,996
Total net capital assets	\$ 34,018,862	\$ 29,716,562	\$ (105,543)	\$ 101,706,966

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

Water	\$ 1,287,705
Sewer	881,544
Total	<u>\$ 2,169,249</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2023:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Total
Accounts payable	\$ 1,956,340	\$ 7,038,186	\$ 883	\$ 8,995,409
Accrued payroll and related liabilities	250,251	-	-	250,251
Total	\$ 2,206,591	\$ 7,038,186	\$ 883	\$ 9,245,660

These amounts resulted in the following concentrations in payables:

Vendors	97.3%
Employees	2.7%

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, 2023:

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, 2023, 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, 2023

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, 2023:

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023	Due Within One Year
<u>Governmental Activities:</u>					
Loan Payable	\$ 229,285	\$ -	\$ (112,938)	\$ 116,347	\$ 116,347
Total governmental activities	<u>\$ 229,285</u>	<u>\$ -</u>	<u>\$ (112,938)</u>	<u>\$ 116,347</u>	<u>\$ 116,347</u>
<u>Business-type Activities:</u>					
2020 Water Refunding Bonds	\$ 3,210,000	\$ -	\$ (154,000)	\$ 3,056,000	\$ 163,000
2020 Water Revenue Bonds	20,280,000	-	(20,280,000)	-	-
Bond discount	(101,400)	-	101,400	-	-
2020 Wastewater Refunding Bonds	<u>5,568,000</u>	<u>-</u>	<u>(272,000)</u>	<u>5,296,000</u>	<u>281,000</u>
Total business-type activities	<u>\$ 28,956,600</u>	<u>\$ -</u>	<u>\$ (20,604,600)</u>	<u>\$ 8,352,000</u>	<u>\$ 444,000</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, 2023 was \$116,347.

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, 2023 is \$3,056,000.

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. On November 1, 2022, the outstanding bonds were redeemed in full at par, plus accrued interest to the date of redemption.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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, 2023 is \$5,296,000.

Future debt service at June 30, 2023, is as follows for all remaining debt except claims liabilities:

Year Ending June 30,	Business-type Activities			
	2020 Water Refunding Bonds		2020 Wastewater Refunding Bonds	
	Principal	Interest	Principal	Interest
2024	\$ 163,000	\$ 99,931	\$ 281,000	\$ 173,179
2025	167,000	94,601	289,000	163,991
2026	171,000	89,140	297,000	154,540
2027	179,000	83,549	309,000	144,828
2028	182,000	38,848	317,000	134,724
2029-2033	1,007,000	294,692	1,748,000	510,938
2034-2038	1,187,000	118,734	2,055,000	205,879
203-2043	-	-	-	-
2044-2048	-	-	-	-
2049-2050	-	-	-	-
Total	<u>\$ 3,056,000</u>	<u>\$ 819,495</u>	<u>\$ 5,296,000</u>	<u>\$ 1,488,079</u>
Due within one year	\$ 163,000	\$ 99,931	\$ 281,000	\$ 173,179
Due after one year	2,893,000	719,564	5,015,000	1,314,900
Total	<u>\$ 3,056,000</u>	<u>\$ 819,495</u>	<u>\$ 5,296,000</u>	<u>\$ 1,488,079</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

9. NET POSITION/ FUND BALANCES

Net Position

	Governmental Activities	Business-type Activities	Totals
Net investment in capital assets	\$ 81,818,084	\$ 109,614,966	\$ 191,433,050
Restricted	12,026,765	-	12,026,765
Unrestricted	3,576,991	28,690,675	32,267,666
Total	<u>\$ 97,421,840</u>	<u>\$ 138,305,641</u>	<u>\$ 235,727,481</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, 2023:

Nonspendable:	
Prepaid items	\$ 17,963
Total nonspendable	<u>\$ 17,963</u>
Restricted for:	
Measure H Income	\$ 1,331,683
Home Program	1,117,418
CDBG Programs	722,726
Storm Drain Benefit Districts	933,526
Eastgate Street Benefit District	106,652
BEGIN Grant Program	470,634
Program Income BEGIN	230,200
State Gas Tax	-
SLESF	138,929
Dept of Conservation Grant	51,995
Fire Hydrant Benefit District	129,139
Measure L	4,929,863
Road Maintenance and Rehab	1,698,745
SB 1383 Local Assistance Grant	24,624
Total restricted	<u>\$ 12,026,765</u>
Committed:	
Community Facilities District	\$ 12,690
Total committed	<u>\$ 12,690</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

9. NET POSITION/ FUND BALANCES, Continued

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

Nonspendable

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

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.

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.

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

Supplemental Law Enforcement Services Fund (SLESF) - Accounts for revenues and expenditures associated with State funds provided as a match for the COPS Universal Hiring Grant.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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.

SB 1383 Local Assistance Grant - This fund will track grant funds from CalRecycle and expenditures associated with complying with Senate Bill 1383.

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

Community Center - \$2,142,477 resulted from operational costs in excess of revenues. The City plans to address this deficit in the next fiscal year.

State Gas Tax - \$330,421 – resulted from the depletion of the fund balance through operational expenditures.

Street Light - Landscape District - \$367,892 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, 2023

9. NET POSITION/ FUND BALANCES, Continued

Nonmajor Special Revenue Funds, Continued

CMAQ – \$116,810 resulted from the advance of funds through a Federal grant setup on a cost reimbursement basis with revenues to be received in future years.

Transportation Development Act - \$174,018 resulted from expenditures related to the Safe Routes to School Morgan Road Corridor Improvement Capital Improvement Plan (CIP) project exceeding revenues during the fiscal year.

Daniel Whitmore House - \$844 resulted from the advance of funds from the City with revenues to be received in future years.

Clinton Whitmore Mansion - \$134,575 resulted from the advance of funds from the City with revenues to be received in future years.

SB2 Planning Grants Program Fund - \$20,214 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, 2023, for the following funds:

	<u>Final Budget</u>	<u>Total Expenditures and Transfers</u>	<u>Excess Expenditures Over Appropriations</u>
<u>Governmental Activities</u>			
Non-major Funds:			
Special Revenue Funds:			
SLESF	\$ 100,000	\$ 143,219	\$ (43,219)
Traffic Safety	-	53,022	(53,022)
Department of Conservation Grant	15,000	29,517	(14,517)
Community Facilities District	694,936	746,277	(51,341)
LLEBG	-	21,570	(21,570)
Daniel Whitmore House	5,371	6,095	(724)
SB 1383	-	45,486	(45,486)

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

10. INTERFUND TRANSACTIONS

Due to and due from other funds consisted of the following as of June 30, 2023:

	Due from Other Funds	Due to Other Funds
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 3,423,968	\$ -
Community Center	-	2,006,594
Total Major Funds	<u>3,423,968</u>	<u>2,006,594</u>
Non-major Funds:		
Special Revenue Funds:		
State Gas Tax	-	638,487
Street Light-Landscape District	-	352,262
Traffic Safety	-	9,663
CMAQ	-	107,423
Transportation Development Act	-	174,018
Daniel Whitmore House	-	770
Clinton Whitmore Mansion	-	134,516
Total Non-major Special Revenue Funds	<u>-</u>	<u>1,417,139</u>
Total Non-major Funds	<u>-</u>	<u>1,417,139</u>
Internal Service Funds:		
Risk Management	-	235
Total Governmental Activities	<u>\$ 3,423,968</u>	<u>\$ 3,423,968</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, 2023

10. INTERFUND TRANSACTIONS, Continued

Activity for advances for the year ended June 30, 2023, was as follows:

	Advances to Other Funds	Advances from Other Funds
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 531,494	\$ 1,894,966
Total Major Funds	<u>531,494</u>	<u>1,894,966</u>
<u>Enterprise Funds</u>		
Sewer	1,894,966	-
Total Enterprise Funds	<u>1,894,966</u>	<u>-</u>
<u>Successor Agency</u>		
CRA	-	-
SCRC	-	531,494
Total Successor Agency	<u>-</u>	<u>531,494</u>
Total Advances	<u>\$ 2,426,460</u>	<u>\$ 2,426,460</u>

Advances from the General Fund to the Successor Agency - SCRC were for Redevelopment Agency start-up costs. Advances from the Sewer Fund to the General Fund were provided to finance the purchase of a fire engine in Fiscal Year 2019-2020. Repayments of \$304,000 are being made annually over eleven years at an interest rate of 3%.

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, 2023

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, 2023:

	Transfers In	Transfers Out
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 892,886	\$ 311,878
Total Major Funds	<u>892,886</u>	<u>311,878</u>
Non-major Funds:		
Special Revenue Funds:		
Measure H	-	152,000
Community Facilities District	-	738,379
Daniel Whitmore House	5,371	-
Total Non-major Special Revenue Funds	<u>5,371</u>	<u>890,379</u>
Total Governmental Activities	<u>898,257</u>	<u>1,202,257</u>
<u>Proprietary Funds</u>		
Sewer	304,000	-
Total Proprietary Funds	<u>304,000</u>	<u>-</u>
Total Transfers	<u>\$ 1,202,257</u>	<u>\$ 1,202,257</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, 2023

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, 2023, the most recent available, is presented below:

Total assets	\$ 153,984,502
Total liabilities	120,022,096
Total equities	33,962,406
Total revenues	73,024,624
Total expenses	71,300,255
Revenues over (under) expenses	1,724,369

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 2022-2023, 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, 2023

11. RISK MANAGEMENT, Continued

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

Fiscal Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments for Current and Prior Years	End of Year Liability
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
2022-2023	1,404,797	2,195,524	(2,023,050)	1,577,271

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, 2023

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, 2023

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, 2023, 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
June 30, 2023	5,981,838

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 77.4% actuarially funded as of June 30, 2023.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 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, 2023 actuarial valuations was determined using the following actuarial assumptions:

Actuarial Assumptions	
Valuation date	June 30, 2021
Measurement date	June 30, 2022
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, 2023

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, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equities		
US Large Cap	16.00%	4.50%
US Small Cap	4.00%	5.10%
International Equities		
International Development	14.50%	4.60%
Emerging Market Equity	5.50%	7.10%
US Fixed Income		
US Treasury	6.00%	1.00%
Short-term Gov/Credit	7.00%	3.00%
Real Estate Securities		
Core	6.50%	2.80%
Value-add	6.00%	4.30%
Risk Parity	10.00%	3.70%
Absolute Return	3.00%	3.10%
Private Equity	5.00%	7.90%
Private Credit	8.00%	6.30%
Infrastructure	7.50%	5.50%
Cash	1.00%	0.50%

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

As of June 30, 2023, the City reported net pension liabilities for its proportionate share of the net pension liability of the Plan of \$45,591,673.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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, 2022, 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, 2021 rolled forward to June 30, 2022 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, 2023 and 2022 was 6.1773% and 5.2415% respectively.

For the year ended June 30, 2023, the City recognized pension expense of \$2,623,260. At June 30, 2023, 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	\$ 5,981,838	\$ -
Differences between actual and expected experience	3,325,617	-
Changes in proportions	5,470,464	1,925,174
Differences between the employer's contributions and the employer's proportionate share of the contributions	214,184	800,115
Net differences between projected and actual earnings on plan investments	6,493,958	-
Changes in assumptions	299,575	2,936,295
Total	<u>\$ 21,785,636</u>	<u>\$ 5,661,584</u>

\$5,981,838 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, 2024. 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	
2024	\$ 2,860,117
2025	2,105,731
2026	(89,382)
2027	5,265,747
2028	-
Thereafter	-

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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	\$ 72,847,771	\$ 45,591,673	\$ 23,204,310

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, 2023 as follows:

Revenues	\$ 55,352
Expenditures:	
Public safety	<u>43,624</u>
Revenues (under) expenditures	11,728
Fund balances:	
Beginning balance	<u>65,370</u>
Ending balance	<u>\$ 77,098</u>

AVA expenditures for 2023 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, 2023

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, 2023

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, 2023 for the Successor Agency, consisted of the following:

Description	Beginning July 1, 2022	Additions	(Deletions)	Ending June 30, 2023
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	<u>\$ 2,214,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,214,371</u>

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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, 2023:

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, 2023 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, 2023 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, 2023 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, 2023 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, 2023 was \$633,000.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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, 2023:

	Balance July 1, 2022	Transfers/ Additions	Retirements	Balance June 30, 2023	Due Within One Year
<u>Fiduciary Activities:</u>					
2000 SCRC Tax Allocation Bonds	\$ 735,000	\$ -	\$ (60,000)	\$ 675,000	\$ 65,000
2015 Successor CRA Tax Allocation Refunding Bonds	6,370,000	-	(335,000)	6,035,000	350,000
Bond premium	171,773		(14,542)	157,231	14,542
2020 CRA Non-Housing Refunding Tax Allocation Bonds	18,435,000	-	(1,040,000)	17,395,000	1,080,000
Bond premium	3,502,036	-	(254,689)	3,247,347	250,145
Total fiduciary activities	<u>\$ 29,213,809</u>	<u>\$ -</u>	<u>\$ (1,704,231)</u>	<u>\$ 27,509,578</u>	<u>\$ 1,759,687</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, 2023

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, 2023, there were no arbitrage liabilities.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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

Future debt service at June 30, 2023, is as follows for fiduciary debt:

Year Ending June 30,	2000 SCRC Tax Allocation		2015 CRA Tax Allocation		2020 CRA Non-Housing Refunding Tax Allocation	
	Bonds		Refunding Bonds		Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
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	85,000	22,946	430,000	179,463	1,265,000	511,800
2029-2033	300,000	30,820	3,150,000	500,944	6,100,000	1,781,800
2034-2038	-	-	940,000	17,625	5,430,000	479,000
2039-2042	-	-	-	-	-	-
Total	\$ 675,000	\$ 197,319	\$ 6,035,000	\$ 1,758,157	\$ 17,395,000	\$ 5,289,200
Due within one year	\$ 65,000	\$ 42,959	\$ 350,000	\$ 293,000	\$ 1,080,000	\$ 695,800
Due after one year	610,000	154,360	5,685,000	1,465,157	16,315,000	4,593,400
Total	\$ 675,000	\$ 197,319	\$ 6,035,000	\$ 1,758,157	\$ 17,395,000	\$ 5,289,200

Year Ending June 30,	Premium 2015 CRA Tax Allocation		Premium 2020 CRA Non-Housing Refunding Tax Allocation		Totals	
	Refunding Bonds		Bonds			
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 14,542	\$ -	\$ 250,145	\$ -	\$ 1,759,687	\$ 1,031,759
2025	14,542	-	250,145	-	1,829,687	966,070
2026	14,542	-	250,145	-	1,904,687	897,249
2027	14,542	-	250,145	-	1,969,687	825,200
2028	14,542	-	250,145	-	2,044,687	714,209
2029-2033	72,709	-	1,250,727	-	10,873,436	2,313,564
2034-2038	11,812	-	745,895	-	7,127,707	496,625
2039-2042	-	-	-	-	-	-
Total	\$ 157,231	\$ -	\$ 3,247,347	\$ -	\$ 27,509,578	\$ 7,244,676
Due within one year	\$ 14,542	\$ -	\$ 250,145	\$ -	\$ 1,759,687	\$ 1,031,759
Due after one year	142,689	-	2,997,202	-	25,749,891	7,244,676
Total	\$ 157,231	\$ -	\$ 3,247,347	\$ -	\$ 27,509,578	\$ 8,276,435

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

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

Activity for advances for the year ended June 30, 2023, was as follows:

	Advances to Other Funds	Advances from Other Funds
<u>Governmental Activities</u>		
Major Funds:		
General Fund	\$ 531,494	\$ -
Total Major Funds	531,494	-
Total Governmental Activities	531,494	-
Fiduciary Activities:		
Private Purpose Trust Funds:		
Former Ceres Redevelopment Agency		
Non-Housing	-	1,826,680
Former Ceres Redevelopment Agency		
Housing	1,826,680	-
Former Stanislaus - Ceres Redevelopment		
Commission Successor Agency Non-Housing	-	531,494
Total Private Purpose Trust Funds	1,826,680	2,358,174
Total Fiduciary Activities	1,826,680	2,358,174

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.

Stanislaus Regional Water Authority

The City of Ceres and the City of Turlock formed a joint powers authority, the Stanislaus Regional Water Authority (SRWA), in order to develop and finance the Regional Surface Water Supply Project (RSWSP). The project consists of the construction of a water treatment plant (WTP) and associated facilities with the capacity to treat up to 30 million gallons per day (MGD) of surface water from the Tuolumne River. The water will be provided by Turlock Irrigation District (TIO). The RSWSP is also expected to include a system of pipelines to transport the water to the project participants. The environmental review process for the RSWSP and related terminal facilities for each Project Participant is complete.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

15. COMMITMENTS AND CONTINGENCIES, Continued

Stanislaus Regional Water Authority

In furtherance of the RSWSP, on February 2, 2020, the SRWA, the Project Participants, and TIO entered into a Regional Surface Water Supply Phase 3 Project Design and Construction Funding Agreement. Pursuant to the agreement, the City of Ceres will be entitled to 33.3% of the capacity of the RSWSP and the City of Turlock will be entitled to the remaining 66.7%.

The RSWSP project is expected to cost a total of \$266,949,332. The City's investment in the project at June 30, 2023, was \$59,069,152. Additional information regarding this project can be found at www.stanrwa.com.

16. NEW ACCOUNTING PRONOUNCEMENTS

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 implementation of this statement did not have an effect on the financial statements.

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 implementation of this statement did not have an effect on the financial statements.

The GASB has issued Statement No. 99, *“Omnibus 2022.”* The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to leases, PPPs, and SBITAs will take effect for financial statements starting with the fiscal year that ends June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 will take effect for financial statements starting with the fiscal year that ends June 30, 2024.

The GASB has issued Statement No. 100, *“Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62.”* The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2024.

City of Ceres, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2023

16. NEW ACCOUNTING PRONOUNCEMENTS, Continued

The GASB has issued Statement No. 101, "*Compensated Absences*." The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2024.

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REQUIRED SUPPLEMENTARY INFORMATION

City of Ceres, California
Required Supplementary Information - Schedule of Contributions

Last 10 Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution (actuarially determined)	\$ 5,226,127	\$ 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	<u>5,226,127</u>	<u>5,217,995</u>	<u>5,281,755</u>	<u>5,036,102</u>	<u>4,265,800</u>	<u>3,831,916</u>	<u>3,554,625</u>	<u>3,393,450</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 11,560,488	\$ 13,305,865	\$ 14,028,282	\$ 12,808,104	\$ 11,548,404	\$ 12,342,023	\$ 13,228,342	\$ 13,055,073
Contribution as a percentage of covered-employee payroll	45.21%	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*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Plan's Proportion of the Net Pension Liability/(Asset)	6.1773%	5.2415%	5.7019%	5.5842%	5.1682%	5.5554%	5.8514%	5.6629%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$ 45,591,673	\$ 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	<u>\$ 11,560,488</u>	<u>\$ 13,305,865</u>	<u>\$ 14,028,282</u>	<u>\$ 12,808,104</u>	<u>\$ 11,548,404</u>	<u>\$ 12,342,023</u>	<u>\$ 13,228,342</u>	<u>\$ 13,055,073</u>
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered-Employee Payroll	394.37%	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	77.40%	86.50%	73.00%	77.00%	76.70%	75.00%	70.60%	86.10%
Plan's Proportionate Share of Aggregate Employer Contribution	\$ 5,226,127	\$ 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 Expansion	Accounts for fees collected from developers to be used to widen streets due to the traffic impact of their projects.
CDBG Grants	Accounts for activities related to housing and the related CDBG funding.
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.
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
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.
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.
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	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 2023. 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, 2023

	Street Expansion	CDBG Grants	Street Tree	Storm Drain Benefit Districts	Brown Annex
ASSETS					
Cash and investments	\$ 2,431,318	\$ 311,656	\$ 101,742	\$ 932,729	\$ 42,961
Receivables:					
Taxes	-	-	-	-	-
Interest	1,829	352	91	797	26
Intergovernmental	-	413,437	-	-	-
Loans receivable	-	451,955	-	-	-
Other receivable	-	-	-	-	-
Total assets	\$ 2,433,147	\$ 1,177,400	\$ 101,833	\$ 933,526	\$ 42,987
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ 2,720	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	-	2,720	-	-	-
Deferred inflows: unavailable revenue	-	451,954	-	-	-
Total liabilities and deferred inflows	-	454,674	-	-	-
Fund Balances:					
Nonspendable:					
Capital projects	-	-	-	-	-
Restricted	-	722,726	-	933,526	-
Committed	-	-	-	-	-
Assigned, reported in:					
Special revenue funds	2,433,147	-	101,833	-	42,987
Unassigned (deficit)	-	-	-	-	-
Total fund balances	2,433,147	722,726	101,833	933,526	42,987
Total liabilities and fund balances	\$ 2,433,147	\$ 1,177,400	\$ 101,833	\$ 933,526	\$ 42,987

Eastgate Street Benefit District	AB 939	Neighborhood Park Fees	BEGIN Grant	Program Income BEGIN	State Gas Tax	SLESF
\$ 106,561	\$ 171,466	\$ 1,330,692	\$ 470,212	\$ 229,994	\$ -	\$ 73,658
-	-	-	-	-	-	-
91	149	1,136	422	206	-	-
-	-	-	-	-	332,096	65,271
-	-	-	344,050	-	-	-
-	-	-	-	-	-	-
<u>\$ 106,652</u>	<u>\$ 171,615</u>	<u>\$ 1,331,828</u>	<u>\$ 814,684</u>	<u>\$ 230,200</u>	<u>\$ 332,096</u>	<u>\$ 138,929</u>
\$ -	\$ 487	\$ 8,777	\$ -	\$ -	\$ 24,030	\$ -
-	-	-	-	-	638,487	-
-	487	8,777	-	-	662,517	-
-	-	-	344,050	-	-	-
-	487	8,777	344,050	-	662,517	-
106,652	-	-	-	-	-	-
-	-	-	470,634	230,200	-	138,929
-	-	-	-	-	-	-
-	171,128	1,323,051	-	-	-	-
-	-	-	-	-	(330,421)	-
<u>106,652</u>	<u>171,128</u>	<u>1,323,051</u>	<u>470,634</u>	<u>230,200</u>	<u>(330,421)</u>	<u>138,929</u>
<u>\$ 106,652</u>	<u>\$ 171,615</u>	<u>\$ 1,331,828</u>	<u>\$ 814,684</u>	<u>\$ 230,200</u>	<u>\$ 332,096</u>	<u>\$ 138,929</u>

(continued)

City of Ceres, California
Combining Balance Sheet
Nonmajor Special Revenue Funds, Continued
June 30, 2023

	Abandoned Vehicle Abatement	Seized Property	Downtown Revitalization	Street Light- Landscape District	Traffic Offender
ASSETS					
Cash and investments	\$ 64,804	\$ 49,166	\$ 67,506	\$ -	\$ 58,639
Receivables:					
Taxes	-	-	-	-	-
Interest	67	44	61	-	-
Intergovernmental	12,300	-	-	-	-
Loans receivable	-	-	-	-	-
Other receivable	-	-	-	-	-
Total assets	<u><u>\$ 77,171</u></u>	<u><u>\$ 49,210</u></u>	<u><u>\$ 67,567</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 58,639</u></u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 73	\$ 31,756	\$ 97	\$ 15,630	\$ 7,273
Due to other funds	-	-	-	352,262	-
Total liabilities	<u>73</u>	<u>31,756</u>	<u>97</u>	<u>367,892</u>	<u>7,273</u>
Deferred inflows: Grants	-	-	-	-	-
Total liabilities and deferred inflows	<u>73</u>	<u>31,756</u>	<u>97</u>	<u>367,892</u>	<u>7,273</u>
Fund Balances:					
Nonspendable:					
Capital projects	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned, reported in:					
Special revenue funds	77,098	17,454	67,470	-	51,366
Unassigned (deficit)	-	-	-	(367,892)	-
Total fund balances	<u>77,098</u>	<u>17,454</u>	<u>67,470</u>	<u>(367,892)</u>	<u>51,366</u>
Total liabilities and fund balances	<u><u>\$ 77,171</u></u>	<u><u>\$ 49,210</u></u>	<u><u>\$ 67,567</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 58,639</u></u>

Traffic Safety	Used Oil Grants	Dept of Conservation Grant	CMAQ	Community Facilities District	Fire Hydrant Benefit District
\$ -	\$ 24,831	\$ 57,357	\$ -	\$ 12,126	\$ 129,139
-	-	-	-	-	-
-	22	51	-	564	-
-	-	-	-	-	-
-	-	-	-	-	-
9,663	-	-	-	-	-
<u>\$ 9,663</u>	<u>\$ 24,853</u>	<u>\$ 57,408</u>	<u>\$ -</u>	<u>\$ 12,690</u>	<u>\$ 129,139</u>
\$ -	\$ -	\$ 5,413	\$ 9,387	\$ -	\$ -
9,663	-	-	107,423	-	-
<u>9,663</u>	<u>-</u>	<u>5,413</u>	<u>116,810</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>9,663</u>	<u>-</u>	<u>5,413</u>	<u>116,810</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	51,995	-	-	129,139
-	-	-	-	12,690	-
-	24,853	-	-	-	-
-	-	-	(116,810)	-	-
<u>-</u>	<u>24,853</u>	<u>51,995</u>	<u>(116,810)</u>	<u>12,690</u>	<u>129,139</u>
<u>\$ 9,663</u>	<u>\$ 24,853</u>	<u>\$ 57,408</u>	<u>\$ -</u>	<u>\$ 12,690</u>	<u>\$ 129,139</u>

(continued)

City of Ceres, California
Combining Balance Sheet
Nonmajor Governmental Funds, Continued
June 30, 2023

	Transportation Development Act	LLEBG	Public Facilities Fees	Daniel Whitmore House	RiverBluff Regional Park
ASSETS					
Cash and investments	\$ -	\$ 22,176	\$ 2,750,817	\$ -	\$ 26,317
Receivables:					
Taxes	-	-	-	-	-
Interest	-	26	2,268	-	-
Intergovernmental	-	119	-	-	-
Loans receivable	-	-	-	-	-
Other receivable	-	-	-	-	-
Total assets	\$ -	\$ 22,321	\$ 2,753,085	\$ -	\$ 26,317
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 25,022	\$ 74	\$ -
Deposits payable	-	-	-	-	-
Due to other funds	174,018	-	-	770	-
Total liabilities	174,018	-	25,022	844	-
Deferred inflows: unavailable revenue	-	-	-	-	-
Total liabilities and deferred inflows	174,018	-	25,022	844	-
Fund Balances:					
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned, reported in:					
Special revenue funds	-	22,321	2,728,063	-	26,317
Unassigned (deficit)	(174,018)	-	-	(844)	-
Total fund balances	(174,018)	22,321	2,728,063	(844)	26,317
Total liabilities and fund balances	\$ -	\$ 22,321	\$ 2,753,085	\$ -	\$ 26,317

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
\$ 141,463	\$ -	\$ 4,287,274	\$ 1,599,260	\$ 44,993	\$ 24,591	\$ 8,886,238	\$ 24,449,686
-	-	638,867	-	-	-	-	638,867
127	-	3,722	1,347	-	33	-	13,431
-	-	-	98,138	-	-	-	921,361
-	-	-	-	-	-	-	796,005
-	-	-	-	-	-	-	9,663
<u>\$ 141,590</u>	<u>\$ -</u>	<u>\$ 4,929,863</u>	<u>\$ 1,698,745</u>	<u>\$ 44,993</u>	<u>\$ 24,624</u>	<u>\$ 8,886,238</u>	<u>\$ 26,829,013</u>
\$ 959	\$ 59	\$ -	\$ -	\$ 65,207	\$ -	\$ 106,234	\$ 303,198
-	-	-	-	-	-	-	-
-	134,516	-	-	-	-	-	1,417,139
<u>959</u>	<u>134,575</u>	<u>-</u>	<u>-</u>	<u>65,207</u>	<u>-</u>	<u>106,234</u>	<u>1,720,337</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>796,004</u>
<u>959</u>	<u>134,575</u>	<u>-</u>	<u>-</u>	<u>65,207</u>	<u>-</u>	<u>106,234</u>	<u>2,516,341</u>
140,631	-	4,929,863	1,698,745	-	24,624	-	9,577,664
-	-	-	-	-	-	-	12,690
-	-	-	-	-	-	8,780,004	15,867,092
-	(134,575)	-	-	(20,214)	-	-	(1,144,774)
<u>140,631</u>	<u>(134,575)</u>	<u>4,929,863</u>	<u>1,698,745</u>	<u>(20,214)</u>	<u>24,624</u>	<u>8,780,004</u>	<u>24,312,672</u>
<u>\$ 141,590</u>	<u>\$ -</u>	<u>\$ 4,929,863</u>	<u>\$ 1,698,745</u>	<u>\$ 44,993</u>	<u>\$ 24,624</u>	<u>\$ 8,886,238</u>	<u>\$ 26,829,013</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, 2023

	Street Expansion	CDBG Grants	Street Tree	Storm Drain Benefit Districts	Brown Annex
REVENUES:					
Property and other taxes	\$ -	\$ -	\$ -	\$ 84,605	\$ 35,860
Licenses and permits	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Charges for services	-	-	-	-	-
Intergovernmental	695,006	416,650	-	-	-
Use of money and property	9,342	1,870	483	4,122	54
Other revenues	-	-	-	-	-
Total revenues	704,348	418,520	483	88,727	35,914
EXPENDITURES:					
Current:					
General government	4,598	-	-	-	-
Public safety	-	-	-	-	-
Engineering and Transportation	-	-	-	2,618	-
Public works	-	-	-	-	-
Community services	-	-	-	-	-
Economic development	-	5,920	-	-	-
Capital outlay	259,849	177,533	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	264,447	183,453	-	2,618	-
REVENUES OVER (UNDER) EXPENDITURES	439,901	235,067	483	86,109	35,914
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)	439,901	235,067	483	86,109	35,914
FUND BALANCES (DEFICIT):					
Beginning of year	1,993,246	487,659	101,350	847,417	7,073
End of year	<u>\$ 2,433,147</u>	<u>\$ 722,726</u>	<u>\$ 101,833</u>	<u>\$ 933,526</u>	<u>\$ 42,987</u>

Eastgate Street Benefit District	AB 939	Neighborhood Park Fees	BEGIN Grant	Program Income BEGIN	State Gas Tax	SLESF
\$ 36,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	321,410	-	-	-	-
-	-	-	-	-	1,231,966	233,819
410	1,011	5,541	2,238	1,094	-	-
-	-	-	-	-	2,828	-
36,897	1,011	326,951	2,238	1,094	1,234,794	233,819
-	-	316	-	-	-	-
-	-	-	-	-	-	143,219
-	6,032	17,895	-	-	6,031	-
-	52,218	-	-	-	1,134,152	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	34,285	-	-	-	-
-	-	-	-	-	112,938	-
-	-	-	-	-	6,041	-
-	58,250	52,496	-	-	1,259,162	143,219
36,897	(57,239)	274,455	2,238	1,094	(24,368)	90,600
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
36,897	(57,239)	274,455	2,238	1,094	(24,368)	90,600
69,755	228,367	1,048,596	468,396	229,106	(306,053)	48,329
\$ 106,652	\$ 171,128	\$ 1,323,051	\$ 470,634	\$ 230,200	\$ (330,421)	\$ 138,929

(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, 2023

	Abandoned Vehicle Abatement	Seized Property	Downtown Revitalization	Street Light- Landscape District	Traffic Offender
REVENUES:					
Property and other taxes	\$ -	\$ -	\$ -	\$ 467,658	\$ -
Licenses and permits	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Charges for services	-	-	10,769	-	62,754
Intergovernmental	55,005	-	-	-	11,900
Use of money and property	347	215	332	-	-
Other revenues	-	-	-	-	-
Total revenues	55,352	215	11,101	467,658	74,654
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	43,624	7,541	-	-	68,984
Engineering and Transportation	-	-	-	-	-
Public works	-	-	-	213,003	-
Community services	-	-	-	330,169	-
Economic development	-	-	16,150	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	43,624	7,541	16,150	543,172	68,984
REVENUES OVER (UNDER) EXPENDITURES	11,728	(7,326)	(5,049)	(75,514)	5,670
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)	11,728	(7,326)	(5,049)	(75,514)	5,670
FUND BALANCES (DEFICIT):					
Beginning of year	65,370	24,780	72,519	(292,378)	45,696
End of year	\$ 77,098	\$ 17,454	\$ 67,470	\$ (367,892)	\$ 51,366

Traffic Safety	Used Oil Grants	Dept of Conservation Grant	CMAQ	Community Facilities District	Fire Hydrant Benefit District
\$ -	\$ -	\$ -	\$ -	\$ 744,931	\$ -
-	-	-	-	-	-
53,022	-	-	-	-	-
-	-	-	-	-	-
-	448	12,374	1,487,755	-	-
-	118	270	-	1,345	-
-	-	-	-	-	-
53,022	566	12,644	1,487,755	746,276	-
-	-	-	-	-	-
53,022	-	-	-	-	-
-	-	-	-	-	-
-	2,000	29,517	-	7,898	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,020,023	-	-
-	-	-	-	-	-
-	-	-	-	-	-
53,022	2,000	29,517	1,020,023	7,898	-
-	(1,434)	(16,873)	467,732	738,378	-
-	-	-	-	-	-
-	-	-	-	(738,379)	-
-	-	-	-	(738,379)	-
-	(1,434)	(16,873)	467,732	(1)	-
-	26,287	68,868	(584,542)	12,691	129,139
\$ -	\$ 24,853	\$ 51,995	\$ (116,810)	\$ 12,690	\$ 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, 2023

	Transportation Development Act	LLEBG	Public Facilities Fees	Daniel Whitmore House	RiverBluff Regional Park
REVENUES:					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and penalties	-	-	-	-	-
Charges for services	-	-	277,440	-	1,235
Intergovernmental	-	13,876	-	-	-
Use of money and property	-	141	12,106	-	-
Other revenues	-	-	-	-	-
Total revenues	-	14,017	289,546	-	1,235
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	-	21,570	44,044	-	-
Engineering and Transportation	-	-	-	-	-
Public works	-	-	-	-	-
Community services	-	-	-	6,095	-
Economic development	-	-	-	-	-
Capital outlay	199,436	-	10,390	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	199,436	21,570	54,434	6,095	-
REVENUES OVER (UNDER) EXPENDITURES	(199,436)	(7,553)	235,112	(6,095)	1,235
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	5,371	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	-	-	-	5,371	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	(199,436)	(7,553)	235,112	(724)	1,235
FUND BALANCES (DEFICIT):					
Beginning of year	25,418	29,874	2,492,951	(120)	25,082
End of year	\$ (174,018)	\$ 22,321	\$ 2,728,063	\$ (844)	\$ 26,317

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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,369,541
-	-	-	-	-	-	-	53,022
-	-	-	-	-	-	-	673,608
-	-	2,510,922	1,081,943	-	-	5,825,755	13,577,419
674	-	17,712	7,157	-	164	-	66,746
-	-	-	-	-	-	-	2,828
674	-	2,528,634	1,089,100	-	164	5,825,755	15,743,164
220	-	5,700	-	17,851	-	1,079,480	1,108,165
-	-	-	-	-	-	505,527	887,531
-	-	7,396	-	-	-	42,039	82,011
-	-	-	-	-	45,486	76,582	1,560,856
-	18,171	-	-	-	-	83,116	437,551
-	-	-	-	-	-	5,720	27,790
-	-	2,060,799	1,177,652	-	-	94,014	5,033,981
-	-	-	-	-	-	-	112,938
-	-	-	-	-	-	-	6,041
220	18,171	2,073,895	1,177,652	17,851	45,486	1,886,478	9,256,864
454	(18,171)	454,739	(88,552)	(17,851)	(45,322)	3,939,277	6,486,300
-	-	-	-	-	-	-	5,371
-	-	-	-	-	-	-	(738,379)
-	-	-	-	-	-	-	(733,008)
454	(18,171)	454,739	(88,552)	(17,851)	(45,322)	3,939,277	5,753,292
140,177	(116,404)	4,475,124	1,787,297	(2,363)	69,946	4,840,727	18,559,380
\$ 140,631	\$ (134,575)	\$ 4,929,863	\$ 1,698,745	\$ (20,214)	\$ 24,624	\$ 8,780,004	\$ 24,312,672

(concluded)

City of Ceres, California

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

Street Expansion Special Revenue Fund

For the year ended June 30, 2023

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 350,000	\$ 350,000	\$ 695,006	345,006
Use of money and property	13,000	13,000	9,342	(3,658)
Total revenues	<u>363,000</u>	<u>363,000</u>	<u>704,348</u>	<u>341,348</u>
EXPENDITURES:				
Current:				
General government	2,066	2,066	4,598	(2,532)
Engineering and Transportation	20,000	21,306	-	21,306
Capital outlay	<u>250,000</u>	<u>855,130</u>	<u>259,849</u>	<u>595,281</u>
Total expenditures	<u>272,066</u>	<u>878,502</u>	<u>264,447</u>	<u>614,055</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>90,934</u>	<u>(515,502)</u>	<u>439,901</u>	<u>955,403</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	90,934	(515,502)	439,901	955,403
FUND BALANCES:				
Beginning of year	<u>1,993,246</u>	<u>1,993,246</u>	<u>1,993,246</u>	<u>-</u>
End of year	<u>\$ 2,084,180</u>	<u>\$ 1,477,744</u>	<u>\$ 2,433,147</u>	<u>\$ 955,403</u>

City of Ceres, California

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

CDBG Grants Special Revenue Fund

For the year ended June 30, 2023

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Intergovernmental	\$ 2,255	\$ 2,255	\$ 416,650	\$ 414,395
Use of money and property	2,900	2,900	1,870	(1,030)
Total revenues	<u>5,155</u>	<u>5,155</u>	<u>418,520</u>	<u>413,365</u>
EXPENDITURES:				
Current:				
Economic development	302,950	302,950	5,920	297,030
Capital outlay	-	529,804	177,533	352,271
Total expenditures	<u>302,950</u>	<u>832,754</u>	<u>183,453</u>	<u>649,301</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(297,795)</u>	<u>(827,599)</u>	<u>235,067</u>	<u>1,062,666</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>(297,795)</u>	<u>(827,599)</u>	<u>235,067</u>	<u>1,062,666</u>
FUND BALANCES (DEFICIT):				
Beginning of year	487,659	487,659	487,659	-
End of year	<u>\$ 189,864</u>	<u>\$ (339,940)</u>	<u>\$ 722,726</u>	<u>\$ 1,062,666</u>

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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Use of money and property	\$ 1,100	\$ 1,100	\$ 483	\$ (617)
Total revenues	1,100	1,100	483	(617)
EXPENDITURES:				
Current:				
Community services	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	1,100	1,100	483	(617)
Net change in fund balances	1,100	1,100	483	(617)
FUND BALANCES:				
Beginning of year	101,350	101,350	101,350	-
End of year	\$ 102,450	\$ 102,450	\$ 101,833	\$ (617)

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, 2023

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Property and other taxes	\$ 20,000	\$ 20,000	\$ 84,605	\$ 64,605
Use of money and property	16,022	16,022	4,122	(11,900)
Total revenues	<u>36,022</u>	<u>36,022</u>	<u>88,727</u>	<u>52,705</u>
EXPENDITURES:				
Engineering and Transportation	-	62,347	2,618	59,729
Total expenditures	<u>-</u>	<u>62,347</u>	<u>2,618</u>	<u>59,729</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>36,022</u>	<u>(26,325)</u>	<u>86,109</u>	<u>112,434</u>
Net change in fund balances	36,022	(26,325)	86,109	112,434
FUND BALANCES:				
Beginning of year	847,417	847,417	847,417	-
End of year	<u>\$ 883,439</u>	<u>\$ 821,092</u>	<u>\$ 933,526</u>	<u>\$ 112,434</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Property and other taxes	\$ -	\$ -	\$ 35,860	\$ 35,860
Use of money and property	50	50	54	4
Total revenues	50	50	35,914	35,864
EXPENDITURES:				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER)				
EXPENDITURES	50	50	35,914	35,864
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	50	50	35,914	35,864
FUND BALANCES:				
Beginning of year	7,073	7,073	7,073	-
End of year	\$ 7,123	\$ 7,123	\$ 42,987	\$ 35,864

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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Property and other taxes	\$ -	\$ -	\$ 36,487	\$ 36,487
Use of money and property	500	500	410	(90)
Total revenues	500	500	36,897	36,397
EXPENDITURES:				
Current:				
Engineering and Transportation	-	14,076	-	14,076
Total expenditures	-	14,076	-	14,076
REVENUES OVER (UNDER) EXPENDITURES	500	(13,576)	36,897	50,473
Net change in fund balances	500	(13,576)	36,897	50,473
FUND BALANCES:				
Beginning of year	69,755	69,755	69,755	-
End of year	<u>\$ 70,255</u>	<u>\$ 56,179</u>	<u>\$ 106,652</u>	<u>\$ 50,473</u>

City of Ceres, California**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****AB 939 Special Revenue Fund****For the year ended June 30, 2023**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 18,400	\$ 18,400	\$ -	\$ (18,400)
Use of money and property	3,200	3,200	1,011	(2,189)
Total revenues	<u>21,600</u>	<u>21,600</u>	<u>1,011</u>	<u>(20,589)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	7,478	7,478	6,032	1,446
Public works	71,416	141,362	52,218	89,144
Total expenditures	<u>78,894</u>	<u>148,840</u>	<u>58,250</u>	<u>90,590</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(57,294)</u>	<u>(127,240)</u>	<u>(57,239)</u>	<u>70,001</u>
Net change in fund balances	<u>(57,294)</u>	<u>(127,240)</u>	<u>(57,239)</u>	<u>70,001</u>
FUND BALANCES:				
Beginning of year	228,367	228,367	228,367	-
End of year	<u>\$ 171,073</u>	<u>\$ 101,127</u>	<u>\$ 171,128</u>	<u>\$ 70,001</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, 2023

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Charges for services	\$ 125,000	\$ 125,000	\$ 321,410	\$ 196,410
Use of money and property	16,900	16,900	5,541	(11,359)
Total revenues	<u>141,900</u>	<u>141,900</u>	<u>326,951</u>	<u>185,051</u>
EXPENDITURES:				
Current:				
General government	700	700	316	384
Engineering and Transportation	20,000	20,004	17,895	2,109
Capital outlay	<u>37,500</u>	<u>1,178,691</u>	<u>34,285</u>	<u>1,144,406</u>
Total expenditures	<u>58,200</u>	<u>1,199,395</u>	<u>52,496</u>	<u>1,146,899</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>83,700</u>	<u>(1,057,495)</u>	<u>274,455</u>	<u>1,331,950</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	83,700	(1,057,495)	274,455	1,331,950
FUND BALANCES:				
Beginning of year	1,048,596	1,048,596	1,048,596	-
End of year	<u>\$ 1,132,296</u>	<u>\$ (8,899)</u>	<u>\$ 1,323,051</u>	<u>\$ 1,331,950</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Use of money and property	500	500	2,238	1,738
Total revenues	500	500	2,238	1,738
EXPENDITURES:				
Current:				
Economic development	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	500	500	2,238	1,738
Net change in fund balances	500	500	2,238	1,738
FUND BALANCES:				
Beginning of year	468,396	468,396	468,396	-
End of year	\$ 468,896	\$ 468,896	\$ 470,634	\$ 1,738

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, 2023**

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Use of money and property	2,460	2,460	1,094	(1,366)
Total revenues	2,460	2,460	1,094	(1,366)
EXPENDITURES:				
Current:				
Economic development	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	2,460	2,460	1,094	(1,366)
Net change in fund balances	2,460	2,460	1,094	(1,366)
FUND BALANCES:				
Beginning of year	229,106	229,106	229,106	-
End of year	\$ 231,566	\$ 231,566	\$ 230,200	\$ (1,366)

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, 2023

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 1,418,349	\$ 1,418,349	\$ 1,231,966	\$ (186,383)
Other revenues	1,415	1,415	2,828	1,413
Total revenues	<u>1,419,764</u>	<u>1,419,764</u>	<u>1,234,794</u>	<u>(184,970)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	7,661	7,661	6,031	1,630
Public works	1,247,356	1,276,661	1,134,152	142,509
Capital outlay	-	4,791	-	4,791
Total expenditures	<u>1,255,017</u>	<u>1,289,113</u>	<u>1,259,162</u>	<u>29,951</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>164,747</u>	<u>130,651</u>	<u>(24,368)</u>	<u>(155,019)</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>164,747</u>	<u>130,651</u>	<u>(24,368)</u>	<u>(155,019)</u>
FUND BALANCES (DEFICIT):				
Beginning of year	(306,053)	(306,053)	(306,053)	-
End of year	<u>\$ (141,306)</u>	<u>\$ (175,402)</u>	<u>\$ (330,421)</u>	<u>\$ (155,019)</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, 2023

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 233,819	\$ 133,819
Total revenues	100,000	100,000	233,819	133,819
EXPENDITURES:				
Current:				
Public safety	-	-	143,219	(143,219)
Total expenditures	-	-	143,219	(143,219)
REVENUES OVER (UNDER) EXPENDITURES	100,000	100,000	90,600	(9,400)
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	-	-	90,600	90,600
FUND BALANCES:				
Beginning of year	48,329	48,329	48,329	-
End of year	<u>\$ 48,329</u>	<u>\$ 48,329</u>	<u>\$ 138,929</u>	<u>\$ 90,600</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 44,000	\$ 44,000	\$ 55,005	\$ 11,005
Use of money and property	950	950	347	(603)
Total revenues	<u>44,950</u>	<u>44,950</u>	<u>55,352</u>	<u>10,402</u>
EXPENDITURES:				
Current:				
Public safety	<u>75,479</u>	<u>75,479</u>	<u>43,624</u>	<u>31,855</u>
Total expenditures	<u>75,479</u>	<u>75,479</u>	<u>43,624</u>	<u>31,855</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(30,529)</u>	<u>(30,529)</u>	<u>11,728</u>	<u>42,257</u>
Net change in fund balances	(30,529)	(30,529)	11,728	42,257
FUND BALANCES (DEFICIT):				
Beginning of year	<u>65,370</u>	<u>65,370</u>	<u>65,370</u>	<u>-</u>
End of year	<u>\$ 34,841</u>	<u>\$ 34,841</u>	<u>\$ 77,098</u>	<u>\$ 42,257</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Use of money and property	250	250	215	(35)
Other revenues	250	250	-	(250)
Total revenues	<u>500</u>	<u>500</u>	<u>215</u>	<u>(285)</u>
EXPENDITURES:				
Current:				
Public safety	-	8,800	7,541	1,259
Total expenditures	<u>-</u>	<u>8,800</u>	<u>7,541</u>	<u>1,259</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>500</u>	<u>(8,300)</u>	<u>(7,326)</u>	<u>974</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>500</u>	<u>(8,300)</u>	<u>(7,326)</u>	<u>974</u>
FUND BALANCES:				
Beginning of year	24,780	24,780	24,780	-
End of year	<u>\$ 25,280</u>	<u>\$ 16,480</u>	<u>\$ 17,454</u>	<u>\$ 974</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Charges for services	\$ 10,000	\$ 10,000	\$ 10,769	\$ 769
Use of money and property	700	700	332	(368)
Total revenues	<u>10,700</u>	<u>10,700</u>	<u>11,101</u>	<u>401</u>
EXPENDITURES:				
Current:				
Economic development	<u>19,040</u>	<u>19,040</u>	<u>16,150</u>	<u>2,890</u>
Total expenditures	<u>19,040</u>	<u>19,040</u>	<u>16,150</u>	<u>2,890</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(8,340)</u>	<u>(8,340)</u>	<u>(5,049)</u>	<u>3,291</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>(8,340)</u>	<u>(8,340)</u>	<u>(5,049)</u>	<u>3,291</u>
FUND BALANCES:				
Beginning of year	<u>72,519</u>	<u>72,519</u>	<u>72,519</u>	<u>-</u>
End of year	<u>\$ 64,179</u>	<u>\$ 64,179</u>	<u>\$ 67,470</u>	<u>\$ 3,291</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, 2023

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Property and other taxes	\$ 453,674	\$ 453,674	\$ 467,658	\$ 13,984
Use of money and property	-	-	-	-
Total revenues	<u>453,674</u>	<u>453,674</u>	<u>467,658</u>	<u>13,984</u>
EXPENDITURES:				
Current:				
Public works	236,982	236,982	213,003	23,979
Community services	<u>343,463</u>	<u>356,558</u>	<u>330,169</u>	<u>26,389</u>
Total expenditures	<u>580,445</u>	<u>593,540</u>	<u>543,172</u>	<u>50,368</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>(126,771)</u>	<u>(139,866)</u>	<u>(75,514)</u>	<u>64,352</u>
Net change in fund balances	(126,771)	(139,866)	(75,514)	64,352
FUND BALANCES (DEFICIT):				
Beginning of year	<u>(292,378)</u>	<u>(292,378)</u>	<u>(292,378)</u>	-
End of year	<u>\$ (419,149)</u>	<u>\$ (432,244)</u>	<u>\$ (367,892)</u>	<u>\$ 64,352</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, 2023**

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Charges for services	\$ 55,000	\$ 55,000	\$ 62,754	\$ 7,754
Intergovernmental	-	-	11,900	11,900
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>74,654</u>	<u>19,654</u>
EXPENDITURES:				
Current:				
Public safety	<u>78,475</u>	<u>78,475</u>	<u>68,984</u>	<u>9,491</u>
Total expenditures	<u>78,475</u>	<u>78,475</u>	<u>68,984</u>	<u>9,491</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(23,475)</u>	<u>(23,475)</u>	<u>5,670</u>	<u>29,145</u>
Net change in fund balances	(23,475)	(23,475)	5,670	29,145
FUND BALANCES (DEFICIT):				
Beginning of year	<u>45,696</u>	<u>45,696</u>	<u>45,696</u>	<u>-</u>
End of year	<u>\$ 22,221</u>	<u>\$ 22,221</u>	<u>\$ 51,366</u>	<u>\$ 29,145</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Fines and forfeitures	\$ 34,400	\$ 34,400	\$ 53,022	\$ 18,622
Total revenues	34,400	34,400	53,022	18,622
EXPENDITURES:				
Current:				
Public safety	-	-	53,022	(53,022)
Total expenditures	-	-	53,022	(53,022)
REVENUES OVER (UNDER) EXPENDITURES	34,400	34,400	-	(34,400)
Net change in fund balances	34,400	34,400	-	(34,400)
FUND BALANCES (DEFICIT):				
Beginning of year	-	-	-	-
End of year	\$ 34,400	\$ 34,400	\$ -	\$ (34,400)

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, 2023

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Intergovernmental	\$ 13,400	\$ 13,400	\$ 448	\$ (12,952)
Use of money and property	345	345	118	(227)
Total revenues	<u>13,745</u>	<u>13,745</u>	<u>566</u>	<u>(13,179)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	-	-	-	-
Public works	13,400	13,400	2,000	11,400
Total expenditures	<u>13,400</u>	<u>13,400</u>	<u>2,000</u>	<u>11,400</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>345</u>	<u>345</u>	<u>(1,434)</u>	<u>(1,779)</u>
Net change in fund balances	345	345	(1,434)	(1,779)
FUND BALANCES:				
Beginning of year	26,287	26,287	26,287	-
End of year	<u>\$ 26,632</u>	<u>\$ 26,632</u>	<u>\$ 24,853</u>	<u>\$ (1,779)</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 12,374	\$ 12,374
Use of money and property	845	845	270	(575)
Total revenues	845	845	12,644	11,799
EXPENDITURES:				
Current:				
Public works	15,000	15,000	29,517	(14,517)
Total expenditures	15,000	15,000	29,517	(14,517)
REVENUES OVER (UNDER) EXPENDITURES	(14,155)	(14,155)	(16,873)	(2,718)
Net change in fund balances	(14,155)	(14,155)	(16,873)	(2,718)
FUND BALANCES:				
Beginning of year	68,868	68,868	68,868	-
End of year	\$ 54,713	\$ 54,713	\$ 51,995	\$ (2,718)

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, 2023**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,266,000	\$ 1,266,000	\$ 1,487,755	\$ 221,755
Total revenues	1,266,000	1,266,000	1,487,755	221,755
EXPENDITURES:				
Current:				
Engineering and Transportation	10,765	10,765	-	10,765
Capital outlay	262,500	2,978,532	1,020,023	1,958,509
Total expenditures	273,265	2,989,297	1,020,023	1,969,274
REVENUES OVER (UNDER) EXPENDITURES	992,735	(1,723,297)	467,732	2,191,029
Net change in fund balances	992,735	(1,723,297)	467,732	2,191,029
FUND BALANCES (DEFICIT):				
Beginning of year	(584,542)	(584,542)	(584,542)	-
End of year	\$ 408,193	\$ (2,307,839)	\$ (116,810)	\$ 2,191,029

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, 2023

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property and other taxes	\$ 694,935	\$ 694,935	\$ 744,931	\$ 49,996
Use of money and property	1,700	1,700	1,345	(355)
Total revenues	<u>696,635</u>	<u>696,635</u>	<u>746,276</u>	<u>49,641</u>
EXPENDITURES:				
Current:				
Public works	-	-	7,898	(7,898)
Total expenditures	<u>-</u>	<u>-</u>	<u>7,898</u>	<u>(7,898)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>696,635</u>	<u>696,635</u>	<u>738,378</u>	<u>41,743</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(694,936)	(694,936)	(738,379)	(43,443)
Total other financing sources (uses)	<u>(694,936)</u>	<u>(694,936)</u>	<u>(738,379)</u>	<u>(43,443)</u>
Net change in fund balances	<u>1,699</u>	<u>1,699</u>	<u>(1)</u>	<u>(1,700)</u>
FUND BALANCES:				
Beginning of year	12,691	12,691	12,691	-
End of year	<u>\$ 14,390</u>	<u>\$ 14,390</u>	<u>\$ 12,690</u>	<u>\$ (1,700)</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Property and other taxes	\$ 15	\$ 15	\$ -	\$ (15)
Total revenues	15	15	-	(15)
EXPENDITURES:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	15	15	-	(15)
Net change in fund balances	15	15	-	(15)
FUND BALANCES:				
Beginning of year	129,139	129,139	129,139	-
End of year	\$ 129,154	\$ 129,154	\$ 129,139	\$ (15)

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, 2023

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Engineering and Transportation	2,500	2,500	-	2,500
Capital outlay	-	260,783	199,436	61,347
Total expenditures	2,500	263,283	199,436	63,847
REVENUES OVER (UNDER) EXPENDITURES	(2,500)	(263,283)	(199,436)	63,847
Net change in fund balances	(2,500)	(263,283)	(199,436)	63,847
FUND BALANCES (DEFICIT):				
Beginning of year	25,418	25,418	25,418	-
End of year	\$ 22,918	\$ (237,865)	\$ (174,018)	\$ 63,847

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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 13,876	\$ 13,876
Use of money and property	230	230	141	(89)
Total revenues	230	230	14,017	13,787
EXPENDITURES:				
Current:				
Public safety	-	-	21,570	(21,570)
Total expenditures	-	-	21,570	(21,570)
REVENUES OVER (UNDER) EXPENDITURES	230	230	(7,553)	(7,783)
Net change in fund balances	230	230	(7,553)	(7,783)
FUND BALANCES:				
Beginning of year	29,874	29,874	29,874	-
End of year	\$ 30,104	\$ 30,104	\$ 22,321	\$ (7,783)

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, 2023

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Charges for services	\$ 134,550	\$ 134,550	\$ 277,440	\$ 142,890
Use of money and property	30,000	30,000	12,106	(17,894)
Other revenues	-	-	-	-
Total revenues	<u>164,550</u>	<u>164,550</u>	<u>289,546</u>	<u>124,996</u>
EXPENDITURES:				
Current:				
General government				
Public safety	44,044	44,044	44,044	-
Capital outlay	<u>398,667</u>	<u>1,553,415</u>	<u>10,390</u>	<u>1,543,025</u>
Total expenditures	<u>442,711</u>	<u>1,597,459</u>	<u>54,434</u>	<u>1,543,025</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(278,161)</u>	<u>(1,432,909)</u>	<u>235,112</u>	<u>1,668,021</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(278,161)</u>	<u>(1,432,909)</u>	<u>235,112</u>	<u>1,668,021</u>
FUND BALANCES:				
Beginning of year	<u>2,492,951</u>	<u>2,492,951</u>	<u>2,492,951</u>	<u>-</u>
End of year	<u>\$ 2,214,790</u>	<u>\$ 1,060,042</u>	<u>\$ 2,728,063</u>	<u>\$ 1,668,021</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Community services	5,371	5,371	6,095	(724)
Total expenditures	5,371	5,371	6,095	(724)
REVENUES OVER (UNDER) EXPENDITURES	(5,371)	(5,371)	(6,095)	(724)
OTHER FINANCING SOURCES (USES):				
Transfers in	5,371	5,371	5,371	-
Total other financing sources (uses)	5,371	5,371	5,371	-
Net change in fund balances	-	-	(724)	(724)
FUND BALANCES (DEFICIT):				
Beginning of year	(120)	(120)	(120)	-
End of year	<u>\$ (120)</u>	<u>\$ (120)</u>	<u>\$ (844)</u>	<u>\$ (724)</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 1,300	\$ 1,300	\$ 1,235	(65)
Total revenues	1,300	1,300	1,235	(65)
EXPENDITURES:				
Current:				
Community services	-	-	-	-
Total expenditures	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	1,300	1,300	1,235	(65)
Net change in fund balances	1,300	1,300	1,235	(65)
FUND BALANCES (DEFICIT):				
Beginning of year	25,082	25,082	25,082	-
End of year	\$ 26,382	\$ 26,382	\$ 26,317	\$ (65)

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, 2023

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Positive (Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 674	\$ 674
Other revenues	500	500	-	(500)
Total revenues	500	500	674	174
EXPENDITURES:				
Current:				
General government	6,120	6,120	220	5,900
Total expenditures	6,120	6,120	220	5,900
REVENUES OVER (UNDER)				
EXPENDITURES	(5,620)	(5,620)	454	6,074
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(5,620)	(5,620)	454	6,074
FUND BALANCES:				
Beginning of year	140,177	140,177	140,177	-
End of year	\$ 134,557	\$ 134,557	\$ 140,631	\$ 6,074

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, 2023**

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Other revenues	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Community services	19,015	19,015	18,171	844
Total expenditures	19,015	19,015	18,171	844
REVENUES OVER (UNDER) EXPENDITURES	(19,015)	(19,015)	(18,171)	844
Net change in fund balances	(19,015)	(19,015)	(18,171)	844
FUND BALANCES (DEFICIT):				
Beginning of year	(116,404)	(116,404)	(116,404)	-
End of year	<u>\$ (135,419)</u>	<u>\$ (135,419)</u>	<u>\$ (134,575)</u>	<u>\$ 844</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, 2023

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 1,788,724	\$ 1,788,724	\$ 2,510,922	\$ 722,198
Use of money and property	10,000	10,000	17,712	7,712
Total revenues	<u>1,798,724</u>	<u>1,798,724</u>	<u>2,528,634</u>	<u>729,910</u>
EXPENDITURES:				
Current:				
General government	5,700	5,700	5,700	-
Engineering and Transportation	40,000	52,503	7,396	45,107
Capital outlay	<u>1,550,000</u>	<u>6,491,570</u>	<u>2,060,799</u>	<u>4,430,771</u>
Total expenditures	<u>1,595,700</u>	<u>6,549,773</u>	<u>2,073,895</u>	<u>4,475,878</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>203,024</u>	<u>(4,751,049)</u>	<u>454,739</u>	<u>5,205,788</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	203,024	(4,751,049)	454,739	5,205,788
FUND BALANCES (DEFICIT):				
Beginning of year	<u>4,475,124</u>	<u>4,475,124</u>	<u>4,475,124</u>	<u>-</u>
End of year	<u>\$ 4,678,148</u>	<u>\$ (275,925)</u>	<u>\$ 4,929,863</u>	<u>\$ 5,205,788</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ 1,114,682	\$ 1,114,682	\$ 1,081,943	\$ (32,739)
Use of money and property	4,800	4,800	7,157	2,357
Total revenues	<u>1,119,482</u>	<u>1,119,482</u>	<u>1,089,100</u>	<u>(30,382)</u>
EXPENDITURES:				
Current:				
Engineering and Transportation	30,000	30,000	-	30,000
Capital outlay	<u>600,000</u>	<u>2,750,645</u>	<u>1,177,652</u>	<u>1,572,993</u>
Total expenditures	<u>630,000</u>	<u>2,780,645</u>	<u>1,177,652</u>	<u>1,602,993</u>
REVENUES OVER (UNDER)				
EXPENDITURES	<u>489,482</u>	<u>(1,661,163)</u>	<u>(88,552)</u>	<u>1,572,611</u>
Net change in fund balances	489,482	(1,661,163)	(88,552)	1,572,611
FUND BALANCES (DEFICIT):				
Beginning of year	<u>1,787,297</u>	<u>1,787,297</u>	<u>1,787,297</u>	<u>-</u>
End of year	<u>\$ 2,276,779</u>	<u>\$ 126,134</u>	<u>\$ 1,698,745</u>	<u>\$ 1,572,611</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, 2023**

	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Public works	105,000	105,000	17,851	87,149
Total expenditures	105,000	105,000	17,851	87,149
REVENUES OVER (UNDER) EXPENDITURES	(105,000)	(105,000)	(17,851)	87,149
Net change in fund balances	(105,000)	(105,000)	(17,851)	87,149
FUND BALANCES (DEFICIT):				
Beginning of year	(2,363)	(2,363)	(2,363)	-
End of year	<u>\$ (107,363)</u>	<u>\$ (107,363)</u>	<u>\$ (20,214)</u>	<u>\$ 87,149</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, 2023

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	164	164
Total revenues	-	-	164	164
EXPENDITURES:				
Current:				
General government	-	-	45,486	(45,486)
Total expenditures	-	-	45,486	(45,486)
REVENUES OVER (UNDER) EXPENDITURES	-	-	(45,322)	(45,322)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(45,322)	(45,322)
FUND BALANCES (DEFICIT):				
Beginning of year	69,946	69,946	69,946	-
End of year	\$ 69,946	\$ 69,946	\$ 24,624	\$ (45,322)

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, 2023

	Budgeted Amounts			Variance w/Final Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Intergovernmental	\$ 5,825,755	\$ 5,825,755	\$ 5,825,755	\$ -
Use of money and property	-	-	-	-
Total revenues	<u>5,825,755</u>	<u>5,825,755</u>	<u>5,825,755</u>	<u>-</u>
EXPENDITURES:				
Current:				
General government	1,130,779	2,078,258	1,079,480	998,778
Public safety	-	1,396,468	505,527	890,941
Engineering and Transportation	-	100,000	42,039	57,961
Public works	-	76,582	76,582	-
Community services	-	604,128	83,116	521,012
Economic development	-	167,000	5,720	161,280
Capital outlay	-	2,946,080	94,014	2,852,066
Total expenditures	<u>1,130,779</u>	<u>7,368,516</u>	<u>1,886,478</u>	<u>5,482,038</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>4,694,976</u>	<u>(1,542,761)</u>	<u>3,939,277</u>	<u>5,482,038</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>4,694,976</u>	<u>(1,542,761)</u>	<u>3,939,277</u>	<u>5,482,038</u>
FUND BALANCES (DEFICIT):				
Beginning of year	<u>4,840,727</u>	<u>4,840,727</u>	<u>4,840,727</u>	<u>-</u>
End of year	<u>\$ 9,535,703</u>	<u>\$ 3,297,966</u>	<u>\$ 8,780,004</u>	<u>\$ 5,482,038</u>

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, 2023

	Equipment Revolving	Information Technology	Risk Management	Building Maintenance	Totals
ASSETS					
Current assets:					
Cash and investments	\$ 2,338,274	\$ 557,338	\$ 1,662,102	\$ 1,050,913	\$ 5,608,627
Accounts receivable	182,323	-	-	-	182,323
Total current assets	2,520,597	557,338	1,662,102	1,050,913	5,790,950
Noncurrent assets:					
Machinery and equipment	9,871,746	443,992	-	364,445	10,680,183
Less accumulated depreciation	(5,409,743)	(301,704)	-	(166,630)	(5,878,077)
Total noncurrent assets	4,462,003	142,288	-	197,815	4,802,106
Total assets	\$ 6,982,600	\$ 699,626	\$ 1,662,102	\$ 1,248,728	\$ 10,593,056
LIABILITIES AND NET POSITION					
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 291,780	\$ 3,044	\$ 5,394	\$ 17,550	\$ 317,768
Due to other funds	-	-	235	-	235
Total current liabilities	291,780	3,044	5,629	17,550	318,003
Noncurrent liabilities:					
Compensated absences	38,195	-	-	71,606	109,801
Liability for claims	-	-	1,557,271	-	1,557,271
Total noncurrent liabilities	38,195	-	1,557,271	71,606	1,667,072
Total liabilities	329,975	3,044	1,562,900	89,156	1,985,075
Net Position:					
Net investment in capital assets	4,462,003	142,288	-	197,815	4,802,106
Unrestricted net position (deficit)	2,190,622	554,294	99,202	961,757	3,805,875
Total net position	6,652,625	696,582	99,202	1,159,572	8,607,981
Total liabilities and net position	\$ 6,982,600	\$ 699,626	\$ 1,662,102	\$ 1,248,728	\$ 10,593,056

City of Ceres, California

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

Internal Service Funds

For the year ended June 30, 2023

	Equipment Revolving	Information Technology	Risk Management	Building Maintenance	Totals
OPERATING REVENUES:					
Interdepartmental charges	\$ 3,316,760	\$ 1,038,309	\$ 2,645,216	\$ 1,517,092	\$ 8,517,377
Other	90,152	-	26,192	-	116,344
Total operating revenues	3,406,912	1,038,309	2,671,408	1,517,092	8,633,721
OPERATING EXPENSES:					
Salaries and benefits	510,306	515,982	95,289	796,660	1,918,237
Contractual and other services	305,468	197,121	-	260,307	762,896
Materials and supplies	633,479	22,299	-	369,449	1,025,227
Depreciation	663,734	37,784	-	25,628	727,146
Other operating costs	3,006	10,259	2,510,857	38,105	2,562,227
Total operating expenses	2,115,993	783,445	2,606,146	1,490,149	6,995,733
OPERATING INCOME (LOSS)	1,290,919	254,864	65,262	26,943	1,637,988
NONOPERATING REVENUE (EXPENSE):					
Investment earnings	-	-	-	-	-
Gain on sale of assets	167,520	-	-	-	167,520
Transfers in (out)	-	-	-	-	-
Total non-operating revenue	167,520	-	-	-	167,520
CHANGE IN NET POSITION	1,458,439	254,864	65,262	26,943	1,805,508
NET POSITION (DEFICIT):					
Beginning of year	5,194,186	441,718	33,940	1,132,629	6,802,473
End of year	<u>\$ 6,652,625</u>	<u>\$ 696,582</u>	<u>\$ 99,202</u>	<u>\$ 1,159,572</u>	<u>\$ 8,607,981</u>

City of Ceres, California
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2023

	Equipment Revolving	Information Technology	Risk Management	Building Maintenance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from other funds for services	\$ 3,224,996	\$ 1,038,309	\$ 2,645,216	\$ 1,517,092	\$ 8,425,613
Cash received from loss claim recoveries	-	-	26,192	-	26,192
Cash payments to suppliers for goods and services	(802,202)	(230,278)	-	(668,719)	(1,701,199)
Cash payments to employees for services	(573,202)	(515,982)	(95,289)	(790,591)	(1,975,064)
Cash payments for loss claims	-	-	(2,356,139)	-	(2,356,139)
Net cash provided (used) by operating activities	1,849,592	292,049	219,980	57,782	2,419,403
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers received (paid)	(531,805)	-	-	-	(531,805)
Net cash provided by noncapital financing activities	(531,805)	-	-	-	(531,805)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital assets	(1,652,022)	(686)	-	(40,915)	(1,693,623)
Proceeds from sale of capital assets	167,520	-	-	-	167,520
Net cash (used) by capital and related financing activities	(1,484,502)	(686)	-	(40,915)	(1,526,103)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest earning	-	-	-	-	-
Net increase in cash and cash equivalents	(166,715)	291,363	219,980	16,867	361,495
CASH AND CASH EQUIVALENTS:					
Beginning of year	2,504,989	265,975	1,442,122	1,034,046	5,247,132
End of year	<u>\$ 2,338,274</u>	<u>\$ 557,338</u>	<u>\$ 1,662,102</u>	<u>\$ 1,050,913</u>	<u>\$ 5,608,627</u>
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:					
Income (loss) from operations	\$ 1,290,919	\$ 254,864	\$ 65,262	\$ 26,943	\$ 1,637,988
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:					
Depreciation	663,734	37,784	-	25,628	727,146
(Increase) decrease in current assets:					
Accounts receivable	(181,916)	-	-	-	(181,916)
Increase (decrease) in liabilities:					
Accounts payable and accrued liabilities	108,303	(599)	2,244	(858)	109,090
Compensated absences	(31,448)	-	-	6,069	(25,379)
Increase (decrease) in claims liability - noncurrent	-	-	152,474	-	152,474
Net cash provided (used) by operating activities	\$ 1,849,592	\$ 292,049	\$ 219,980	\$ 57,782	\$ 2,419,403

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, 2023

	Former Ceres Redevelopment Agency Successor Agency		Former Stanislaus - Ceres Redevelopment Commission Successor Agency		Totals
	Non-Housing	Housing	Non-Housing	Housing	2023
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Current assets:					
Cash and investments	\$ 4,376,663	\$ 659,292	\$ 95,620	\$ -	\$ 5,131,575
Cash and investments with trustee/fiscal agent	2,061,500	-	-	-	2,061,500
Interest receivable	4,481	-	-	-	4,481
Total current assets	6,442,644	659,292	95,620	-	7,197,556
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	18,942,791	4,507,821	95,620	192,522	23,738,754
Deferred outflows: Pension plan	78,699	-	90,669	-	169,368
Total assets and deferred outflows	\$ 19,021,490	\$ 4,507,821	\$ 186,289	\$ 192,522	23,908,122
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 883	\$ -	\$ -	\$ -	\$ 883
Interest payable	-	8,591	-	-	8,591
Compensated absences - current	9,683	-	4,289	-	13,972
Current portion of long term debt	1,694,687	-	65,000	-	1,759,687
Total current liabilities	1,705,253	8,591	69,289	-	1,783,133
Long-term liabilities:					
Advances from Stanislaus County	-	-	266,702	-	266,702
Advances from City of Ceres General Fund	-	-	531,494	-	531,494
Advances from other funds	1,826,680	-	-	-	1,826,680
Due after one year	25,139,891	-	610,000	-	25,749,891
Net pension liability	170,508	-	153,982	-	324,490
Total long-term liabilities	27,137,079	-	1,562,178	-	28,699,257
Total liabilities	28,842,332	8,591	1,631,467	-	30,482,390
Deferred inflows: Pension plan	27,102	-	24,204	-	51,306
Total liabilities and deferred inflows	28,869,434	8,591	1,655,671	-	30,533,696
Net Position (Deficit):					
Net position held in trust for Redevelopment Dissolution	(9,847,944)	4,499,230	(1,469,382)	192,522	(6,625,574)
Total liabilities, deferred inflows, and net position	\$ 19,021,490	\$ 4,507,821	\$ 186,289	\$ 192,522	\$ 23,908,122

City of Ceres, California

Combining Statement of Changes in Fiduciary Net Position

Private Purpose Trust Funds

For the year ended June 30, 2023

	Former Ceres Redevelopment Agency Successor Agency		Former Stanislaus - Ceres Redevelopment Commission Successor Agency		Totals
	Non-Housing	Housing	Non-Housing	Housing	2023
ADDITIONS:					
Property taxes	\$ 2,594,475	\$ -	\$ 168,634	\$ -	\$ 2,763,109
Investment earnings	22,428	-	-	-	22,428
Other revenue	-	28,869	-	-	28,869
Total additions	<u>2,616,903</u>	<u>28,869</u>	<u>168,634</u>	<u>-</u>	<u>2,814,406</u>
DEDUCTIONS:					
General and administrative	28,941	-	-	-	28,941
Salaries and benefits	173,173	-	42,348	-	215,521
Contractual and other services	63,059	-	16,876	-	79,935
Interest and debt service expenses	<u>695,469</u>	<u>-</u>	<u>47,115</u>	<u>-</u>	<u>742,584</u>
Total deductions	<u>960,642</u>	<u>-</u>	<u>106,342</u>	<u>-</u>	<u>1,066,984</u>
CHANGE IN FIDUCIARY NET POSITION	1,656,261	28,869	62,292	-	1,747,422
NET POSITION (DEFICIT):					
Beginning of year	(11,504,205)	4,470,361	(1,531,674)	192,522	(8,372,996)
End of year	<u>\$ (9,847,944)</u>	<u>\$ 4,499,230</u>	<u>\$ (1,469,382)</u>	<u>\$ 192,522</u>	<u>\$ (6,625,574)</u>

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