

**CITY OF GREENFIELD
CALIFORNIA**

FINANCIAL STATEMENTS
June 30, 2018

FINANCIAL SECTION

CITY OF GREENFIELD

TABLE OF CONTENTS

June 30, 2018

FINANCIAL SECTION

Independent Auditors' Report 1

Management's Discussion and Analysis..... 3

Basic Financial Statements:

 Government-wide Financial Statements:

 Statement of Net Position 12

 Statement of Activities..... 14

 Fund Financial Statements:

 Governmental Funds:

 Balance Sheet 16

 Reconciliation of Governmental Funds-Balance Sheet to the Statement
 of Net Position..... 18

 Statement of Revenues, Expenditures, and Changes in Fund Balances..... 20

 Reconciliation of the Governmental Funds Statement of Revenues,
 Expenditures, and Changes in Fund Balances to the Statement of
 Activities..... 22

 Proprietary Funds:

 Statement of Net Position 24

 Statement of Revenues, Expenses, and Changes in Net Position 25

 Statement of Cash Flows 26

 Fiduciary Funds:

 Statement of Fiduciary Net Position 28

 Statement of Changes in Fiduciary Net Position 29

Notes to Basic Financial Statements 30

REQUIRED SUPPLEMENTAL INFORMATION SECTION

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:

 General Fund 57

 Home Grant Special Revenue Fund 58

 Traffic Impact Fund..... 59

 Water Impact Fund..... 60

 General Facilities Impact Fund 61

 Housing Fund 62

 Supplemental Transactions and Use Tax Fund 63

Schedule of Proportionate Share of Net Pension Liability 64

Schedule of Pension Contributions 65

SUPPLEMENTAL INFORMATION SECTION

Combining Balance Sheet – Nonmajor Governmental Funds 68

Combining Statement of Revenues, Expenditures, and Changes in Fund
Balances – Nonmajor Governmental Funds 72

Combining Statement of Fiduciary Net Position 76

Combining Statement of Changes in Fiduciary Net Position..... 77



Moss, Levy & Hartzheim LLP

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

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, 2018, 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 fund information of the City of Greenfield, as of June 30, 2018, 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.

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 11, the budgetary information on pages 57 through 63, the schedule of proportionate share of net pension liability on page 64, and the schedule of pension contributions on page 65, 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 of 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 January 15, 2019, 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, Remy & Hartgeim LLP

Santa Maria, California
January 15, 2019



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2018

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, 2018. 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).

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at fiscal year end June 30, 2018 by \$69,289,442. This represents an increase of \$639,922 from the prior fiscal year.
- As of June 30, 2018, the City's governmental funds reported combined ending fund balances of \$19,283,873. This represents an increase of \$920,689 from the prior fiscal year.
- As of June 30, 2018, the unassigned fund balance for the General Fund was \$1,180,949 or 15% of total General Fund expenditures.
- The City employs Governmental Accounting Standards Board Statement No. 68, "*Accounting and Financial Reporting for Pensions*" (GASB 68) and Governmental Accounting Standards Board Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement 68*" (GASB 71). As a result, the City's net pension liability was \$4,651,302.
- The City adopted Governmental Accounting Standards Board Statement No. 72, "*Fair Value Measurement and Application*" (GASB 72). As of June 30, 2018, the City held investments with Level 1 inputs valued at \$3,011,664 and \$16,073,844 in total.

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 also contains other supplementary information in addition to the basic financial statements.

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. These statements present governmental activities and business-type activities separately and contain 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 with regard to interfund activity, payables and receivables.

The *Statement of Net Position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, and the difference between the two is 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. In other words, 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; or earned, but unused, vacation leave).



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2018

Overview of the Financial Statements *(continued)*

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

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 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 15 (pages 54 through 55) 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 12 through 15 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 Funds Financial Statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of Governmental Funds Financial Statements is narrower than that of 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 of 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 Governmental Funds Financial Statements. Information for the General Fund is always considered to be a major fund and is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. In addition to the General Fund, the Home Grant Fund, the Traffic Impact Fund, the Water Impact Fund, the General Facilities Impact Fund, the Housing Fund, the Supplemental Transaction and Use Tax Fund, the Capital Projects Fund, and the Debt Service Fund are reported as major funds. Data from the other (nonmajor) governmental funds are combined into a single, aggregated presentation in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. 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 can be found on pages 68 through 77 of this report.



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2018

Overview of the Financial Statements *(continued)*

The City adopts an annual appropriations budget for all of its governmental funds. A budgetary comparison statement has been provided in the Required Supplemental Information section, for the General Fund and for the six major special revenue funds. Required Supplemental Information for these major funds can be found on pages 57 through 63 of this report.

The basic Governmental Funds Financial Statements can be found on pages 16 through 22 of this report.

Proprietary Funds

Proprietary Funds 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.

The Proprietary Funds Financial Statements can be found on pages 24 through 27 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, the Successor Agency 2002 Bond Debt Service Fund, the Successor Agency 2006 Bond Debt Service Fund, and the Successor Agency 2016 Bond Debt Service Fund. These five funds are private-purpose trust funds of the City. The fiduciary funds financial statements can be found on pages 28 and 29 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 30 through 55 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplemental Information. In addition to budgetary comparison schedules for the General Fund and Major Special Revenue Funds found on pages 57 through 63, the Required Supplemental Information section also presents net pension liability and contribution schedules, which can be found on pages 64 and 65 of this report.



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2018

Government-wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the case of the City of Greenfield, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$69,289,442 at June 30, 2018.

Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 29,799,805	\$ 29,474,317	\$ 3,920,261	\$ 3,786,245	\$ 33,720,066	\$ 33,260,562
Capital assets	33,416,025	36,281,448	18,330,021	16,355,489	51,746,046	52,636,937
Total assets	63,215,830	65,755,765	22,250,282	20,141,734	85,466,112	85,897,499
Deferred Outflows of Resources	1,799,272	1,504,328	200,718	124,092	1,999,990	1,628,420
Current liabilities	1,434,582	1,592,287	668,209	688,364	2,102,791	2,280,651
Noncurrent liabilities	9,273,733	9,332,529	6,559,948	7,060,496	15,833,681	16,393,025
Total liabilities	10,708,315	10,924,816	7,228,157	7,748,860	17,936,472	18,673,676
Deferred Inflows of Resources	191,028	177,478	49,160	25,245	240,188	202,723
Net investment in capital assets	28,216,943	30,797,428	9,959,018	7,996,176	38,175,961	38,793,604
Restricted	27,566,390	27,583,535	-	478,907	27,566,390	28,062,442
Unrestricted	(1,667,574)	(2,223,164)	5,214,665	4,016,638	3,547,091	1,793,474
Total net position	\$ 54,115,759	\$ 56,157,799	\$ 15,173,683	\$ 12,491,721	\$ 69,289,442	\$ 68,649,520

The largest portion of the City's net position (55%) reflects its investment in capital assets (e.g., land; infrastructure; buildings and improvements; property 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.

An additional 40% 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, 2018, the City is able to report positive balances in both of these 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 increased by \$639,922 for the fiscal year 2017-2018. This net increase was comprised of a decrease of \$2,042,040 was related to governmental activities and an increase of \$2,681,962 was related to business-type activities. Information about these changes is summarized on the following page.



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2018

Government-wide Financial Analysis *(continued)*

Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Program Revenues:						
Charges for services	\$ 4,253,947	\$ 4,351,243	\$ 3,524,042	\$ 3,179,259	\$ 7,777,989	\$ 7,530,502
Operating contributions and grants	1,439,898	4,646,941	-	-	1,439,898	4,646,941
Capital contributions and grants	448,235	2,979,232	-	852,151	448,235	3,831,383
General Revenues:						
Property taxes	1,911,865	1,785,843	-	-	1,911,865	1,785,843
Other taxes	4,635,006	3,198,822	-	-	4,635,006	3,198,822
Other revenue	189,480	168,946	51,019	30,774	240,499	199,720
Transfers	200,662	350,600	(200,662)	(350,600)	-	-
Total	13,079,093	17,481,627	3,374,399	3,711,584	16,453,492	21,193,211
Expenses:						
General government	4,672,110	3,392,056	-	-	4,672,110	3,392,056
Public works	368,846	1,280,293	-	-	368,846	1,280,293
Building and planning	501,953	485,913	-	-	501,953	485,913
Parks and recreation	883,628	662,274	-	-	883,628	662,274
Community development	188,345	935,209	-	-	188,345	935,209
Public safety	4,705,633	4,050,274	-	-	4,705,633	4,050,274
Streets and roads	1,417,386	1,196,610	-	-	1,417,386	1,196,610
Interest on long-term debt	153,031	242,057	-	-	153,031	242,057
Water	-	-	1,327,678	1,043,192	1,327,678	1,043,192
Sewer	-	-	1,594,960	959,037	1,594,960	959,037
Total expenses	12,890,932	12,244,686	2,922,638	2,002,229	15,813,570	14,246,915
Change in net position	188,161	5,236,941	451,761	1,709,355	639,922	6,946,296
Net position-beginning	56,157,799	50,670,858	12,491,721	10,782,366	68,649,520	61,453,224
Prior period adjustment	(2,230,201)	250,000	2,230,201	-	-	250,000
Net position-ending	\$ 54,115,759	\$ 56,157,799	\$ 15,173,683	\$ 12,491,721	\$ 69,289,442	\$ 68,649,520



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2018

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, 2018, the City's governmental funds reported combined ending fund balances of \$19,283,873, an increase of \$920,689 in comparison to the prior year. Unassigned fund balances amounted to \$(875,748) at June 30, 2018. The remainder of fund balance is not available for new spending because it has already been restricted or is non-spendable.

General Fund – The General Fund is the chief operating fund of the City. At June 30, 2018, the fund balance of the General Fund was \$3,187,299, of which \$2,006,350 (63%) is non-spendable. As a measure of the General Fund's liquidity, it can be useful to compare the unassigned fund balance to total fund expenditures. At June 30, the unassigned fund balance was 15% of total General Fund expenditures. The fund balance of the City's General Fund decreased by \$600,381 during the 2017-18 fiscal year.

Changes in fund balances for other major funds are summarized below:

Home Grant Fund – This special revenue fund accounts for Home Grant loans to eligible citizens for housing rehabilitation and down payment assistance. The balance increased by \$12,341.

Traffic Impact Fund – This special revenue fund accounts for Traffic Mitigation Development Impact Fees that are paid by developers to mitigate the traffic impacts of those developments. The balance increased by \$80,387.

Water Impact Fund – This special revenue fund accounts for Water Development Impact Fees that are paid by developers to mitigate the water system expansion impacts of those developments. The balance increased by \$158,772.

General Facilities Impact Fund – This special revenue fund accounts for General Facilities Development Impact Fees that are paid by developers to mitigate the impact of those developments to general government facilities. The balance increased by \$18,883.

Housing Fund – This special revenue fund accounts for the administration of low- and moderate-income housing loan repayments from former property tax housing increment, and for related expenditures. The balance increased by \$1,642.

Supplemental Transactions & Use Tax Fund – On November 3, 2015, a majority of Greenfield voters approved the indefinite extension of the 1.0% Transactions and Use Tax that had been due to sunset on September 30, 2017 (formerly known as "Measure X"), designated as "Measure V." In addition, a majority of Greenfield voters approved at that same election an additional 0.75% Transactions and Use Tax for a period of 5 years, designated as "Measure W". This special revenue fund is used to specifically account for those revenues received from these Transactions and Use Taxes, as well as the related expenditures of these moneys. The balance increased by \$615,650.

Capital Projects Fund – This fund accounts for capital projects that are of a general nature, and that are not funded by grants or enterprise revenues. The balance at June 30, 2018 decreased \$28,149 to \$3,050,927.

Debt Service Fund – This fund accounts for sources and uses of moneys related to the capital lease for the City's Energy Conservation Project. The balance at June 30, 2018 was \$2,116,515.



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2018

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

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 \$9,620,329. This represents an increase of \$287,800 from the prior year balance. At the end of the fiscal year, the City also had total business-type activities debt outstanding of \$6,837,098. In total, the City's debt increased by \$64,402. This increase was almost entirely due to the increase in the City's net pension liability. Additional information on the City's long-term debt can be found in Note 7 on pages 43 through 45, and in Note 8 on page 46 of this report. The City's pension plan is discussed in Note 11 on pages 48 through 53. Following is a table summarizing the City's outstanding debt:

Schedule of Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Loan payable	\$ -	\$ -	\$ 4,334,475	\$ 4,499,384	\$ 4,334,475	\$ 4,499,384
Capital lease payable	5,199,082	5,484,020	1,920,013	2,020,354	7,119,095	7,504,374
Net pension liability / PERS side fund	4,068,692	3,508,205	582,610	540,758	4,651,302	4,048,963
Compensated absences	352,555	340,304	-	-	352,555	340,304
	<u>\$ 9,620,329</u>	<u>\$ 9,332,529</u>	<u>\$ 6,837,098</u>	<u>\$ 7,060,496</u>	<u>\$ 16,457,427</u>	<u>\$ 16,393,025</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. Please see Note 3, on pages 36 through 39, for additional discussion of the City's cash and investments.

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, 2018, the City's investment in capital assets for its governmental activities and business-type activities totaled \$33,416,025 and \$18,330,021 (net of accumulated depreciation), respectively. During the current fiscal year, the City's net decrease in capital assets was \$890,891.

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



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2018

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

Schedule of Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 6,346,949	\$ 6,346,949	\$ 323,537	\$ 323,537	\$ 6,670,486	\$ 6,670,486
Construction in progress	227,440	7,419,360	204,041	4,795,113	431,481	12,214,473
Building and improvements	28,149,744	23,699,871	-	-	28,149,744	23,699,871
Property and equipment	3,220,056	3,072,289	27,919,226	20,588,289	31,139,282	23,660,578
Infrastructure	9,287,736	7,946,260	-	-	9,287,736	7,946,260
Total capital assets	47,231,925	48,484,729	28,446,804	25,706,939	75,678,729	74,191,668
Accumulated depreciation	13,815,900	12,203,281	10,116,783	9,351,450	23,932,683	21,554,731
Net capital assets	<u>\$ 33,416,025</u>	<u>\$ 36,281,448</u>	<u>\$ 18,330,021</u>	<u>\$ 16,355,489</u>	<u>\$ 51,746,046</u>	<u>\$ 52,636,937</u>

Additional information on the City's capital assets can be found in Note 5 on pages 41 and 42 of this report.

General Fund Budgetary Highlights

As mentioned above, a detailed budgetary comparison schedule for the fiscal year ended June 30, 2018 is presented in the Required Supplementary Information section. The final budget amounts are different from those presented in the 2017-18 original budget document. This is due to changes that occurred after the time that the budget was prepared. The following summarizes the original and final budgets, compared with actual results for 2017-18.

General Fund	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues	\$ 8,011,400	\$ 8,146,364	\$ 7,018,604	\$ (1,127,760)
Expenditures	8,104,900	8,228,329	7,800,307	428,022
Other Sources (Uses)	160,100	160,100	181,322	21,222
Fund Balance, beginning	3,787,680	3,787,680	3,787,680	-
Fund Balance, ending	<u>\$ 3,854,280</u>	<u>\$ 3,865,815</u>	<u>\$ 3,187,299</u>	<u>\$ (678,516)</u>

Revenues were \$1,127,760 below estimates. This unfavorable outcome was due primarily to the lag in expected cannabis industry development. This lag affected both cannabis tax revenue totals and cannabis permit fees totals. Actual expenditures were \$428,022 less than budgeted. This is a reflection of lower than expected spending, primarily in the categories of public safety, and of building and planning.

Economic Factors and the Budget – Looking Forward

The City persists in pursuing Council's top goals for the community, as was outlined in the 2017-18 original budget. While Greenfield is experiencing some gains in the local economy, with the Federal Reserve raising interest rates, that growth might be short lived. Nevertheless, the City embraces this challenge, and has taken additional action to ensure that efforts continue to move the community in the direction given by the City Council. Here are some of the indicators of this sustained progress:

- Local property values are projected again to show another incremental increase in the coming fiscal year, benefitting the General Fund. Property values continue their recovery, and commercial development is experiencing gradual growth, especially in the commercial sector with the continued building of the cannabis industry properties.



MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2018

Economic Factors and the Budget – Looking Forward *(continued)*

- As discussed above, the voter-approved sales tax override (“Measure X”), augmenting the City’s portion of sales tax rate by 1%, had been due to sunset in 2017; fortunately, the City was successful in gaining the approval from the electorate of two new general tax measures in November 2015. Both of these measures have had their intended effect by increasing the budgeted expenditures in the areas of public safety (additional police services and code compliance), recreation (allowing for the establishment of Greenfield’s own Recreation Department offering its own programs and assisting the City in allowing it to absorb the Greenfield Fire District).
- In January 2016, the City Council established a medical marijuana facilities regulatory permit program. In the November 2016 election, a majority of Greenfield voters approved “Measure O,” a tax on commercial marijuana businesses. This tax applies to both medical and non-medical marijuana businesses, as permitted under State and local laws. Several medical marijuana businesses will potentially open in Greenfield in the near future, after complying with the regulatory permit process. While the industry’s projections boldly estimate that “Measure O” tax revenue will be in the many millions, the actual, long-term increase to General Fund revenues is only now beginning to be realized. FY2017-18’s General Fund revenues fell very short of estimates due to a lag in the development of the cannabis industry in Greenfield. This lag has been extended by damaged caused by a fire that consumed about 60% of the cultivation facilities of the City’s largest cannabis business in July 2018. City management still believes that the cannabis industry will provide a significant lift to the General Fund, but that the expected build-out of the industry will take between 3-4 years instead of the originally projected 1-3 years.
- With commercial property annexations on the north and south, and a residential annexation on the west side of Greenfield, it is clear that geographically Greenfield is growing. This growth means several things. One is that the property tax base of the City will be growing, which means more General Fund revenue. Second, with commercial development (on the north, south and east sides of town) comes additional permit fees, sales taxes, impact fees and transient occupancy taxes. These additional revenues, along with the cannabis industry fees and taxes, will form the base over the next few years for much of the future economic development in the City of Greenfield.

The FY2019-2020 Budget will again be a collaborative effort that will take these indicators and other future events into consideration. It will again reflect steady and consistent spending for enhanced services that will be supported by strengthening revenues. The gradual easing of the economy, in combination with revenues that will come from future development, will likely allow for somewhat greater flexibility in formulating the budget. This Budget is expected to be an effective plan that will continue to uphold the goals of the City Council and will likely continue the gradual expansion of the City’s core services, especially in the FY2020-2021 year.

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, 2018

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 15,147,687	\$ 5,710,809	\$ 20,858,496
Accounts receivable, net	2,001,135	307,573	2,308,708
Interest receivable	45,930	18,394	64,324
Notes receivable	9,427,946	-	9,427,946
Prepaid expenses	101,592	-	101,592
Inventory-land held for resale	959,000	-	959,000
Internal balances	2,116,515	(2,116,515)	-
Capital assets:			
Land	6,346,949	323,537	6,670,486
Construction in progress	227,440	204,041	431,481
Depreciable:			
Building and improvements	28,149,744	-	28,149,744
Property and equipment	3,220,056	27,919,226	31,139,282
Infrastructure	9,287,736	-	9,287,736
Accumulated depreciation	<u>(13,815,900)</u>	<u>(10,116,783)</u>	<u>(23,932,683)</u>
 Total assets	 <u>63,215,830</u>	 <u>22,250,282</u>	 <u>85,466,112</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding	23,114	-	23,114
Related to pensions	<u>1,776,158</u>	<u>200,718</u>	<u>1,976,876</u>
 Total deferred outflows of resources	 <u>1,799,272</u>	 <u>200,718</u>	 <u>1,999,990</u>

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

CITY OF GREENFIELD
STATEMENT OF NET POSITION
June 30, 2018

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
LIABILITIES			
Accounts payable	\$ 842,153	\$ 125,815	\$ 967,968
Accrued payroll	106,110	16,301	122,411
Accrued interest payable	-	56,890	56,890
Service deposits	139,723	192,053	331,776
Noncurrent liabilities:			
Due within one year	346,596	277,150	623,746
Due in more than one year	9,273,733	6,559,948	15,833,681
	<u>10,708,315</u>	<u>7,228,157</u>	<u>17,936,472</u>
Total liabilities			
	<u>10,708,315</u>	<u>7,228,157</u>	<u>17,936,472</u>
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	191,028	49,160	240,188
	<u>191,028</u>	<u>49,160</u>	<u>240,188</u>
Total deferred inflows of resources			
	<u>191,028</u>	<u>49,160</u>	<u>240,188</u>
NET POSITION			
Net investment in capital assets	28,216,943	9,959,018	38,175,961
Restricted for:			
Housing	10,413,237	-	10,413,237
Community development	138,186	-	138,186
Public safety	1,928,809	-	1,928,809
Streets and roads	370,207	-	370,207
Building and planning	3,217,606	-	3,217,606
Debt service	2,116,515	-	2,116,515
Public works	9,104,795	-	9,104,795
Parks and recreation	277,035	-	277,035
Unrestricted	(1,667,574)	5,214,665	3,547,091
	<u>(1,667,574)</u>	<u>5,214,665</u>	<u>3,547,091</u>
Total net position			
	<u>\$ 54,115,759</u>	<u>\$ 15,173,683</u>	<u>\$ 69,289,442</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, 2018

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>	<u>Capital Contributions and Grants</u>
Governmental activities:				
General government	\$ 4,672,110	\$ 99,436	\$ 19,995	\$ -
Public works	368,846	3,563,927	-	448,235
Building and planning	501,953	341,843	-	-
Parks and recreation	883,628	36,135	236,909	-
Community development	188,345	13,520	860,649	-
Public safety	4,705,633	199,086	322,345	-
Streets and roads	1,417,386	-	-	-
Interest on long-term debt	153,031	-	-	-
Total governmental activities	<u>12,890,932</u>	<u>4,253,947</u>	<u>1,439,898</u>	<u>448,235</u>
Business-type activities:				
Water	1,327,678	2,033,010	-	-
Sewer	<u>1,594,960</u>	<u>1,491,032</u>	-	-
Total business-type activities	<u>2,922,638</u>	<u>3,524,042</u>	-	-
Total	<u>\$ 15,813,570</u>	<u>\$ 7,777,989</u>	<u>\$ 1,439,898</u>	<u>\$ 448,235</u>

General Revenues

Taxes:

- Secured and unsecured property taxes
- Sales and use tax
- Transient lodging tax
- Franchise taxes
- Business license tax

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

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (4,552,679)	\$ -	\$ (4,552,679)
3,643,316	-	3,643,316
(160,110)	-	(160,110)
(610,584)	-	(610,584)
685,824	-	685,824
(4,184,202)	-	(4,184,202)
(1,417,386)	-	(1,417,386)
(153,031)	-	(153,031)
<u>(6,748,852)</u>	<u>-</u>	<u>(6,748,852)</u>
-	705,332	705,332
-	(103,928)	(103,928)
<u>-</u>	<u>601,404</u>	<u>601,404</u>
<u>(6,748,852)</u>	<u>601,404</u>	<u>(6,147,448)</u>
1,911,865	-	1,911,865
4,477,380	-	4,477,380
24,795	-	24,795
108,930	-	108,930
23,901	-	23,901
128,659	51,019	179,678
60,821	-	60,821
200,662	(200,662)	-
<u>6,937,013</u>	<u>(149,643)</u>	<u>6,787,370</u>
<u>188,161</u>	<u>451,761</u>	<u>639,922</u>
56,157,799	12,491,721	68,649,520
<u>(2,230,201)</u>	<u>2,230,201</u>	<u>-</u>
<u>53,927,598</u>	<u>14,721,922</u>	<u>68,649,520</u>
<u>\$ 54,115,759</u>	<u>\$ 15,173,683</u>	<u>\$ 69,289,442</u>

CITY OF GREENFIELD
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2018

	General Fund	Home Grant Fund	Traffic Impact Fund	Water Impact Fund	General Facilities Impact Fund	Housing Fund
ASSETS						
Cash and investments	\$ 963,277	\$ 116,140	\$ 3,208,126	\$ 2,871,474	\$ -	\$ 2,780
Accounts receivable, net	935,839	-	-	-	-	1,620
Interest receivable	3,630	343	9,480	8,485	-	8
Notes receivable	-	5,889,465	-	-	-	3,443,881
Prepaid expenditures	86,765	-	-	-	-	-
Due from other funds	258,347	-	-	-	-	-
Inventory-land held for resale	-	-	-	-	-	959,000
Advances receivable	1,919,585	-	-	-	-	-
Total assets	\$ 4,167,443	\$ 6,005,948	\$ 3,217,606	\$ 2,879,959	\$ -	\$ 4,407,289
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 779,316	\$ -	\$ -	\$ 200	\$ -	\$ -
Accrued payroll	61,105	-	-	-	-	-
Service deposits	139,723	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Advances payable	-	-	-	-	1,919,585	-
Total liabilities	980,144	-	-	200	1,919,585	-
Deferred Inflows of Resources						
Unavailable revenues	-	5,889,465	-	-	-	3,443,881
Total deferred inflows of resources	-	5,889,465	-	-	-	3,443,881
Fund Balances						
Nonspendable						
Prepaid expenditures	86,765	-	-	-	-	-
Advances receivable	1,919,585	-	-	-	-	-
Restricted						
Public safety	-	-	-	-	-	-
Housing	-	116,483	-	-	-	963,408
Community development	-	-	-	-	-	-
Streets and roads	-	-	-	-	-	-
Building and planning	-	-	3,217,606	-	-	-
Debt service	-	-	-	-	-	-
Public works	-	-	-	2,879,759	-	-
Parks and recreation	-	-	-	-	-	-
Unassigned	1,180,949	-	-	-	(1,919,585)	-
Total fund balances	3,187,299	116,483	3,217,606	2,879,759	(1,919,585)	963,408
Total liabilities, deferred inflows of resources, and fund balances	\$ 4,167,443	\$ 6,005,948	\$ 3,217,606	\$ 2,879,959	\$ -	\$ 4,407,289

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

Supplemental Transactions and Use Tax Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
\$ 1,228,469	\$ 2,912,334	\$ -	\$ 3,845,087	\$ 15,147,687
523,788	-	-	539,888	2,001,135
3,630	9,011	-	11,343	45,930
-	-	-	94,600	9,427,946
-	-	-	14,827	101,592
-	137,112	-	-	395,459
-	-	-	-	959,000
-	-	2,116,515	-	4,036,100
<u>\$ 1,755,887</u>	<u>\$ 3,058,457</u>	<u>\$ 2,116,515</u>	<u>\$ 4,505,745</u>	<u>\$ 32,114,849</u>
\$ 12,496	\$ 7,530	\$ -	\$ 42,611	\$ 842,153
34,160	-	-	10,845	106,110
-	-	-	-	139,723
-	-	-	395,459	395,459
-	-	-	-	1,919,585
<u>46,656</u>	<u>7,530</u>	<u>-</u>	<u>448,915</u>	<u>3,403,030</u>
-	-	-	94,600	9,427,946
-	-	-	94,600	9,427,946
-	-	-	14,827	101,592
-	-	-	-	1,919,585
1,709,231	-	-	219,578	1,928,809
-	-	-	-	1,079,891
-	-	-	43,586	43,586
-	-	-	370,207	370,207
-	-	-	-	3,217,606
-	-	2,116,515	-	2,116,515
-	3,050,927	-	3,174,109	9,104,795
-	-	-	277,035	277,035
-	-	-	(137,112)	(875,748)
<u>1,709,231</u>	<u>3,050,927</u>	<u>2,116,515</u>	<u>3,962,230</u>	<u>19,283,873</u>
<u>\$ 1,755,887</u>	<u>\$ 3,058,457</u>	<u>\$ 2,116,515</u>	<u>\$ 4,505,745</u>	<u>\$ 32,114,849</u>

CITY OF GREENFIELD

**RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

June 30, 2018

Total fund balances - governmental funds \$ 19,283,873

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	\$ 47,231,925	
Accumulated depreciation	<u>(13,815,900)</u>	
Net		33,416,025

In governmental funds, revenue is recognized only to the extent that is available, meaning it will be collected soon enough after the end of the period to finance expenditures of that period. Receivables for revenues that are earned but unavailable are deferred until the period in which the revenues become available. In the government-wide statements, revenue is recognized when earned, regardless of availability. The amount of unavailable revenues that were deferred in governmental funds, but are recognized in the government-wide statements, is:

9,427,946

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

1,585,130

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:

Capital leases payable	\$ 5,199,082	
Net pension liability	4,068,692	
Compensated absences payable	<u>352,555</u>	
Total		(9,620,329)

In governmental funds, loss on refunding is recognized as an expenditure in the period incurred. In the government-wide statements, loss on refunding is amortized over the life of the debt.

23,114

Total net position - governmental activities \$ 54,115,759

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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, 2018

	General Fund	Home Grant Fund	Traffic Impact Fund	Water Impact Fund	General Facilities Impact Fund	Housing Fund
REVENUES						
Taxes and assessments	\$ 3,977,828	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	189,998	-	-	-	-	-
Fines and penalties	85,137	-	-	-	-	-
Use of money and property	11,456	948	26,203	23,452	-	22
Intergovernmental revenues	74,304	-	-	-	-	-
Charges for services	2,647,546	11,900	285,765	155,011	18,883	1,620
Other revenues	32,335	-	-	-	-	-
Total revenues	7,018,604	12,848	311,968	178,463	18,883	1,642
EXPENDITURES						
Current:						
General government	4,113,580	-	-	-	-	-
Public works	185,058	-	-	-	-	-
Building and planning	501,953	-	-	-	-	-
Parks and recreation	287,070	-	-	-	-	-
Community development	-	507	-	-	-	-
Public safety	2,707,643	-	-	-	-	-
Streets and roads	-	-	-	-	-	-
Capital outlay	2,190	-	-	19,691	-	-
Debt service:						
Principal	2,559	-	-	-	-	-
Interest	254	-	-	-	-	-
Total expenditures	7,800,307	507	-	19,691	-	-
Excess of revenues over (under) expenditures	(781,703)	12,341	311,968	158,772	18,883	1,642
OTHER FINANCING SOURCES (USES)						
Transfers in	525,719	-	-	-	-	-
Transfers out	(344,397)	-	(231,581)	-	-	-
Total other financing sources (uses)	181,322	-	(231,581)	-	-	-
Net change in fund balances	(600,381)	12,341	80,387	158,772	18,883	1,642
Fund balances, beginning of fiscal year	3,787,680	104,142	3,137,219	2,720,987	(1,938,468)	961,766
Fund balances, end of fiscal year	<u>\$ 3,187,299</u>	<u>\$ 116,483</u>	<u>\$ 3,217,606</u>	<u>\$ 2,879,759</u>	<u>\$ (1,919,585)</u>	<u>\$ 963,408</u>

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

Supplemental Transactions and				
Use Tax Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
\$ 2,569,127	\$ -	\$ -	\$ -	\$ 6,546,955
-	-	-	-	189,998
-	-	-	-	85,137
10,034	24,905	286	31,353	128,659
667	-	-	2,692,885	2,767,856
-	-	-	90,742	3,211,467
-	-	-	6,924	39,259
<u>2,579,828</u>	<u>24,905</u>	<u>286</u>	<u>2,821,904</u>	<u>12,969,331</u>
-	-	-	-	4,113,580
-	-	-	287,204	472,262
-	-	-	-	501,953
64,412	-	-	263,331	614,813
56,682	-	-	54,668	111,857
1,802,267	-	-	87,503	4,597,413
-	-	-	551,558	551,558
97,226	95,651	-	653,218	867,976
-	-	282,379	-	284,938
-	-	152,777	-	153,031
<u>2,020,587</u>	<u>95,651</u>	<u>435,156</u>	<u>1,897,482</u>	<u>12,269,381</u>
<u>559,241</u>	<u>(70,746)</u>	<u>(434,870)</u>	<u>924,422</u>	<u>699,950</u>
56,409	42,597	233,188	1,561,038	2,418,951
-	-	(212,985)	(1,409,249)	(2,198,212)
<u>56,409</u>	<u>42,597</u>	<u>20,203</u>	<u>151,789</u>	<u>220,739</u>
615,650	(28,149)	(414,667)	1,076,211	920,689
<u>1,093,581</u>	<u>3,079,076</u>	<u>2,531,182</u>	<u>2,886,019</u>	<u>18,363,184</u>
<u>\$ 1,709,231</u>	<u>\$ 3,050,927</u>	<u>\$ 2,116,515</u>	<u>\$ 3,962,230</u>	<u>\$ 19,283,873</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, 2018

Net change in fund balances - governmental funds	\$ 920,689
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 is the amount by which additions to capital outlay of \$997,474 was more than depreciation expense \$(1,612,619) in the period:	(615,145)
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 the net change in long-term notes receivable:	(90,900)
In the statement of activities, the transfer of capital assets from governmental activities to business-type activities:	(20,077)
In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:	(275,976)
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.	284,938
In the government-wide statements, any deferred loss from debt refunding is amortized as interest over the life of the debt. Amortization of deferred loss from debt refunding, for the period is:	(3,117)
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, compensated absences used exceeded the amount earned by:	<u>(12,251)</u>
Change in net position - governmental activities	<u>\$ 188,161</u>

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CITY OF GREENFIELD
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2018

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and investments	\$ 4,043,994	\$ 1,666,815	\$ 5,710,809
Accounts receivable, net	159,647	147,926	307,573
Interest receivable	18,394		18,394
Total current assets	<u>4,222,035</u>	<u>1,814,741</u>	<u>6,036,776</u>
Capital assets:			
Land	265,409	58,128	323,537
Construction in progress	56,631	147,410	204,041
Property and equipment	13,005,455	14,913,771	27,919,226
	<u>13,327,495</u>	<u>15,119,309</u>	<u>28,446,804</u>
Less accumulated depreciation	<u>(4,616,398)</u>	<u>(5,500,385)</u>	<u>(10,116,783)</u>
Total capital assets (net of accumulated depreciation)	<u>8,711,097</u>	<u>9,618,924</u>	<u>18,330,021</u>
Total assets	<u>12,933,132</u>	<u>11,433,665</u>	<u>24,366,797</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	78,630	122,088	200,718
Total deferred outflows of resources	<u>78,630</u>	<u>122,088</u>	<u>200,718</u>
LIABILITIES			
Current liabilities:			
Accounts payable	20,144	105,671	125,815
Accrued payroll	7,994	8,307	16,301
Accrued interest payable	33,639	23,251	56,890
Service deposits	103,413	88,640	192,053
Noncurrent liabilities due within one year	207,629	69,521	277,150
Total current liabilities	<u>372,819</u>	<u>295,390</u>	<u>668,209</u>
Noncurrent liabilities:			
Advances payable	1,057,180	1,059,335	2,116,515
Net pension liability	228,235	354,375	582,610
Capital leases payable	1,920,013		1,920,013
Notes payable	2,355,357	1,701,968	4,057,325
Total noncurrent liabilities	<u>5,560,785</u>	<u>3,115,678</u>	<u>8,676,463</u>
Total liabilities	<u>5,933,604</u>	<u>3,411,068</u>	<u>9,344,672</u>
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	19,258	29,902	49,160
Total deferred inflows of resources	<u>19,258</u>	<u>29,902</u>	<u>49,160</u>
NET POSITION			
Net investment in capital assets	3,170,918	6,788,100	9,959,018
Unrestricted	3,887,982	1,326,683	5,214,665
Total net position	<u>\$ 7,058,900</u>	<u>\$ 8,114,783</u>	<u>\$ 15,173,683</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, 2018

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
OPERATING REVENUES:			
Charges for services	\$ 2,019,577	\$ 1,491,032	\$ 3,510,609
Connection fees	10,321	-	10,321
Other operating revenues	<u>3,112</u>	<u>-</u>	<u>3,112</u>
Total operating revenues	<u>2,033,010</u>	<u>1,491,032</u>	<u>3,524,042</u>
OPERATING EXPENSES:			
Salaries and benefits	286,524	508,266	794,790
Office expense	17,423	15,270	32,693
Contractual services	175,428	507,642	683,070
Utilities and communications	177,736	84,698	262,434
Operating supplies	54,320	17,245	71,565
Vehicle and equipment maintenance	27,209	25,988	53,197
Professional development	2,934	4,088	7,022
Other	17,721	6,778	24,499
Non-capitalized equipment	33,168	2,375	35,543
Depreciation	<u>398,702</u>	<u>366,631</u>	<u>765,333</u>
Total operating expenses	<u>1,191,165</u>	<u>1,538,981</u>	<u>2,730,146</u>
Operating income	<u>841,845</u>	<u>(47,949)</u>	<u>793,896</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest income	34,073	16,946	51,019
Interest expense	<u>(136,513)</u>	<u>(55,979)</u>	<u>(192,492)</u>
Total non-operating revenues (expenses)	<u>(102,440)</u>	<u>(39,033)</u>	<u>(141,473)</u>
Income before capital contributions and transfers	739,405	(86,982)	652,423
Capital contributions		20,077	20,077
Transfers out	<u>(63,908)</u>	<u>(156,831)</u>	<u>(220,739)</u>
Change in net position	<u>675,497</u>	<u>(223,736)</u>	<u>451,761</u>
Net position - July 1	6,383,403	6,108,318	12,491,721
Prior period adjustment	<u>-</u>	<u>2,230,201</u>	<u>2,230,201</u>
Net position - July 1, restated	<u>6,383,403</u>	<u>8,338,519</u>	<u>14,721,922</u>
Net position - June 30	<u>\$ 7,058,900</u>	<u>\$ 8,114,783</u>	<u>\$ 15,173,683</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, 2018

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 2,034,155	\$ 1,483,760	\$ 3,517,915
Payments to suppliers	(480,709)	(474,518)	(955,227)
Payments to employees	(292,232)	(514,366)	(806,598)
Net cash provided by operating activities	<u>1,261,214</u>	<u>494,876</u>	<u>1,756,090</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of capital assets	(282,541)	(211,796)	(494,337)
Principal payments on long-term debt	(197,852)	(67,398)	(265,250)
Interest paid on long-term debt	(137,793)	(56,863)	(194,656)
Advances from other funds	(127,884)	(74,083)	(201,967)
Net cash (used) by capital and related financing activities	<u>(746,070)</u>	<u>(410,140)</u>	<u>(1,156,210)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers to other funds	(63,908)	(156,831)	(220,739)
Net cash (used) by noncapital financing activities	<u>(63,908)</u>	<u>(156,831)</u>	<u>(220,739)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest income	22,224	20,231	42,455
Net cash provided by investing activities	<u>22,224</u>	<u>20,231</u>	<u>42,455</u>
Net increase (decrease) in cash and cash equivalents	473,460	(51,864)	421,596
Cash and cash equivalents - July 1	<u>3,570,534</u>	<u>1,718,679</u>	<u>5,289,213</u>
Cash and cash equivalents - June 30	<u>\$ 4,043,994</u>	<u>\$ 1,666,815</u>	<u>\$ 5,710,809</u>
RECONCILIATION OF CASH AND INVESTMENTS TO THE STATEMENT OF NET POSITION:			
Cash and investments	<u>\$ 4,043,994</u>	<u>\$ 1,666,815</u>	<u>\$ 5,710,809</u>
Total cash and cash equivalents	<u>\$ 4,043,994</u>	<u>\$ 1,666,815</u>	<u>\$ 5,710,809</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, 2018

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income	\$ 841,845	\$ (47,949)	\$ 793,896
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation expense	398,702	366,631	765,333
Loss on disposal of capital assets	2,375	2,375	4,750
Change in assets and liabilities:			
Receivables, net	1,145	(7,272)	(6,127)
Due from other funds	405,000	99,238	504,238
Deferred outflows	(31,319)	(45,307)	(76,626)
Accounts payable	(382,145)	87,953	(294,192)
Accrued payroll	1,887	(2,836)	(949)
Net pension liability	22,065	19,787	41,852
Deferred inflows	1,659	22,256	23,915
Net cash provided by operating activities	<u>\$ 1,261,214</u>	<u>\$ 494,876</u>	<u>\$ 1,756,090</u>

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

CITY OF GREENFIELD
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2018

	Private Purpose Trust Funds
	Successor Agency
ASSETS	
Cash and cash equivalents	\$ 686,706
Interest receivable	2,029
Note receivable	4,735
Prepaid insurance	<u>153,154</u>
Total assets	<u>846,624</u>
LIABILITIES	
Accounts payable	2,150
Accrued interest payable	262,826
Unearned revenue	709,993
Noncurrent liabilities:	
Due within one year	687,923
Due in more than one year	<u>17,146,386</u>
Total liabilities	<u>18,809,278</u>
DEFERRED INFLOW OF RESOURCES	
Deferred loss on debt refunding	<u>181,362</u>
Total deferred inflow of resources	<u>181,362</u>
NET POSITION	
Unrestricted	<u><u>\$ (18,144,016)</u></u>

CITY OF GREENFIELD

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Fiscal Year Ended June 30, 2018

	<u>Private Purpose Trust Funds</u>
	<u>Successor Agency</u>
ADDITIONS:	
Taxes	\$ 1,349,171
Investment earnings	<u>5,716</u>
Total additions	<u>1,354,887</u>
DEDUCTIONS:	
Community development	4,905
Interest expense	<u>569,479</u>
Total deductions	<u>574,384</u>
Change in net position	780,503
Total net position-beginning	<u>(18,924,519)</u>
Total net position-ending	<u><u>\$ (18,144,016)</u></u>

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

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 that meet the reporting entity definition criteria of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, GASB Statement No. 61, and GASB Statement No. 80.

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 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 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, 2018

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 in the Fund Statements as Other Governmental Funds, 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 voluntarily 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 Impact Fees and their expenditures on projects to expand governmental facilities.

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

Supplemental Transaction and Use Tax Fund – This fund accounts for receipt of voter-approved transactions and use tax and their expenditures to mitigate the reduction of, and maintain the continuation of, vital City services.

Capital Projects Fund – This fund accounts for resources used for the acquisition of various major capital improvements.

Debt Service Fund – This fund accounts for the accumulation of resources for, and repayment of, the City's capital leases, interest, and related costs.

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.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 voters' 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 or new construction 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

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 two items that qualify for reporting in this category; refer to Note 9 and Note 11 for detailed listings of the deferred outflows of resources the City has reported.

In addition to liabilities, the Statement of Net Position and the Governmental Funds – Balance Sheet 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 two items which qualify for reporting in this category; refer to Note 6 and Note 11 for detailed listings 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 costs 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. Unearned Revenue

Unearned 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.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

L. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Greenfield's California Public Employee's Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. 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 are 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 that 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.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. 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.

O. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 83	"Certain Asset Retirement Obligations"	The provisions of this statement are effective for fiscal years beginning after June 15, 2018.
Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 88	"Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2018.
Statement No. 89	"Accounting for Interest Cost Incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 90	"Majority Equity Interest-an Amendment of GASB Statements No. 14 and No. 61"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.

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. In general, encumbrances outstanding at fiscal year end are automatically rebudgeted in the following fiscal year.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

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

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

Major Fund:	
Water Impact Fund	\$ 1,275

C. Deficit Fund Balances

Major Fund:

A deficit fund balance of \$1,919,585 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 \$137,112 exists in the Police 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.

NOTE 3 – CASH AND INVESTMENTS

The composition of cash and investments as of June 30, 2018, by fund, is as follows:

	Available For <u>Operations</u>	<u>Restricted</u>	<u>Total</u>
General Fund	\$ 963,277	\$ -	\$ 963,277
Special Revenue Funds	11,272,076	-	11,272,076
Capital Project Fund	2,912,334	-	2,912,334
Debt Service Fund	-	-	-
Proprietary Funds	5,710,809	-	5,710,809
Fiduciary Funds	-	686,706	686,706
Total	<u>\$ 20,858,496</u>	<u>\$ 686,706</u>	<u>\$ 21,545,202</u>

Cash and investments at June 30, 2018, consisted of the following:

Cash in banks and on hand	\$ 5,471,358
Investments	15,387,138
Total cash and investments, statement of net position	<u>20,858,496</u>
Cash and investments with fiscal agent	107
Investments	686,599
Total cash and investments, statement of fiduciary net position	<u>686,706</u>
Total	<u>\$ 21,545,202</u>

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 3 – CASH AND INVESTMENTS (Continued)

Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurements and Application," provides the framework for measuring fair value. The framework categorizes a fair value hierarchy that is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2018:

	Total	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value				
Debt securities:				
Negotiable certificates of deposit	\$ 3,011,664	\$ 3,011,664	\$ -	\$ -
Total investments measured at fair value	3,011,664	<u>\$ 3,011,664</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at a amortized cost:				
LAIF	12,996,477			
Money market funds	65,596			
Held by fiscal agent:				
Money market funds	107			
Total investments	<u>\$ 16,073,844</u>			

A. 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.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
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

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. 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.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
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

C. 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:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Remaining Maturity (in Months)</u>			
		<u>12 Months Or Less</u>	<u>13-24 Months</u>	<u>25-60 Months</u>	<u>More than 60 Months</u>
LAIF	\$ 12,996,477	\$ 12,996,477	\$ -	\$ -	\$ -
Time deposits	3,011,664	493,000	592,479	1,926,185	-
Money market funds	65,596	65,596	-	-	-
Held by fiscal agent:					
Money market funds	107	107	-	-	-
Total	\$ 16,073,844	\$ 13,555,180	\$ 592,479	\$ 1,926,185	\$ -

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 3 – CASH AND INVESTMENTS (Continued)

C. Disclosures Relating to Interest Rate Risk (Continued)

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
LAIF	\$ 12,996,477	N/A	\$ -	\$ -	\$ 12,996,477
Time deposits	3,011,664	N/A	-	-	3,011,664
Money market funds	65,596	N/A	-	-	65,596
Held by fiscal agent:					
Money market funds	107	N/A	-	107	-
Total	<u>\$ 16,073,844</u>		<u>\$ -</u>	<u>\$ 107</u>	<u>\$ 16,073,737</u>

D. 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.

E. 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.

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).

F. 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.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

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. The loan accrues simple interest at 3% per annum and repayment of the \$500,000 note is not due until 55 years from the date the Promissory Note 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. At June 30, 2018, the loan had accrued interest of \$123,450 bringing the loan balance to \$623,450.

C. 2009 Community Housing Improvement Systems and Planning Association

On April 10, 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. The loan accrues simple interest at 3% per annum and repayment of the \$700,000 note is not due until 55 years from the date the Promissory Note 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. At June 30, 2018, the loan had accrued interest of \$172,749 bringing the loan balance to \$872,749.

D. Magnolia Place

On November 25, 2014, the City entered into a loan agreement with Greenfield Senior Associates, for the construction of 32 units of senior rental housing, to include 4 very-low income units, 27 low-income units, and one manager's unit. The agreement included an acquisition loan and a fee deferral loan. The City contributed \$708,000 toward the acquisition costs of the property, and \$250,000 toward the deferral of development impact fees. In exchange for the City contribution, the City obtained a promissory note for each loan, a loan agreement for both notes, and a deed of trust secured by the project. The term of the acquisition loan is 55 years from the date the Certificate of Occupancy is issued for the project, at 0% interest from disbursement through the earlier of the permanent loan conversion or the third anniversary of the construction loan closing, and thereafter at a rate between 0% and 3%, to be set by the City Manager. The term of the fee deferral loan is 30 years from the date of the Certificate of Occupancy, at 0% interest from disbursement through the earlier of the permanent loan conversion or the third anniversary of the construction loan closing, and thereafter at a rate of 3%. Loans are repaid annually in arrears, after conversion from the construction loan to the permanent loan, and no later than April 15 of each year with respect to the previous calendar year, in amounts for each loan equal to 50% of the Residual Receipts. Both loans become due and payable if the developer transfers or sells the project without approval of the City. The City has recorded a note receivable and offsetting unearned revenue for the acquisition loan, since the value of the note is not a source of readily available funding. The fee deferral loan will be recorded as a note receivable at the time that the fee deferral occurs.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 4 – NOTES RECEIVABLE (Continued)

E. Down Payment Assistance Program (CDBG)

The City has received funding from the Department of Housing and Urban Development (HUD), via the Community Development Block Grant (CDBG) program to help low-and moderate- income residents and commercial enterprises purchase property by assisting them with loans to make down payments. The promissory notes accrue simple interest of 3% and the 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 deferred revenue, since the value of the notes is not a source of readily available funding. At June 30, 2018, there were two such notes receivable for a total balance of \$94,600.

F. Down Payment Assistance Program

At June 30, 2018, the City held \$739,682 in promissory notes secured by deeds of trust on 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% 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 deferred revenue, since the value of the notes is not a source of readily available funding.

G. 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, 2018, is \$1,101,147, which is offset by unearned revenue in the governmental funds financial statements. As part of the Home program, in October 2015, the City entered into a Promissory Note with Greenfield Pacific Associates II, LP for a \$4,500,000 advance for the construction of the Terracina Oaks housing project. The terms of the note repayment is 55 years from the Notice of Completion, or no more than 58 years from October 2015. The outstanding principal balance incurs 3% simple interest from the date of disbursement. The note will be payable from the residual receipts collected from the Project. The balance outstanding at June 30, 2018 is \$4,788,318, which includes \$288,318 in accrued interest, and is offset by deferred revenue in the governmental funds financial statements.

NOTE 5 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2018, was as follows:

	Balance July, 1 2017	Additions	Deletions	Prior Period Adjustment	Balance June 30, 2018
Governmental Activities					
Nondepreciable capital assets:					
Land	\$ 6,346,949	\$ -	\$ -	\$ -	\$ 6,346,949
Construction in progress	7,419,360	983,703	5,945,422	(2,230,201)	227,440
Total nondepreciable capital assets	<u>\$ 13,766,309</u>	<u>\$ 983,703</u>	<u>\$ 5,945,422</u>	<u>\$ (2,230,201)</u>	<u>\$ 6,574,389</u>
Depreciable capital assets:					
Buildings and improvements	\$ 23,699,871	\$ 4,449,873	\$ -	\$ -	\$ 28,149,744
Property and equipment	3,072,289	147,767	-	-	3,220,056
Infrastructure	7,946,260	1,341,476	-	-	9,287,736
Total depreciable capital assets	34,718,420	5,939,116	-	-	40,657,536
Less accumulated depreciation	<u>12,203,281</u>	<u>1,612,619</u>	<u>-</u>	<u>-</u>	<u>13,815,900</u>
Net depreciable capital assets	<u>22,515,139</u>	<u>\$ 4,326,497</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,841,636</u>
Net capital assets	<u>\$ 36,281,448</u>	<u>\$ 5,310,200</u>	<u>\$ 5,945,422</u>	<u>\$ (2,230,201)</u>	<u>\$ 33,416,025</u>

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 5 – CAPITAL ASSETS (Continued)

	Balance July, 1 2017	Additions	Deletions	Prior Period Adjustment	Balance June 30, 2018
Business-Type Activities					
Nondepreciable capital assets:					
Land	\$ 323,537	\$ -	\$ -	\$ -	\$ 323,537
Construction in progress	4,795,113	514,414	7,335,687	2,230,201	204,041
Total nondepreciable capital assets	<u>\$ 5,118,650</u>	<u>\$ 514,414</u>	<u>\$ 7,335,687</u>	<u>\$ 2,230,201</u>	<u>\$ 527,578</u>
Depreciable capital assets:					
Property and equipment	\$ 20,588,289	\$ 7,330,937	\$ -	\$ -	\$ 27,919,226
Total depreciable capital assets	20,588,289	7,330,937	-	-	27,919,226
Less accumulated depreciation	9,351,450	765,333	-	-	10,116,783
Net depreciable capital assets	<u>\$ 11,236,839</u>	<u>\$ 6,565,604</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,802,443</u>
Net capital assets	<u>\$ 16,355,489</u>	<u>\$ 7,080,018</u>	<u>\$ 7,335,687</u>	<u>\$ 2,230,201</u>	<u>\$ 18,330,021</u>

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:

Governmental Activities:

General government	\$ 270,303
Public works	22,965
Parks and recreation	268,815
Community development	18,415
Public safety	108,220
Streets and roads	923,901
Total depreciation expense-governmental activities	<u>\$ 1,612,619</u>

Business-type Activities:

Water	\$ 398,702
Sewer	366,631
Total depreciation expense-business-type activities	<u>\$ 765,333</u>

NOTE 6 – DEFERRED INFLOWS OF RESOURCES

At June 30, 2018, deferred inflows of resources, reported on the Balance Sheet- Governmental Funds, consisted of the following:

	Unavailable Revenue
Major Funds:	
Home Grant Fund	\$ 5,889,465
Housing Fund	3,443,881
Nonmajor Funds:	
CDBG Fund	94,600
	<u>\$ 9,427,946</u>

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 7 – LONG-TERM DEBT

A. Capital Leases Payable

On December 30, 2015, the capital lease was refunded by the 2015 Refunding Civic Center Lease. The refunding resulted in an overall debt service savings of \$188,247, and the net present value of the debt service savings, called an economic gain, amounted to \$169,357. Refunding also resulted in an accounting loss of \$31,165, which is amortized over the life of the 2015 lease. The refunding lease accrues interest at 1.9 percent and has semi-annual lease payments due December 30 and June 30 each year. Future minimum lease payments are as follows:

Fiscal Year Ending June 30	Amount
2019	\$ 182,570
2020	182,570
2021	182,570
2022	182,570
2023	182,570
2024-2026	<u>447,275</u>
Total minimum lease payments	1,360,125
Less amount representing interest	<u>(97,355)</u>
Present value on net minimum lease payments	<u>\$ 1,262,770</u>

On December 10, 2015, the City entered into a capital lease agreement with PNC Equipment Finance, LLC. The lease proceeds were used for the acquisition and installation of an energy conservation project. The amount of the lease was \$4,120,377 and accrues interest at 3.139 percent. The lease is secured by all equipment under the lease, and the moneys and investments held in the escrow fund. Semi-annual lease payments are due June 10 and December 10 of each year, commencing on December 10, 2016. Future minimum lease payments are as follows:

Fiscal Year Ending June 30	Amount
2019	\$ 306,616
2020	319,056
2021	331,982
2022	345,408
2023	359,358
2024-2028	2,025,798
2029-2031	<u>1,174,888</u>
Total minimum lease payments	4,863,106
Less amount representing interest	<u>(929,477)</u>
Present value on net minimum lease payments	<u>\$ 3,933,629</u>

On July 8, 2014, the City entered into a capital lease agreement with US Bank Equipment Finance. The lease proceeds were used to purchase a copier for City Hall. The amount of the lease was \$13,784 and accrues interest at 4.08 percent. Annual lease payments are due each year commencing July 2014. The lease was paid in full during the fiscal year.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 7 – LONG-TERM DEBT (Continued)

A. Capital Leases Payable (Continued)

On September 30, 2016, the City entered into a capital lease agreement with PNC Equipment Finance, LLC. The lease proceeds were used for the acquisition and installation of an energy conservation project. The amount of the lease was \$2,163,836 and accrues interest at 2.782 percent. The lease is secured by all equipment under the lease, and the moneys and investments held in the escrow fund. Semi-annual lease payments are due June 10 and December 10 of each year commencing December 10, 2016. Future minimum lease payments are as follows:

Fiscal Year Ending June 30	Amount
2019	\$ 159,732
2020	163,516
2021	167,362
2022	164,418
2023	168,046
2024-2028	893,668
2029-2031	<u>602,259</u>
Total minimum lease payments	2,319,001
Less amount representing interest	<u>(398,988)</u>
Present value on net minimum lease payments	<u>\$ 1,920,013</u>

On December 7, 2015, the City entered into a capital lease agreement with US Bank Equipment Finance. The lease proceeds were to purchase a Konica copier for the Police Department. The amount of the lease was \$10,497 and the interest accrue’s at 4.738 percent. Annual lease payments are due each year commencing December 2015. Future minimum lease payments are as follows:

Fiscal Year Ending June 30	Amount
2019	\$ 2,813
Total minimum lease payments	2,813
Less amount representing interest	<u>(130)</u>
Present value on net minimum lease payments	<u>\$ 2,683</u>

B. 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 10th Street Water Expansion Project and 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.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 7 – LONG-TERM DEBT (Continued)

B. California Infrastructure and Economic Development Bank Loan Agreement (Continued)

The future minimum payment obligation for the Water Expansion Project loan agreement at June 30, 2018, is as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 100,582	\$ 79,150	\$ 179,732
2020	103,751	75,932	179,683
2021	107,019	72,612	179,631
2022	110,390	69,188	179,578
2023	113,867	65,656	179,523
2024-2028	625,452	271,279	896,731
2029-2033	730,366	164,713	895,079
2034-2037	671,559	43,129	714,688
	<u>\$ 2,562,986</u>	<u>\$ 841,659</u>	<u>\$ 3,404,645</u>

The future minimum payment obligation for the Wastewater Plant Expansion loan agreement at June 30, 2018, is as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 69,521	\$ 54,707	\$ 124,228
2020	71,711	52,483	124,194
2021	73,969	50,189	124,158
2022	76,299	47,822	124,121
2023	78,703	45,380	124,083
2024-2028	432,301	187,504	619,805
2029-2033	504,816	113,847	618,663
2034-2037	464,169	29,809	493,978
	<u>\$ 1,771,489</u>	<u>\$ 581,741</u>	<u>\$ 2,353,230</u>

C. Compensated Absences

Governmental Accounting Standards Board Statement No. 16 identifies certain items that should be accrued as a liability as benefits are earned by 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, 2018, total \$352,555 for governmental activities.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 8 – CHANGES IN LONG-TERM LIABILITIES

The following is a summary of long-term liability activities for the fiscal year ended June 30, 2018:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018	Due Within One Year
Governmental activities:					
Capital leases payable	\$ 5,484,020	\$ -	\$ 284,938	\$ 5,199,082	\$ 346,596
Net pension liability	3,508,205	1,067,515	507,028	4,068,692	-
Compensated absences	340,304	212,322	200,071	352,555	-
Total	\$ 9,332,529	\$ 1,279,837	\$ 992,037	\$ 9,620,329	\$ 346,596

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018	Due Within One Year
Business-type activities:					
CIEDB water loan	\$ 2,660,497	\$ -	\$ 97,511	\$ 2,562,986	\$ 100,582
CIEDB sewer loan	1,838,887	-	67,398	1,771,489	69,521
Capital leases payable	2,020,354	-	100,341	1,920,013	107,047
Net pension liability	540,758	117,615	75,763	582,610	-
Total	\$ 7,060,496	\$ 117,615	\$ 341,013	\$ 6,837,098	\$ 277,150

NOTE 9 – DEFERRED OUTFLOWS OF RESOURCES – DEBT REFUNDING

At June 30, 2018, deferred outflows of resources relating to debt refunding, reported in the statement of net position, consisted of the following:

	Governmental Activities
Deferred charge on refunding	<u>\$ 23,114</u>

NOTE 10– 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.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 10– INTERFUND TRANSACTIONS (Continued)**A. Due From/To Other Funds**

Individual fund interfund receivable and payable balances at June 30, 2018, are as follows:

Fund	Due From	Due To
Major Governmental Funds:		
General Fund	\$ 258,347	\$ -
Capital Projects Fund	137,112	-
Nonmajor Governmental Funds:		
Police-Other Grants Fund	-	53,333
Police Impact Fund	-	137,112
CDBG Fund	-	205,014
Total	\$ 395,459	\$ 395,459

B. Advances Receivable and Payable

Advances receivable and payable constitute long-term borrowing between funds. Individual advance receivable and payable balances at June 30, 2018, are as follows:

Fund	Advance Receivable	Advance Payable
Major Governmental Funds:		
General Fund	\$ 1,919,585	\$ -
General Facilities Impact Fees Fund	-	1,919,585
Debt Service Fund	2,116,515	-
Proprietary Funds:		
Water Fund	-	1,057,180
Sewer Fund	-	1,059,335
Totals	\$ 4,036,100	\$ 4,036,100

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 10– INTERFUND TRANSACTIONS (Continued)

C. 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 2017-2018 fiscal year are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund	\$ 525,719	\$ 344,397
Traffic Impact Fund	-	231,581
Supplemental Transactions and Use Tax Fund	56,409	-
Capital Projects Fund	42,597	-
Debt Service Fund	233,188	212,985
Nonmajor Governmental Funds:		
Police-Other Grants Fund	-	97,928
Park Impact Fund	-	180,068
Sewer Impact Fund	-	947,953
Greenfield Science Workshop Fund	90,900	-
Lexington Square Assessment Fund	-	40,600
Terra Verde Assessment Fund	-	40,600
SMD#1 Fund	-	26,200
SMD#2 Fund	-	26,200
CDBG Fund	1,038,179	49,700
Park Fund	180,068	-
Local Transportation Fund	251,891	-
Proprietary Funds:		
Water Fund	-	63,908
Sewer Fund	-	156,831
	<u>\$ 2,418,951</u>	<u>\$ 2,418,951</u>

NOTE 11 – PENSION PLAN

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the City’s separate Safety (Police) and Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

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

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 11 – PENSION PLAN (Continued)

A. General Information about the Pension Plans (Continued)

The Plans' provisions and benefits in effect at June 30, 2018, are summarized as follows:

	<u>Miscellaneous</u>	
	<u>Prior to January 1, 2013</u>	<u>On or after January 1, 2013</u>
Hire Date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.426%-2.418%	1.0% to 2.5%
Required employee contribution rates	7%	6.25%
Required employer contribution rates	8.377%	6.533%

	<u>Safety</u>	
	<u>Prior to January 1, 2013</u>	<u>On or after January 1, 2013</u>
Hire Date		
Benefit formula	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	50-57
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	9%	11.50%
Required employer contribution rates	14.971%	11.990%

Contributions

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

For the fiscal year ended June 30, 2018, the contributions recognized as part of pension expense for each Plan were as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Contributions-employer	\$ 195,675	\$ 387,116

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 11 – PENSION PLAN (Continued)

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

At June 30, 2018, the City reported net pension liabilities for its proportionate shares of the net position liability of each Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 2,199,976
Safety	2,451,326
	<u>\$ 4,651,302</u>

The net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as that date. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. At June 30, 2017, the City’s proportionate share of the net pension liability for each Plan, as of June 30, 2016 and June 30, 2017, was as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Proportion-June 30, 2016	0.05393%	0.04201%
Proportion-June 30, 2017	0.05581%	0.04102%
Change-Increase (Decrease)	<u>0.00188%</u>	<u>-0.00099%</u>

For the fiscal year ended June 30, 2018, the City recognized pension expense of \$856,653. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 30,623	\$ 59,652
Changes in assumptions	779,832	51,081
Net difference between projected and actual earnings on retirement plan investments	173,121	-
Changes in proportion and differences between City contributions and proportionate share of contributions	187,796	85,743
Adjustment due to differences in proportion	166,096	43,712
City contributions subsequent to the measurement date	639,408	-
	<u>\$ 1,976,876</u>	<u>\$ 240,188</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability, to be recognized in future periods in a systematic and rational manner.

\$639,408 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 11 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expenses as follows:

Fiscal year Ending June 30,	Amount
2019	\$ 300,908
2020	556,218
2021	342,192
2022	(102,038)
	\$ 1,097,280

Actuarial Assumptions

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2016	June 30, 2016
Measurement Date	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.75%	2.75%
Payroll Growth	3%	3%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return	7.00%	7.00%
Mortality	Derived using CalPERS' Membership Data for all Funds (1)	Derived using CalPERS' Membership Data for all Funds (1)

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table please refer to the 2014 experience study report.

Change in Assumptions

In December 2016, as part of the Asset Liability Management (ALM) review cycle, the CalPERS Board approved to lower the financial reporting discount rate for PERF C from 7.65% to 7.15%.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 11 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for public agency plans (including PERF C), CalPERS stress tested plans that would be most likely to result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund, including PERF C. The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at CalPERS’ website under the GASB 68 section.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2022. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB No. 67 and No. 68 calculations through at least the 2021-22 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as they have changed their methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds’ asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits were calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10(a)</u>	<u>Real Return Years 11+(b)</u>
Global Equity	47.0%	4.90%	5.38%
Global Fixed Income	19.0%	0.80%	2.27%
Inflation Sensitive	6.0%	0.60%	1.39%
Private Equity	12.0%	6.60%	6.63%
Real Estate	11.0%	2.80%	5.21%
Infrastructure and Forestland	3.0%	3.90%	5.36%
Liquidity	2.0%	-0.40%	-0.90%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.5% was used for this period.

(b) An expected inflation of 3.0% was used for this period.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 11 – PENSION PLAN (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

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

The following represents the City’s proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.15 percent) or one percentage point higher (8.15 percent) than the current rate:

	<u>Miscellaneous</u>		<u>Safety</u>
1% Decrease	6.15%		6.15%
Net Pension Liability	\$ 3,453,057	\$	3,771,713
Current Discount Rate	7.15%		7.15%
Net Pension Liability	\$ 2,199,976	\$	2,451,326
1% Increase	8.15%		8.15%
Net Pension Liability	\$ 1,162,151	\$	1,371,976

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

C. Payable to the Pension Plan

At June 30, 2018, the City had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2018.

NOTE 12 – 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 coordinate 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.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 12 – LIABILITY, WORKERS’ COMPENSATION, AND PURCHASED INSURANCE (Continued)

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 13 – CONTINGENCIES AND COMMITMENTS

A. Legal

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.

B. Grant Programs

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.

C. Construction and Other Significant Commitments

Listed below are the projects for uncompleted contracts outstanding as of June 30, 2018.

CDBG Rehabilitation	\$
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NOTE 14 – REVENUE LIMITATIONS IMPOSED BY CALIFORNIA PROPOSITION 218

Proposition 218, which was approved by the voters in November 1996, regulates 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 future years by the voters.

NOTE 15 – SUCCESSOR AGENCY

A. 2016 Tax Allocation Refunding Bonds

On January 27, 2016, the Successor Agency issued \$17,915,000 in Tax Allocation Refunding Bonds at interest rates ranging from 3.625 to 6.0 percent. The proceeds of the bonds were used to refund the 2002 and 2006 Tax Allocation Bonds. The refunding was completed to realize net present value savings related to the prior bonds. Principal payment will be due each February 1, commencing in February 2017. Interest will be payable semiannually on August 1 and February 1 each year. The bonds mature in 2037.

The refunding resulted in an overall debt service savings of \$5,035,708, and the net present value of the debt service savings, called an economic gain, amount to \$3,878,147.

On January 27, 2016, the Successor Agency deposited \$1,323,209 for the 2002 Tax Allocation Bonds in an irrevocable trust with an escrow agent to provide funds for the future debt service on the refunded bonds. The 2002 Tax Allocation Bonds were then paid in full from the escrow account on August 1, 2016.

As of June 30, 2018, the principal balance outstanding was \$16,640,000.

CITY OF GREENFIELD

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE 15 – SUCCESSOR AGENCY (Continued)

A. 2016 Tax Allocation Refunding Bonds (Continued)

The future minimum payment obligation for the bonds payable at June 30, 2018, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2019	\$ 620,000	\$ 630,781	\$ 1,250,781
2020	865,000	605,981	1,470,981
2021	895,000	571,381	1,466,381
2022	885,000	535,581	1,420,581
2023	900,000	509,031	1,409,031
2024-2028	4,340,000	2,042,155	6,382,155
2029-2033	4,670,000	1,036,455	5,706,455
2034-2036	3,465,000	187,031	3,652,031
	<u>\$ 16,640,000</u>	<u>\$ 6,118,396</u>	<u>\$ 22,758,396</u>

B. Changes in Long-Term Liabilities

Long term liability activity for the fiscal year ended June 30, 2018, was as follows:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018	Due Within One Year
2016 Tax Allocation Bonds	\$ 17,110,000	\$ -	\$ 470,000	\$ 16,640,000	\$ 620,000
Add: Bond premium	1,262,232		67,923	1,194,309	67,923
	<u>\$ 18,372,232</u>	<u>\$ -</u>	<u>\$ 537,923</u>	<u>\$ 17,834,309</u>	<u>\$ 687,923</u>

NOTE 16 – PRIOR PERIOD ADJUSTMENT

A prior period adjustment of \$2,230,201 was made to the governmental and business type activities, as well as the sewer fund. The adjustment was made to correctly restate the treatment plant improvement project construction in progress to the correct activity and fund.

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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, 2018

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 3,480,500	\$ 3,482,231	\$ 3,977,828	\$ 495,597
Licenses and permits	1,383,500	1,383,500	189,998	(1,193,502)
Fines and penalties	30,000	71,839	85,137	13,298
Use of money and property	-	4,090	11,456	7,366
Intergovernmental revenues	85,800	106,166	74,304	(31,862)
Charges for services	3,031,600	3,093,265	2,647,546	(445,719)
Other revenues	-	5,273	32,335	27,062
Total revenues	<u>8,011,400</u>	<u>8,146,364</u>	<u>7,018,604</u>	<u>(1,127,760)</u>
EXPENDITURES				
Current:				
General government	3,381,200	3,504,629	4,113,580	(608,951)
Public works	181,800	181,800	185,058	(3,258)
Building and planning	1,181,600	1,181,600	501,953	679,647
Parks and recreation	307,100	307,100	287,070	20,030
Public safety	3,050,400	3,050,400	2,707,643	342,757
Capital outlay	-	-	2,190	(2,190)
Debt service:				
Principal	2,800	2,800	2,559	241
Interest	-	-	254	(254)
Total expenditures	<u>8,104,900</u>	<u>8,228,329</u>	<u>7,800,307</u>	<u>428,022</u>
Excess of revenues over (under) expenditures	<u>(93,500)</u>	<u>(81,965)</u>	<u>(781,703)</u>	<u>(699,738)</u>
OTHER FINANCING SOURCES				
Transfers in	484,200	484,200	525,719	41,519
Transfers out	<u>(324,100)</u>	<u>(324,100)</u>	<u>(344,397)</u>	<u>(20,297)</u>
Total other financing sources	<u>160,100</u>	<u>160,100</u>	<u>181,322</u>	<u>21,222</u>
Net change in fund balance	66,600	78,135	(600,381)	(678,516)
Fund balance, beginning of fiscal year	<u>3,787,680</u>	<u>3,787,680</u>	<u>3,787,680</u>	-
Fund balance, end of fiscal year	<u>\$ 3,854,280</u>	<u>\$ 3,865,815</u>	<u>\$ 3,187,299</u>	<u>\$ (678,516)</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, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ 200	\$ 948	\$ 748
Charges for services	2,500	2,500	11,900	9,400
Total revenues	2,500	2,700	12,848	10,148
EXPENDITURES				
Current:				
Community development	64,800	64,800	507	64,293
Total expenditures	64,800	64,800	507	64,293
Excess of revenues over (under) expenditures	(62,300)	(62,100)	12,341	74,441
Fund balance, beginning of fiscal year	104,142	104,142	104,142	-
Fund balance, end of fiscal year	\$ 41,842	\$ 42,042	\$ 116,483	\$ 74,441

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, 2018

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Use of money and property	\$ -	\$ 5,794	\$ 26,203	\$ 20,409
Charges for services	3,164,600	3,164,600	285,765	(2,878,835)
Total revenues	3,164,600	3,170,394	311,968	(2,858,426)
EXPENDITURES				
Current:				
Public works	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	3,164,600	3,170,394	311,968	(2,858,426)
OTHER FINANCING SOURCES				
Transfers out	(119,000)	(119,000)	(231,581)	(112,581)
Total other financing sources	(119,000)	(119,000)	(231,581)	(112,581)
Net change in fund balance	3,045,600	3,051,394	80,387	(2,971,007)
Fund balance, beginning of fiscal year	3,137,219	3,137,219	3,137,219	-
Fund balance, end of fiscal year	\$ 6,182,819	\$ 6,188,613	\$ 3,217,606	\$ (2,971,007)

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, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ 5,058	\$ 23,452	\$ 18,394
Charges for services	392,500	392,500	155,011	(237,489)
Total revenues	392,500	397,558	178,463	(219,095)
EXPENDITURES				
Capital outlay	-	18,416	19,691	(1,275)
Total expenditures	-	18,416	19,691	(1,275)
Excess of revenues over expenditures	392,500	379,142	158,772	(220,370)
Fund balance, beginning of fiscal year	2,720,987	2,720,987	2,720,987	-
Fund balance, end of fiscal year	\$ 3,113,487	\$ 3,100,129	\$ 2,879,759	\$ (220,370)

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, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ 86	\$ -	\$ (86)
Charges for services	<u>167,400</u>	<u>167,400</u>	<u>18,883</u>	<u>(148,517)</u>
Total revenues	<u>167,400</u>	<u>167,486</u>	<u>18,883</u>	<u>(148,603)</u>
EXPENDITURES				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	167,400	167,486	18,883	(148,603)
Fund balance, beginning of fiscal year	<u>(1,938,468)</u>	<u>(1,938,468)</u>	<u>(1,938,468)</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ (1,771,068)</u>	<u>\$ (1,770,982)</u>	<u>\$ (1,919,585)</u>	<u>\$ (148,603)</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, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ 141	\$ 22	\$ (119)
Charges for services	-	-	1,620	1,620
Total revenues	-	141	1,642	1,501
EXPENDITURES				
Current:				
Community development	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	-	141	1,642	1,501
Fund balance, beginning of fiscal year	961,766	961,766	961,766	-
Fund balance, end of fiscal year	<u>\$ 961,766</u>	<u>\$ 961,907</u>	<u>\$ 963,408</u>	<u>\$ 1,501</u>

CITY OF GREENFIELD

SUPPLEMENTAL TRANSACTIONS AND USE TAX FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 2,030,700	\$ 2,030,700	\$ 2,569,127	\$ 538,427
Use of money and property	-	1,603	10,034	8,431
Intergovernmental revenues	-	-	667	667
Total revenues	2,030,700	2,032,303	2,579,828	547,525
EXPENDITURES				
Current:				
Parks and recreation	134,500	134,510	64,412	70,098
Community development	86,800	94,342	56,682	37,660
Public safety	2,051,900	2,065,126	1,802,267	262,859
Capital outlay	40,300	131,613	97,226	34,387
Total expenditures	2,313,500	2,425,591	2,020,587	405,004
Excess of revenues over expenditures	(282,800)	(393,288)	559,241	952,529
OTHER FINANCING SOURCES				
Transfers in	-	-	56,409	56,409
Total other financing sources	-	-	56,409	56,409
Net change in fund balance	(282,800)	(393,288)	615,650	1,008,938
Fund balance, beginning of fiscal year	1,093,581	1,093,581	1,093,581	-
Fund balance, end of fiscal year	\$ 810,781	\$ 700,293	\$ 1,709,231	\$ 1,008,938

CITY OF GREENFIELD
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 Last 10 Years*
 As of June 30, 2018

The following table provides required supplementary information regarding the City's Pension Plan.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Proportion of the net pension liability	0.05027%	0.04668%	0.04679%	0.04690%
Proportionate share of the net pension liability	\$ 3,128,406	\$ 3,204,311	\$ 4,048,963	\$ 4,651,302
Covered payroll	\$ 2,584,718	\$ 2,393,628	\$ 2,635,921	\$ 3,265,209
Proportionate share of the net pension liability as percentage of covered payroll	121.03%	133.87%	153.61%	142.45%
Plan's total pension liability	\$ 30,829,966,631	\$ 31,771,217,402	\$ 33,358,627,624	\$ 37,161,348,322
Plan's fiduciary net position	\$ 24,607,502,515	\$ 24,907,305,871	\$ 24,705,532,291	\$ 27,244,095,376
Plan fiduciary net position as a percentage of the total pension liability	79.82%	78.40%	74.06%	73.31%

Changes in assumptions

In 2017, as part of the Asset Liability Management review cycle, the discount rate was changed from 7.65 percent to 7.15 percent.

In 2016, the discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

*- Fiscal year 2015 was the 1st year of implementation, therefore only four years are shown

CITY OF GREENFIELD
SCHEDULE OF CONTRIBUTIONS
 Last 10 Years*
 As of June 30, 2018

The following table provides required supplementary information regarding the City's Pension Plan.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution (actuarially determined)	\$ 440,014	\$ 515,413	\$ 582,791	\$ 639,408
Contribution in relation to the actuarially determined contributions	<u>440,014</u>	<u>515,413</u>	<u>582,791</u>	<u>639,408</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,393,628	\$ 2,635,921	\$ 3,265,209	\$ 3,518,990
Contributions as a percentage of covered payroll	18.38%	19.55%	17.85%	18.17%

Notes to Schedule

Valuation Date: 6/30/2016

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2017/2018 were derived from the June 30, 2017 funding valuation report.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2016 funding valuation report.
Inflation	2.75%
Salary Increases	Varies by entry age and service
Payroll Growth	3.00%
Investment Rate of Return	7.0% net of pension plan investment and administrative expenses; includes inflation.
Retirement Age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

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SUPPLEMENTAL INFORMATION SECTION

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CITY OF GREENFIELD
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	Supplemental Law Enforcement Service Fund	Police-Other Grants Fund	Gas Tax Fund	Park Impact Fund
ASSETS				
Cash and investments	\$ 176,150	\$ -	\$ 43,047	\$ 533,431
Accounts receivable	16,667	78,517	37,867	-
Interest receivable	521	-	127	1,576
Notes receivable	-	-	-	-
Prepaid expenditures	14,827	-	-	-
Total assets	<u>\$ 208,165</u>	<u>\$ 78,517</u>	<u>\$ 81,041</u>	<u>\$ 535,007</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 1,347	\$ 7,451	\$ 14,467	\$ -
Accrued payroll	-	-	5,866	-
Due to other funds	-	53,333	-	-
Total liabilities	<u>1,347</u>	<u>60,784</u>	<u>20,333</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	14,827	-	-	-
Restricted	191,991	17,733	60,708	535,007
Unassigned	-	-	-	-
Total fund balances	<u>206,818</u>	<u>17,733</u>	<u>60,708</u>	<u>535,007</u>
Total liabilities and fund balances	<u>\$ 208,165</u>	<u>\$ 78,517</u>	<u>\$ 81,041</u>	<u>\$ 535,007</u>

Special Revenue Funds

Police Impact Fund	Sewer Impact Fund	Community Center Impact Fund	Greenfield Science Workshop Fund	Lexington Square Assessment Fund	Terra Verde Assessment Fund
\$ -	\$ 778,259	\$ 127,753	\$ 94,705	\$ 184,470	\$ 893,304
-	-	-	60,548	-	-
-	2,300	378	280	545	2,640
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 780,559</u>	<u>\$ 128,131</u>	<u>\$ 155,533</u>	<u>\$ 185,015</u>	<u>\$ 895,944</u>
\$ -	\$ -	\$ -	\$ 2,149	\$ 2,296	\$ 5,320
-	-	-	4,480	91	219
<u>137,112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>137,112</u>	<u>-</u>	<u>-</u>	<u>6,629</u>	<u>2,387</u>	<u>5,539</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	780,559	128,131	148,904	182,628	890,405
<u>(137,112)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(137,112)</u>	<u>780,559</u>	<u>128,131</u>	<u>148,904</u>	<u>182,628</u>	<u>890,405</u>
<u>\$ -</u>	<u>\$ 780,559</u>	<u>\$ 128,131</u>	<u>\$ 155,533</u>	<u>\$ 185,015</u>	<u>\$ 895,944</u>

Continued

CITY OF GREENFIELD
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	<u>SMD #1 Fund</u>	<u>SMD #2 Fund</u>	<u>Measure X Fund</u>	<u>CDBG Fund</u>
ASSETS				
Cash and investments	\$ 444,501	\$ 343,101	\$ 216,521	\$ -
Accounts receivable	-	-	97,689	248,600
Interest receivable	1,313	1,014	640	-
Notes receivable	-	-	-	94,600
Prepaid expenditures	-	-	-	-
Total assets	<u>\$ 445,814</u>	<u>\$ 344,115</u>	<u>\$ 314,850</u>	<u>\$ 343,200</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 2,064	\$ 2,166	\$ 5,351	\$ -
Accrued payroll	136	53	-	-
Due to other funds	-	-	-	205,014
Total liabilities	<u>2,200</u>	<u>2,219</u>	<u>5,351</u>	<u>205,014</u>
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	94,600
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,600</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	443,614	341,896	309,499	43,586
Unassigned	-	-	-	-
Total fund balances	<u>443,614</u>	<u>341,896</u>	<u>309,499</u>	<u>43,586</u>
Total liabilities and fund balances	<u>\$ 445,814</u>	<u>\$ 344,115</u>	<u>\$ 314,850</u>	<u>\$ 343,200</u>

Special Revenue Funds

Park Fund	Local Transportation Fund	Asset Forfeiture/ Seizure Fund	Fire Impact Fund	Totals
\$ -	\$ -	\$ 6,924	\$ 2,921	\$ 3,845,087
-	-	-	-	539,888
-	-	-	9	11,343
-	-	-	-	94,600
-	-	-	-	14,827
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,924</u>	<u>\$ 2,930</u>	<u>\$ 4,505,745</u>
\$ -	\$ -	\$ -	\$ -	\$ 42,611
-	-	-	-	10,845
-	-	-	-	395,459
-	-	-	-	448,915
-	-	-	-	94,600
-	-	-	-	94,600
-	-	-	-	14,827
-	-	6,924	2,930	4,084,515
-	-	-	-	(137,112)
-	-	6,924	2,930	3,962,230
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,924</u>	<u>\$ 2,930</u>	<u>\$ 4,505,745</u>

CITY OF GREENFIELD

NONMAJOR GOVERNMENTAL FUNDS

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

For the Fiscal Year Ended June 30, 2018

	Supplemental Law Enforcement Service Fund	Police-Other Grants Fund	Gas Tax Fund	Park Impact Fund
REVENUES				
Use of money and property	\$ 1,440	\$ -	\$ 352	\$ 4,356
Intergovernmental revenues	139,416	152,939	448,235	119,458
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total revenues	<u>140,856</u>	<u>152,939</u>	<u>448,587</u>	<u>123,814</u>
EXPENDITURES				
Current:				
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Community development	-	-	-	-
Public safety	32,492	55,011	-	-
Streets and roads	-	-	493,485	-
Capital outlay	10,599	-	21,199	2,290
Total expenditures	<u>43,091</u>	<u>55,011</u>	<u>514,684</u>	<u>2,290</u>
Excess of revenues over (under) expenditures	<u>97,765</u>	<u>97,928</u>	<u>(66,097)</u>	<u>121,524</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(97,928)	-	(180,068)
Total other financing sources (uses)	<u>-</u>	<u>(97,928)</u>	<u>-</u>	<u>(180,068)</u>
Net change in fund balances	97,765	-	(66,097)	(58,544)
Fund balances, beginning of fiscal year	<u>109,053</u>	<u>17,733</u>	<u>126,805</u>	<u>593,551</u>
Fund balances, end of fiscal year	<u>\$ 206,818</u>	<u>\$ 17,733</u>	<u>\$ 60,708</u>	<u>\$ 535,007</u>

Special Revenue Funds

Police Impact Fund	Sewer Impact Fund	Community Center Impact Fund	Greenfield Science Workshop Fund	Lexington Square Assessment Fund	Terra Verde Assessment Fund
\$ -	\$ 6,357	\$ 1,044	\$ 774	\$ 1,507	\$ 7,297
27,156	190,184	5,780	236,909	-	301,513
-	-	-	-	90,742	-
-	-	-	-	-	-
<u>27,156</u>	<u>196,541</u>	<u>6,824</u>	<u>237,683</u>	<u>92,249</u>	<u>308,810</u>
-	-	-	-	195,107	72,573
-	-	-	262,181	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	262,181	195,107	72,573
<u>27,156</u>	<u>196,541</u>	<u>6,824</u>	<u>(24,498)</u>	<u>(102,858)</u>	<u>236,237</u>
-	-	-	90,900	-	-
-	(947,953)	-	-	(40,600)	(40,600)
-	(947,953)	-	90,900	(40,600)	(40,600)
27,156	(751,412)	6,824	66,402	(143,458)	195,637
(164,268)	1,531,971	121,307	82,502	326,086	694,768
<u>\$ (137,112)</u>	<u>\$ 780,559</u>	<u>\$ 128,131</u>	<u>\$ 148,904</u>	<u>\$ 182,628</u>	<u>\$ 890,405</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, 2018

	<u>SMD #1 Fund</u>	<u>SMD #2 Fund</u>	<u>Measure X Fund</u>	<u>CDBG Fund</u>
REVENUES				
Use of money and property	\$ 3,629	\$ 2,804	\$ 1,768	\$ -
Intergovernmental revenues	35,195	81,646	315,835	635,714
Charges for services	-	-	-	-
Other revenues	-	-	-	-
	<u>38,824</u>	<u>84,450</u>	<u>317,603</u>	<u>635,714</u>
Total revenues				
EXPENDITURES				
Current:				
Public works	12,153	7,371	-	-
Parks and recreation	-	-	-	-
Community development	-	-	-	54,668
Public safety	-	-	-	-
Streets and roads	-	-	58,073	-
Capital outlay	-	-	-	97,216
	<u>12,153</u>	<u>7,371</u>	<u>58,073</u>	<u>151,884</u>
Total expenditures				
Excess of revenues over (under) expenditures	<u>26,671</u>	<u>77,079</u>	<u>259,530</u>	<u>483,830</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	1,038,179
Transfers out	<u>(26,200)</u>	<u>(26,200)</u>	<u>-</u>	<u>(49,700)</u>
	<u>(26,200)</u>	<u>(26,200)</u>	<u>-</u>	<u>988,479</u>
Total other financing sources (uses)				
Net change in fund balances	471	50,879	259,530	1,472,309
Fund balances, beginning of fiscal year	<u>443,143</u>	<u>291,017</u>	<u>49,969</u>	<u>(1,428,723)</u>
Fund balances, end of fiscal year	<u>\$ 443,614</u>	<u>\$ 341,896</u>	<u>\$ 309,499</u>	<u>\$ 43,586</u>

Special Revenue Funds

Park Fund	Local Transportation Fund	Asset Forfeiture/ Seizure Fund	Fire Impact Fund	Totals
\$ -	\$ -	\$ -	\$ 25	\$ 31,353
-	-	-	2,905	2,692,885
-	-	-	-	90,742
-	-	6,924	-	6,924
-	-	6,924	2,930	2,821,904
-	-	-	-	287,204
1,150	-	-	-	263,331
-	-	-	-	54,668
-	-	-	-	87,503
-	-	-	-	551,558
126,592	395,322	-	-	653,218
127,742	395,322	-	-	1,897,482
(127,742)	(395,322)	6,924	2,930	924,422
180,068	251,891	-	-	1,561,038
-	-	-	-	(1,409,249)
180,068	251,891	-	-	151,789
52,326	(143,431)	6,924	2,930	1,076,211
(52,326)	143,431	-	-	2,886,019
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,924</u>	<u>\$ 2,930</u>	<u>\$ 3,962,230</u>

CITY OF GREENFIELD

COMBINING STATEMENT OF FIDUCIARY NET POSITION

PRIVATE PURPOSE TRUST FUNDS

June 30, 2018

	RDA Successor Agency Admin Fund	RDA Successor Agency Debt Service Fund	Total
Assets			
Cash and investments	\$ 686,599	\$ 107	\$ 686,706
Interest receivable	2,029	-	2,029
Note receivable	4,735	-	4,735
Prepaid insurance	-	153,154	153,154
Total assets	693,363	153,261	846,624
Liabilities			
Accounts payable	2,150	-	2,150
Accrued interest payable	-	262,826	262,826
Unearned revenue	709,993	-	709,993
Noncurrent liabilities:			
Due within one year	-	687,923	687,923
Due in more than one year	-	17,146,386	17,146,386
Total liabilities	712,143	18,097,135	18,809,278
Deferred Inflow of Resources			
Deferred loss on debt refunding	-	181,362	181,362
Total deferred inflow of resources	-	181,362	181,362
Net Position			
Held in trust	<u>\$ (18,780)</u>	<u>\$ (18,125,236)</u>	<u>\$ (18,144,016)</u>

CITY OF GREENFIELD

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

PRIVATE PURPOSE TRUST FUNDS

For the Fiscal Year Ended June 30, 2018

	RDA Successor Agency Admin Fund	RDA Successor Agency Debt Service Fund	Total
Additions:			
Taxes	\$ 1,349,171	\$ -	\$ 1,349,171
Investment earnings	5,609	107	5,716
Total additions	<u>1,354,780</u>	<u>107</u>	<u>1,354,887</u>
Deductions:			
Community development	4,905	-	4,905
Interest expense	<u>-</u>	<u>569,479</u>	<u>569,479</u>
Total deductions	<u>4,905</u>	<u>569,479</u>	<u>574,384</u>
Increase (decrease) before transfers	1,349,875	(569,372)	780,503
Transfers	<u>(988,640)</u>	<u>988,640</u>	<u>-</u>
Change in net position	361,235	419,268	780,503
Total net position-beginning	<u>(380,015)</u>	<u>(18,544,504)</u>	<u>(18,924,519)</u>
Total net position-ending	<u>\$ (18,780)</u>	<u>\$ (18,125,236)</u>	<u>\$ (18,144,016)</u>

