



# City of Greenfield



***2014 FINANCIAL STATEMENTS***  
***Ending June 30, 2014***

**CITY OF GREENFIELD  
CALIFORNIA**

FINANCIAL STATEMENTS  
June 30, 2014



**CITY OF GREENFIELD**

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## **FINANCIAL SECTION**





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# MOSS, LEVY & HARTZHEIM LLP

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City Council of the City of Greenfield  
Greenfield, California

## **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Greenfield, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

## **Management's Responsibility for the Financial Statements**

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

## **Auditors' Responsibility**

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining information of the City of Greenfield, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

### *Change in Accounting Principles*

As discussed in note 1 to the basic financial statements effective July 1, 2013, the City of Greenfield adopted Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, Statement No. 66, *Technical Correction-2012*, Statement No. 67, *Financial Reporting for Pension Plans*, and Statement No. 70, *Accounting and Financial Reporting for Non-exchange Financial Guarantees*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 and the budgetary information on pages 49 through 54, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Greenfield's basic financial statements. The combining nonmajor governmental funds financial statements and combining fiduciary funds financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor funds financial statements and combining fiduciary funds financial statements are the responsibility of management and were derived from and relate 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 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 nonmajor funds financial statements and combining fiduciary funds financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2015, on our consideration of the City of Greenfield's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Moss, Renz & Halzheim LLP*

Santa Maria, California  
June 19, 2015



## MANAGEMENT'S DISCUSSION AND ANALYSIS Fiscal Year Ended June 30, 2014

### **Introduction**

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, management of the City of Greenfield (the City) provides the following narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2014. We encourage readers to review this discussion and analysis in conjunction with the City's basic financial statements and the accompanying notes to the financial statements, which are available at City Hall and on the City's website ([www.ci.greenfield.ca.us](http://www.ci.greenfield.ca.us)).

### **Financial Highlights**

- The assets of the City exceeded its liabilities, at fiscal year end June 30, 2014, by \$49,013,951. This represents a decrease of \$720,662 from the prior fiscal year.
- As of June 30, 2014, the City's governmental funds reported combined ending fund balances of \$10,172,892. This represents an increase of \$364,471 from the prior fiscal year.
- As of June 30, 2014, the unassigned fund balance for the General Fund was \$1,604,942 or 30% of total General Fund expenditures.

### **Overview of the Financial Statements**

Management's discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which includes three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements themselves.

#### **Government-wide Financial Statements**

The Government-wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. They present governmental activities and business-type activities separately. These statements include all assets of the City, as well as all liabilities (including long-term debt). In addition, certain eliminations as prescribed by GASB Statement No. 34, have occurred in regard to interfund activity, payables and receivables.

The *Statement of Net Position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Greenfield is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes; earned, but unused, vacation leave).

The Government-wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (known as *governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (known as *business-type activities*). The governmental activities of the City include general government, public works, building and planning, parks and recreation, public safety, and streets and roads. The business-type activities of the City include water and sewer.

As required by accounting principles generally accepted in the United States of America, these financial statements present the financial activity of the City, which is the primary government. The City previously had a component unit (the Redevelopment Agency of the City of Greenfield) through January 31, 2012, for which the government was considered to be financially accountable. Effective February 1, 2012, Assembly Bill AB 1x26, as modified by the California Supreme Court, dissolved redevelopment agencies in



MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2014

### **Overview of the Financial Statements** *(continued)*

California. All assets and liabilities were required to be transferred to the corresponding Successor Agency identified in each community. In Greenfield, the City became the Successor Agency and holds these assets and liabilities in Private Purpose Trust. See Note 14 in the Notes to the Financial Statements for further details on the Successor Agency. The City has no component units that require discrete presentation in accordance with GASB Statement No. 14, as amended by GASB Statements No. 39 and No. 61.

The Government-wide Financial Statements can be found on pages 10 through 13 of this report.

### **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 three categories of activities: governmental funds, proprietary funds, and fiduciary 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 of the focus of 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 Statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds to the governmental activities.

The City maintains multiple individual governmental funds. GASB Statement No. 34 requires the City's major funds be identified and presented separately in the fund financial statements. Information for the General Fund is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. The General Fund, the Home Grant Fund, the Traffic Impact Fund, the Water Impact Fund, the General Facilities Impact Fund, and the Housing Fund are reported as major funds. Data from the other, nonmajor, governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining financial statements in the Supplemental Information section of this report. The Supplemental Information section, mentioned above, can be found on pages 56 through 65 of this report.

The City adopts an annual appropriations budget for all of its governmental funds. A budgetary comparison statement has been provided for each major governmental fund in the Required Supplementary Information section. Required supplementary information can be found on pages 49 through 54 of this report.

The basic Governmental Fund Financial Statements can be found on pages 14 through 20 of this report.

### **Proprietary Funds**

Proprietary fund financial statements provide the same type of information as the business type activities in the Government-wide Financial Statements, but in more detail. The City maintains two proprietary funds: the Water Fund and the Sewer Fund. These are also known as Enterprise Funds. Each proprietary fund is considered major and is presented individually in the fund financial statements.



MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2014

**Overview of the Financial Statements** *(continued)*

The proprietary funds financial statements can be found on pages 21 through 24 of this report.

**Fiduciary Funds**

The City maintains five fiduciary funds which are reported as Private Purpose Trust Funds: the Successor Agency Administrative Fund, the Successor Agency Capital Projects Fund, and the Successor Agency Debt Service Fund. These three funds are private-purpose trust funds of the City. The fiduciary funds financial statements can be found on pages 25 and 26 of this report.

**Notes to the 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 financial statements can be found on pages 27 through 47 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that includes budgetary comparison schedules for the General Fund and Major Special Revenue Funds. Required supplementary information can be found on pages 49 through 54 of this report. The supplemental information section, mentioned above, can be found on pages 56 through 65 of this report.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Greenfield, assets exceeded liabilities by \$49,013,951 at June 30, 2014.

**Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 14,702,989	\$ 14,465,705	\$ 2,670,751	\$ 2,774,793	\$ 17,373,740	\$ 17,240,498
Capital assets	28,767,793	29,614,853	13,176,480	13,743,188	41,944,273	43,358,041
Total assets	43,470,782	44,080,558	15,847,231	16,517,981	59,318,013	60,598,539
Current liabilities	1,091,821	1,192,309	370,073	490,322	1,461,894	1,682,631
Noncurrent liabilities	3,813,156	3,983,200	5,029,012	5,205,205	8,842,168	9,188,405
Total liabilities	4,904,977	5,175,509	5,399,085	5,695,527	10,304,062	10,871,036
Invested in capital assets, net						
of related debt	26,780,055	27,679,978	8,147,468	8,537,983	34,927,523	36,217,961
Restricted	12,179,450	8,496,794			12,179,450	8,496,794
Unrestricted	(393,700)	2,728,277	2,300,678	2,284,471	1,906,978	5,012,748
Total net position	\$ 38,565,805	\$ 38,905,049	\$ 10,448,146	\$ 10,822,454	\$ 49,013,951	\$ 49,727,503

The largest portion of the City's net position (69%) reflects its investment in capital assets (e.g., land, infrastructure, buildings, and equipment), less any related debt still outstanding that was used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.



MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2014

**Government-wide Financial Analysis** *(continued)*

An additional 25% of the City's net position represents resources subject to external restrictions on how they may be used. Consistent with the prior fiscal year, as of June 30, 2014, the City is able to report positive balances in both categories of net position, for both the government as a whole, as well as for its separate governmental and business-type activities.

During the fiscal year, the City's total net position decreased by \$720,662, of which a decrease of \$346,354 was related to governmental activities and a decrease of \$374,308 was related to business-type activities. Information about these changes is summarized below:

**Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Program Revenues:</b>						
Charges for services	\$ 1,513,072	\$ 1,333,901	\$ 2,293,372	\$ 1,993,546	\$ 3,806,444	\$ 3,327,447
Operating contributions and grants	459,736	517,776			459,736	517,776
Capital contributions and grants	923,874	383,784			923,874	383,784
<b>General Revenues:</b>						
Property taxes	352,899	1,398,113			352,899	1,398,113
Other taxes	2,054,976	1,685,527			2,054,976	1,685,527
Other revenue	1,240,228	138,637	8,999	19,073	1,249,227	157,710
Special and extraordinary items						-
Transfers	538,058	511,900	(538,058)	(511,900)		
<b>Total</b>	<b>7,082,843</b>	<b>5,969,638</b>	<b>1,764,313</b>	<b>1,500,719</b>	<b>8,847,156</b>	<b>7,470,357</b>
<b>Expenses:</b>						
General government	1,555,128	1,643,850			1,555,128	1,643,850
Public works	575,220	637,602			575,220	637,602
Building and planning	199,859	546,506			199,859	546,506
Parks and recreation	562,198	404,867			562,198	404,867
Community development	21,792	49,665			21,792	49,665
Public safety	3,170,356	2,864,847			3,170,356	2,864,847
Streets and roads	1,216,597	746,840			1,216,597	746,840
Interest on long-term debt	128,047	134,469			128,047	134,469
Water			1,227,350	1,224,323	1,227,350	1,224,323
Sewer			911,271	785,738	911,271	785,738
<b>Total expenses</b>	<b>7,429,197</b>	<b>7,028,646</b>	<b>2,138,621</b>	<b>2,010,061</b>	<b>9,567,818</b>	<b>9,038,707</b>
Change in net position	(346,354)	(1,059,008)	(374,308)	(509,342)	(720,662)	(1,568,350)
Net assets-beginning	38,905,049	40,276,148	10,822,454	11,331,796	49,727,503	51,607,944
Prior period adjustment	7,110	(312,091)			7,110	(312,091)
<b>Net position-ending</b>	<b>\$ 38,565,805</b>	<b>\$ 38,905,049</b>	<b>\$ 10,448,146</b>	<b>\$ 10,822,454</b>	<b>\$ 49,013,951</b>	<b>\$ 49,727,503</b>



MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2014

## **Financial Analysis of the City's Funds**

As noted earlier, the City of Greenfield uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources, such information is useful in assessing the City's financial requirements.

At June 30, 2014, the City's governmental funds reported combined ending fund balances of \$10,172,892, an increase of \$364,471 in comparison to the prior year. Unassigned fund balances amounted to \$(509,128) at June 30, 2014. The remainder of fund balance is not available for new spending because it has already been restricted or is nonspendable.

**General Fund** – The General Fund is the chief operating fund of the City. At June 30, 2014, the fund balance of the General Fund was \$3,636,052, of which \$2,031,110 (55.9%) is nonspendable. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. During the 2013-14 fiscal year, the fund balance of the City's General Fund increased by \$242,773, due in large part to increased revenues.

Fund balances and changes in fund balances for other major funds are summarized as follows:

**Home Grant Fund** – This fund accounts for Home Grant transactions. The balance increased by \$66.

**Traffic Impact Fund** – This fund accounts for traffic impact fees that are paid by developers to mitigate the traffic impacts of those developments. The balance increased by \$115,043.

**Water Impact Fund** – This fund accounts for water impact fees that are paid by developers to mitigate the water system impacts of those developments. The balance increased by \$23,419.

**General Facilities Impact Fund** – This fund accounts for general government impact fees that are paid by developers to mitigate the impact of those developments to general government facilities. The balance increased by \$1,748.

**Housing Fund** – This fund accounts for former property tax housing increment. The balance is unchanged from the prior fiscal year.

### **Proprietary Funds**

The City's two enterprise funds provide the same type of information found in the Government-wide Financial Statements, but in more detail. Highlights of the annual activity for these funds have been presented above, in the discussion of business-type activities.

### **Debt Administration**

At the end of the fiscal year, the City had total governmental activities debt outstanding of \$3,813,156. This represents a decline from the prior balance of \$170,044. At the end of the fiscal year, the City had total business-type activities debt outstanding of \$5,029,012. The City's total debt decreased by \$346,237. Additional information on the City's long-term debt can be found in Note 7 and Note 8 on pages 38 through 42 of this report, and a summarizing table is below on page 8.



MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2014

**Financial Analysis of the City's Funds** *(continued)*

**Schedule of Outstanding Debt**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Loans payable	\$ 1,191,783	\$ 1,191,783	\$ 4,964,503	\$ 5,110,171	\$ 6,156,286	\$ 6,301,954
Capital lease payable	1,795,955	1,934,875	64,509	95,034	1,860,464	2,029,909
PERS side fund	489,352	563,285			489,352	563,285
Compensated absences	336,066	293,257			336,066	293,257
	<u>\$ 3,813,156</u>	<u>\$ 3,983,200</u>	<u>\$ 5,029,012</u>	<u>\$ 5,205,205</u>	<u>\$ 8,842,168</u>	<u>\$ 9,188,405</u>

**Cash Management**

To obtain flexibility in cash management, the City employs a pooled cash system. Under the pooled cash concept, the City invests idle cash in certain eligible securities as constrained by law.

**Capital Assets**

The capital assets of the City are those assets that are used in the performance of the City's functions, including infrastructure assets. At June 30, 2014, the City's investment in capital assets for its governmental activities and business-type activities as of June 30, 2014, amounts to \$28,767,793 and \$13,176,480 (net of accumulated depreciation), respectively. During the current fiscal year, the City's net decrease in capital assets was \$1,413,768.

Major capital asset events during the current fiscal year included the following:

- Land – Purchase of property for a community park, funded by the Prop 84 grant.
- Construction in Progress – Walnut Avenue Interim Project, \$16,002; Corporation Yard Paving, \$8,339; Walnut Avenue Widening, \$40,179; Streetscape Plan Implementation, \$41,035; Financial Software Update, \$37,649; Police Vehicles, \$97,085.
- Property and Equipment – Utility Billing Software Update, \$33,300.

The following table presents summary information on the City's capital assets:

**Schedule of Capital Assets**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 4,314,010	\$ 4,039,010	\$ 323,537	\$ 323,537	\$ 4,637,547	\$ 4,362,547
Construction in progress	240,289	5,068,604	15,012	15,012	255,301	5,083,616
Building and improvements	23,168,432	22,948,103			23,168,432	22,948,103
Property and equipment	2,530,193	2,530,193	20,526,235	20,492,935	23,056,428	23,023,128
Infrastructure	6,706,821	1,910,692			6,706,821	1,910,692
Total capital assets	36,959,745	36,496,602	20,864,784	20,831,484	57,824,529	57,328,086
Accumulated depreciation	8,191,952	6,881,749	7,688,304	7,088,296	15,880,256	13,970,045
Net capital assets	<u>\$ 28,767,793</u>	<u>\$ 29,614,853</u>	<u>\$ 13,176,480</u>	<u>\$ 13,743,188</u>	<u>\$ 41,944,273</u>	<u>\$ 43,358,041</u>

Additional information on the City's capital assets can be found in Note 5 on pages 37 and 38 of this report.



MANAGEMENT'S DISCUSSION AND ANALYSIS  
Fiscal Year Ended June 30, 2014

**Financial Analysis of the City's Funds** *(continued)*

**General Fund Budgetary Highlights**

As mentioned above, a detailed budgetary comparison schedule for the fiscal year ended June 30, 2014 is presented in the Required Supplementary Information section. The final budget amounts are different from those presented in the 2013-1014 Budget document. This is due to changes that occurred between the time that the budget was prepared and the time that the budget was amended. The following summarizes the original and final budget, compared with actual results for 2013-2014.

General Fund	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues	\$ 4,388,700	\$ 4,394,900	\$ 4,797,348	\$ 402,448
Expenditures	5,133,000	5,699,000	5,315,816	383,184
Other Sources (Uses)	739,200	739,200	761,241	22,041
Fund Balance, beginning	3,393,279	3,393,279	3,393,279	
Fund Balance, ending	\$ 3,388,179	\$ 2,828,379	\$ 3,636,052	\$ 807,673

Revenues were \$402,448 above estimates. Actual expenditures were \$383,184 less than budgeted. These favorable outcomes were due to a number of factors, including increased revenues from service fees and cost savings in various expenditure categories.

**Economic Factors and Next Fiscal Year's Budget**

The City continues to pursue Council's top goals, despite challenges that arise due to the economy, actions of the State Legislature, and ever-increasing environmental regulation. After facing the difficulties of the retracting economy over the last several budget cycles, the City continues to see minor effects of economic improvement. In the past, the City had effectively used redevelopment funding to stimulate local economic development; but with the California Legislature's 2012 actions to dissolve redevelopment across the state, this task continues to be more challenging.

- It is anticipated that local property values for the General Fund will continue to increase by small amounts in the coming fiscal year. The economy, and the residential housing market in particular, continues its recovery. In addition, new commercial development continues to be actively pursued by city management, and is on the horizon.
- The voter-approved permanent sales taxes override, increasing the City's portion of sales tax rate from 1% to 2%, is expected to raise in excess of \$1,000,000 in revenues during the next fiscal year. While this measure is due to sunset in 2017, the City plans to bring a new measure before the electorate that will both continue and increase these Transaction & Use Tax revenues. As the economy and local economic development continue their recovery, these revenues will be key to providing improved City services.

The 2014-2015 Budget is the result of significant team work and represents steady and consistent spending. The easing up of the economy has allowed slightly more flexibility in formulating the budget. In preparing the budget, the objective was to provide an effective plan to maintain Council goals and the City's core services.

**Contacting the City's Financial Management Team**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the financial position of the City of Greenfield and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the City of Greenfield, Finance Department, P.O. Box 127, 599 El Camino Real, Greenfield, California 93927.

**CITY OF GREENFIELD**  
**STATEMENT OF NET POSITION**  
 June 30, 2014

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	\$ 9,517,927	\$ 2,404,675	\$ 11,922,602
Accounts receivable, net	675,767	266,076	941,843
Interest receivable	9,495		9,495
Notes receivable	3,653,276		3,653,276
Prepaid expenses	46,000		46,000
Deposits	800,524		800,524
Capital assets:			
Nondepreciable:			
Land	4,314,010	323,537	4,637,547
Construction in progress	240,289	15,012	255,301
Depreciable:			
Building and improvements	23,168,432		23,168,432
Property and equipment	2,530,193	20,526,235	23,056,428
Infrastructure	6,706,821		6,706,821
Accumulated depreciation	<u>(8,191,952)</u>	<u>(7,688,304)</u>	<u>(15,880,256)</u>
 Total assets	 <u>43,470,782</u>	 <u>15,847,231</u>	 <u>59,318,013</u>

The notes to basic financial statements are an integral part of this statement

**CITY OF GREENFIELD**  
**STATEMENT OF NET POSITION**  
 June 30, 2014

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>LIABILITIES</b>			
Accounts payable	555,544	70,955	626,499
Due to Successor Agency Trust Fund	124,736		124,736
Accrued payroll	88,880	34,018	122,898
Accrued interest payable	215,000	65,158	280,158
Service deposits	107,661	199,942	307,603
Noncurrent liabilities:			
Due within one year	758,372	181,921	940,293
Due in more than one year	<u>3,054,784</u>	<u>4,847,091</u>	<u>7,901,875</u>
 Total liabilities	 <u>4,904,977</u>	 <u>5,399,085</u>	 <u>10,304,062</u>
<b>NET POSITION</b>			
Net investment in capital assets	26,780,055	8,147,468	34,927,523
Restricted for:			
Housing	3,549,690		3,549,690
Community development	1,604,014		1,604,014
Public safety	33,092		33,092
Streets and roads	462,711		462,711
Building and planning	2,226,955		2,226,955
Public works	4,302,988		4,302,988
Unrestricted	<u>(393,700)</u>	<u>2,300,678</u>	<u>1,906,978</u>
 Total net position	 <u>\$ 38,565,805</u>	 <u>\$ 10,448,146</u>	 <u>\$ 49,013,951</u>

The notes to basic financial statements are an integral part of this statement

**CITY OF GREENFIELD**

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2014

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Contributions and Grants</u>
Governmental activities:			
General government	\$ 1,555,128	\$ 121,501	\$ 272,449
Public works	575,220	1,214,969	
Building and planning	199,859	95,652	
Parks and recreation	562,198	36,052	
Community development	21,792		
Public safety	3,170,356	44,898	181,303
Streets and roads	1,216,597		5,984
Interest on long-term debt	128,046		
Total governmental activities	<u>7,429,196</u>	<u>1,513,072</u>	<u>459,736</u>
Business-type activities:			
Water	1,227,350	1,281,047	
Sewer	911,271	1,012,325	
Total business-type activities	<u>2,138,621</u>	<u>2,293,372</u>	
Total	<u>\$ 9,567,817</u>	<u>\$ 3,806,444</u>	<u>\$ 459,736</u>

General Revenues

Taxes:

    Secured and unsecured property taxes

    Sales and use tax

    Transient lodging tax

    Franchise taxes

    Business license tax

    Vehicle in-lieu fees

Investment income

Other

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning of fiscal year

Prior period adjustment

Net position - beginning of fiscal year, restated

Net position - end of fiscal year

The notes to basic financial statements are an integral part of this statement

Capital Contributions and Grants	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
\$ -	\$ (1,161,178)	\$ -	\$ (1,161,178)
	639,749		639,749
	(104,207)		(104,207)
380,168	(145,978)		(145,978)
	(21,792)		(21,792)
	(2,944,155)		(2,944,155)
543,706	(666,907)		(666,907)
	(128,046)		(128,046)
<u>923,874</u>	<u>(4,532,514)</u>		<u>(4,532,514)</u>
		53,697	53,697
		<u>101,054</u>	<u>101,054</u>
		154,751	154,751
<u>\$ 923,874</u>	<u>(4,532,514)</u>	<u>154,751</u>	<u>(4,377,763)</u>
	352,899		352,899
	1,948,328		1,948,328
	22,185		22,185
	58,554		58,554
	25,909		25,909
	1,146,810		1,146,810
	27,833	8,999	36,832
	65,585		65,585
	<u>538,058</u>	<u>(538,058)</u>	
	<u>4,186,161</u>	<u>(529,059)</u>	<u>3,657,102</u>
	<u>(346,353)</u>	<u>(374,308)</u>	<u>(720,661)</u>
	38,905,049	10,822,454	49,727,503
	7,110		7,110
	<u>38,912,159</u>	<u>10,822,454</u>	<u>49,734,613</u>
	<u>\$ 38,565,806</u>	<u>\$ 10,448,146</u>	<u>\$ 49,013,952</u>

**CITY OF GREENFIELD**

GOVERNMENTAL FUNDS

BALANCE SHEET

June 30, 2014

	<u>General Fund</u>	<u>Home Grant Fund</u>	<u>Traffic Impact Fund</u>	<u>Water Impact Fund</u>
<b>ASSETS</b>				
Cash and investments	\$ 868,568	\$ 21,150	\$ 2,227,630	\$ 2,321,727
Accounts receivable, net	555,248			
Interest receivable	9,495			
Notes receivable		1,141,594		
Prepaid expenditures	46,000			
Deposits	800,524			
Due from other funds	2,695			
Advances receivable	1,985,110			
	<u>4,267,640</u>	<u>1,162,744</u>	<u>2,227,630</u>	<u>2,321,727</u>
Total assets	<u>\$ 4,267,640</u>	<u>\$ 1,162,744</u>	<u>\$ 2,227,630</u>	<u>\$ 2,321,727</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 431,482	\$ -	\$ 675	\$ -
Due to Successor Agency trust fund				
Accrued payroll	72,372			
Service deposits	107,661			
Due to other funds	20,073			
Advances payable				
	<u>631,588</u>	<u>-</u>	<u>675</u>	<u>-</u>
Total liabilities	<u>631,588</u>	<u>-</u>	<u>675</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenues		1,141,594		
	<u>-</u>	<u>1,141,594</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>1,141,594</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable				
Prepaid expenditures	46,000			
Advances receivable	1,985,110			
Restricted				
Housing		21,150		
Community development				
Public safety				
Streets and roads				
Building and planning			2,226,955	
Public works				2,321,727
Unassigned	1,604,942			
	<u>3,636,052</u>	<u>21,150</u>	<u>2,226,955</u>	<u>2,321,727</u>
Total fund balances	<u>3,636,052</u>	<u>21,150</u>	<u>2,226,955</u>	<u>2,321,727</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,267,640</u>	<u>\$ 1,162,744</u>	<u>\$ 2,227,630</u>	<u>\$ 2,321,727</u>

The notes to basic financial statements are an integral part of this statement

General Facilities Impact Fund	Housing Fund	Other Governmental Funds	Totals
\$ 1,748	\$ -	\$ 4,077,104	\$ 9,517,927
		120,519	675,767
	2,511,682		9,495
			3,653,276
			46,000
			800,524
		20,073	22,768
		98,414	2,083,524
<u>\$ 1,748</u>	<u>\$ 2,511,682</u>	<u>\$ 4,316,110</u>	<u>\$ 16,809,281</u>
\$ -	\$ -	\$ 123,387	\$ 555,544
	124,736		124,736
		16,508	88,880
			107,661
		2,695	22,768
1,985,110		98,414	2,083,524
<u>1,985,110</u>	<u>124,736</u>	<u>241,004</u>	<u>2,983,113</u>
	2,511,682		3,653,276
	<u>2,511,682</u>		<u>3,653,276</u>
			46,000
			1,985,110
			21,150
		1,604,014	1,604,014
		33,092	33,092
		462,711	462,711
			2,226,955
(1,983,362)	(124,736)	1,981,261	4,302,988
		(5,972)	(509,128)
<u>(1,983,362)</u>	<u>(124,736)</u>	<u>4,075,106</u>	<u>10,172,892</u>
<u>\$ 1,748</u>	<u>\$ 2,511,682</u>	<u>\$ 4,316,110</u>	<u>\$ 16,809,281</u>

**CITY OF GREENFIELD**

RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
June 30, 2014

Total fund balances - governmental funds \$ 10,172,892

Amounts reported for governmental activities in the statement of net position are different because:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:

Capital assets at historical cost	\$ 36,959,745	
Accumulated depreciation	<u>(8,191,952)</u>	
Net		28,767,793

In governmental funds, long-term notes receivable are not current available resources and therefore, are recognized as deferred revenue. In the government-wide statements, all assets, including long-term notes receivable are reported. 3,653,276

In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In government-wide statement of activities, it is recognized in the period that it is incurred. (215,000)

In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities are reported. Long-term liabilities relating to governmental activities consist of:

2005 CalHFA Loan	\$ 500,000	
2009 CalHFA Loan	500,000	
Capital leases payable	1,795,955	
CalPERS side fund	489,352	
Loan payable	191,783	
Compensated absences payable	<u>336,066</u>	
Total		<u>(3,813,156)</u>

Total net position - governmental activities \$ 38,565,805

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**CITY OF GREENFIELD**

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended June 30, 2014

	General Fund	Home Grant Fund	Traffic Impact Fund	Water Impact Fund
<b>REVENUES</b>				
Taxes and assessments	\$ 3,526,595	\$ -	\$ -	\$ -
Licenses and permits	82,288			
Fines and penalties	45,183			
Use of money and property	46,733	66	6,462	6,725
Intergovernmental revenues	353,201			
Charges for services	702,239		125,258	16,694
Other revenues	41,109			
	<u>4,797,348</u>	<u>66</u>	<u>131,720</u>	<u>23,419</u>
Total revenues				
<b>EXPENDITURES</b>				
Current:				
General government	1,293,655			
Public works	255,400		675	
Building and planning	198,668			
Parks and recreation	256,821			
Public safety	3,026,892			
Streets and roads				
Capital outlay	66,716		16,002	
Debt service:				
Principal	123,658			
Interest	94,006			
	<u>5,315,816</u>	<u>66</u>	<u>16,677</u>	<u>23,419</u>
Total expenditures				
Excess of revenues over (under) expenditures	<u>(518,468)</u>	<u>66</u>	<u>115,043</u>	<u>23,419</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	761,241			
Transfers out				
	<u>761,241</u>	<u>66</u>	<u>115,043</u>	<u>23,419</u>
Total other financing sources (uses)				
Net change in fund balances	<u>242,773</u>	<u>66</u>	<u>115,043</u>	<u>23,419</u>
Fund balances, beginning of fiscal year	3,393,279	21,084	2,111,912	2,298,308
Prior period adjustment				
Fund balances, beginning of fiscal year-restated	<u>3,393,279</u>	<u>21,084</u>	<u>2,111,912</u>	<u>2,298,308</u>
Fund balances, end of fiscal year	<u>\$ 3,636,052</u>	<u>\$ 21,150</u>	<u>\$ 2,226,955</u>	<u>\$ 2,321,727</u>

The notes to basic financial statements are an integral part of this statement

General Facilities Impact Fund	Housing Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 3,526,595
			82,288
			45,183
5		12,243	72,234
		1,013,191	1,366,392
1,743		566,358	1,412,292
			41,109
<u>1,748</u>		<u>1,591,792</u>	<u>6,546,093</u>
		113,521	1,407,176
		297,049	553,124
			198,668
		113,876	370,697
		72,875	3,099,767
		392,639	392,639
		380,425	463,143
		15,262	138,920
		<u>1,540</u>	<u>95,546</u>
		<u>1,387,187</u>	<u>6,719,680</u>
<u>1,748</u>		<u>204,605</u>	<u>(173,587)</u>
		76,147	837,388
		<u>(299,330)</u>	<u>(299,330)</u>
		<u>(223,183)</u>	<u>538,058</u>
<u>1,748</u>		<u>(18,578)</u>	<u>364,471</u>
(1,985,110)	(124,736)	4,086,574	9,801,311
		7,110	7,110
<u>(1,985,110)</u>	<u>(124,736)</u>	<u>4,093,684</u>	<u>9,808,421</u>
<u>\$ (1,983,362)</u>	<u>\$ (124,736)</u>	<u>\$ 4,075,106</u>	<u>\$ 10,172,892</u>

**CITY OF GREENFIELD**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2014

Net change in fund balances - governmental funds	\$	364,471
Amounts reported for governmental activities in the statement of activities are different because:		
In governmental funds, capital outlays are reported as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This amount by which additions to capital outlay of \$463,143 was less than depreciation expense \$(1,310,203) in the period:		(847,060)
In governmental funds, the issuance or proceeds of long-term notes receivable provides current financial resources and therefore, are recognized as expenditures or revenues, respectively. In the government-wide statements, issuance or proceeds are reported as increases or reductions in assets, respectively. This amount is net change in the long-term notes receivable.		(1,309)
Governmental funds report repayments of the PERS side fund debt as retirement expenditures. However, in the statement of activities, the repayments are reported as a decrease in the long-term liabilities. This is the amount by which contributions of \$112,053 exceeded the interest incurred of \$38,120 in the period.		73,933
In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during but owing from the prior period was:		(32,500)
In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities.		138,920
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, expenditures for these items are measured by the amount of financial resources used (essentially the amount paid). This fiscal year, vacation earned exceeded the amount used by:		<u>(42,809)</u>
Change in net position - governmental activities	\$	<u><u>(346,354)</u></u>

**CITY OF GREENFIELD**  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 June 30, 2014

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 1,636,342	\$ 768,333	\$ 2,404,675
Accounts receivable, net	<u>148,407</u>	<u>117,669</u>	<u>266,076</u>
Total current assets	<u>1,784,749</u>	<u>886,002</u>	<u>2,670,751</u>
Capital assets:			
Land	265,409	58,128	323,537
Construction in progress	15,012		15,012
Property and equipment	<u>9,767,640</u>	<u>10,758,595</u>	<u>20,526,235</u>
	10,048,061	10,816,723	20,864,784
Less accumulated depreciation	<u>(3,424,290)</u>	<u>(4,264,014)</u>	<u>(7,688,304)</u>
Total capital assets (net of accumulated depreciation)	<u>6,623,771</u>	<u>6,552,709</u>	<u>13,176,480</u>
Total assets	<u>8,408,520</u>	<u>7,438,711</u>	<u>15,847,231</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	56,489	14,466	70,955
Accrued payroll	19,546	14,472	34,018
Accrued interest payable	38,528	26,630	65,158
Service deposits	107,661	92,281	199,942
Debt due within one year	<u>104,679</u>	<u>77,242</u>	<u>181,921</u>
Total current liabilities	<u>326,903</u>	<u>225,091</u>	<u>551,994</u>
Noncurrent liabilities:			
Capital lease payable	16,422	16,423	32,845
Notes payable	<u>2,846,676</u>	<u>1,967,570</u>	<u>4,814,246</u>
Total noncurrent liabilities	<u>2,863,098</u>	<u>1,983,993</u>	<u>4,847,091</u>
Total liabilities	<u>3,190,001</u>	<u>2,209,084</u>	<u>5,399,085</u>
<b>NET POSITION</b>			
Net investment in capital assets	3,655,994	4,491,474	8,147,468
Unrestricted	<u>1,562,525</u>	<u>738,153</u>	<u>2,300,678</u>
Total net position	<u>\$ 5,218,519</u>	<u>\$ 5,229,627</u>	<u>\$ 10,448,146</u>

The notes to basic financial statements are an integral part of this statement

**CITY OF GREENFIELD**

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Fiscal Year Ended June 30, 2014

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
<b>OPERATING REVENUES:</b>			
Charges for services	\$ 1,273,534	\$ 1,012,325	\$ 2,285,859
Connection fees	5,501		5,501
Other operating revenues	<u>2,012</u>		<u>2,012</u>
Total operating revenues	<u>1,281,047</u>	<u>1,012,325</u>	<u>2,293,372</u>
<b>OPERATING EXPENSES:</b>			
Salaries and benefits	408,203	295,593	703,796
Contractual services	114,750	111,078	225,828
Office expense, supplies, and materials	85,393	16,943	102,336
Repairs and maintenance	16,773	36,320	53,093
Memberships and dues	206	627	833
Travel, meetings, and conferences	3,475	6,032	9,507
Utilities	218,217	58,416	276,633
Taxes	1,592	5,153	6,745
Depreciation	<u>284,507</u>	<u>315,501</u>	<u>600,008</u>
Total operating expenses	<u>1,133,116</u>	<u>845,663</u>	<u>1,978,779</u>
Operating income (loss)	<u>147,931</u>	<u>166,662</u>	<u>314,593</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Interest income	6,750	2,249	8,999
Interest expense	<u>(94,234)</u>	<u>(65,608)</u>	<u>(159,842)</u>
Total non-operating revenues (expenses)	<u>(87,484)</u>	<u>(63,359)</u>	<u>(150,843)</u>
Loss before transfers	<u>60,447</u>	<u>103,303</u>	<u>163,750</u>
<b>TRANSFERS</b>			
Transfers out	<u>(226,355)</u>	<u>(311,703)</u>	<u>(538,058)</u>
Total transfers	<u>(226,355)</u>	<u>(311,703)</u>	<u>(538,058)</u>
Change in net position	(165,908)	(208,400)	(374,308)
Net position - July 1	<u>5,384,427</u>	<u>5,438,027</u>	<u>10,822,454</u>
Net position - June 30	<u>\$ 5,218,519</u>	<u>\$ 5,229,627</u>	<u>\$ 10,448,146</u>

The notes to basic financial statements are an integral part of this statement

**CITY OF GREENFIELD**

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Fiscal Year Ended June 30, 2014

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers	\$ 1,261,454	\$ 996,162	\$ 2,257,616
Payments to suppliers	(532,859)	(265,858)	(798,717)
Payments to employees	<u>(406,273)</u>	<u>(291,054)</u>	<u>(697,327)</u>
Net cash provided (used) by operating activities	<u>322,322</u>	<u>439,250</u>	<u>761,572</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	(16,650)	(16,650)	(33,300)
Principal payments on long-term debt	(101,397)	(74,796)	(176,193)
Interest paid on long-term debt	<u>(95,365)</u>	<u>(66,390)</u>	<u>(161,755)</u>
Net cash used by capital and related financing activities	<u>(213,412)</u>	<u>(157,836)</u>	<u>(371,248)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers to other funds	<u>(226,355)</u>	<u>(311,703)</u>	<u>(538,058)</u>
Net cash provided (used) by noncapital financing activities	<u>(226,355)</u>	<u>(311,703)</u>	<u>(538,058)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest income	<u>7,750</u>	<u>2,744</u>	<u>10,494</u>
Net cash provided by investing activities	<u>7,750</u>	<u>2,744</u>	<u>10,494</u>
Net increase (decrease) in cash and cash equivalents	(109,695)	(27,545)	(137,240)
Cash and cash equivalents - July 1	<u>1,746,037</u>	<u>795,878</u>	<u>2,541,915</u>
Cash and cash equivalents - June 30	<u><u>\$ 1,636,342</u></u>	<u><u>\$ 768,333</u></u>	<u><u>\$ 2,404,675</u></u>

The notes to basic financial statements are an integral part of this statement

**CITY OF GREENFIELD**

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Fiscal Year Ended June 30, 2013

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ 147,931	\$ 166,662	\$ 314,593
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation expense	284,507	315,501	600,008
Change in assets and liabilities:			
Receivables, net	(18,144)	(16,549)	(34,693)
Accounts payable	(92,453)	(31,289)	(123,742)
Accrued payroll	1,930	4,539	6,469
Service deposits	451	386	837
Unearned revenue	(1,900)		(1,900)
Net cash provided (used) by operating activities	<u>\$ 322,322</u>	<u>\$ 439,250</u>	<u>\$ 761,572</u>

The notes to basic financial statements are an integral part of this statement

**CITY OF GREENFIELD**

## STATEMENT OF FIDUCIARY NET POSITION

June 30, 2014

	<u>Private Purpose Trust Funds</u>
	<u>Successor Agency</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 6,928,346
Note receivable	8,835
Due from City of Greenfield	316,519
Capital assets, net	
Non-depreciable	<u>2,334,524</u>
Total assets	<u>9,588,224</u>
<b>LIABILITIES</b>	
Accounts payable	4,068
Accrued interest payable	418,399
Noncurrent liabilities:	
Due within one year	638,862
Due in more than one year	<u>21,826,907</u>
Total liabilities	<u>22,888,236</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ (13,300,012)</u></u>

The notes to basic financial statements are an integral part of this statement.

**CITY OF GREENFIELD**

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Fiscal Year Ended June 30, 2014

	<u>Private Purpose Trust Funds</u>
	<u>Successor Agency</u>
<b>ADDITIONS:</b>	
Taxes	\$ 1,965,956
Investment earnings	32,778
Other	<u>28,472</u>
Total additions	<u>2,027,206</u>
<b>DEDUCTIONS:</b>	
Community development	60,996
Capital outlay	2,464
Interest expense	<u>1,024,393</u>
Total deductions	<u>1,087,853</u>
Increase (decrease) before special item	939,353
Special item-gain from early bond retirement	<u>63,765</u>
Change in net position	<u>1,003,118</u>
Total net position-beginning	(13,540,507)
Prior period adjustment	<u>(762,623)</u>
Total net position-beginning, restated	<u>(14,303,130)</u>
Total net position-ending	<u><u>\$ (13,300,012)</u></u>

The notes to basic financial statements are an integral part of this statement.

## CITY OF GREENFIELD

### NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. Reporting Entity

The reporting entity is the City of Greenfield. There are no component units included in this report which meet the reporting entity definition criteria of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39 and GASB Statement No. 61.

##### B. Basis of Presentation

The City's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

##### *Government-wide Statements*

The Statement of Net Position and the Statement of Activities display information about the primary government (the City) and its component unit. These statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Government activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program, and (c) fees, grants, and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

##### *Fund Financial Statements*

The fund financial statements provide information about the City's funds. Separate statements for each fund category—*governmental, proprietary and fiduciary*—are presented. The emphasis of fund financial statements is on major individual funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows for all proprietary funds.

Proprietary funds and fiduciary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position presents 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 liability is incurred.

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

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary Funds use the full accrual basis of accounting for reporting receivables and payables. Fiduciary funds are reported in the fund financial statements but are not included for government-wide reporting purposes.

## CITY OF GREENFIELD

### NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### C. Major Funds

GASB Statement No. 34 defines major funds and requires that the City's major funds are identified and presented separately in the fund financial statements. All other funds, called non-major funds, are combined and reported in a single column, regardless of their fund-type.

Major funds are defined as funds that have either assets, liabilities, revenues, or expenditures/expenses equal to ten percent of their fund-type total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

*General Fund* – This fund accounts for all financial resources except those to be accounted for in another fund. It is the general operating fund of the City.

*Home Grant Fund* – This fund accounts for the loans provided to eligible citizens for housing rehabilitation and down payment assistance.

*Traffic Impact Fund* – This fund accounts for receipt of Traffic Mitigation Development Impact Fees and their expenditures on projects to mitigate traffic impacts.

*Water Impact Fund* – This fund accounts for receipt of Water Development Impact Fees and their expenditures on projects to manage the impacts and expansion of water services.

*General Facilities Impact Fund* – This fund accounts for receipt of General Facilities Development Fees and their expenditures on projects to expand governmental facilities.

*Housing Fund* – This fund accounts for the receipt of the low-moderate loan repayments and related low-moderate expenditures.

The City reported the following major proprietary funds:

*Water Fund* – This fund accounts for the activities of providing water to residents of the City.

*Sewer Fund* – This fund accounts for the activities associated with the sewage treatment plant, pumping stations, and collections systems.

##### D. Basis of Accounting

The government-wide, proprietary funds, and fiduciary funds financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable and available*. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent that they have matured.

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Basis of Accounting

Capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Other revenues susceptible to accrual include other taxes, intergovernmental revenues, interest, and charges for services.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures/expenses. The City’s policy is to first apply restricted grant resources to such programs, followed by general revenues, if necessary.

E. Property Taxes

California Constitution Article XIII A limits the combined property tax rate to one percent of a property’s assessed valuation. Additional taxes may be imposed with voter’s approval. Assessed value is calculated at one hundred percent of a property’s fair value, as defined by Article XIII A, and may be increased no more than two percent per year, unless a change in ownership occurs. The State legislature has determined the method of distributing the one percent tax levy among the various taxing jurisdictions.

Property tax revenues are recognized in the fiscal year for which taxes have been levied, and collected within sixty days of fiscal year end. Property taxes are billed and collected as follows:

	<u>Secured</u>	<u>Unsecured</u>
Valuation/Lien Dates	January 1	January 1
Levy Dates	July 1	July 1
Due Dates	November 1 (50%) February 1 (50%)	August 1
Delinquency Dates	December 10 (Nov.) April 10 (Feb.)	August 31

F. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenditures or expenses as appropriate. Actual results could differ from those estimates.

G. Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investment instruments purchased with maturity of three months or less to be cash equivalents.

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

H. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,” and GASB Statement No. 65, “Items Previously Reported as Assets and Liabilities,” the City recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The City has no items which qualify for reporting in this category.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the City that is applicable to a future reporting period. The City has one item which qualify for reporting in this category; refer to Note 6 for a detailed listing of the deferred inflows of resources the City has reported.

I. Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair value on the date contributed. The City’s policy is to capitalize all capital assets with costs exceeding certain minimum thresholds of \$2,500 and with useful lives exceeding one year.

With the implementation of GASB Statement No. 34, the City was not required to record infrastructure assets existing or acquired prior to July 1, 2001. The City elected not to record such infrastructure assets. The City may elect to record such infrastructure assets in the future.

The purpose of depreciation is to spread cost of capital assets equitably among all users over the lives of these assets. The amount charged to depreciation expense each fiscal year represents that fiscal year’s pro rata share of the cost of capital assets. GASB Statement No. 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. Depreciation is provided using the straight line method, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each fiscal year until the asset is fully depreciated. The City has assigned the useful lives listed below, to capital assets.

Utility lines and equipment	10-40 years
Building and improvements	10-40 years
Infrastructure	10-40 years
Property and equipment	5-10 years
Vehicles	5 years

J. Deferred Revenue

Deferred revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as unearned revenue. On the governmental funds financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have also been recorded as deferred revenue.

K. Compensated Absences

In compliance with Governmental Accounting Standards Board Statement No. 16, the City has established a liability for accrued sick leave and vacation in relevant funds. For governmental type funds, the current liability appears in the respective funds. All vacation paid is accrued when incurred in the government-wide and proprietary fund financial statements. This liability is set up for the current employees at the current rates of pay. If sick leave and vacation are not used by the employee during the term of employment, a portion of the compensation is payable to the employee at the time of retirement. Such compensation is calculated at the employee’s prevailing rate at the time of retirement or termination. Each fiscal year, an adjustment to the liability is made based on pay rate changes and adjustments for the current portion. The General Fund is primarily responsible for the repayment of the governmental portion of compensated absences.

## CITY OF GREENFIELD

### NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### L. Fund Balances

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the City's governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the City intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the City.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

##### M. Net Position

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislations. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

##### N. New Accounting Pronouncements

Governmental Accounting Standards Board Statement No. 65

For the fiscal year ended June 30, 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 65, "Items Previously Reported as Assets and Liabilities." This Statement is effective for periods beginning after December 15, 2012. The objective of this Statement is to establish accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. Implementation of the statement impacted the City's financial statements and is explained in Note 1 – H and Note 6.

## CITY OF GREENFIELD

### NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### N. New Accounting Pronouncements (Continued)

###### Governmental Accounting Standards Board Statement No. 66

For the fiscal year ended June 30, 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 66, "Technical Correction - 2012." This Statement is effective for periods beginning after December 15, 2012. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions," and GASB Statement No. 62 "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." Since the release of these Statements, questions have arisen concerning differences between the provisions in Statement No. 54 and Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, regarding the reporting of risk financing activities. Questions also have arisen about differences between Statement No. 62 and Statements No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, regarding the reporting of certain operating lease transactions, and No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Equity Transfers of Assets and Future Revenues*, concerning the reporting of the acquisition of a loan or a group of loans and the recognition of servicing fees related to mortgage loans that are sold. Implementation of the GASB Statement No. 66 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2014.

###### Governmental Accounting Standards Board Statement No. 67

For the fiscal year ended June 30, 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 67, "Financial Reporting for Pension Plans." This Statement is effective for periods beginning after June 15, 2013. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement replaces the requirements of Statements No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans" and No. 50 "Pension Disclosures" as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. Implementation of the GASB Statement No. 67 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2014.

###### Governmental Accounting Standards Board Statement No. 70

For the fiscal year ended June 30, 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 70, "Accounting and Financial Reporting for Non-exchange Financial Guarantees." This Statement is effective for periods beginning after June 15, 2013. The objective of this Statement is to improve the recognition, measurement, and disclosure guidance for state and local governments that have extended or received financial guarantees that are non-exchange transactions. Implementation of the GASB Statement No. 70 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2014.

#### NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

##### A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for governmental funds. The City's budget ordinances requires that in April of each fiscal year, the City Manager must submit a preliminary budget that includes projected expenditures and the means of financing them, to the City Council for the fiscal year commencing the following July 1. As modified during public study sessions, the preliminary budget becomes the proposed budget. Following public hearings on the proposed budget, the final annual budget is adopted by the City Council in June for the following fiscal year. After adoption of the final budget, transfers of appropriations within a general fund department, or within other funds, can be made by the City Manager. Budget modifications between funds; increases or decreases to a fund's overall budget; transfers between general fund departments; or transfers that affect capital projects, must be approved by the City Council. Numerous properly authorized amendments are made during the fiscal year.

Budgetary control is enhanced by integrating the budget into the general ledger accounts. Encumbrance accounting is employed (e.g., purchase orders) to avoid expenditures over the budget. Encumbrances outstanding at fiscal year end are automatically rebudgeted in the following fiscal year.

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)**

B. Excess of Expenditures Over Appropriations

Excess of expenditures over appropriations in individual funds are as follows:

Major Fund	
Traffic Impact Fund	\$ 16,677

C. Deficit Fund Balances

*Major Funds:*

A deficit fund balance of \$124,736 exists in the Housing Fund. This fund balance deficit is due to the City incurring costs in advance of receiving revenue. The City expects to fund the deficit through future revenues and/or transfers of funds.

A deficit fund balance of \$1,983,362 exists in the General Facilities Impact Fund. This fund balance deficit is due to the City incurring costs in advance of receiving revenue. The City expects to fund the deficit through future revenues and/or transfers of funds.

*Nonmajor Fund:*

A deficit fund balance of \$5,972 exists in the Greenfield Science Workshop Fund. This fund balance deficit is due to the City incurring costs in advance of receiving revenue. The City expects to fund the deficit through future revenues and/or transfers of funds.

**NOTE 3 – CASH AND INVESTMENTS**

The composition of cash and investments as of June 30, 2014, by fund is as follows:

	Available For <u>Operations</u>	<u>Restricted</u>	<u>Total</u>
General Fund	\$ 868,568	\$ -	\$ 868,568
Special Revenue and Capital Projects Funds	8,649,359		8,649,359
Proprietary Funds	2,404,675		2,404,675
Fiduciary Funds		6,928,346	6,928,346
Total	<u>\$ 11,922,602</u>	<u>\$ 6,928,346</u>	<u>\$ 18,850,948</u>

Cash and investments at June 30, 2014, consisted of the following:

Cash in banks and on hand	\$ 599,288
Investments	<u>11,323,314</u>
Total cash and investments, statement of net position	<u>11,922,602</u>
Cash in banks and on hand	191,012
Cash and investments with fiscal agent	4,531,489
Investments	<u>2,205,845</u>
Total cash and investments, statement of fiduciary net assets	<u>6,928,346</u>
Total	<u>\$ 18,850,948</u>

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

Investments Authorized by the California Government Code and the City’s Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Bankers’ Acceptance	180 days	40%	30%
Commercial Paper	180 days	15%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Time Deposits	5 years	25%	None
Repurchase Agreements	90 days	None	None
Reverse Repurchase Agreements	90 days	20%	None
Medium-Term Notes	5 years	30%	15%
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
JPA Pools (other investment pools)	N/A	None	None

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by the provisions of the debt agreements, rather than the general provisions of the California Government Code or the City’s investment policy. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Bankers’ Acceptance	1 year	None	None
Commercial Paper	None	None	None
Negotiable Certificates of Deposit	None	None	None
Investment Agreements	None	None	None
Repurchase Agreements	30 days	None	None
Money Market Mutual Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Local Agency Bonds	None	None	None

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flows and liquidity needed for operations.

Information about the sensitivity of the fair values of the City’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity:

Investment Type	Carrying Amount	Remaining Maturity (in Months)			
		12 Months Or Less	13-24 Months	25-60 Months	More than 60 Months
LAI	\$ 13,426,661	\$ 13,426,661	\$ -	\$ -	\$ -
Time deposits	102,498	102,498			
Held by fiscal agent:					
Money market funds	4,531,489	4,531,489			
<b>Total</b>	<b>\$ 18,060,648</b>	<b>\$ 18,060,648</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, and the actual rating as of fiscal year end for each investment type.

Investment Type	Carrying Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End	
				AAA	Not Rated
LAI	\$ 13,426,661	N/A	\$ -	\$ -	\$ 13,426,661
Time deposits	102,498	N/A			102,498
Held by fiscal agent:					
Money market funds	4,531,489	N/A		4,531,489	
<b>Total</b>	<b>\$ 18,060,648</b>		<b>\$ -</b>	<b>\$ 4,531,489</b>	<b>\$ 13,529,159</b>

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represents 5% or more of the total City’s investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City’s deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

None of the City’s deposits with financial institutions in excess of the Federal Depository Insurance Corporation’s limits were held in uncollateralized accounts.

## CITY OF GREENFIELD

### NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

#### NOTE 3 – CASH AND INVESTMENTS (Continued)

##### Custodial Credit Risk (Continued)

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or governmental investment pools (such as LAIF).

##### Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying basic financial statements at the 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.

#### NOTE 4 – NOTES RECEIVABLE

##### A. 2005 Community Housing Improvement Systems and Planning Association

On December 28, 2005, the City entered into an agreement with the Community Housing Improvement Systems and Planning Association (CHISPA), a nonprofit housing agency, in which the City contributed \$500,000 toward the cost of developing a 40 unit multi-family residential project, named Walnut Place, for low and moderate income households. In exchange for the City contribution, the City obtained a promissory note and deed of trust secured by the housing project. CHISPA agrees to maintain the project in accordance with certain low and moderate income restrictions imposed upon it by the City. Repayment of the \$500,000 note is not due as long as CHISPA meets the requirements of the various restrictions. Accordingly, the City has recorded a note receivable and offsetting unearned revenue since the value of the note is not a source of readily available funding.

##### B. 2007 Community Housing Improvement Systems and Planning Association

On May 2, 2007, the City entered into an agreement with the Community Housing Improvement Systems and Planning Association (CHISPA), a nonprofit housing agency, in which the City contributed \$500,000 toward the cost of developing a 40 unit multi-family residential project, named Vineyard Green Townhomes, for low and moderate income households. In exchange for the City contribution, the City obtained a promissory note and deed of trust secured by the housing project. CHISPA agrees to maintain the project in accordance with certain low and moderate income restrictions imposed upon it by the City. Repayment of the \$500,000 note is not due until 55 years from the date the agreement was signed. Accordingly, the City has recorded a note receivable and offsetting unearned revenue since the value of the note is not a source of readily available funding.

##### C. 2009 Community Housing Improvement Systems and Planning Association

On April 20, 2009, the City entered into an agreement with the Community Housing Improvement Systems and Planning Association (CHISPA), a nonprofit housing agency, in which the City contributed \$700,000 toward the cost of developing a 40 unit multi-family residential project, named Vineyard Green Townhomes, for low and moderate income households. In exchange for the City contribution, the City obtained a promissory note and deed of trust secured by the housing project. CHISPA agrees to maintain the project in accordance with certain low and moderate income restrictions imposed upon it by the City. Repayment of the \$700,000 note is not due until 55 years from the date the agreement was signed. Accordingly, the City has recorded a note receivable and offsetting unearned revenue since the value of the note is not a source of readily available funding.

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 4 – NOTES RECEIVABLE (Continued)**

D. Down Payment Assistance Program

At June 30, 2014, the City held \$811,682 in promissory notes secured by deeds of trust for various residential properties for households that participated in the City’s down payment assistance program for low and moderate income households. The promissory note accrues simple interest of 3.0 percent and repayment of the principal and interest is deferred for 30 years, unless the property is sold or transferred. Accordingly, the City has recorded notes receivable and offsetting unearned revenue since the value of the notes are not a source of readily available funding.

E. Housing Rehabilitation

The City provides loans to eligible citizens through the Housing Fund and Home Grant Fund for housing rehabilitation. Interest is generally deferred and repayment occurs when property ownership changes. The balance outstanding at June 30, 2014, is \$1,141,594, which is offset by unearned revenue in the governmental funds financial statements.

**NOTE 5 – CAPITAL ASSETS**

Capital assets activity for the fiscal year ended June 30, 2014, was as follows:

	Balance July, 1 2013	Additions	Deletions	Balance June 30, 2014
<b>Governmental Activities</b>				
Nondepreciable capital assets:				
Land	\$ 4,039,010	\$ 275,000	\$ -	\$ 4,314,010
Construction in progress	5,068,604	188,143	5,016,458	240,289
Total nondepreciable capital assets	<u>\$ 9,107,614</u>	<u>\$ 463,143</u>	<u>\$ 5,016,458</u>	<u>\$ 4,554,299</u>
Depreciable capital assets:				
Buildings and improvements	\$ 22,948,103	\$ 220,329	\$ -	\$ 23,168,432
Property and equipment	2,530,193			2,530,193
Infrastructure	1,910,692	4,796,129		6,706,821
Total depreciable capital assets	27,388,988	5,016,458		32,405,446
Less accumulated depreciation	6,881,749	1,310,203		8,191,952
Net depreciable capital assets	<u>20,507,239</u>	<u>\$ 3,706,255</u>	<u>\$ -</u>	<u>\$ 24,213,494</u>
Net capital assets	<u>\$ 29,614,853</u>	<u>\$ 4,169,398</u>	<u>\$ 5,016,458</u>	<u>\$ 28,767,793</u>
<b>Business-Type Activities</b>				
Nondepreciable capital assets:				
Land	\$ 323,537	\$ -	\$ -	\$ 323,537
Construction in progress	15,012			15,012
Total nondepreciable capital assets	<u>\$ 338,549</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 338,549</u>
Depreciable capital assets:				
Property and equipment	\$ 20,492,935	\$ 33,300	\$ -	\$ 20,526,235
Total depreciable capital assets	20,492,935	33,300		20,526,235
Less accumulated depreciation	7,088,296	600,008		7,688,304
Net depreciable capital assets	<u>\$ 13,404,639</u>	<u>\$ (566,708)</u>	<u>\$ -</u>	<u>\$ 12,837,931</u>
Net capital assets	<u>\$ 13,743,188</u>	<u>\$ (566,708)</u>	<u>\$ -</u>	<u>\$ 13,176,480</u>

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 5 – CAPITAL ASSETS (Continued)**

Depreciation expense was charged to function and programs based on their usage of the related assets. The amounts allocated to each function or program were as follows:

<b>Governmental Activities:</b>	
General government	\$ 113,207
Public works	22,096
Building and planning	1,191
Parks and recreation	191,501
Community development	21,792
Public safety	136,458
Streets and roads	<u>823,958</u>
Total depreciation expense-governmental activities	<u>\$ 1,310,203</u>
<b>Business-type Activities:</b>	
Water	\$ 284,507
Sewer	<u>315,501</u>
Total depreciation expense-business-type activities	<u>\$ 600,008</u>

**NOTE 6 – DEFERRED INFLOWS OF RESOURCES**

At June 30, 2014, deferred inflows of resources, reported on the Balance Sheet- Governmental Funds, consisted of the following:

	<u>General Fund</u>	<u>Housing Fund</u>
Unavailable loans revenue	<u>\$ 1,141,594</u>	<u>\$ 2,511,682</u>

**NOTE 7 – LONG-TERM DEBT**

A. 2005 California Housing Finance Agency Loan Agreement

On April 10, 2005, the City entered into a loan agreement with the California Housing Finance Agency (CalHFA) in the amount of \$500,000. On December 28, 2005, the City also entered into agreement with Community Housing Improvement Systems and Planning Association (CHISPA), a nonprofit housing agency, where the City contributed the loan proceeds from CalHFA to CHISPA for the development and construction of Walnut Place, a 40-unit multifamily rental complex. See note 4 for further detail. In the loan agreement between the City and CalHFA, principal and interest is due 10 years from the date of the agreement with interest accruing at simple interest of 3 percent from March 16, 2006, the date of disbursement. The City intends to use housing funds for the repayment of the loan. All principal and interest amounts are payable at maturity on April 10, 2015. The accumulated interest amount payable at June 30, 2014, was \$123,125.

The future minimum payment obligation for the loan agreement at June 30, 2014, is as follows:

Fiscal Year Ended			
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 500,000	\$ 150,000	\$ 650,000

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 7 – LONG-TERM DEBT (Continued)**

**B. 2009 California Housing Finance Agency Loan Agreement**

On May 2, 2007, the City entered into a loan agreement with the California Housing Finance Agency (CalHFA) in the amount of \$500,000. On April 10, 2009, the City also entered into agreement with Community Housing Improvement Systems and Planning Association (CHISPA), a nonprofit housing agency, where the Agency contributed the loan proceeds from CalHFA to CHISPA for the development and construction of Vineyard Green Townhomes Project, a 40-unit rental development. See note 4 for further detail. In the loan agreement between the Agency and CalHFA, principal and interest is due 10 years from the date of the agreement with interest accruing at simple interest of 3.5 percent from March 11, 2009, the date of disbursement. The City intends to use housing funds for the repayment of the loan. All principal and interest amounts are payable at maturity on May 10, 2017. The accumulated interest amount payable at June 30, 2014, was \$91,875.

The future minimum payment obligation for the loan agreement at June 30, 2014 is as follows:

Fiscal Year Ended June 30	Principal	Interest	Total
2017	\$ 500,000	\$ 175,000	\$ 675,000

**C. Capital Leases Payable**

On January 1, 2006, the City entered into a capital lease agreement with Municipal Finance Corporation. The lease proceeds were used to construct, acquire, and install certain capital improvements (consisting primarily of a new City Hall facility). The amount of the lease is \$2,500,000 and accrues interest at 5.1 percent. The lease is secured by revenues in the general fund. Semi-annual lease payments are due June 30 and December 30 of each year, commencing on June 30, 2009. Future minimum lease payments are as follows:

Fiscal Year Ending June 30	Amount
2015	\$ 200,862
2016	200,862
2017	200,862
2018	200,862
2019	200,862
2020-2024	1,004,310
2025-2026	<u>301,293</u>
Total minimum lease payments	2,309,913
Less amount representing interest	<u>(578,468)</u>
Present value on net minimum lease payments	<u><u>\$ 1,731,445</u></u>

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 7 – LONG-TERM DEBT (Continued)**

C. Capital Leases Payable (Continued)

On May 3, 2011, the City entered into a capital lease agreement with Municipal Finance Corporation. The lease proceeds were used to buy four pieces of equipment for public works (25%), streets (25%), water fund (25%), and sewer fund (25%). The amount of the lease was \$305,660 and accrues interest at 3.68%. The lease is secured by the investments in the acquisition fund. Quarterly lease payments are due each year commencing September 2011. Future minimum lease payments are as follows:

Fiscal Year Ending June 30	Amount
2015	\$ 67,208
2016	67,209
Total minimum lease payments	134,417
Less amount representing interest	(5,398)
Present value on net minimum lease payments	<u>\$ 129,019</u>

D. California Infrastructure and Economic Development Bank Loan Agreement

In September 2006, the City entered into two agreements with the California Infrastructure and Economic Development Bank (CIEDB). The agreements provide financing for two projects within the City; the 10<sup>th</sup> Street Water Expansion Project and for the Wastewater Treatment Plant Expansion. The Water Expansion Project financing agreement is \$3,700,000 and the Wastewater Plant Expansion financing agreement is \$2,360,000.

The future minimum payment obligation for the Water Expansion Project loan agreement at June 30, 2014, is as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2015	\$ 88,847	\$ 91,069	\$ 179,916
2016	91,646	88,227	179,873
2017	94,533	85,295	179,828
2018	97,511	82,270	179,781
2019	100,582	79,150	179,732
2020-2024	552,481	345,400	897,881
2025-2029	645,154	251,267	896,421
2030-2034	753,372	141,345	894,717
2035-2037	511,397	24,497	535,894
	<u>\$ 2,935,523</u>	<u>\$ 1,188,520</u>	<u>\$ 4,124,043</u>

**CITY OF GREENFIELD**

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 7 – LONG-TERM DEBT (Continued)****D. California Infrastructure and Economic Development Bank Loan Agreement (Continued)**

The future minimum payment obligation for the Wastewater Plant Expansion loan agreement at June 30, 2014, is as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2015	\$ 61,410	\$ 62,945	\$ 124,355
2016	63,344	60,981	124,325
2017	65,339	58,954	124,293
2018	67,398	56,863	124,261
2019	69,521	54,707	124,228
2020-2024	381,864	238,736	620,600
2025-2029	445,919	173,672	619,591
2030-2034	520,717	97,695	618,412
2035-2037	353,468	16,931	370,399
	<u>\$ 2,028,980</u>	<u>\$ 821,484</u>	<u>\$ 2,850,464</u>

**E. Public Employees Retirement System Side Fund**

At the time the City joined the Public Employees Retirement System (PERS) Risk Pool, a side fund was required to be created to account for the difference between the funded status of the pool and the funded status of the City's plan, in addition to the existing plans' unfunded liability. The side fund will be credited, in an annual basis, with the actuarial investment return assumption, which was 7.75% prior to July 1, 2012, and 7.5% after that date. A side fund liability will cause the City's required PERS employer contribution rate to be increased by the amortization of the side fund. The side fund liability for the City's plan as of June 30, 2014 was \$489,352.

**F. Loan Payable**

On July 1, 2009, the City agreed to repay the Greenfield Redevelopment Agency in the amount of \$191,783 for costs incurred to construct and furnish a new police facility as a component of the Civic Center Project with proceeds from the future sale of the existing police facility.

**G. Compensated Absences**

Governmental Accounting Standards Board Statement No. 16 identifies certain items that should be accrued as a liability as the benefits are earned by the employees, but only to the extent it is probable that the employer will compensate the employees for the benefits through cash payments conditioned on the employee's termination or retirement.

The City's employees accumulate earned but unused benefits, which can be converted to cash at termination of employment. The non-current portion of these vested benefits, payable in accordance with various collective bargaining agreements, at June 30, 2014, total \$336,066 for governmental activities.

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 8 – CHANGES IN LONG-TERM LIABILITIES**

The following is a summary of long-term liability activities for the fiscal year ended June 30, 2014:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Due Within One Year
<b>Governmental activities:</b>					
2005 CalHFA	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ 500,000
2009 CalHFA	500,000			500,000	
Capital leases payable	1,934,875		138,920	1,795,955	145,657
CalPERS side fund	563,285	38,120	112,053	489,352	112,715
Loan payable	191,783			191,783	
Compensated absences	293,257	156,828	114,019	336,066	
<b>Total</b>	<b>\$ 3,983,200</b>	<b>\$ 194,948</b>	<b>\$ 364,992</b>	<b>\$ 3,813,156</b>	<b>\$ 758,372</b>
<b>Business-type activities:</b>					
CIEDB water loan	\$ 3,021,657	\$ -	\$ 86,134	\$ 2,935,523	\$ 88,847
CIEDB sewer loan	2,088,514		59,534	2,028,980	61,410
Capital lease payable	95,034		30,525	64,509	31,664
<b>Total</b>	<b>\$ 5,205,205</b>	<b>\$ -</b>	<b>\$ 176,193</b>	<b>\$ 5,029,012</b>	<b>\$ 181,921</b>

**NOTE 9 – INTERFUND TRANSACTIONS**

Interfund transactions are reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers among governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Due From/To Other Funds

Individual fund interfund receivable and payable balances at June 30, 2014, are as follows:

Fund	Due From	Due To
<b>Major Governmental Fund:</b>		
General Fund	\$ 2,695	\$ 20,073
<b>Nonmajor Governmental Funds:</b>		
Greenfield Science Workshop		2,695
Police Impact Fees	20,073	
<b>Total</b>	<b>\$ 22,768</b>	<b>\$ 22,768</b>

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 9 – INTERFUND TRANSACTIONS (Continued)**

Advances Receivable and Payable

Advances receivable and payable constitute long-term borrowing between funds. Individual advance receivable and payable balances at June 30, 2014, are as follows:

<u>Fund</u>	<u>Advance Receivable</u>	<u>Advance Payable</u>
Major Governmental Fund:		
General Fund	\$ 1,985,110	\$ -
Nonmajor Governmental Funds:		
Park Impact	98,414	
Park Fund		98,414
General Facilities Impact Fees		1,985,110
	<u>                    </u>	<u>                    </u>
Totals	<u>\$ 2,083,524</u>	<u>\$ 2,083,524</u>

Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended.

Interfund transfers for the 2013-2014 fiscal year, are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund	\$ 761,241	\$ -
Nonmajor Governmental Funds:		
Gas Tax Fund		128,833
Local Transportation Fund		12,000
Lexington Square Assessment Fund		21,150
Terra Verde Assessment Fund		58,200
SMD#1 Fund		1,500
SMD#2 Fund	76,147	1,500
LLM#1 Fund		76,147
Proprietary Funds:		
Water Fund		226,355
Sewer Fund		311,703
	<u>                    </u>	<u>                    </u>
	<u>\$ 837,388</u>	<u>\$ 837,388</u>

**NOTE 10 – CITY EMPLOYEES’ RETIREMENT PLAN**

Plan Description

The City of Greenfield’s defined benefit pension plan, Public Employees’ Retirement System (PERS), provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is part of the Public Agency portion of the California Public Employees’ Retirement System, (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statutes with the Public Employees’ Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance (other local methods). CalPERS issue a separate comprehensive annual financial report. Copies of the CalPERS’ annual financial report may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814

## CITY OF GREENFIELD

### NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

#### NOTE 10 – CITY EMPLOYEES’ RETIREMENT PLAN (Continued)

##### Funding Policy

The City contributes the employer share for the Miscellaneous Plan and the Safety Plan. The City of Greenfield is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. For members prior to January 1, 2013, the required employer contribution rate for the fiscal year 2013/2014 was 11.413% for miscellaneous employees, and 26.881% for safety employees. As part of the California Public Employees’ Pension Reform Act (PEPRA) of 2013, the required contribution rate for new employees and member as of January 1, 2013 and thereafter was 6.25% for miscellaneous employees and 11.5% for safety employees. The contribution requirements of the plan members are established by the State statutes and the employer contribution rate is established and may be amended by CalPERS. The City’s contributions to CalPERS for fiscal years ending June 30, 2014, 2013, and 2012, were \$416,699, \$401,663, and \$445,473, respectively, and equal 100% of the required contributions for each fiscal year.

#### NOTE 11 – LIABILITY, WORKERS’ COMPENSATION, AND PURCHASED INSURANCE

##### A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Greenfield is a member of the Monterey Bay Area Self Insurance Authority (Authority). The Authority is composed of 10 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et. seq.. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage.

##### B. Self-Insurance Programs of the Authority

*General Liability* – The City is self-insured for the first \$10,000 of each liability claim. Claims above \$10,000 up to \$1 million are paid by the Authority. Claims above \$1 million are covered by California Affiliated Risk Management Authorities, purchased by the Authority.

*Workers’ Compensation* – The City does not retain a self-insured portion of workers’ compensation claims. Annual premiums for coverage up to statutory levels are paid to the Authority based on the level of claims activity. A third party administrator is contracted by the Authority to manage claims activity.

##### C. Purchased Insurance

*Property Insurance* – The City purchases all risk property coverage through a commercial insurance agency. The program limit is \$1,000,000,000.

##### D. Adequacy of Protection

During the past three fiscal (claims) years, none of the above programs of protection have had settlements or judgements that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior fiscal year.

#### NOTE 12 – CONTINGENCIES AND COMMITMENTS

The City is involved in various litigations. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the City’s financial statements.

The City has received State and Federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 13 – REVENUE LIMITATIONS IMPOSED BY CALIFORNIA PROPOSITION 218**

Proposition 218, which was approved by the voters in November 1996, will regulate the City’s ability to impose, increase, and extend taxes, assessments, and fees. Any new, increased, or extended taxes, assessments, and fees subject to the provisions of Proposition 218, require voter’s approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments, and fees are subject to the voter’s initiative process and may be rescinded in the future years by the voters.

**NOTE 14 – SUCCESSOR AGENCY**

Capital Assets

	Balance July, 1 2013	Additions	Deletions	Balance June 30, 2014
<b>Agency</b>				
Nondepreciable capital assets:				
Land	\$ 2,032,939	\$ -	\$ -	\$ 2,032,939
Construction in progress	220,370	81,215		301,585
<b>Total nondepreciable capital assets</b>	<b>\$ 2,253,309</b>	<b>\$ 81,215</b>	<b>\$ -</b>	<b>\$ 2,334,524</b>
Depreciable capital assets:				
Property and equipment	\$ 29,727	\$ -	\$ -	\$ 29,727
<b>Total depreciable capital assets</b>	<b>29,727</b>			<b>29,727</b>
Less accumulated depreciation	29,727			29,727
<b>Net depreciable capital assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net capital assets</b>	<b>\$ 2,253,309</b>	<b>\$ 81,215</b>	<b>\$ -</b>	<b>\$ 2,334,524</b>

2002 Tax Allocation Bonds

On April 18, 2002, the Agency adopted a resolution authorizing the sale of \$4,005,000 aggregate principal amount of Tax Allocation Refunding and Escrow Bonds at interest rates ranging from 4.125 to 5.8 percent. The purpose of the bond was to retire \$1,500,000 of tax allocation notes issued on December 1, 2000 and to provide additional redevelopment project funds. A portion of these bonds were advance refunded by the 2006 Tax Allocation Refunding Bonds. As of June 30, 2014, the principal balance outstanding was \$1,365,000.

The future minimum payment obligation for the bonds payable at June 30, 2014, is as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2015	\$ 40,000	\$ 80,767	\$ 120,767
2016	40,000	78,618	118,618
2017	45,000	76,418	121,418
2018	45,000	73,886	118,886
2019	50,000	71,321	121,321
2020-2024	300,000	308,827	608,827
2025-2029	410,000	207,000	617,000
2030-2032	435,000	60,000	495,000
	<b>\$ 1,365,000</b>	<b>\$ 956,837</b>	<b>\$ 2,321,837</b>

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 14 – SUCCESSOR AGENCY (Continued)**

2006 Tax Allocation Bonds

On December 5, 2006, the Agency issued \$29,810,000 in Tax Allocation Bonds Series 2006 to defease its 2005 Tax Allocation Bonds, partially defease its 2002 Tax Allocation Bonds, provide approximately \$23,000,000 in new funding for various redevelopment projects, fund a debt service reserve fund, fund capitalized interest, and pay issuance costs related to the bonds. The interest rates on the bonds vary from 3.625 to 4.75 percent. During the fiscal year, the City retired the par value of \$430,000 at a discounted amount of \$366,235. The resulting gain of \$63,765 is shown as a special item within the financial statements. As of June 30, 2014, the principal balance outstanding was \$20,775,000.

The future minimum payment obligation for the bonds payable at June 30, 2014, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2015	\$ 585,000	\$ 923,390	\$ 1,508,390
2016	740,000	899,990	1,639,990
2017	770,000	866,690	1,636,690
2018	400,000	838,778	1,238,778
2019	575,000	823,778	1,398,778
2020-2024	4,355,000	3,658,548	8,013,548
2025-2029	4,565,000	2,796,863	7,361,863
2030-2034	4,680,000	1,810,225	6,490,225
2035-2037	4,105,000	337,013	4,442,013
	<u>\$ 20,775,000</u>	<u>\$ 12,955,275</u>	<u>\$ 33,730,275</u>

Changes in Long-Term Liabilities

Long term liability activity for the fiscal year ended June 30, 2014, was as follows:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Due Within One Year
2002 Tax Allocation Bonds	\$ 1,405,000	\$ -	\$ 40,000	\$ 1,365,000	\$ 40,000
2006 Tax Allocation Bonds	21,875,000		1,100,000	20,775,000	585,000
Bond premium	339,631		13,862	325,769	13,862
	<u>\$ 23,619,631</u>	<u>\$ -</u>	<u>\$ 1,153,862</u>	<u>\$ 22,465,769</u>	<u>\$ 638,862</u>

**CITY OF GREENFIELD**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014

**NOTE 15 – PRIOR PERIOD ADJUSTMENTS**

Prior period adjustments consisted of the following:

**Government-wide and governmental funds:**

**Local Transportation Fund:**

Difference between the amount recorded as accounts payable in prior fiscal year and the actual amount paid in the current fiscal year. \$ 7,110

**Park Impact Fund:**

The Park Fund was included as part of Park Impact Fund in previous fiscal year. 24,973

**Park Fund:**

The Park Fund was included as part of Park Impact Fund in previous fiscal year. (24,973)  
\$ 7,110

**Successor Agency:**

Remove unamortized bond issuance costs in accordance with the implementation of GASB Statement No. 65 \$ (762,623)  
\$ (762,623)

**NOTE 16 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date the financial statements were available for issuance which is June 19, 2015.

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**REQUIRED SUPPLEMENTAL INFORMATION SECTION**



**CITY OF GREENFIELD**

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes and assessments	\$ 3,924,900	\$ 4,052,200	\$ 3,526,595	\$ (525,605)
Licenses and permits	85,000	77,500	82,288	4,788
Fines and penalties	65,000	42,400	45,183	2,783
Use of money and property	23,000	14,200	46,733	32,533
Intergovernmental revenues	151,000	90,700	353,201	262,501
Charges for services	111,200	87,000	702,239	615,239
Other revenues	28,600	30,900	41,109	10,209
Total revenues	<u>4,388,700</u>	<u>4,394,900</u>	<u>4,797,348</u>	<u>402,448</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,156,900	1,218,700	1,293,655	(74,955)
Public works	262,100	364,300	255,400	108,900
Building and planning	396,400	365,500	198,668	166,832
Parks and recreation	204,000	272,800	256,821	15,979
Public safety	2,830,600	2,878,500	3,026,892	(148,392)
Capital outlay	15,000	63,200	66,716	(3,516)
Debt service:				
Principal	162,300	324,600	123,658	200,942
Interest	105,700	211,400	94,006	117,394
Total expenditures	<u>5,133,000</u>	<u>5,699,000</u>	<u>5,315,816</u>	<u>383,184</u>
Excess of revenues over (under) expenditures	<u>(744,300)</u>	<u>(1,304,100)</u>	<u>(518,468)</u>	<u>785,632</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>739,200</u>	<u>739,200</u>	<u>761,241</u>	<u>22,041</u>
Total other financing sources	<u>739,200</u>	<u>739,200</u>	<u>761,241</u>	<u>22,041</u>
Net change in fund balance	(5,100)	(564,900)	242,773	807,673
Fund balance, beginning of fiscal year	<u>3,393,279</u>	<u>3,393,279</u>	<u>3,393,279</u>	
Fund balance, end of fiscal year	<u>\$ 3,388,179</u>	<u>\$ 2,828,379</u>	<u>\$ 3,636,052</u>	<u>\$ 807,673</u>

**CITY OF GREENFIELD**

HOME GRANT SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 66	\$ 66
Total revenues			66	66
<b>EXPENDITURES</b>				
Current:				
Community development				
Total expenditures				
Excess of revenues over (under) expenditures			66	66
Fund balance, beginning of fiscal year	21,084	21,084	21,084	
Fund balance, end of fiscal year	\$ 21,084	\$ 21,084	\$ 21,150	\$ 66

**CITY OF GREENFIELD**

TRAFFIC IMPACT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 20,000	\$ -	\$ 6,462	\$ 6,462
Charges for services			125,258	125,258
Total revenues	<u>20,000</u>		<u>131,720</u>	<u>131,720</u>
<b>EXPENDITURES</b>				
Current:				
Public works			675	(675)
Capital outlay	<u>1,429,700</u>		<u>16,002</u>	<u>(16,002)</u>
Total expenditures	<u>1,429,700</u>		<u>16,677</u>	<u>(16,677)</u>
Excess of revenues over expenditures	(1,409,700)		115,043	115,043
Fund balance, beginning of fiscal year	<u>2,111,912</u>	<u>2,111,912</u>	<u>2,111,912</u>	
Fund balance, end of fiscal year	<u>\$ 702,212</u>	<u>\$ 2,111,912</u>	<u>\$ 2,226,955</u>	<u>\$ 115,043</u>

**CITY OF GREENFIELD**

WATER IMPACT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 20,000	\$ -	\$ 6,725	\$ 6,725
Charges for services	25,000		16,694	16,694
Total revenues	45,000		23,419	23,419
<b>EXPENDITURES</b>				
Capital outlay	1,020,000			
Total expenditures	1,020,000			
Excess of revenues over expenditures	(975,000)		23,419	23,419
Fund balance, beginning of fiscal year	2,298,308	2,298,308	2,298,308	
Fund balance, end of fiscal year	<u>\$ 1,323,308</u>	<u>\$ 2,298,308</u>	<u>\$ 2,321,727</u>	<u>\$ 23,419</u>

**CITY OF GREENFIELD**

GENERAL FACILITIES IMPACT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ -	\$ -	\$ 1,748	\$ 1,748
Total revenues			1,748	1,748
<b>EXPENDITURES</b>				
Capital outlay				
Total expenditures				
Excess of revenues over expenditures			1,748	1,748
Fund balance, beginning of fiscal year	(1,985,110)	(1,985,110)	(1,985,110)	
Fund balance, end of fiscal year	<u>\$ (1,985,110)</u>	<u>\$ (1,985,110)</u>	<u>\$ (1,983,362)</u>	<u>\$ 1,748</u>

**CITY OF GREENFIELD**

HOUSING FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Total revenues				
<b>EXPENDITURES</b>				
Current:				
Community development				
Total expenditures				
Excess of revenues over expenditures				
Fund balance, beginning of fiscal year	(124,736)	(124,736)	(124,736)	
Fund balance, end of fiscal year	<u>\$ (124,736)</u>	<u>\$ (124,736)</u>	<u>\$ (124,736)</u>	<u>\$ -</u>

**SUPPLEMENTAL INFORMATION SECTION**



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**CITY OF GREENFIELD**

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

June 30, 2014

	Supplemental Law Enforcement Service Fund	Gas Tax Fund	Local Transportation Fund	Greenfield Science Workshop Fund
<b>ASSETS</b>				
Cash and investments	\$ 82,962	\$ 366,517	\$ 100,930	\$ -
Accounts receivable		17,621		
Due from other funds				
Advances receivable				
<b>Total assets</b>	<b><u>\$ 82,962</u></b>	<b><u>\$ 384,138</u></b>	<b><u>\$ 100,930</u></b>	<b><u>\$ -</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 72,136	\$ 10,416	\$ -	\$ 520
Accrued payroll	10	11,941		2,757
Due to other funds				2,695
Advances payable				
<b>Total liabilities</b>	<b><u>72,146</u></b>	<b><u>22,357</u></b>		<b><u>5,972</u></b>
Fund Balances				
Restricted	10,816	361,781	100,930	
Unassigned				(5,972)
<b>Total fund balances</b>	<b><u>10,816</u></b>	<b><u>361,781</u></b>	<b><u>100,930</u></b>	<b><u>(5,972)</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 82,962</u></b>	<b><u>\$ 384,138</u></b>	<b><u>\$ 100,930</u></b>	<b><u>\$ -</u></b>

Special Revenue Funds

<u>Park Impact Fund</u>	<u>Police Impact Fund</u>	<u>Sewer Impact Fund</u>	<u>Community Center Impact Fund</u>	<u>Park Fund</u>	<u>Lexington Square Assessment Fund</u>
\$ 789,836	\$ 2,203	\$ 1,050,686	\$ 109,600	\$ -	\$ 335,316
	20,073			102,898	
<u>98,414</u>					
<u>\$ 888,250</u>	<u>\$ 22,276</u>	<u>\$ 1,050,686</u>	<u>\$ 109,600</u>	<u>\$ 102,898</u>	<u>\$ 335,316</u>
\$ 14,127	\$ -	\$ -	\$ -	\$ 44	\$ 5,255
				214	307
				98,414	
<u>14,127</u>				<u>98,672</u>	<u>5,562</u>
874,123	22,276	1,050,686	109,600	4,226	329,754
<u>874,123</u>	<u>22,276</u>	<u>1,050,686</u>	<u>109,600</u>	<u>4,226</u>	<u>329,754</u>
<u>\$ 888,250</u>	<u>\$ 22,276</u>	<u>\$ 1,050,686</u>	<u>\$ 109,600</u>	<u>\$ 102,898</u>	<u>\$ 335,316</u>

**CITY OF GREENFIELD**  
 NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
 June 30, 2014

	<u>Special Revenue Funds</u>			
	Terra Verde Assessment Fund	SMD #1 Fund	SMD #2 Fund	LLM #1 Fund
<b>ASSETS</b>				
Cash and investments	\$ 627,546	\$ 459,867	\$ 151,641	\$ -
Accounts receivable				
Due from other funds				
Advances receivable				
	<u>627,546</u>	<u>459,867</u>	<u>151,641</u>	<u>-</u>
Total assets	<u>\$ 627,546</u>	<u>\$ 459,867</u>	<u>\$ 151,641</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 18,683	\$ 1,076	\$ 1,130	\$ -
Accrued payroll	538	741		
Due to other funds				
Advances payable				
	<u>19,221</u>	<u>1,817</u>	<u>1,130</u>	<u>-</u>
Total liabilities	<u>19,221</u>	<u>1,817</u>	<u>1,130</u>	<u>-</u>
Fund Balances				
Restricted	608,325	458,050	150,511	
Unassigned				
	<u>608,325</u>	<u>458,050</u>	<u>150,511</u>	<u>-</u>
Total fund balances	<u>608,325</u>	<u>458,050</u>	<u>150,511</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 627,546</u>	<u>\$ 459,867</u>	<u>\$ 151,641</u>	<u>\$ -</u>

Totals

\$ 4,077,104  
120,519  
20,073  
98,414

\$ 4,316,110

\$ 123,387  
16,508  
2,695  
98,414

241,004

4,081,078  
(5,972)

4,075,106

\$ 4,316,110

**CITY OF GREENFIELD**

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended June 30, 2014

	Supplemental Law Enforcement Service Fund	Gas Tax Fund	Local Transportation Fund	Greenfield Science Workshop Fund
<b>REVENUES</b>				
Use of money and property	\$ 259	\$ 1,088	\$ 315	\$ -
Intergovernmental revenues	83,333	543,706	5,984	
Charges for services				75,376
	<u>83,592</u>	<u>544,794</u>	<u>6,299</u>	<u>75,376</u>
Total revenues				
<b>EXPENDITURES</b>				
Current:				
General government				113,521
Public works				
Parks and recreation				
Public safety	72,875			
Streets and roads		390,771	1,868	
Capital outlay	97,086		8,339	
Debt service:				
Principal		15,262		
Interest		1,540		
	<u>169,961</u>	<u>407,573</u>	<u>10,207</u>	<u>113,521</u>
Total expenditures				
Excess of revenues over (under) expenditures	<u>(86,369)</u>	<u>137,221</u>	<u>(3,908)</u>	<u>(38,145)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
Transfers out		(128,833)	(12,000)	
		<u>(128,833)</u>	<u>(12,000)</u>	
Total other financing sources (uses)				
Net change in fund balances	<u>(86,369)</u>	<u>8,388</u>	<u>(15,908)</u>	<u>(38,145)</u>
Fund balances, beginning of fiscal year	97,185	353,393	109,728	32,173
Prior period adjustment			7,110	
Fund balances, beginning of fiscal year-restated	<u>97,185</u>	<u>353,393</u>	<u>116,838</u>	<u>32,173</u>
Fund balances, end of fiscal year	<u>\$ 10,816</u>	<u>\$ 361,781</u>	<u>\$ 100,930</u>	<u>\$ (5,972)</u>

Special Revenue Funds

<u>Park Impact Fund</u>	<u>Police Impact Fund</u>	<u>Sewer Impact Fund</u>	<u>Community Center Impact Fund</u>	<u>Park Fund</u>	<u>Lexington Square Assessment Fund</u>
\$ 2,696	\$ 7	\$ 3,041	\$ 316	\$ (33)	\$ 963
<u>21,652</u>	<u>2,196</u>	<u>19,712</u>	<u>355</u>	<u>380,168</u>	<u>79,982</u>
<u>24,348</u>	<u>2,203</u>	<u>22,753</u>	<u>671</u>	<u>380,135</u>	<u>80,945</u>
					69,747
37,940				75,936	
				275,000	
<u>37,940</u>				<u>350,936</u>	<u>69,747</u>
<u>(13,592)</u>	<u>2,203</u>	<u>22,753</u>	<u>671</u>	<u>29,199</u>	<u>11,198</u>
					(21,150)
					(21,150)
<u>(13,592)</u>	<u>2,203</u>	<u>22,753</u>	<u>671</u>	<u>29,199</u>	<u>(9,952)</u>
862,742	20,073	1,027,933	108,929		339,706
<u>24,973</u>				<u>(24,973)</u>	
<u>887,715</u>	<u>20,073</u>	<u>1,027,933</u>	<u>108,929</u>	<u>(24,973)</u>	<u>339,706</u>
<u>\$ 874,123</u>	<u>\$ 22,276</u>	<u>\$ 1,050,686</u>	<u>\$ 109,600</u>	<u>\$ 4,226</u>	<u>\$ 329,754</u>

Continued

**CITY OF GREENFIELD**

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended June 30, 2014

Special Revenue Funds

	Terra Verde Assessment Fund	SMD #1 Fund	SMD #2 Fund	LLM #1 Fund
<b>REVENUES</b>				
Use of money and property	\$ 1,803	\$ 1,332	\$ 456	\$ -
Intergovernmental revenues				
Charges for services	<u>263,874</u>	<u>24,927</u>	<u>78,284</u>	
Total revenues	<u>265,677</u>	<u>26,259</u>	<u>78,740</u>	
<b>EXPENDITURES</b>				
Current:				
General government				
Public works	204,407	20,019	2,876	
Parks and recreation				
Public safety				
Streets and roads				
Capital outlay				
Debt service:				
Principal				
Interest				
Total expenditures	<u>204,407</u>	<u>20,019</u>	<u>2,876</u>	
Excess of revenues over (under) expenditures	<u>61,270</u>	<u>6,240</u>	<u>75,864</u>	
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in			76,147	
Transfers out	<u>(58,200)</u>	<u>(1,500)</u>	<u>(1,500)</u>	<u>(76,147)</u>
Total other financing sources (uses)	<u>(58,200)</u>	<u>(1,500)</u>	<u>74,647</u>	<u>(76,147)</u>
Net change in fund balances	<u>3,070</u>	<u>4,740</u>	<u>150,511</u>	<u>(76,147)</u>
Fund balances, beginning of fiscal year	605,255	453,310		76,147
Prior period adjustment				
Fund balances, beginning of fiscal year-restated	<u>605,255</u>	<u>453,310</u>		<u>76,147</u>
Fund balances, end of fiscal year	<u>\$ 608,325</u>	<u>\$ 458,050</u>	<u>\$ 150,511</u>	<u>\$ -</u>

Totals

\$ 12,243  
1,013,191  
566,358  
1,591,792

113,521  
297,049  
113,876  
72,875  
392,639  
380,425

15,262  
1,540

1,387,187

204,605

76,147  
(299,330)

(223,183)

(18,578)

4,086,574  
7,110

4,093,684

\$ 4,075,106

**CITY OF GREENFIELD**

COMBINING STATEMENT OF FIDUCIARY NET POSITION

PRIVATE PURPOSE TRUST FUNDS

June 30, 2014

	RDA Successor Agency Admin Fund	RDA Successor Agency Capital Projects Fund	RDA Successor Agency Debt Service Funds	Total
<b>Assets</b>				
Cash and investments	\$ 694,661	\$ 1,382,451	\$ 4,851,234	\$ 6,928,346
Note receivable	8,835			8,835
Due from City of Greenfield		191,783	124,736	316,519
Capital assets, net				
Non-depreciable		<u>2,334,524</u>		<u>2,334,524</u>
Total assets	<u>703,496</u>	<u>3,908,758</u>	<u>4,975,970</u>	<u>9,588,224</u>
<b>Liabilities</b>				
Accounts payable	4,068			4,068
Accrued interest payable			418,399	418,399
Noncurrent liabilities:				
Due within one year			638,862	638,862
Due in more than one year			<u>21,826,907</u>	<u>21,826,907</u>
Total liabilities	<u>4,068</u>		<u>22,884,168</u>	<u>22,888,236</u>
<b>Net Position</b>				
Held in trust	<u>\$ 699,428</u>	<u>\$ 3,908,758</u>	<u>\$ (17,908,198)</u>	<u>\$ (13,300,012)</u>

**CITY OF GREENFIELD**

COMBINING STATEMENT OF FIDUCIARY NET POSITION

PRIVATE PURPOSE TRUST FUNDS

For the Fiscal Year Ended June 30, 2014

	RDA Successor Agency Admin Fund	RDA Successor Agency Capital Projects Fund	RDA Successor Agency Debt Service Funds	Total
<b>Additions:</b>				
Taxes	\$ 1,965,956	\$ -	\$ -	\$ 1,965,956
Investment earnings	2,172	3,970	26,636	32,778
Other		14,610	13,862	28,472
Total additions	<u>1,968,128</u>	<u>18,580</u>	<u>40,498</u>	<u>2,027,206</u>
<b>Deductions:</b>				
Community development	60,996			60,996
Capital outlay		2,464		2,464
Interest expense			1,024,393	1,024,393
Total deductions	<u>60,996</u>	<u>2,464</u>	<u>1,024,393</u>	<u>1,087,853</u>
Increase (decrease) before transfers and special item	1,907,132	16,116	(983,895)	939,353
Transfers	(1,210,683)	(2,775,460)	3,986,143	
Special item-gain from early bond retirement			63,765	63,765
Change in net position	<u>696,449</u>	<u>(2,759,344)</u>	<u>3,066,013</u>	<u>1,003,118</u>
Total net position-beginning	2,979	6,668,102	(20,211,588)	(13,540,507)
Prior period adjustment			(762,623)	(762,623)
Total net position-beginning, restated	<u>2,979</u>	<u>6,668,102</u>	<u>(20,974,211)</u>	<u>(14,303,130)</u>
Total net position-ending	<u>\$ 699,428</u>	<u>\$ 3,908,758</u>	<u>\$ (17,908,198)</u>	<u>\$ (13,300,012)</u>