



# Comprehensive Annual Financial Report

For the Fiscal Year  
Ended  
June 30, 2015



CITY OF DIXON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2015

PREPARED BY  
FINANCE DEPARTMENT

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CITY OF DIXON  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2015

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# Introductory Section



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MAYOR JACK BATCHELOR  
VICE MAYOR JERRY CASTAÑON, SR  
COUNCILMEMBER STEVEN BIRD

COUNCILMEMBER TED HICKMAN  
COUNCILMEMBER SCOTT PEDERSON  
CITY TREASURER DANE BESNEATTE

November 25, 2015

The Honorable Mayor, Members of the City Council  
and Citizens of the City of Dixon, California

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Dixon (City) for the fiscal year ended June 30, 2015. State law requires all general-purpose local governments, within six months of the close of each fiscal year, to publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the City is pleased to submit its CAFR for the fiscal year ended June 30, 2015.

Responsibility for data accuracy and presentation fairness, including all footnotes and disclosures, rests with the City. To the best of our knowledge, the enclosed data is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and operation results of the various funds of the City. City management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse, and to compile sufficient, reliable information for the financial statement preparation and conformance with GAAP. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Lance, Soll & Lunghard, LLP, the Certified Public Accountant firm selected by the City Council to perform the audit of the financial statements for the fiscal year ended June 30, 2015, has audited the City's financial statements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and evaluating the overall financial statement presentation. The independent auditor has issued an unqualified opinion that the City of Dixon's financial statements for the year ended June 30, 2015 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of the report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A compliment this letter of transmittal and should be read in conjunction.

## **PROFILE OF THE GOVERNMENT**

The City of Dixon is located in Northern California in Solano County, 20 miles southwest of Sacramento and 65 miles northeast of San Francisco. The City of Dixon is a general law city incorporated in 1878. The City, originally developed as the commercial and service center for the surrounding agricultural area and was known as "Dicksonville", after a prosperous rancher named Thomas Dickson donated a portion of land to create a railroad depot. When the first consignment of goods arrived by rail, the address

## **City of Dixon**

600 East A Street • Dixon, California • 95620-3697  
(707) 678-7000 • FAX (707) 678-0960 • TTY (707) 678-1489

mistakenly read “Dixon” which ultimately became the City’s name. The population as of June 2015 is 19,158 (according to the California Department of Finance) in a 6.5 square mile area.

The City operates under a Council-Manager form of government. The City Council consists of the Mayor and four Council members, elected to serve four-year overlapping terms. The position of Vice Mayor is required in the Dixon Municipal Code and is chosen by the Council Members from the elected Council Members. The Mayor serves as the City Council’s presiding officer. While not a component unit of the City, Council Members do serve as the governing body of the Successor Agency to the Dixon Redevelopment Agency. The City Treasurer is also elected to serve a four-year term.

The City Council serves as the legislative body of the City as the policy board for the municipality. City Council responsibilities include passing ordinances, adopting the budget, appointing committees, and setting priorities for the City government. In addition to appointing the City Manager, the City Council also appoints the City Attorney. The City Manager has the responsibility to provide support and advice to the City Council, overseeing day-to-day operations of the City, fostering community partnerships and interagency collaboration and appointing Department Heads with ratification by the City Council. Dixon provides municipal services that include police and fire protection, sewer and water services, maintenance of streets and infrastructure, planning and zoning, recreational activities, and general administrative/support services.

The City Council is required to adopt an annual balanced budget by June 30th each year. The annual budget is adopted by resolution, and serves as the foundation for the City’s financial planning and control. Activities of the general fund and all other funds are included in the annual appropriated budget. All departments participate through a series of meetings, submitting appropriation requests for consideration, culminating with presentation to the City Council at budget study sessions. These study sessions also provide an opportunity for public input to be heard. Budgetary control is legally maintained at the fund level. The City Council may amend the budget by majority vote, at any time after adoption. Budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the department level within an individual fund.

## **FACTORS AFFECTING FINANCIAL CONDITION**

The information presented in the financial statements is perhaps better understood when considered from the broader perspective of the economic environment within which the City operates.

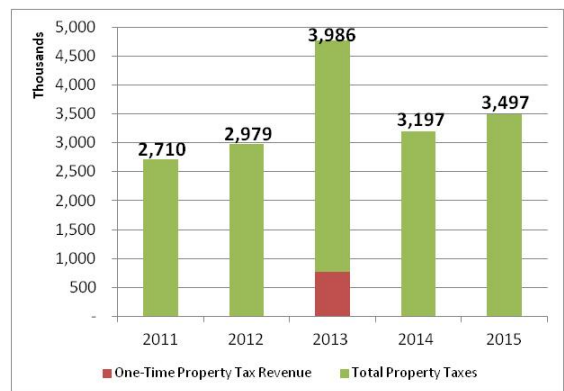
Dixon offers a unique combination of an outstanding location, desirable housing and strong community values. Dixon can be characterized as a progressive city that seeks excellent development, with a desire to maintain and enhance “quality of life” characteristics that are part of its history and agricultural heritage. Dixon’s proximity to Sacramento, Davis and San Francisco, affords the community with a wide array of employment opportunities in areas such as government, technology, health care, and manufacturing. In fact, the top employment industries in Dixon are educational services, retail trade, and health care & social assistance. Within 25 miles are a skilled and diverse workforce of 200,000 and Solano County has an estimated population of 431,131. The median household income in California is \$61,094 with Solano County at \$67,177, while Dixon’s median household income at \$72,522 according to 2013 census data



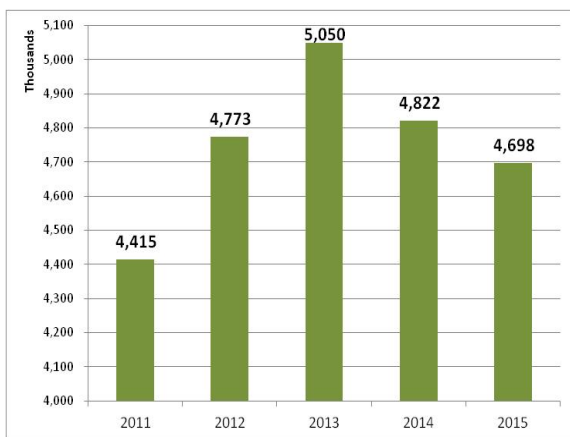
Solano County’s unemployment rate has decreased to 5.9% from the 7.3% reported in June 2014, continuing to decrease from the 10% level reported at June 2012. In Dixon, the unemployment rate ended the fiscal year at a 5.0% rate. This type of improvement bodes well for economic recovery and improved revenue levels. There are approximately 134,000 jobs in the county, an increase from 2014, with 2% farm related and 98% non-farm related jobs.

Dixon is one of four cities in the County with a higher cost of living attributable to housing prices. Inflation remains low and housing opportunities with single family residential new construction a bright spot for future economic revival. Home sales throughout the state remain strong with median prices continuing to rise throughout Solano County. The median single family home price in Dixon as of June 2015 increased to \$353,500 from \$335,000 in June 2014, a 5% increase. Within Solano County, the median price increased to \$333,000 from \$300,000 for the same reporting period.

Property tax revenues have consistently trended upward in the past five years increasing by 29%. All property tax revenue categories saw increases in 2014-15 with particular strength in the supplemental and unsecured components. This category generates 22% in General Fund revenues. Dixon has 5,900 parcels/assessments with residential representing 86% of parcels. The recovering real estate market has resulted in a decrease in the number of properties on Proposition 8 status – a temporary reduction in property values below their established Proposition 13 base property value.



One positive factor contributing to this increase, local secured property tax assessment rates increased to \$44.136 billion according to the Solano County Assessor/Recorder. In Dixon, the value increased over \$95 million to \$1.772 billion or a 5.70% increase over the prior year’s value. Many properties within California and Solano County have been temporarily subject to the Proposition 8 value. Whenever the market value falls below the factored Proposition 13 value, the market value is temporarily used for property tax purposes. This Proposition 8 legislation amended the California Constitution to allow the assessor to make temporary reductions in assessed value when the market value - what a property would sell for in the open market - falls below the Proposition 13 value.



The City saw strong growth in the business and industry and building/construction groups for sales tax allocation, while declines in fuel/service stations offset some of these gains. New auto sales continued to be strong with an emphasis on truck sales. Consumer preference away from brick and mortar stores to online shopping shipped out of state has resulted in larger portions to the county pool sales tax allocation.

The top 25 Sales Tax producers represent 85% of sales tax revenue received. Dixon’s per capita sales continue to be the highest in Solano County and outpace both the Bay Area and the State of California. Sales taxes represent 32.3% of General Fund revenue.



## **Long-term Financial Planning**

Dixon strives to provide high quality services in an era where resources have been reduced. Providing facilities and activities, and the requisite funding to meet current and future needs, remains a focus throughout the organization. Each year as part of the annual budget process, the Five-Year General Fund forecast is prepared to present a model of where the City has been historically, and cash flow projections for the future. The City Council annually adopts a five-year capital improvement program identifying projects and funding sources, or identifies if unfunded, for categories such as wastewater, administrative facilities, transit, storm drainage, transportation and sidewalk/street rehabilitation.

The City has a number of formal fiscal policies that have been adopted by resolution and include the Budget Policy, Investment Policy, Purchasing Policy, and a Fixed Assets Capitalization, Inventory and Control and Replacement Policy. The City follows the fund reserve policy direction set by the Council for the General Fund at a minimum level of ten percent based on audited financial data. With the dramatic changes in the economy, appropriate fund balance reserves help provide for unforeseen expenditures.

## **Major Initiatives**

### *Wastewater Facility Improvements*

Dixon and the California State Water Resources Control Board executed an Installment Sales Agreement for the Dixon Wastewater Treatment Facilities Project in August 2014 for \$28.5 million. The construction completion date for the facility has been established as December 31, 2016 in order to comply with a Cease and Desist Order. The project removes the treatment pond system and replaces it with activated sludge treatment. Construction began in June 2015 on the facility. The City has begun funding a restricted reserve fund that will be equal to one year's debt service prior to the construction completion date.

### *Water Operations*

The termination of the Joint Powers Agreement by and between the Solano Irrigation District and the City of Dixon that had formed the Dixon Solano Water Authority (DSWA), a Joint Powers Authority (JPA) took place on August 10, 2014. Transition services began late in fiscal year 2013-14 between the City, Solano Irrigation District and Severn Trent Services, the City's contract operator for the water system. Assumption of the water operation required the Dixon City Council to set fees and rates for services associated with the water system. The fees and rates adopted were the same as the prior DSWA rates.

### *Water Capital*

Several deferred maintenance projects were undertaken in the water capital projects rehab fund including the Watson Ranch Tank Recoating, Industrial Well and School Well emergency repair projects. Activity for all water funds are reflected in the proprietary funds in the City's financials.

### *Capital Improvements and City Infrastructure*

The City continues to face the challenges of maintaining its infrastructure and aging City buildings. During the past year, the City Hall Re-roof Project, Police Department roof repairs, purchase of new playground system for Hall Park and Phase 1A of the Core Area Drainage Project were completed. The West B Undercrossing project had improvements related to video surveillance and the installation of emergency pushbuttons.

The City experience an increase in single-family residential permits with 62 issued in 2015 compared with 0 in 2014 due to the Brookfield Parklane project Unit 1. Tenant improvements, such as addition of photovoltaic systems and residential remodels also contributed to increased service charge revenue.

## **Internal Controls**

The management of the City is responsible for establishing and maintaining an internal control structure to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled for the preparation of financial statements, in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control structure should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state and local financial assistance, the government is also responsible for ensuring that adequate internal controls are in place to document compliance with applicable laws and regulations associated with these programs. These internal controls are subject to periodic evaluation by Management and the Finance staff of the City.

## **SINGLE AUDIT REPORT**

In accordance with the Single Audit Act, the City's grant programs that utilize federal funds either directly or passed through from State agencies, are subject to the audit requirements prescribed by the Federal Office of Management and Budget (OMB) Circular A-133. This includes tests of compliance with federal laws and regulations. Lance, Soll & Lunghard, LLP prepares a separate Single Audit Report.

## **AWARDS AND ACKNOWLEDGEMENTS**

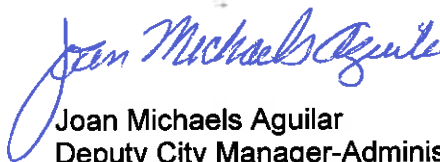
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dixon for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to receive this award, the City published an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year.

The preparation of this report would not be possible without the dedicated efforts of the Dixon Finance employees led by Kate Zawadzki, Deputy Finance Director. We appreciate the cooperation of numerous departments within the City that provided assistance with the audit and information contained in this report. We would like to thank the Mayor and City Council members for their support in planning and conducting the financial operations of Dixon in a prudent and responsible manner.

Respectfully submitted,



Jim Lindley  
City Manager



Joan Michaels Aguilar  
Deputy City Manager-Administrative Services



Government Finance Officers Association

**Certificate of  
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for Excellence  
in Financial  
Reporting**

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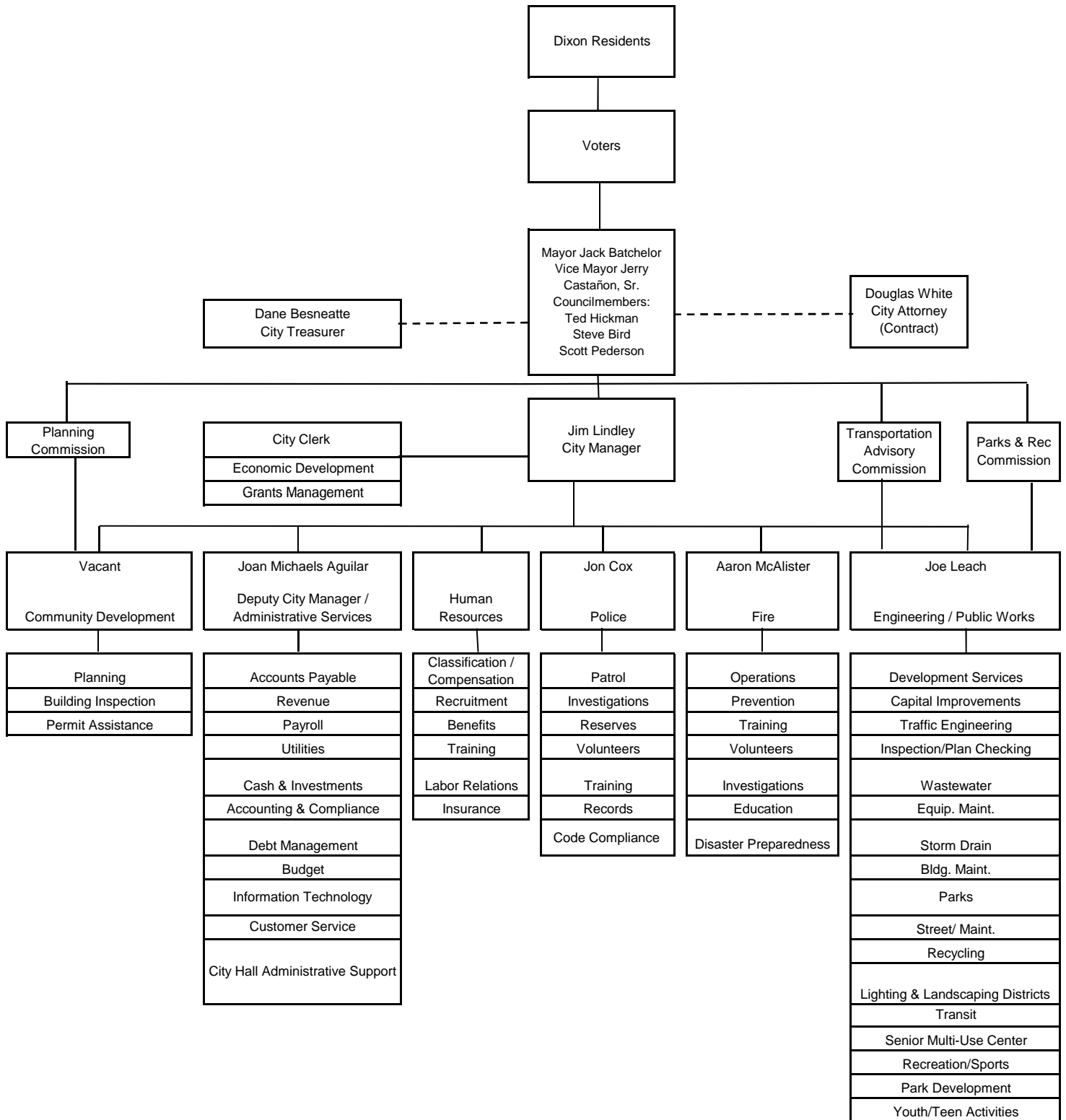
**City of Dixon  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

# City of Dixon Organization Chart FY 2014-15





**CITY OF DIXON**

**ELECTED OFFICIALS  
AND  
EXECUTIVE STAFF**

**JUNE 30, 2015**

**ELECTED OFFICIALS**

Mayor  
Vice Mayor  
Council Member  
Council Member  
Council Member  
City Treasurer

Jack Batchelor  
Jerry Castañon, Sr.  
Steve Bird  
Ted Hickman  
Scott Pederson  
Dane Besneatte

**EXECUTIVE STAFF**

City Manager  
City Attorney  
City Engineer/Director of Public  
Works and Utilities  
Police Chief  
Fire Chief  
Deputy City Manager -  
Administrative Services

Jim Lindley\*\*  
Douglas White\*\*

Joe Leach  
Jon Cox  
Aaron McAlister

Joan Michaels Aguilar

\*\*Appointed by City Council



# Financial Section

## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
City of Dixon, 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 City of Dixon, California, (the City) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City'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 City'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.



To the Honorable Mayor and Members of the City Council  
City of Dixon, California

### ***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 Dixon, California, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Recognition of Special Item***

As discussed in Note 17 to the financial statements, the City received the assets, deferred outflows of resources, deferred inflows of resources, and liabilities of the Dixon-Solano Water Authority (the Authority) as a result of the Authority's dissolution. The transfer of Authority's net position was recognized as a special item in the City's business-type activities.

### ***Change in Accounting Principle***

As discussed in Note 1 to the financial statements, in 2015 the City adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the General Fund, HOME Loans Fund and the Housing Successor Agency Fund, the schedules of proportionate share of the net pension liability, the schedules of Plan Contributions, and the schedule of funding progress for other post-employment benefits be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, the General Fund combining statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.



To the Honorable Mayor and Members of the City Council  
City of Dixon, California

The combining and individual nonmajor fund financial statements and schedules, and the General Fund combining 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 to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the General Fund combining statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2015 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Brea California  
November 10, 2015

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**CITY OF DIXON**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015

This section of the City of Dixon California's Comprehensive Annual Financial Report presents a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our transmittal letter and in the City's basic financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

Government-wide:

- The City's total net position increased \$2.2 million in fiscal year 2015. At June 30, 2015, net position totaled \$191.2 million.
- Government-wide revenues totaled \$27.2 million, including program revenues of \$14.4 million and general revenues of \$12.8 million, an increase of \$4.0 million from prior year's \$23.2 million.
- Total government-wide expenses were \$25.2 million, an increase of \$3.5 million from the prior year's \$24.7 million.
- Net position in governmental activities decreased \$15.9 million, while net position in business-type activities increased \$18.0 million.
- Governmental program revenues increased to \$9.4 million from fiscal year 2014's \$7.8 million.
- Governmental program expenses increased to \$22.2 million in fiscal 2015, up \$0.9 million from the prior year's \$21.3 million.
- Program revenues from business-type activities increased to \$5.1 million in fiscal 2015, up \$2.0 million from the prior year's \$3.1 million.
- Expenses of business-type activities increased \$2.6 million to \$6.0 million in 2015, up from \$3.4 million in fiscal year 2014.

Fund Level:

- Governmental fund balances increased to \$16.3 million in fiscal year 2015 from the prior year's \$14.2 million.
- Governmental fund revenues decreased to \$18.4 million in fiscal 2015, down \$0.7 million from the prior year's \$19.1 million.
- Governmental fund expenditures decreased to \$16.6 million, down \$2.1 million from 2014's \$18.7 million.
- General Fund revenues of \$14.0 million represented an increase of \$1.0 million from fiscal 2014's revenues of \$13.0 million.
- General Fund fund balance increased to \$6.7 million at June 30, 2015 up from fiscal 2014's level of \$6.1 million.

**OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT**

The financial section of this report consists of four parts:

- 1) Independent Auditor's Report;
- 2) Management's Discussion and Analysis (this section);
- 3) Basic Financial Statements which include:
  - Government-Wide Financial Statements;
  - Fund Financial Statements;
  - Notes to the Basic Financial Statements; and
- 4) Combining and Individual Fund Financial Statements and Schedules.

The basic financial statements include two kinds of statements which present different views of the City.

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.

The Statement of Net Position (page 20) presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the City's financial improvement or deterioration.

**CITY OF DIXON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

The Statement of Activities (pages 21-22) presents information showing how the government's net position changed during the past 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 (accrual basis of accounting). Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue – "governmental activities" from other functions that are intended to recover all or a significant portion of their costs through user's fees and charges – "business-type activities." The governmental activities of the City of Dixon include general government, public protection, parks and recreation, development, and public ways and facilities. The business-type activities of the city include sewer, water, and the transit system.

The government-wide financial statements include not only the City of Dixon itself (known as the primary government), but also the legally separate Dixon Public Improvement Corporation, and the Dixon Public Financing Authority. The City Council serves as the governing body of each of these component units and the City is financially accountable for them, resulting in their financial information being included in the City's Comprehensive Annual Financial Report on a blended basis.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Dixon, 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 of Dixon can be divided into three categories:

- \*\* Governmental funds;
- \*\* Proprietary funds; and
- \*\* Fiduciary funds.

*Governmental funds* are used to account for essentially the same functions reported as "governmental activities" in the government-wide financial statements. However, unlike those statements, the focus in these statements is 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. This information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Dixon maintains several individual governmental funds organized according to their type (special revenue, debt service, capital projects, etc). The City Council (or agency board for the Dixon Public Financing Authority, the Dixon Public Improvement Corporation, or the Dixon Fire Protection District) adopts an annual appropriated budget for each fund within the City.

The fund financial statements provide detailed information about each of the City's most significant funds, called major funds. The concept of major funds, and the determination of which are major funds, was established by GASB Statement 34 and replaces the concept of combining like funds and presenting them as one total. Instead, each major fund is presented individually, with all non-major funds summarized and presented only in a single column. Subordinate schedules present the detail of these non-major funds. Major funds present the major activities of the City for the year, and may change from year to year as a result of changes in the pattern of the City's activities. For the fiscal year ending June 30, 2015, the City of Dixon's major funds are as follows:

- \*\* General Fund
- \*\* HOME Loan Fund
- \*\* Housing Successor Agency Fund



**CITY OF DIXON**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015

Data from the remaining non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of "combining statements" starting on page 101.

For the governmental funds financial statements, the following funds were reported as major funds in the prior fiscal year and continue to be reported as a major fund for FY 2014-15:

- \*\* The HOME Loans Fund is a special revenue fund that accounts for loans under the Community Development Block Grant program
  
- \*\* The Housing Successor Agency Fund is a special revenue fund which has been established as a result the State of California passage of AB x126 to dissolve Redevelopment Agencies in California. The City of Dixon elected with resolution 12-018 to retain the former Redevelopment Agency (RDA) non-cash housing assets and functions previously performed by the RDA. This fund will make long term, low interest loans to first time home buyers and for homeowner rehabilitation projects for citizens of the City who meet income criteria.

A budgetary comparison statement has been provided in the basic financial statements which reflect both original and final budgets for the general fund and for the major special revenue funds.

*Proprietary funds* are generally used to account for services for which the City charges customers – either outside customers, or internal departments of the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City has maintained one type of proprietary fund – enterprise funds – as described below:

- \*\* Enterprise funds are used to report the same functions as presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for sewer, water, and transit.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside and within the City. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The Statement of Fiduciary Net Position is found on pages 34-35 and includes the North First Street Assessment District, Flexible Spending Account, the Dixon Fire Protection District, and the Successor Agency of the City of Dixon.

Notes to the Basic Financial Statements

The Notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 36 of this report.

Combining and Individual Fund Statements and Schedules

This final section of the report includes additional detailed information about nonmajor governmental and agency funds and can be found beginning on page 98.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following table presents a summary of the City's assets, liabilities, and net position for its governmental and business type activities. As noted earlier, a government's net asset position may serve over time as a useful indicator of its financial position. For the City of Dixon, restricted and unrestricted net position were \$191.2 and \$189.0 million at June 30, 2015 and 2014, respectively. Overall total net position increased by \$2.2 million in FY 2015.

**CITY OF DIXON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

The Summary of Net Position as of June 30, 2015 and 2014 follows:

**Statement of Net Position**  
**As of June 30, 2015 and 2014**  
**(in thousands)**

	Governmental Activities			Business-Type Activities			Total Government		
	2015	2014	Net Change	2015	2014	Net Change	2015	2014	Net Change
<b>ASSETS</b>									
Current and other assets	\$ 19,279	\$ 17,315	\$ 1,964	\$ 8,395	\$ 4,267	\$ 4,128	\$ 27,674	\$ 21,582	\$ 6,092
Capital assets	<u>131,568</u>	<u>135,111</u>	<u>(3,543)</u>	<u>58,163</u>	<u>40,628</u>	<u>17,535</u>	<u>189,731</u>	<u>175,739</u>	<u>13,992</u>
Total Assets	<u>150,847</u>	<u>152,426</u>	<u>(1,579)</u>	<u>66,558</u>	<u>44,895</u>	<u>21,663</u>	<u>217,405</u>	<u>197,321</u>	<u>20,084</u>
Deferred outflows	<u>1,862</u>	<u>-</u>	<u>1,862</u>	<u>38</u>	<u>-</u>	<u>38</u>	<u>1,900</u>	<u>-</u>	<u>1,900</u>
<b>LIABILITIES</b>									
Long-term liabilities	16,089	2,742	13,347	3,487	1,309	2,178	19,576	4,051	15,525
Other liabilities	<u>3,396</u>	<u>3,699</u>	<u>(303)</u>	<u>1,955</u>	<u>545</u>	<u>1,410</u>	<u>5,351</u>	<u>4,244</u>	<u>1,107</u>
Total Liabilities	<u>19,485</u>	<u>6,441</u>	<u>13,044</u>	<u>5,442</u>	<u>1,854</u>	<u>3,588</u>	<u>24,927</u>	<u>8,295</u>	<u>16,632</u>
Deferred inflows	<u>3,135</u>	<u>-</u>	<u>3,135</u>	<u>87</u>	<u>-</u>	<u>87</u>	<u>3,222</u>	<u>-</u>	<u>3,222</u>
<b>NET POSITION</b>									
Invested in capital assets, net of related debt	130,072	133,405	(3,333)	55,386	39,561	15,825	185,458	172,966	12,492
Restricted	9,024	2,073	6,951	752	-	752	9,776	2,073	7,703
Unrestricted	<u>(9,007)</u>	<u>10,507</u>	<u>(19,514)</u>	<u>4,930</u>	<u>3,480</u>	<u>1,450</u>	<u>(4,077)</u>	<u>13,987</u>	<u>(18,064)</u>
Total Net Position	<u>\$ 130,089</u>	<u>\$ 145,985</u>	<u>\$ (15,896)</u>	<u>\$ 61,068</u>	<u>\$ 43,041</u>	<u>\$ 18,027</u>	<u>\$ 191,157</u>	<u>\$ 189,026</u>	<u>\$ 2,131</u>

**Analysis of Net Position**

With the consolidation of government-wide net position into one statement and other changes such as the exclusion of fiduciary funds, net position may now serve as a useful indicator of a government's financial position. For the City, assets exceeded liabilities by \$191.2 million in FY 2015 and \$189.0 million in FY 2014. The increase of approximately \$2.1 million for the year ended June 30, 2015 was the result of an extraordinary gain of \$18.9 million for acquiring the water operations and a decrease for prior period restatements of \$15.9 million as a result of GASB 68, as well as new direction from the California State Controller on gas tax accrual methodology. The City reported positive balances in all categories of net position, with the exception of the unrestricted balance in the governmental activities. The primary components of the City's net position include:

- \*\* \$185.5 million and \$173.0 million (97% and 92%) at June 30, 2015 and 2014 in net capital assets (e.g., infrastructure, land, buildings, other improvements, construction in progress and equipment), less any outstanding related debt used to acquire these assets. The City uses these capital assets to provide services to the community; 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.
- \*\* \$1.9 million and \$2.1 million (1% for both years) at June 30, 2015 and 2014 in net position represent resources that are subject to external restrictions on how they may be used. Restricted net position at June 30, 2015 is comprised of \$1.9 million in special revenue programs.
- \*\* The remaining net position at June 30, 2014 was \$14.0 million and a deficit of \$4.1 million at June 30, 2015. This change is the result of the new recognition of pension liabilities in 2015. Generally, the unrestricted net position is used to meet the government's ongoing obligations to citizens and creditors. The current deficit will be paid from future revenues.

**CITY OF DIXON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

Statement of Activities

Governmental activities decreased the City's net position by \$0.9 million in FY 2015. In FY 2014 governmental activities decreased net position \$1.8 million. Total revenue increased approximately \$1.8 million in FY 2015 and decreased \$0.9 million in 2014. The majority of this revenue increase is due to increased charges for services. This increase was offset by decrease in grants and contributions of \$0.7 million. The increase in revenue also had a corresponding increase in expenses of \$0.9 million. Business type activities increased the City's net position by \$19.6 million during the year ended June 30, 2015, while resulting in a decrease of \$0.6 million during 2014. The main component of this increase the was the \$18.9 million extraordinary gain from the acquisition of the water service function from Dixon Solano Water Authority (DSWA). An analysis of key changes at the governmental funds level is provided below under Financial Analysis of the City's Funds.

**Statement of Activities**  
**For the Years Ended June 30, 2015 and 2014**  
**(in thousands)**

	Governmental Activities			Business-type Activities			Total Government		
	2015	2014	Net Change	2015	2014	Net Change	2015	2014	Net Change
<b>Revenues:</b>									
Program revenues									
Charges for services	\$ 5,400	\$ 3,113	\$ 2,287	\$ 4,336	\$ 2,515	\$ 1,821	\$ 9,736	\$ 5,628	\$ 4,108
Operating grants and contributions	3,903	277	3,626	729	554	175	4,632	831	3,801
Capital grants and contributions	71	4,384	(4,313)	-	-	-	71	4,384	(4,313)
General revenues									
Taxes	11,245	11,094	151	-	-	-	11,245	11,094	151
Interest and investment earnings	237	134	103	26	27	(1)	263	161	102
Other revenue	-	103	(103)	1,297	-	1,297	1,297	103	1,194
<b>Total Revenues</b>	<b>20,856</b>	<b>19,105</b>	<b>1,751</b>	<b>6,388</b>	<b>3,096</b>	<b>3,292</b>	<b>27,244</b>	<b>22,201</b>	<b>5,043</b>
<b>Expenses:</b>									
Governmental activities									
General government	2,902	2,114	788	-	-	-	2,902	2,114	788
Public safety	7,997	7,924	73	-	-	-	7,997	7,924	73
Parks and recreation	2,120	2,093	27	-	-	-	2,120	2,093	27
Community development	4,331	4,539	(208)	-	-	-	4,331	4,539	(208)
Public ways and facilities	4,790	4,547	243	-	-	-	4,790	4,547	243
Interest on long-term liabilities	50	60	(9)	-	-	-	51	60	(9)
Business-type activities									
Sewer	-	-	-	3,217	2,714	503	3,217	2,714	503
Water	-	-	-	2,088	68	2,020	2,088	68	2,020
Transit	-	-	-	688	632	56	688	632	56
<b>Total Expenses</b>	<b>22,191</b>	<b>21,277</b>	<b>914</b>	<b>5,993</b>	<b>3,414</b>	<b>2,579</b>	<b>28,184</b>	<b>24,691</b>	<b>3,493</b>
Excess (deficiency) before transfers & special items	(1,335)	(2,172)	837	395	(318)	713	(940)	(2,490)	1,550
<b>Transfers &amp; Extraordinary items</b>									
Transfers	430	339	91	(430)	(339)	(91)	-	-	-
Extraordinary items	-	-	-	18,948	-	18,948	18,948	-	18,948
Change in net position	(905)	(1,833)	928	18,913	(657)	19,570	18,008	(2,490)	20,498
Net position - beginning of year	145,985	147,673	(1,687)	43,041	43,945	(904)	189,026	191,617	(2,591)
Restatement	(14,992)	146	(15,138)	(886)	(247)	(639)	(15,878)	(101)	(15,777)
Net position - beginning of year, restated	130,993	147,819	(16,825)	42,155	43,698	(1,543)	173,148	191,516	(18,368)
<b>Net position - end of year</b>	<b>\$ 130,088</b>	<b>\$ 145,986</b>	<b>\$ (15,897)</b>	<b>\$ 61,068</b>	<b>\$ 43,041</b>	<b>\$ 18,027</b>	<b>\$ 191,156</b>	<b>\$ 189,026</b>	<b>\$ 2,130</b>

**CITY OF DIXON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

Revenues

The City's total revenues were \$27.2 million for the year ended June 30, 2015 as compared to \$22.2 million as of June 30, 2014. Revenue from governmental activities totaled \$20.9 million in 2015 and \$19.1 million in 2014. Revenues from business type activities totaled \$6.4 million in 2015 and \$3.1 million in 2014.

Program revenues included charges for services and grants and contributions. Program revenues were \$14.4 million in 2015 and \$10.8 million in 2014 or 53% for 2015 and 49% for 2014. Revenues did not keep pace with expenses in governmental activities decreasing net position by \$0.9 million but business type activities resulted in an increase in net position of \$0.4 million for the year ending June 30, 2015. During FY 2014, net position decreased by \$0.6 million. In 2015, the \$0.9 million reduction in net position was a result of insufficient revenues in relation to expenditures in governmental activities.

General revenues include, among other things, taxes and intergovernmental revenues. The majority of general revenues came from property, sales and other taxes. General revenues provided \$12.8 million and \$11.4 million (51% of the total) for the years ended June 30, 2015 and 2014.

Expenses

Expenses for the City totaled \$28.2 million and \$24.7 million for the years ended June 30, 2015 and 2014, respectively. Governmental activities incurred \$22.2 million and \$21.3 million and business type activities incurred \$6.0 million and \$3.4 million in expenses during the years ended June 30, 2015 and 2014, respectively. As can be seen in the table above, governmental activities expenses were about 42% and 37% funded by program revenues, fees, grants and contributions during the years ended June 30, 2015 and 2014. The remaining 28% and 63% (\$12.8 million and \$13.5 million) of their funding came from general revenues and net position for the years ended June 30, 2015 and 2014. Business type activities expenses matched program revenues at June 30, 2015 and exceeded revenues by \$0.7 million in 2014 respectively. The equality of expenses and revenues is consistent with City financial policies for enterprise operations to be self-supporting. A multi-year sewer rate increase has been approved the City Council to ensure the sustainability of sewer services. Transit operations continue to be under review to improve fiscal sustainability. The water operations fully transitioned from Dixon-Solano Water Authority to the City of Dixon on August 11, 2014.

Governmental Activities

As shown above in the summary of the Statement of Activities, the majority of governmental activities and operations rely on general revenues for funding. The following table shows the cost of each of the City's major programs and the net cost of the programs. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the City's taxpayers by each of the programs. The total cost of services and the net cost of services for the fiscal years ended June 30, 2015 and 2014 follows:

**Cost of Services by Program**  
**Governmental Activities**  
**For the Years Ended June 30, 2015 and 2014**  
**(in thousands)**

Program	2015		2014	
	Total	Net	Total	Net
General government	\$ 2,902	\$ 2,350	\$ 2,114	\$ 1,587
Public safety	7,997	3,539	7,924	6,501
Parks and recreation	2,120	782	2,093	1,315
Development	4,331	2,645	4,539	155
Public ways and facilities	4,790	3,450	4,547	3,885
Interest on long term liabilities	51	51	60	60
<b>Total Expenses</b>	<b>\$ 22,191</b>	<b>\$ 12,817</b>	<b>\$ 21,277</b>	<b>\$ 13,503</b>

**CITY OF DIXON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

General operations throughout the City are subsidized by general revenue. For each year program revenues generated by development related programs show the funds being collected and set aside for infrastructure projects necessary to meet the needs of growth. Fees are collected under California Government Code § 66000, et seq. among other laws to provide for infrastructure to meet the needs of new development. In this program, funds are collected over a number of years to be used for capital projects or debt service directly related to growth. As the projects are completed, the City's infrastructure value grows.

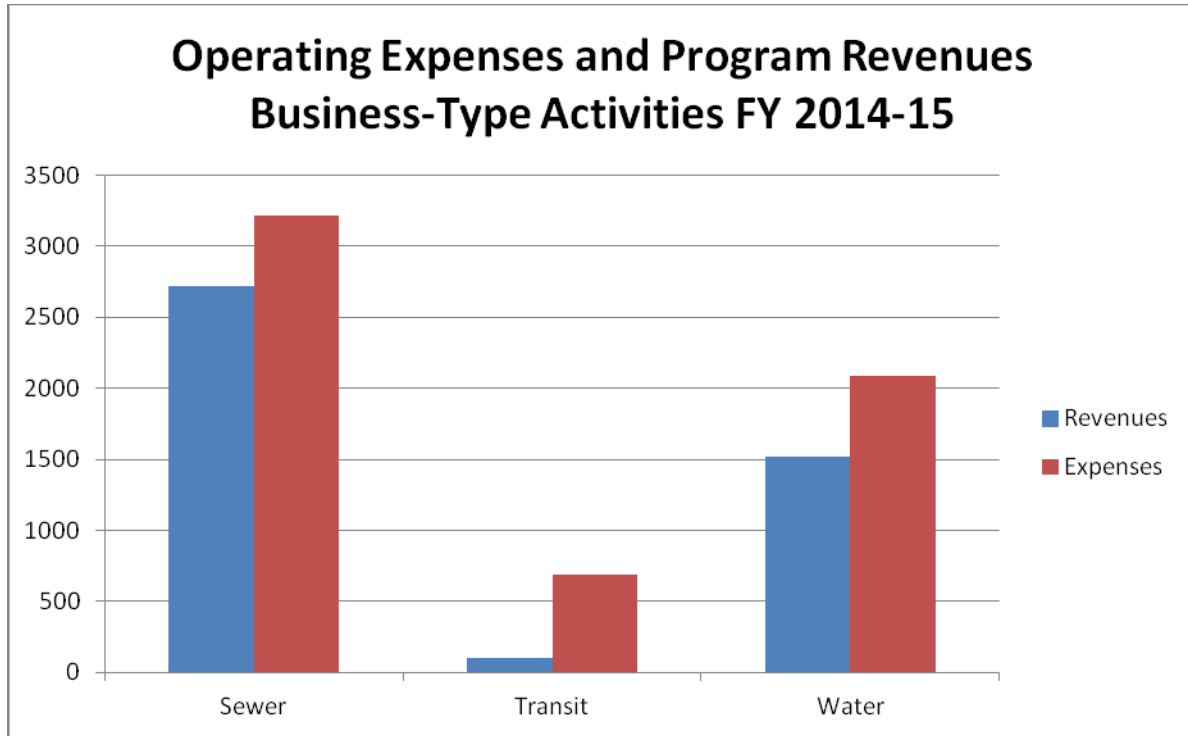
**Revenues by Source**  
**Governmental Activities**  
**For the Years Ended June 30, 2015 and 2014**  
**(in thousands)**

	<b>2015</b>		<b>2014</b>	
	<b>Amount</b>	<b>% of Total</b>	<b>Amount</b>	<b>% of Total</b>
<b>Revenues:</b>				
Program revenues				
Charges for services	\$ 5,400	25.5%	\$ 3,113	16.0%
Operating grants and contributions	3,903	18.3%	277	1.4%
Capital grants and contributions	71	0.3%	4,384	22.6%
General revenues				
Property taxes	3,580	16.8%	3,476	17.9%
Transient occupancy taxes	345	1.6%	306	1.6%
Sales taxes	4,778	22.5%	4,897	25.2%
Franchise taxes	555	2.6%	552	2.8%
Business licenses taxes	83	0.4%	-	0%
Motor vehicle in lieu-unrestricted	1,902	8.9%	1,862	9.6%
Use of money and property	237	1.1%	134	0.7%
Other revenue	-	0%	103	0.5%
Transfers	430	2.0%	339	1.7%
<b>Total Revenues</b>	<b>\$ 21,284</b>	<b>100%</b>	<b>\$ 19,443</b>	<b>100%</b>

**CITY OF DIXON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

Business-Type Activities

The net position for the business type activities reflect sewer, transit, and water operations increased \$18.0 million as a result of the extraordinary gain of \$18.9 million for the acquisition of the water service and the recognition of \$0.9 million in pension liability as required by GASB 68. Business type activities are intended to match program expenses and revenues as well as to collect fees and develop the infrastructure needed to expand and to maintain the respective systems. The collection of fees for expansion and the construction of capital projects do, on occasion, cause the balance between revenue and expense to vary. Following is the comparison of expenses and program revenues by source for the business type activities for the fiscal year ended June 30, 2015.



As stated above, program expenses and revenues are generally equivalent. Expenses in the current year exceeded program revenues but were leveled by general business-type activity revenues.

Revenues by source in business type activities breakdown as follows:

**Revenues by Source**  
**Business-type Activities**  
**For the Years Ended June 30, 2015 and 2014**  
**(in thousands)**

	<b>2015</b>		<b>2014</b>	
	<b>Amount</b>	<b>% of Total</b>	<b>Amount</b>	<b>% of Total</b>
<b>Revenues by Source</b>				
Charges for services	\$ 4,336	67.9%	\$ 2,515	81.9%
Grants and contributions	729	11.4%	554	18.1%
Other	<u>1,323</u>	<u>20.7%</u>	<u>-</u>	<u>- %</u>
<b>Total Revenues</b>	<b>\$ 6,388</b>	<b>100%</b>	<b>\$ 3,069</b>	<b>100%</b>

**CITY OF DIXON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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

The City of Dixon uses fund accounting to segregate accounts for specific activities or objectives, including demonstrating finance related legal compliance.

**Governmental Funds**

The focus of the City's government funds is to provide information on near term inflows, outflows, and balances of resources that are available to provide services and capital project construction. In particular, unreserved fund balance may serve as a useful measure of a government's net spendable resources.

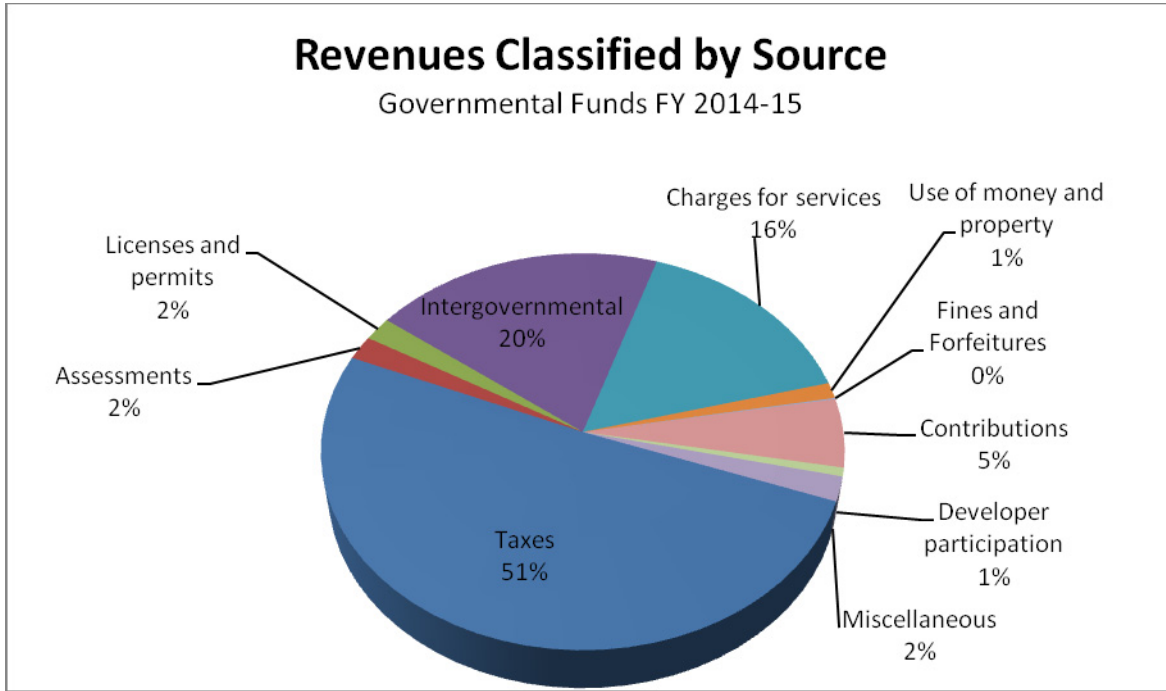
At the end of FY 2015 the City's governmental funds reported combined fund balances of \$16.3 million, an increase of \$2.2 million from the prior year. This increase is largely from decreased expenditures in Development. Of the total fund balance of \$16.3 million, approximately \$0.6 million is nonspendable, \$9.0 million is restricted, \$1.9 million is committed, \$1.1 million is assigned for various purposes, and \$3.7 is unassigned.

The table below presents the amount of revenues from various sources for the current and prior fiscal year.

**Revenues Classified by Source**  
**Governmental Funds**  
**For the Years Ended June 30, 2015 and 2014**  
**(in thousands)**

	<b>2015</b>		<b>2014</b>	
	<b>Amount</b>	<b>% of Total</b>	<b>Amount</b>	<b>% of Total</b>
<b>Revenues by Source</b>				
Taxes	\$ 9,343	50.8%	\$ 11,094	58.0%
Assessments	360	2.0%	-	0%
Licenses, permits, and fees	356	1.9%	1,538	8.1%
Intergovernmental revenues	3,624	19.7%	4,557	23.9%
Charges for services	2,912	15.9%	1,324	6.9%
Use of money and property	237	1.3%	224	1.2%
Fines and forfeitures	17	0.1%	83	0.4%
Contributions	1,026	5.6%	100	0.5%
Developer participation	129	0.7%	69	0.4%
Miscellaneous	367	2.0%	111	0.6%
<b>Total Revenue</b>	<b>\$ 18,371</b>	<b>100%</b>	<b>\$ 19,100</b>	<b>100%</b>

**CITY OF DIXON**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015



Key elements of the changes noted above include:

Taxes provide the greatest source of revenues for the City. These sources represent 51% of total revenues. Decreases are seen in this category for property taxes and sales taxes when compared to the prior fiscal year. The majority of the decreased revenues related to reduced receipts for the sales tax in-lieu triple flip. Intergovernmental revenues reflect revenue received from other agencies for capital projects and operations. During FY 2015, these revenues decreased to 20% of revenues from 24% FY 2014. The decrease is the result of the completion of a HOME funded capital project.

Licenses, permits and fees revenues declined as a result of decreased permitting activity. Developer participation increased due to permits issued for development of new residential units.



**CITY OF DIXON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

The following table presents expenditures by function compared to prior year amounts:

**Expenditures by Function**  
**Governmental Funds**  
**For the Years Ended June 30, 2015 and 2014**  
**(in thousands)**

<b>Expenditures by Function</b>	<b>2015</b>		<b>2014</b>	
	<b>Amount</b>	<b>% of Total</b>	<b>Amount</b>	<b>% of Total</b>
General government	\$ 2,747	16.5%	\$ 1,918	10.3%
Public safety	7,709	46.4%	7,352	39.3%
Parks and recreation	1,970	11.8%	1,327	7.1%
Development	1,399	8.4%	4,589	24.5%
Public ways and facilities	1,653	9.9%	1,321	7.1%
Debt service				
Principal	211	1.3%	381	2.0%
Interest and other charges	53	0.3%	63	0.3%
Capital outlay	894	5.4%	1,753	9.4%
<b>Total Expenditures</b>	<b>\$ 16,636</b>	<b>100%</b>	<b>\$ 18,704</b>	<b>100%</b>

Key elements of the changes noted above include:

Public safety increased as a result of a number of large fires in the state that generated a significant amount of reimbursable overtime charges. Salaries increased as a result of negotiated salary increases.

Development expenditures decreased from \$4.6 million in 2014 to \$1.4 million in 2015 as a result of the completion of HOME funded capital projects.

Capital outlay decreased from 2014 as no large capital projects were completed during the year. The Core Area Drainage project was included in 2014 in the amount of \$1.1 million.

Major Funds

The General Fund saw a \$0.6 million increase in fund balance, down from an increase of \$1.2 million in fiscal year 2014. Total revenues increased \$1.0 million but transfers in decreased \$0.2 million. Expenditures increased \$1.8 million and transfers out decreased \$0.4 million. The majority of the revenue increases are in Intergovernmental revenues and charges for services. All expenditure categories experienced increases during fiscal year 2015.

The Home Loans fund reflects decreased revenues to \$1.5 million and decreased expenditures of \$1.5 million for the Valley Glen II project loan.

The Housing Successor Agency fund was generated in 2012 as a result of the dissolution of Redevelopment Agencies as ordered by the state. The fund balance increased due to loan repayments and a loan payoff.

Other Governmental Funds aggregated to a \$1.5 million increase in fund balances as a result of increased revenues and decreased expenditures in capital outlay as a result of the completion of the Core Area Drainage project.

Proprietary Funds

The City's proprietary funds statements provide the same type of information found in the government wide financial statements, but in more detail.

**CITY OF DIXON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

At June 30, 2015 and 2014, respectively, the unrestricted net position was approximately \$4.9 million and \$3.7 million for the Sewer fund. The Transit Fund shows a deficit unrestricted net position as June 30, 2015 in the amount of \$0.2 million as result of Net OPEB obligations and pension liabilities.

The water fund represents transitional expenses and operating expenses as of August 11, 2014. The water enterprise experienced a decrease of net position from operational losses.

Sewer operating revenues increased 66% due to a \$0.4 million increase in charges for services and \$1.3 million increase in other revenues as a result of developer fees. The sewer fund also had increased operating expenses due to higher charges for salaries and benefits. Transit revenues increased 6% due to increases in charges for services and grant revenues. Operating expenses increased for Transit fund as a result of higher payments for salaries and benefits.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The City Council approved a balanced General Fund budget of \$12.9 million for FY 2014-15. The general fund started the year with reserves of 36%. The fiscal year actual resulted in revenues exceeding expenditures by \$0.6 million, increasing fund balance from \$6.1 million at June 30, 2014 to \$6.7 million at June 30, 2015.

Public safety represents the primary expenditure category for the General Fund at \$7.6 million or 56% of the 2014-15 adopted budget. Public works, community development, and recreation combine for an additional 23% for \$3.2 million in budgeted expenditures. General government includes departments such as the City Council, City Manager, personnel, insurance, and finance, and accounts for 21% or nearly \$2.8 million of the general fund budget for the year.

The City budgeted for increased staffing levels for the second consecutive year. Prior to the recession, the City of Dixon had 129.58 full-time equivalent employees (FTEs). This decreased steadily to 100.59 FTEs in fiscal year 2013. Increases in staffing raised the count to 101.01 FTEs in 2014 to 104.23 in 2015.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business type activities as of June 30, 2015 and 2014, respectively, was \$189.7 million and \$175.7 million (net of accumulated depreciation). This investment in capital assets includes: infrastructure, land, buildings, improvements other than buildings, construction in progress and equipment. The total change the City's investment in capital assets for FY 2015 was an increase of \$14 million which is the net result of the current year capital replacement and additions less the cost of depreciation and the acquisition of the water assets from Dixon Solano Water Authority.

For government wide financial statement presentation, all depreciable capital assets are depreciated from the start of the year following acquisition over their useful lives. Governmental fund financial statements record capital asset purchases as expenditures. Capital assets for the governmental and business type activities are presented in the following table to illustrate changes from the prior year.

**CITY OF DIXON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Capital Assets (net of depreciation)**  
**As of June 30, 2015 and 2014**  
**(in thousands)**

	<b>2015</b>			<b>2014</b>		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Land	\$ 2,521	\$ 797	\$ 3,318	\$ 2,379	\$ 773	\$ 3,152
Construction in progress	2,461	4,009	6,470	5,429	2,793	8,222
Buildings & improvements	7,237	53,016	60,253	7,537	36,609	44,146
Equipment	2,149	341	2,490	2,306	453	2,759
Infrastructure	<u>117,200</u>	<u>-</u>	<u>117,200</u>	<u>117,460</u>	<u>-</u>	<u>117,460</u>
Total Net Capital Assets	<u>\$ 131,568</u>	<u>\$ 58,163</u>	<u>\$ 189,731</u>	<u>\$ 135,111</u>	<u>\$ 40,628</u>	<u>\$ 175,739</u>

Additional information about the City's capital assets can be found in Note 5 in the Notes to the Basic Financial Statements.

**DEBT ADMINISTRATION**

At the end of FY 2015, the City of Dixon had outstanding bonds and other long term liabilities of \$2.4 million for governmental activities and \$2.9 million for business type activities, respectively. Bonds comprised all but about \$2.8 million of the City's long-term liabilities. The bonds are rated from BAA to AAA under the Standard & Poor's rating system. Additional information about the City's long-term obligations can be found in Note 6 in the Notes to Basic Financial Statements. The following table recaps the City's bonds payable as of June 30, 2015:

**Bonded Debt - Long Term**  
**Outstanding Balances**  
**As of June 30, 2015**  
**(in thousands)**

Bond	Purpose	Amount
Governmental Activities:		
2012 Lease revenue bonds	Refunding lease revenue bonds	<u>\$ 1,496</u>
Business-type Activities:		
2012 Refunding revenue bonds	Refunding sewer revenue bonds	<u>\$ 930</u>

**Special Assessment District Debt:**

Two special assessment districts and one financing authority in the City have in the past also issued debt to finance infrastructure in their respective districts. The bonds were refinanced and combined in 1998 to take advantage of lower interest rates. As of June 30, 2015 and 2014, a total of \$6.7 and \$7.6 million of this debt was outstanding respectively. This debt is secured by special assessments on the real property in the districts issuing the debt, and is a limited obligation of the City. The City's only responsibilities are to collect assessments from the property owners and take actions to collect delinquent special assessments from property owners in accordance with the City's covenant with the bondholders.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Many economists have noted that California continues to show strength when compared with the rest of the country. While California's median home prices increased 6%, Dixon has seen double-digit growth, and anticipates continued growth in the near term. The state has seen the largest number of building permits since early 2007, and the same is true for Dixon. The City's economic condition improved in fiscal year 2015 with development activity in the residential sector resulting in revenue increases in development revenue. Single-family residential home permits that had no building permit activity the prior fiscal year, saw a dramatic increase with the Cottages at Parklane and 62 building permits issued. The absorption rate for this project has exceeded expectations with additional building permits pulled in July 2015.

Some Dixon businesses have made improvements resulting in higher General Fund revenues on multiples platforms through charges for services and higher property taxes in future years. On the expense side, the General Fund saw savings through a number of vacant positions. Personnel costs represent the greatest portion of General Fund expenses, and higher PERS costs and Workers' Compensation rates are anticipated in the next five years. The City remains committed to ensure operating revenues are sufficient to cover operating expenses.

Financial pressures affect other funds with reduced Special Revenue Funds, particularly the Gas Tax fund, reducing resources for capital improvements, such as streets or sidewalk repairs. In the Enterprise Funds, the Water Fund faces challenges, as the Governor declared a drought State of Emergency leading to customers achieving conservation efforts, resulting in reduced revenues. The adoption of higher level Chromium VI levels at 10 parts per billion by the State during fiscal year 2015 has resulted in the City undertaking a study to determine the cost to retrofit existing wells within our service area. Once the study has been completed, staff plans to retain the services of a water rate consultant.

Looking ahead to the fiscal year 2016-17 budget, staff will be monitoring impacts of benefit costs, and will be negotiating with three labor groups whose Memorandum of Understanding are set to expire in June 2016. The City will need to address aging infrastructure and anticipates additional contributions to equipment and building replacement funds and will be evaluating available one-time resources.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City of Dixon's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Joan Michaels Aguilar, Deputy City Manager - Administrative Services for the City at 600 East A Street, Dixon, CA 95620, phone 707-678-7000, [jmichaelsaguilar@ci.dixon.ca.us](mailto:jmichaelsaguilar@ci.dixon.ca.us), or you may visit our website at [www.ci.dixon.ca.us](http://www.ci.dixon.ca.us) for information.

CITY OF DIXON

STATEMENT OF NET POSITION  
JUNE 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Cash and investments	\$ 16,399,147	\$ 7,499,458	\$ 23,898,605
Receivables:			
Accounts	195,065	1,072,243	1,267,308
Taxes	915,976	-	915,976
Notes and loans	153,723	-	153,723
Accrued interest	22,280	12,415	34,695
Grants	209,454	-	209,454
Internal balances	200,000	(200,000)	-
Prepaid costs	398,856	-	398,856
Due from other governments	468,787	10,667	479,454
Inventories	822	150	972
Restricted assets:			
Cash and investments	315,018	-	315,018
Capital assets not being depreciated	4,981,744	4,805,703	9,787,447
Capital assets, net of depreciation	126,586,365	53,356,913	179,943,278
<b>Total Assets</b>	<b>150,847,237</b>	<b>66,557,549</b>	<b>217,404,786</b>
<b>Deferred Outflows of Resources:</b>			
Deferred items related to pension	1,862,036	38,315	1,900,351
<b>Total Deferred Outflows of Resources</b>	<b>1,862,036</b>	<b>38,315</b>	<b>1,900,351</b>
<b>Liabilities:</b>			
Accounts payable	1,242,269	914,377	2,156,646
Accrued liabilities	411,533	48,673	460,206
Accrued interest	11,875	9,344	21,219
Unearned revenue	-	4,034	4,034
Deposits payable	481,858	768,237	1,250,095
Termination benefits	141,021	15,586	156,607
Noncurrent liabilities:			
Due within one year	1,107,680	194,601	1,302,281
Due in more than one year	1,278,900	2,659,264	3,938,164
Net OPEB Obligation	1,383,674	436,269	1,819,943
Net pension liability	13,426,634	391,548	13,818,182
<b>Total Liabilities</b>	<b>19,485,444</b>	<b>5,441,933</b>	<b>24,927,377</b>
<b>Deferred Inflows of Resources:</b>			
Deferred item related to pensions	3,135,056	86,569	3,221,625
<b>Total Deferred Inflows of Resources</b>	<b>3,135,056</b>	<b>86,569</b>	<b>3,221,625</b>
<b>Net Position:</b>			
Net investment in capital assets	130,072,109	55,385,522	185,457,631
Restricted for:			
Community development projects	537,749	-	537,749
Public safety	262,660	-	262,660
Parks and recreation	112,324	-	112,324
Public works	3,115	-	3,115
Capital projects	7,025,498	752,011	7,777,509
Contributions	980	-	980
Valley Glen Storm Drainage	1,081,638	-	1,081,638
Unrestricted	(9,007,300)	4,929,829	(4,077,471)
<b>Total Net Position</b>	<b>\$ 130,088,773</b>	<b>\$ 61,067,362</b>	<b>\$ 191,156,135</b>

CITY OF DIXON

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2015

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>	<u>Capital Contributions and Grants</u>
<b>Functions/Programs</b>				
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 2,902,180	\$ 298,906	\$ 253,503	\$ -
Public safety	7,996,547	1,089,458	3,368,194	-
Community development	4,330,578	1,540,000	145,473	-
Parks and Recreation	2,119,662	1,338,013	-	-
Public works	4,790,398	1,134,060	135,596	70,710
Interest on long-term debt	51,433	-	-	-
<b>Total Governmental Activities</b>	<b><u>22,190,798</u></b>	<b><u>5,400,437</u></b>	<b><u>3,902,766</u></b>	<b><u>70,710</u></b>
Business-Type Activities:				
Sewer	3,217,507	2,716,416	-	-
Transit	687,644	99,656	539,473	-
Water	2,087,595	1,519,589	-	189,347
<b>Total Business-Type Activities</b>	<b><u>5,992,746</u></b>	<b><u>4,335,661</u></b>	<b><u>539,473</u></b>	<b><u>189,347</u></b>
<b>Total Primary Government</b>	<b><u>\$ 28,183,544</u></b>	<b><u>\$ 9,736,098</u></b>	<b><u>\$ 4,442,239</u></b>	<b><u>\$ 260,057</u></b>

**General Revenues:**

Taxes:

Property taxes, levied for general purpose

Transient occupancy taxes

Sales taxes

Franchise taxes

Business licenses taxes

Motor vehicle in lieu - unrestricted

Use of money and property

Other

**Special Item**

**Transfers**

**Total General Revenues,  
Special Item and Transfers**

Change in Net Position

Net Position at Beginning of Year

Restatement of Net Position

**Net Position at End of Year**

**Net (Expenses) Revenues and Changes in Net Position  
Primary Government**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (2,349,771)	\$ -	\$ (2,349,771)
(3,538,895)	-	(3,538,895)
(2,645,105)	-	(2,645,105)
(781,649)	-	(781,649)
(3,450,032)	-	(3,450,032)
(51,433)	-	(51,433)
<b>(12,816,885)</b>	<b>-</b>	<b>(12,816,885)</b>
-	(501,091)	(501,091)
-	(48,515)	(48,515)
-	(378,659)	(378,659)
-	<b>(928,265)</b>	<b>(928,265)</b>
<b>(12,816,885)</b>	<b>(928,265)</b>	<b>(13,745,150)</b>
3,580,423	-	3,580,423
345,449	-	345,449
4,778,257	-	4,778,257
555,499	-	555,499
83,484	-	83,484
1,901,778	-	1,901,778
237,223	26,065	263,288
265	1,296,582	1,296,847
-	18,948,250	18,948,250
430,311	(430,311)	-
<b>11,912,689</b>	<b>19,840,586</b>	<b>31,753,275</b>
(904,196)	18,912,321	18,008,125
145,984,667	43,041,217	189,025,884
(14,991,698)	(886,176)	(15,877,874)
<b>\$ 130,088,773</b>	<b>\$ 61,067,362</b>	<b>\$ 191,156,135</b>

CITY OF DIXON

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	<b>Special Revenue Funds</b>		
	<b>General</b>	<b>HOME Loans</b>	<b>Housing Successor Agency</b>
<b>Assets:</b>			
Pooled cash and investments	\$ 6,766,454	\$ 14,063	\$ 86,187
Receivables:			
Accounts	195,065	-	-
Taxes	915,976	-	-
Notes and loans	-	11,815,705	2,236,169
Accrued interest	9,290	-	84
Grants	86,223	20,000	-
Prepaid costs	398,856	-	-
Due from other governments	468,375	-	-
Advances to other funds	280,191	-	-
Inventories	822	-	-
Restricted assets:			
Cash and investments	315,018	-	-
<b>Total Assets</b>	<b>\$ 9,436,270</b>	<b>\$ 11,849,768</b>	<b>\$ 2,322,440</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,197,134	\$ 1,847	\$ -
Accrued liabilities	403,145	-	-
Deposits payable	481,858	-	-
Advances from other funds	-	-	-
<b>Total Liabilities</b>	<b>2,082,137</b>	<b>1,847</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	632,973	11,815,705	2,236,169
<b>Total Deferred Inflows of Resources</b>	<b>632,973</b>	<b>11,815,705</b>	<b>2,236,169</b>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Inventory	822	-	-
Prepaid costs	398,856	-	-
Advances to other funds	200,000	-	-
<b>Restricted for:</b>			
Community development projects	-	32,216	86,271
Public safety	-	-	-
Parks and recreation	-	-	-
Public works	-	-	-
Capital Projects	-	-	-
Restricted Contributions	980	-	-
Valley Glen Storm Drain	-	-	-
<b>Committed to:</b>			
Encumbrances	298,477	-	-
<b>Assigned to:</b>			
Public works	-	-	-
Capital projects	-	-	-
PERS stabilization	64,758	-	-
Equipment replacement	518,462	-	-
Community development	-	-	-
<b>Unassigned</b>	<b>5,238,805</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>6,721,160</b>	<b>32,216</b>	<b>86,271</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 9,436,270</b>	<b>\$ 11,849,768</b>	<b>\$ 2,322,440</b>



CITY OF DIXON

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>		
Pooled cash and investments	\$ 9,532,443	\$ 16,399,147
Receivables:		
Accounts	-	195,065
Taxes	-	915,976
Notes and loans	314,681	14,366,555
Accrued interest	12,906	22,280
Grants	103,231	209,454
Prepaid costs	-	398,856
Due from other governments	412	468,787
Advances to other funds	1,494,222	1,774,413
Inventories	-	822
Restricted assets:		
Cash and investments	-	315,018
<b>Total Assets</b>	<b>\$ 11,457,895</b>	<b>\$ 35,066,373</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 43,288	\$ 1,242,269
Accrued liabilities	8,388	411,533
Deposits payable	-	481,858
Advances from other funds	1,574,413	1,574,413
<b>Total Liabilities</b>	<b>1,626,089</b>	<b>3,710,073</b>
<b>Deferred Inflows of Resources:</b>		
Unavailable revenues	407,479	15,092,326
<b>Total Deferred Inflows of Resources</b>	<b>407,479</b>	<b>15,092,326</b>
<b>Fund Balances:</b>		
<b>Nonspendable:</b>		
Inventory	-	822
Prepaid costs	-	398,856
Advances to other funds	-	200,000
<b>Restricted for:</b>		
Community development projects	419,262	537,749
Public safety	262,660	262,660
Parks and recreation	112,324	112,324
Public works	3,115	3,115
Capital Projects	7,025,498	7,025,498
Restricted Contributions	-	980
Valley Glen Storm Drain	1,081,638	1,081,638
<b>Committed to:</b>		
Encumbrances	1,556,644	1,855,121
<b>Assigned to:</b>		
Public works	339,862	339,862
Capital projects	189,648	189,648
PERS stabilization	-	64,758
Equipment replacement	-	518,462
Community development	172	172
<b>Unassigned</b>	<b>(1,566,496)</b>	<b>3,672,309</b>
<b>Total Fund Balances</b>	<b>9,424,327</b>	<b>16,263,974</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 11,457,895</b>	<b>\$ 35,066,373</b>

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CITY OF DIXON

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2015**

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Fund balances of governmental funds		\$ 16,263,974
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets have not been included as financial resources in governmental fund activity.		131,568,109
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Principal payments	\$ (1,496,000)	
Compensated absences and termination benefits	<u>(1,031,601)</u>	(2,527,601)
Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as a asset or liability.		(1,383,674)
Accrued interest payable for the current portion of interest due on Leases has not been reported in the governmental funds.		(11,875)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		15,092,326
Allowance for uncollectible on long-term receivables not reported in the governmental funds		(14,212,832)
Deferred outflows related to contributions made after the measurement date of the net pension liability		
Contribution made subsequent to measurement date		1,638,210
Adjustment due to difference in proportions		21,567
Difference between actual and proportionate share contribution		202,259
Deferred inflows related to unrecognized actuarial gains and losses of the net pension liability		
Actual earnings on pension plan investments		(2,970,754)
Adjustment due to difference in proportions		(164,302)
Proportionate share of net pension liability		<u>(13,426,634)</u>
<b>Net Position of governmental activities</b>		<b><u>\$ 130,088,773</u></b>

CITY OF DIXON

**STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	General	Special Revenue Funds	
		HOME Loans	Housing Successor Agency
<b>Revenues:</b>			
Taxes	\$ 9,343,112	\$ -	\$ -
Assessments	360,180	-	-
Licenses and permits	355,761	-	-
Intergovernmental	1,356,799	1,540,000	-
Charges for services	1,144,583	-	-
Use of money and property	159,937	464	20,927
Fines and forfeitures	-	-	-
Contributions	1,025,819	-	-
Developer participation	-	-	-
Miscellaneous	215,243	-	40,046
<b>Total Revenues</b>	<b>13,961,434</b>	<b>1,540,464</b>	<b>60,973</b>
<b>Expenditures:</b>			
Current:			
General government	2,739,933	-	-
Public safety	7,623,795	-	-
Community development	414,242	1,541,511	-
Parks and recreation	1,398,831	-	-
Public works	1,244,053	-	-
Capital outlay	445,695	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total Expenditures</b>	<b>13,866,549</b>	<b>1,541,511</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	94,885	(1,047)	60,973
<b>Other Financing Sources (Uses):</b>			
Transfers in	689,616	-	-
Transfers out	(197,641)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>491,975</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	586,860	(1,047)	60,973
Fund Balances, Beginning of Year, as previously reported	6,134,300	33,263	25,298
Restatements	-	-	-
Fund Balances, Beginning of Year, as restated	6,134,300	33,263	25,298
<b>Fund Balances, End of Year</b>	<b>\$ 6,721,160</b>	<b>\$ 32,216</b>	<b>\$ 86,271</b>

CITY OF DIXON

**STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>		
Taxes	\$ -	\$ 9,343,112
Assessments	-	360,180
Licenses and permits	-	355,761
Intergovernmental	727,618	3,624,417
Charges for services	1,767,727	2,912,310
Use of money and property	55,895	237,223
Fines and forfeitures	17,208	17,208
Contributions	-	1,025,819
Developer participation	128,901	128,901
Miscellaneous	112,122	367,411
<b>Total Revenues</b>	<b>2,809,471</b>	<b>18,372,342</b>
<b>Expenditures:</b>		
Current:		
General government	6,722	2,746,655
Public safety	85,456	7,709,251
Community development	14,514	1,970,267
Parks and recreation	-	1,398,831
Public works	409,242	1,653,295
Capital outlay	448,428	894,123
Debt service:		
Principal retirement	210,600	210,600
Interest and fiscal charges	53,105	53,105
<b>Total Expenditures</b>	<b>1,228,067</b>	<b>16,636,127</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,581,404	1,736,215
<b>Other Financing Sources (Uses):</b>		
Transfers in	767,518	1,457,134
Transfers out	(829,182)	(1,026,823)
<b>Total Other Financing Sources (Uses)</b>	<b>(61,664)</b>	<b>430,311</b>
Net Change in Fund Balances	1,519,740	2,166,526
Fund Balances, Beginning of Year, as previously reported	7,963,241	14,156,102
Restatements	(58,654)	(58,654)
Fund Balances, Beginning of Year, as restated	7,904,587	14,097,448
<b>Fund Balances, End of Year</b>	<b>\$ 9,424,327</b>	<b>\$ 16,263,974</b>

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CITY OF DIXON

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2015**

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Net change in fund balances - total governmental funds \$ 2,166,526

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	\$ 804,887	
Depreciation	<u>(4,348,193)</u>	(3,543,306)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repayments	210,600
----------------------	---------

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.

1,672

Compensated absences and other benefit expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

172,122

Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the statement of activities only the ARC is an expense.

(278,231)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.

2,483,949

Bad debt expense not reported as expenditures in the governmental funds

(2,350,918)

Pension Expenses recognized in accordance with GASB 68 not recognized in the governmental fund activity.

233,390

**Change in net position of governmental activities**

**\$ (904,196)**

CITY OF DIXON

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2015

	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Sewer</u>	<u>Transit</u>	<u>Water</u>	<u>Totals</u>
<b>Assets:</b>				
Current:				
Cash and investments	\$ 5,482,425	\$ 197,431	\$ 1,819,602	\$ 7,499,458
Receivables:				
Accounts	706,976	-	365,267	1,072,243
Accrued interest	9,415	302	2,698	12,415
Due from other governments	10,667	-	-	10,667
Inventories	-	150	-	150
<b>Total Current Assets</b>	<b>6,209,483</b>	<b>197,883</b>	<b>2,187,567</b>	<b>8,594,933</b>
Noncurrent:				
Capital assets - net of accumulated depreciation	41,186,193	136,977	16,839,446	58,162,616
<b>Total Noncurrent Assets</b>	<b>41,186,193</b>	<b>136,977</b>	<b>16,839,446</b>	<b>58,162,616</b>
<b>Total Assets</b>	<b>47,395,676</b>	<b>334,860</b>	<b>19,027,013</b>	<b>66,757,549</b>
<b>Deferred Outflows of Resources:</b>				
Deferred item related to pensions	25,544	12,771	-	38,315
<b>Total Deferred Outflows of Resources</b>	<b>25,544</b>	<b>12,771</b>	<b>-</b>	<b>38,315</b>
<b>Liabilities:</b>				
Current:				
Accounts payable	816,364	14,698	83,315	914,377
Accrued liabilities	32,701	15,972	-	48,673
Accrued interest	9,344	-	-	9,344
Unearned revenues	-	4,034	-	4,034
Deposits payable	-	-	768,237	768,237
Termination benefits	-	15,586	-	15,586
Accrued compensated absences	34,819	15,082	-	49,901
Bonds, notes, and capital leases	144,700	-	-	144,700
<b>Total Current Liabilities</b>	<b>1,037,928</b>	<b>65,372</b>	<b>851,552</b>	<b>1,954,852</b>
Noncurrent:				
Advances from other funds	-	-	200,000	200,000
Accrued compensated absences	18,749	8,121	-	26,870
Net OPEB Obligation	141,381	294,888	-	436,269
Net pension liability	261,032	130,516	-	391,548
Bonds, notes, and capital leases	2,632,394	-	-	2,632,394
<b>Total Noncurrent Liabilities</b>	<b>3,053,556</b>	<b>433,525</b>	<b>200,000</b>	<b>3,687,081</b>
<b>Total Liabilities</b>	<b>4,091,484</b>	<b>498,897</b>	<b>1,051,552</b>	<b>5,641,933</b>
<b>Deferred Inflows of Resources:</b>				
Deferred items related to pensions	57,713	28,856	-	86,569
<b>Total Deferred Inflows of Resources</b>	<b>57,713</b>	<b>28,856</b>	<b>-</b>	<b>86,569</b>
<b>Net Position:</b>				
Net investment in capital assets	38,409,099	136,977	16,839,446	55,385,522
Restricted	-	-	752,011	752,011
Unrestricted	4,862,924	(317,099)	384,004	4,929,829
<b>Total Net Position</b>	<b>\$ 43,272,023</b>	<b>\$ (180,122)</b>	<b>\$ 17,975,461</b>	<b>\$ 61,067,362</b>



CITY OF DIXON

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2015

	Business-Type Activities - Enterprise Funds			Totals
	Sewer	Transit	Water	
<b>Operating Revenues:</b>				
Charges for services, net of refunds	\$ 2,716,416	\$ 99,656	\$ 1,519,589	\$ 4,335,661
Other revenue	1,296,582	-	-	1,296,582
<b>Total Operating Revenues</b>	<b>4,012,998</b>	<b>99,656</b>	<b>1,519,589</b>	<b>5,632,243</b>
<b>Operating Expenses:</b>				
Salaries and benefits	426,063	471,843	119,774	1,017,680
Materials, supplies, and operational expenses	16,355	4,279	17,226	37,860
Repairs and maintenance	163,019	97,598	868,334	1,128,951
Power and utilities	58,838	4,614	270,227	333,679
Contractual services	236,238	10,701	73,245	320,184
Administration	801,468	17,247	71,671	890,386
Miscellaneous	25,000	25	-	25,025
Depreciation expense	1,445,321	81,337	667,118	2,193,776
<b>Total Operating Expenses</b>	<b>3,172,302</b>	<b>687,644</b>	<b>2,087,595</b>	<b>5,947,541</b>
Operating Income (Loss)	840,696	(587,988)	(568,006)	(315,298)
<b>Nonoperating Revenues (Expenses):</b>				
Intergovernmental	-	539,473	189,347	728,820
Interest income	19,453	908	5,704	26,065
Interest expense	(45,205)	-	-	(45,205)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(25,752)</b>	<b>540,381</b>	<b>195,051</b>	<b>709,680</b>
Income (Loss) Before Transfers and Special Items	814,944	(47,607)	(372,955)	394,382
Transfers out	(277,468)	(63,047)	(89,796)	(430,311)
Special Items (Note 17)	-	-	18,948,250	18,948,250
Changes in Net Position	537,476	(110,654)	18,485,499	18,912,321
<b>Net Position:</b>				
Beginning of Year, previously reported	43,030,552	78,535	(67,870)	43,041,217
Restatements	(296,005)	(148,003)	(442,168)	(886,176)
Beginning of Fiscal Year, as restated	42,734,547	(69,468)	(510,038)	42,155,041
<b>End of Fiscal Year</b>	<b>\$ 43,272,023</b>	<b>\$ (180,122)</b>	<b>\$ 17,975,461</b>	<b>\$ 61,067,362</b>

CITY OF DIXON

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2015

	Business-Type Activities - Enterprise Funds			
	Sewer	Transit	Water	Totals
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers and users	\$ 3,820,044	\$ 105,966	\$ 1,519,589	\$ 5,445,599
Cash paid to suppliers for goods and services	(698,257)	(124,027)	(1,336,521)	(2,158,805)
Cash paid to employees for services	(416,071)	(435,105)	(119,774)	(970,950)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>2,705,716</b>	<b>(453,166)</b>	<b>63,294</b>	<b>2,315,844</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Cash transfers out	(277,468)	(63,047)	(89,796)	(430,311)
Repayment received from (payment to) other funds	(40,813)	539,473	289,347	788,007
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>(318,281)</b>	<b>476,426</b>	<b>199,551</b>	<b>357,696</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Proceeds from capital debt	3,167,094	-	-	3,167,094
Acquisition and construction of capital assets	(2,221,410)	-	(31,713)	(2,253,123)
Principal paid on capital debt	(1,457,700)	-	-	(1,457,700)
Interest paid on capital debt	(46,669)	-	-	(46,669)
Cash acquired through dissolution of DSWA	-	-	1,526,214	1,526,214
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(558,685)</b>	<b>-</b>	<b>1,494,501</b>	<b>935,816</b>
<b>Cash Flows from Investing Activities:</b>				
Interest received	14,844	898	3,088	18,830
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>14,844</b>	<b>898</b>	<b>3,088</b>	<b>18,830</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,843,594</b>	<b>24,158</b>	<b>1,760,434</b>	<b>3,628,186</b>
Cash and Cash Equivalents at Beginning of Year	3,638,831	173,273	59,168	3,871,272
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 5,482,425</b>	<b>\$ 197,431</b>	<b>\$ 1,819,602</b>	<b>\$ 7,499,458</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ 840,696	\$ (587,988)	\$ (568,006)	\$ (315,298)
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>				
Depreciation	1,445,321	81,337	667,118	2,193,776
Change in accounts receivable	(193,677)	6,250	(92,013)	(279,440)
Change in due from other governments	723	-	-	723
Change in accounts payable	599,043	8,325	56,195	663,563
Change in unearned revenues	-	60	-	60
Change in accrued liabilities	3,618	2,112	-	5,730
Change in salaries and benefits payable	9,992	36,738	-	46,730
<b>Total Adjustments</b>	<b>1,865,020</b>	<b>134,822</b>	<b>631,300</b>	<b>2,631,142</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 2,705,716</b>	<b>\$ (453,166)</b>	<b>\$ 63,294</b>	<b>\$ 2,315,844</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>				
Net position acquired dissolution of DSWA	\$ -	\$ -	\$ 18,948,250	\$ 18,948,250

CITY OF DIXON

STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2015

	<u>Agency Funds</u>	<u>Private- Purpose Trust Fund Successor Agency of Former RDA</u>
<b>Assets:</b>		
Pooled cash and investments	\$ 1,679,143	\$ 431,613
Receivables:		
Notes and loans	-	949,569
Accrued interest	2,249	365
Prepaid costs	-	86
Due from other governments	8,669	-
Restricted assets:		
Cash and investments with fiscal agents	1,134,096	-
Capital assets:		
Capital assets, not being depreciated	-	150,036
<b>Total Assets</b>	<b><u>\$ 2,824,157</u></b>	<b><u>1,531,669</u></b>
<b>Liabilities:</b>		
Accounts payable	\$ 20	488
Accrued liabilities	6,303	-
Accrued interest	-	47,961
Due to other funds	-	150,000
Agency obligations	2,807,357	-
Long-term liabilities:		
Due in one year	-	185,000
Due in more than one year	-	2,230,000
<b>Total Liabilities</b>	<b><u>\$ 2,824,157</u></b>	<b><u>2,613,449</u></b>
<b>Net Position:</b>		
Held in trust for other purposes		<u>(1,081,780)</u>
<b>Total Net Position</b>		<b><u>\$ (1,081,780)</u></b>

CITY OF DIXON

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 YEAR ENDED JUNE 30, 2015

	<u>Private- Purpose Trust Fund Successor Agency of Former RDA</u>
<b>Additions:</b>	
Taxes	\$ 562,562
Interest and change in fair value of investments	2,937
Contributions from City	25,000
Gain on sale of property	12,729
	<hr/>
<b>Total Additions</b>	<b>603,228</b>
	<hr/>
<b>Deductions:</b>	
Administrative expenses	251,019
Contractual services	3,000
Interest expense	288,521
	<hr/>
<b>Total Deductions</b>	<b>542,540</b>
	<hr/>
<b>Changes in Net Position</b>	<b>60,688</b>
	<hr/>
Net Position - Beginning of the Year	(1,142,468)
	<hr/>
<b>Net Position - End of the Year</b>	<b>\$ (1,081,780)</b>
	<hr/> <hr/>

**Note 1: Summary of Significant Accounting Policies**

The City of Dixon (the "City") was incorporated in March 1878 under the laws and regulations of the State of California. The City operates under a City Manager-Council form of government and provides the following services: public safety (police and fire), water, transit, streets, sanitation, culture-recreation, public improvements, planning and zoning and general administrative services.

**a. The Reporting Entity**

The accompanying basic financial statements present the financial activities of the City along with the financial activities of its blended component units, which are entities for which the City is financially accountable. Together these entities comprise the primary government for reporting purposes. Although they are separate legal entities, blended component units are in substance part of the City's operations and are reported as an integral part of the City's financial statements. The City's component units, which are described below, are all blended.

Dixon Public Financing Authority

The Dixon Public Financing Authority (the "Authority") was formed as a joint powers authority between the City and the former Redevelopment Agency to serve as a financing mechanism of various capital projects. The City Council acts as the governing board in a concurrent session, as necessary. The bond issuance authorizations are approved by the City's Council and the legal liability for the Authority's debt remains with the City. The Authority provides services solely for the benefit of the City and is presented as a debt service fund. No separate financial statements are issued for the Authority.

Dixon Public Improvement Corporation

The Dixon Public Improvement Corporation (the "Corporation") is governed by a board comprised of the City Council. Bond issuance authorizations are approved by the City Council and legal liability for the Corporation's debt remains with the City. The Corporation provides services solely for the benefit of the City and repayment of Corporation. No separate financial statements are issued for the Corporation.

The City also participates in the following organizations that do not meet the definition of component units:

Dixon-Solano Water Authority

On August 31, 2010, the Dixon City Council along with the Board of Directors of the Solano Irrigation District adopted a resolution to form a joint powers authority between the City and the Solano Irrigation District, referred to as the Dixon-Solano Water Authority (DSWA). The DSWA is administered by a ten-member Board of Directors, comprised of the five-members of the Dixon City Council and the five-members of the Solano Irrigation District Board of Directors. The DSWA was established to provide potable water services within the common territories of the two entities. The City of Dixon provides record keeping services for DSWA.

On August 11, 2014, the DSWA was dissolved in accordance with Section 5 of the Joint Powers Agreement. Please refer to Note 17 for more information. Audited financial statements for the Dixon-Solano Water Authority may be obtained from the City of Dixon, 600 East A Street, Dixon, California, 95620.

**Note 1: Summary of Significant Accounting Policies (Continued)**

Vacaville-Dixon Greenbelt Authority (VDG Authority)

The VDG Authority was organized under a joint powers agreement with the City of Vacaville to purchase land to serve as a greenbelt between the cities of Dixon and Vacaville. The VDG Authority is governed by a five-member Board made up of two members appointed by the City Council of each city and an ex-officio member from the Solano County Board of Supervisors. The City of Vacaville provides record keeping services for the VDG Authority. The City of Dixon's one-half interest is reported as the Agricultural Land Mitigation capital project fund. Upon termination of the agreement, all of VDG Authority's assets will be returned equally to the participants.

Dixon Regional Watershed Joint Powers Authority (the DRWJPA)

The DRWJPA was organized under a joint powers agreement with the Dixon Resource Conservation District, the Maine Prairie Water District and Reclamation District No. 268 (the members) to implement the Dixon Watershed Management Plan using the services of the Solano County Water Agency. The DRWJPA is governed by a nine-member Board made up of two members appointed by the governing bodies of each of the members above and an at large member elected by a voting majority of the appointed members. Upon termination of the agreement, all assets will be returned to the members contributing the assets or shall pass to all parties as tenants in common.

Dixon Fire Protection District (the Fire District)

The City entered into a joint powers agreement with the Dixon Fire Protection District to provide fire protection services to the entire territory of the Fire District and provide accounting services, including investing Fire District funds, for 92.5% of the Fire District's property tax revenues. Audited financial statements for the Dixon Fire Protection District may be obtained from the City of Dixon, 600 East A Street, Dixon, California, 95620.

**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 Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

These standards require that the financial statements described below be presented.

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include the activities of the overall City government except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. The statements distinguish between governmental and business-type activities of the City. The City's net position is reported in three parts - net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

**Note 1: Summary of Significant Accounting Policies (Continued)**

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

Fund Financial Statements:

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories with each major fund displayed in a separate column. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

All remaining governmental funds are aggregated and reported as nonmajor funds in a single column, regardless of their fund type.

The funds of the financial reporting entity are described below:

**Governmental Funds**

General Fund - The General Fund is the general operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt Service Fund - Debt Service Funds are used to account for financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Project Funds - Capital Project Funds are used to account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**Proprietary Funds**

Enterprise Funds - Enterprise Funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

**Fiduciary Funds (not included in government-wide statements)**

Agency Funds - Agency Funds are clearing type funds for the collection of taxes or deposits held in trust, on behalf of individuals, private organizations and other governments. The funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Private-Purpose Trust Funds - Private Purpose Trust Funds are used to report all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

**Major Funds**

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

General Fund - This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. For the City, the general fund includes activities such as public safety, public ways and facilities, parks and recreation services, and economic development services.

HOME Loans - This fund is used to account for HOME loans provided through the Community Development Block Grant program.

Housing Successor Agency - This fund was created as a result of the dissolution of the Redevelopment Agency of the City of Dixon, and the City of Dixon's election to serve as the Housing Successor Agency. It accounts for the Successor Agency's loan activity.

The City reports the following major proprietary funds in the accompanying financial statements:

Sewer Fund - The sewer fund is used to account for all revenues and expenses for operations, maintenance, and capital improvement funding of the Dixon Sewer Plan.

Transit Fund - The transit fund is used to account for the City's transit system, Readi-Ride. In addition, the City receives funds as part of the Solano Transportation Authority to be used for public transportation purposes.

Water Fund - The water fund is used to account for all revenues and expenses for operations, maintenance, and capital improvement funding during the transition of the former Dixon Solano Water Authority.



**Note 1: Summary of Significant Accounting Policies (Continued)**

The City also reports the following fund types:

**Agency Funds** - These funds are custodial in nature and do not involve measurement of the results of operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. These funds account for assets held by the City as an agent for other governmental units or individuals.

**Private-Purpose Trust Fund** - This fund was created as a result of the State order to dissolve California Redevelopment Agencies. As the Successor Agency, this fund is used to track the activity by the Oversight Board and the Department of Finance to dissolve the Agency.

**c. Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item "b" below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds are accounted for using a "current financial resources" measurement focus. With this measurement focus, only current assets and current liabilities generally are included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. All proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and all liabilities (whether current or noncurrent) associated with the operation of these funds are reported. Proprietary fund equity is classified as net position.
- c. As agency funds report only assets and liabilities, they do not have a measurement focus. However, they use the accrual basis of accounting to recognize receivables and payables. The "economic resources" measurement focus and the accrual basis of accounting is used for trust funds.

**Note 1: Summary of Significant Accounting Policies (Continued)**

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. In addition, all fiduciary funds use the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City defines available to be within 60 days of year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds for governmental long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual include taxes, intergovernmental revenues, interest and charges for services. Certain indirect costs are included in program expenses reported for individual functions and activities.

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 position is available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal operations. The principal operating revenues of the sewer and transit enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**d. Property Taxes**

The County of Solano levies, bills, and collects property taxes and special assessments for the City. Property taxes levied are recorded as revenue when received, in the fiscal year or levy, due to the adoption of the "alternate method of property tax distribution", known as the Teeter Plan, by the City and the County of Solano. The Teeter Plan authorizes the Auditor/Controller of the County of Solano to allocate 100% of the secured property taxes billed, but not yet paid. The County of Solano remits tax monies to the City in three installments as follows:

50% remitted in December  
45% remitted in April  
5% remitted in June

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments; the first is due November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the tax becomes delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payment.

Property valuations are established by the Assessor of the County of Solano for the secured and unsecured property tax rolls. Under the provisions of Article XIII A of the State Constitution, properties are assessed at 100% of purchase price or value in 1978 whichever is later. From this base assessment, subsequent annual increases in valuation are limited to a maximum of 2 percent. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax levy dates are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property, as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

**e. Cash and Investments**

The City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the City's cash and investment pool. As the City places no restrictions on the deposit or withdrawal of a particular fund's equity in the pool, the pool operates like a demand deposit account for the participating funds.

Interest income earned on pooled cash and investments is allocated monthly to the various funds based on daily average balance and is adjusted at fiscal year-end. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund.

**Note 1: Summary of Significant Accounting Policies (Continued)**

The City's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. LAIF determines the fair value of their portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost to fair value. This amount is included in cash and cash equivalents in the balance sheet of the governmental funds. Changes in fair value are allocated to each participating fund.

For purposes of the statement of cash flows, the City has defined cash and cash equivalents to be cash and petty cash funds, equity in the City's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

**f. Accounts and Interest Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts if applicable, and estimated refunds due. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines and other fees. Federal and state grants are considered receivable and accrue as revenue when reimbursable costs are incurred. Business-type activities report utilities and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions that are collectible but not available are recorded as deferred inflows of resources in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Long-term loans in governmental funds are treated as expenditures in the year advanced and as revenues in the year repayment is measurable and available. Loans receivable are recorded in the fund statements, but are also recorded as deferred inflows of resources to indicate they do not represent current financial resources. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings compose the majority of proprietary fund receivables.

**g. Prepaid Expenses and Inventory**

Inventories are stated at cost (average cost per unit) for governmental and proprietary funds. The cost is recorded as an expenditure/expense in the funds at the time individual inventory items are consumed, rather than purchased. Inventories of governmental funds are offset by nonspendable fund balance to indicate they do not constitute resources available for future appropriation.

Prepaid items are also recognized under the consumption method. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**h. Capital Assets**

The accounting treatment over property, plant and equipment depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, infrastructure with an aggregate cost of \$100,000 or more and equipment with a cost of \$5,000 or more and a useful life of more than one year are capitalized. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Equipment	5 - 25 years
Buildings and improvements	5 - 40 years
Infrastructure	7-100 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of debt financed capital assets of business-type activities is included as part of the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

**i. Compensated Absences**

Compensated absences are comprised of unused vacation leave and compensatory time off, which are accrued as earned. Employees may accumulate sick leave without limits. The City's liability for compensated absences is recorded in the government-wide Statement of Net Position for governmental funds and the Statement of Net Position for proprietary funds as appropriate. A liability is calculated for all the costs of compensated absences based upon benefits earned by employees in the current period for which there is a probability of payment at termination. The salary and related payroll costs are those in effect at June 30, 2015. Accumulated unpaid vacation and sick pay are accrued when earned. The general fund and enterprise funds are used to liquidate compensated absences.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**j. Long Term Liabilities**

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term liabilities, and other long term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the lives of the refunding debt or remaining life of the refunded debt. Bond issuance costs, except for insurance, are expensed in the period incurred. Amortization of insurance costs and deferred amounts on refunding is included in interest expense.

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

**k. Net Pension Liabilities**

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

**l. Deferred outflows/inflows of resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City reports deferred outflows relating to the net pension liability reported in the government-wide statement of net position for governmental and business-type activities. These outflows are the results of contributions made after the measurement period, which are expenses in the following year, and of adjustments due to difference in proportions and the difference between actual contributions made and the proportionate share of the risk pool's total contributions. These amounts are deferred and amortized over the expected average remaining service life time.

In addition to liabilities, the statement of net position and governmental balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualifies that qualify for reporting in the category. The first item is the result of the net difference between projected and actual earnings on pension plan investments. The second item relates to revenues earned, but not yet available for resources.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**m. Interfund Transactions**

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are 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 between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

**n. Net Position**

Government-wide Statements

Net position is the excess of all the City's assets over all its liabilities, regardless of fund. Net position is divided into three categories under GASB Statement 34. These categories apply only to net position, which is determined at the Government-wide level, and are described below:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Fund Statements

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- a. Nonspendable - Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Note 1: Summary of Significant Accounting Policies (Continued)**

- b. Restricted - Amounts that are restricted for specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, laws, or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- c. Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority.
- d. Assigned - Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
- e. Unassigned - Amounts representing the residual classification for the general fund and residual negative fund balance of special revenue and capital project funds.

Further detail about the City's fund balance classification is described in Note 11.

**o. General Budget Policies**

The City Council establishes budgets for all governmental funds. Budgetary control is legally maintained at the fund level. The City Manager submits a proposed budget to the City Council for the following year beginning July 1. The preliminary budget may or may not be amended by the City Council after public hearings are held and is adopted by City Council resolution prior to July 1 in accordance with the municipal code.

The City Council may amend the budget by motion during the fiscal year. The City Manager is authorized to transfer budgeted amounts within an object or purpose within any department. However, the City Council must approve revisions that alter the total expenditures of any department.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. All budget amounts presented in the accompanying financial statements and supplementary information have been adjusted for legally authorized revisions of the annual budgets during the year. Amounts represent the original budgeted amounts and all supplemental appropriations.

**p. Use of Estimates**

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.



**Note 1: Summary of Significant Accounting Policies (Continued)**

**r. Implementation of Government Accounting Standards Board Statements**

Effective July 1, 2014, the City implemented the following accounting and financial reporting standards:

Government Accounting Standards Board Statement No. 68

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions by requiring recognition of the entire net pension liability and a more comprehensive measure of pension expense. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The City has fully implemented the requirements of GASB Statement No. 68. Please refer to Note 16 for more information.

Government Accounting Standards Board Statement No. 69

In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The City has fully implemented the requirements of GASB Statement No. 69, please refer to Note 17 for more information.

Government Accounting Standards Board Statement No. 70

In April 2013, GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This standard has not affected the City's financials.

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

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**Note 2: Cash and Investments**

Cash and investments as of June 30, 2015, were classified in the accompanying financial statements as follows:

	Cash and Investments	Restricted Cash and Investments	Total
Governmental activities	\$ 16,399,147	\$ 315,018	\$ 16,714,165
Business-type activities	7,499,458	-	7,499,458
Total government-wide cash and investments	<u>23,898,605</u>	<u>315,018</u>	<u>24,213,623</u>
Fiduciary activities	<u>2,110,756</u>	<u>1,134,096</u>	<u>3,244,852</u>
Total cash and investments	<u><u>\$ 26,009,361</u></u>	<u><u>\$ 1,449,114</u></u>	<u><u>\$ 27,458,475</u></u>

Certain amounts of the City's cash and investments are restricted for the following purposes:

	Restricted Cash and Investments
Governmental	
Restricted for deposits payable	<u>\$ 315,018</u>
Total government-wide cash and investments	<u>315,018</u>
Fiduciary activities	
Restricted for deposits payable	<u>1,134,096</u>
Total restricted cash and investments	<u><u>\$ 1,449,114</u></u>

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

**Note 2: Cash and Investments (Continued)**

Cash and investments were carried at fair value as of June 30, 2015 and consisted of the following:

Cash on hand	\$ 1,325
Cash in banks	<u>3,098,893</u>
<b>Total cash</b>	<b><u>3,100,218</u></b>
U.S. Treasury obligations	4,264,798
U.S. Agency securities	1,055,942
Corporate bonds	3,281,235
Money market funds	1,153,187
Commercial paper	249,575
Certificates of deposit	2,144,261
Local Agency Investment Fund (LAIF)	10,175,046
California Asset Management Program (CAMP)	<u>2,034,213</u>
<b>Total investments</b>	<b><u>24,358,257</u></b>
<b>Total cash and investments</b>	<b><u>\$ 27,458,475</u></b>

Authorized Investments of the City

The table below identifies the investment types that are authorized by the City's investment policy. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

<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	10%
U.S. Treasury obligations	5 years	None	None
U.S. Agency securities	5 years	None	None
California local agency debt	5 years	None	10%
Banker's Acceptances	180 days	45%	10%
Commercial paper	180 days	25%	10%
Negotiable certificates and time deposits	5 years	30%	10%
Repurchase agreements	1 year	None	10%
Medium term corporate notes	5 years	30%	10%
Money market mutual funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	None	None

The City complies with the provisions of California Government Code (or the City's investment policy, where more restrictive) pertaining to the types of investments held, institutions in which deposits were made and security requirements. The City will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**Note 2: Cash and Investments (Continued)**Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by 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 by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
U.S. Agency securities	5 years	None	None
Banker's Acceptances	270-360 days	None	None
Commercial paper	180 days	None	None
Negotiable certificates and time deposits	365 days	None	None
Repurchase agreements	30 days	None	None
Investment agreements	None	None	None
Medium term corporate notes	None	None	None
Money market mutual funds	N/A	None	None
Mortgage pass-through securities	None	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
JPA Pools (other investment pools)	N/A	None	None

Disclosure 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's interest rate risk is mitigated 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 flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) to market rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity as of June 30, 2015:

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

**Note 2: Cash and Investments (Continued)**

	Remaining Maturity		
	12 Months or Less	1-5 years	Fair Value
Certificates of Deposit	\$ 1,025,128	\$ 1,119,133	\$ 2,144,261
U.S. Treasury obligations	-	4,264,798	4,264,798
U.S. Agency securities	-	1,055,942	1,055,942
Corporate bonds	-	3,281,235	3,281,235
Commercial paper	249,575		249,575
Money market mutual funds	1,153,187	-	1,153,187
Local Agency Investment Fund	10,175,046	-	10,175,046
California Asset Management Program	2,034,213	-	2,034,213
	<u>\$ 14,637,149</u>	<u>\$ 9,721,108</u>	<u>\$ 24,358,257</u>

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City had no investments (including investments held by bond trustees) that were highly sensitive to interest rate fluctuations as of June 30, 2015.

Disclosures Relating to Credit Risk

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

	Total	Rating as of Fiscal Year End		
		S&P	Moody's	N/A
U.S. Treasuries	\$ 4,264,798	Exempt		Not rated
U.S. Agency Securities	1,055,942	AA+	Aaa	
Corporate bonds	3,281,235	A	A3	
Commercial Paper	249,575			Not rated
Certificate of deposit	2,144,261			Not rated
Money market mutual funds	1,153,187			Not rated
Local Agency Investment Fund	10,175,046			Not rated
California Asset Management Program	2,034,213	AAAm		
	<u>\$ 24,358,257</u>	-		

Concentration of Credit Risk

The investment policy of the City limits the amount that can be invested in any one issuer to the lesser of the amount stipulated by the California Government Code or 50% of total investments, with the exception of U.S. Treasury obligations, LAIF, and local investment pools. There were no investments in any one issuer (other than mutual funds and external investment pools) that represented 5% or more of total City investments.

**Note 2: Cash and Investments (Continued)**

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 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 investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, 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 government unit). The market 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 City's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2015, the carrying amount of the City's deposits was \$3,098,893 and bank balances were \$4,570,882, of which \$500,000 was insured.

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 financial statements at amounts based upon the City's pro-rata share of the fair value provided by the LAIF for the entire 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 is recorded on an amortized cost basis

Allocation of Interest Income Among Funds

Interest income from pooled investments is allocated to those funds which are required by law or administrative action to receive interest. Interest is allocated monthly based on the ending cash balances of the previous month in each fund receiving interest.

**Note 3: Notes and Loans Receivable**

The City has made various business loans to qualifying businesses in the redevelopment area and various home loans to qualifying participants within the City under the Federal First Time Homebuyers Loan program (HOME), the 2000 Home Rehabilitation program, the Community Development Block Grant (CDBG) revolving loan program, and the 2005 Community Development Block Grant (CDBG) Housing Rehabilitation program, which are owner occupied housing rehabilitation programs. The loans have varying maturity dates and interest rates, depending on loan agreements. Certain notes receivable payments are deferred with interest being capitalized and recorded in the respective loan balances.

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

**Note 3: Notes and Loans Receivable (Continued)**

A summary of notes receivable at June 30, 2015 is as follows:

Government-wide	Balance July 1, 2014	Additions	Retirements/ Adjustments	Balance June 30, 2015
HOME Loans	\$ 9,437,817	\$ 11,035,687	\$ (8,657,799)	\$ 11,815,705
Housing Successor Agency	2,276,215	-	(40,046)	2,236,169
CDBG Business Loans	420,109	-	(105,428)	314,681
<b>Total Notes Receivable</b>	<b>12,134,141</b>	<b>11,035,687</b>	<b>(8,803,273)</b>	<b>14,366,555</b>
Less Allowance for Notes Receivable	(11,861,914)	(2,350,918)	-	(14,212,832)
<b>Total Notes Receivable, net</b>	<b>\$ 272,227</b>	<b>\$ 8,684,769</b>	<b>\$ (8,803,273)</b>	<b>\$ 153,723</b>

The balance of the notes receivable have been offset in the fund financial statements by deferred inflows of resources as they are not deemed measurable and available within 60 days. In the government-wide financial statements, the City has provided 100% allowance for all notes receivable subject to long-term deferral and/or payment from future refinancing as well as notes receivable having subordination provisions except for those accounts that have current payment activity and are not delinquent at June 30, 2015.

**Note 4: Inter-fund and Intra-Fund Transactions**

Inter-fund Receivables/Payables

The composition of inter-fund balances as of June 30, 2015 was as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Water Fund	\$ 200,000
General Fund	Non-Major Governmental	80,190
Non-Major Governmental	Non-Major Governmental	1,494,223
<b>Total Interfund Receivables/Payables</b>		<b>\$ 1,774,413</b>

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2015

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**Note 4: Inter-fund and Intra-Fund Transactions (Continued)**

Inter-fund Transfers to/from Other Funds

Transfers between funds during the fiscal year ended June 30, 2015 were as follows:

<u>Transfer from</u>	<u>Transfer to</u>	<u>Amount</u>
General Fund	Non-Major Governmental	\$ 197,641
Non-Major Governmental	Non-Major Governmental	569,877
Non-Major Governmental	General Fund	259,305
Sewer	General Fund	277,468
Water	General Fund	89,796
Transit	General Fund	<u>63,047</u>
Total interfund transfers		<u>\$1,457,134</u>

- a) Transfers from the general fund to nonmajor governmental funds included funding for L&L activities and debt service payments in the amount of \$119,339.
- b) Transfers to the general fund from non-major governmental funds were for the reimbursement of allocated costs; and also included a transfer of \$233,911 from the Gas Tax fund for street maintenance.
- c) Transfers from non-governmental funds to other non-governmental funds included funding for capital projects of \$356,336.
- d) Transfers from the Sewer, Water, and Transit Funds were for allocated costs.



CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

**Note 4: Inter-fund and Intra-Fund Transactions (Continued)**

Intra-fund Transfers

Transfers between intra-funds during the fiscal year ended June 30, 2015 were as follows:

<u>Transfer from</u>	<u>Transfer to</u>	<u>Description of Transfer</u>	<u>Amount</u>
<u>General Fund Intra-Fund Transfers</u>			
General Fund	Building Reserve	Funding for Building Reserve	\$ 50,000
General Fund	Infrastructure Rsv	Funding for future Infrastructure replace	50,000
General Fund	Community Support	Prior period revenue correction	5,000
Contingency	Council Contingency	Funding for General Plan	167,057
Recreation	General Fund	Reimburse Allocated Costs	13,914
Equip Replacement	General Fund	Equipment Replacement Purchases	12,500
Building Reserve	General Fund	Building repairs	105,433
Total General Fund Intra-Fund Transfers			<u>\$ 403,904</u>
<u>Sewer Fund Intra-Fund Transfers</u>			
Sewer - O&M	SRF Reserve	Debt Service Reserve	\$ 505,943
Sewer - O&M	Sewer Debt	Debt Service	172,155
Sewer - O&M	Sewer Rehab	Funding for capital projects	9,389
Sewer - O&M	Sewer Capital Mixed	Funding for capital projects	73,083
Sewer - O&M	Sewer Equip Replace	Funding for future equipment replacement	50,000
Sewer Debt	Sewer Capital Mixed	Project Reimbursement	1,320,000
Sewer SRF Debt	Sewer - O&M	Project Reimbursement	295,975
Sewer SRF Debt	Sewer Debt	Project Reimbursement	1,353,698
Sewer SRF Debt	Sewer - Improvements	Project Reimbursement	197,317
Sewer - Improvements	Sewer Capital Mixed	Funding for capital projects	17,694
Sewer Rehab	Sewer - Improvements	Construction in Progress	91,830
Sewer Capital Mixed	Sewer - Improvements	Construction in Progress	2,108,473
Total Sewer Fund Intra-Fund Transfers			<u>\$ 6,195,557</u>
<u>Water Fund Intra-Fund Transfers</u>			
Water O&M	Water Operating Rsv	Funding for future operating exp	\$ 64,631
Water O&M	Water Capital Rsv	Funding for future capital exp	5,000
Water O&M	Water Rehab Proj	Construction in Progress	346,096
Water Rehab Projects	Water O&M	Funding for capital projects	25,965
Total Water Fund Intra-Fund Transfers			<u>\$ 441,692</u>

**CITY OF DIXON**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

**Note 5: Capital Assets**

Governmental activities	Balance at July 1, 2014	Transfers	Additions	Retirements	Balance at June 30, 2015
Capital assets not being depreciated					
Land	\$ 2,379,262	\$ -	\$ 141,895	\$ -	\$ 2,521,157
Construction-in-progress	5,428,654	(3,521,024)	552,957	-	2,460,587
Total capital assets not being depreciated	<u>7,807,916</u>	<u>(3,521,024)</u>	<u>694,852</u>	<u>-</u>	<u>4,981,744</u>
Capital assets being depreciated					
Buildings and improvements	12,446,800	-	18,854	-	12,465,654
Equipment	6,825,244	83,763	91,181	-	7,000,188
Infrastructure	177,370,498	3,437,261	-	-	180,807,759
Total capital assets being depreciated	<u>196,642,542</u>	<u>3,521,024</u>	<u>110,035</u>	<u>-</u>	<u>200,273,601</u>
Less accumulated depreciation					
Buildings and improvements	4,909,333	-	319,097	-	5,228,430
Equipment	4,519,526	-	331,426	-	4,850,952
Infrastructure	59,910,184	-	3,697,670	-	63,607,854
Total accumulated depreciation	<u>69,339,043</u>	<u>-</u>	<u>4,348,193</u>	<u>-</u>	<u>73,687,236</u>
Capital assets being depreciated, net	<u>127,303,499</u>	<u>3,521,024</u>	<u>(4,238,158)</u>	<u>-</u>	<u>126,586,365</u>
Total capital assets	<u>\$ 135,111,415</u>	<u>\$ -</u>	<u>\$ (3,543,306)</u>	<u>\$ -</u>	<u>\$ 131,568,109</u>

Depreciation was charged to functions based on their usage of the related assets as follows:

Governmental Activities:

General administration	\$ 155,283
Public safety	318,347
Parks and recreation	706,600
Community development	1,922
Public ways and facilities	<u>3,166,041</u>

Total governmental activities depreciation expense \$ 4,348,193

**CITY OF DIXON**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2015**

**Note 5: Capital Assets (Continued)**

Business-type activities	Balance at July 1, 2014	Adjustments*	Transfers	Additions	Retirements	Balance at June 30, 2015
Capital assets not being depreciated						
Land	\$ 773,160	\$ 24,006	\$ -	\$ -	\$ -	\$ 797,166
Construction-in-progress	2,793,050	671,606	(1,214,254)	2,200,303	(442,168)	4,008,537
Total capital assets not being depreciated	<u>3,566,210</u>	<u>695,612</u>	<u>(1,214,254)</u>	<u>2,200,303</u>	<u>(442,168)</u>	<u>4,805,703</u>
Capital assets being depreciated						
Structures and improvements	58,272,310	17,221,407	1,214,254	25,965	-	76,733,936
Equipment	1,690,468	-	-	26,855	(12,212)	1,705,111
Total capital assets being depreciated	<u>59,962,778</u>	<u>17,221,407</u>	<u>1,214,254</u>	<u>52,820</u>	<u>(12,212)</u>	<u>78,439,047</u>
Less accumulated depreciation						
Structures and improvements	21,663,356	-	-	2,054,206	-	23,717,562
Equipment	1,237,214	-	-	139,570	(12,212)	1,364,572
Total accumulated depreciation	<u>22,900,570</u>	<u>-</u>	<u>-</u>	<u>2,193,776</u>	<u>(12,212)</u>	<u>25,082,134</u>
Total capital assets being depreciated, net	<u>37,062,208</u>	<u>17,221,407</u>	<u>1,214,254</u>	<u>(2,140,956)</u>	<u>-</u>	<u>53,356,913</u>
Total Capital assets	<u>\$ 40,628,418</u>	<u>\$ 17,917,019</u>	<u>\$ -</u>	<u>\$ 59,347</u>	<u>\$ (442,168)</u>	<u>\$ 58,162,616</u>

\* Adjustments relate to the dissolution of the Dixon Solano Water Authority (DSWA), in which the City took over all assets and liabilities from DSWA. See further information at Note 12.

Depreciation expense was charged to functions/programs of the City's business-type activities as follows:

Sewer	\$ 1,445,321
Water	667,118
Transit	81,337
Total business-type activities depreciation expense	<u>\$ 2,193,776</u>

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

**Note 6: Long-Term Liabilities**

The following is a summary of changes in the City's long-term liabilities for the fiscal year ended June 30, 2015:

	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015	Current Portion
Governmental activities:					
Compensated absences	\$ 953,800	\$ 718,959	\$ 782,179	\$ 890,580	\$ 890,580
2012 Lease revenue	1,706,600	-	210,600	1,496,000	217,100
<b>Total Governmental activities</b>	<b>\$ 2,660,400</b>	<b>\$ 718,959</b>	<b>\$ 992,779</b>	<b>\$ 2,386,580</b>	<b>\$ 1,107,680</b>
Business-type activities:					
Compensated absences	\$ 82,980	\$ 124,156	\$ 130,365	\$ 76,771	\$ 49,901
2012 Refunding bonds	1,067,700	-	137,700	930,000	144,700
State Revolving Loan	-	1,847,094	-	1,847,094	-
2014 Sewer Installment Bonds	-	1,320,000	1,320,000	-	-
<b>Total Business-type activities</b>	<b>\$ 1,150,680</b>	<b>\$ 3,291,250</b>	<b>\$ 1,588,065</b>	<b>\$ 2,853,865</b>	<b>\$ 194,601</b>

A description of the long-term liabilities related to governmental activities at June 30, 2015 follows:

**a. Governmental Activities**

2012 Lease Revenue Bonds

On January 12, 2012, the 2012 Refunding Lease Revenue Bonds were issued by the Dixon Public Financing Authority in the amount of \$2,786,300 to advance refund the 1981 Lease Revenue Bonds, the 1996 Refunding Lease Revenue Bonds, and the 1997 Lease Revenue Bonds. This advance refunding was undertaken to reduce total debt service payments over the next nine years by \$367,197 and resulted in an economic gain of \$312,554. To provide for repayment of the bonds, the City entered into an agreement to lease certain property from the Dixon Public Financing Authority. The bonds are secured by the Dixon Fire Station Building. The lease interest rate is 3.21 %. Principal and interest payments are due semi-annually on April 1 and October 1 through October 2021. The outstanding principal balance of the 2012 bonds at June 30, 2015 was \$1,496,000.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**Note 6: Long-Term Liabilities (Continued)**Governmental Activities Long-Term Liabilities Amortization:**2012 Refunding Lease Revenue**

For the year Ending June 30,	Principal	Interest	Total
2016	\$ 217,100	\$ 46,293	\$ 263,393
2017	228,100	39,237	267,337
2018	233,500	31,872	265,372
2019	243,700	24,295	267,995
2020	258,200	16,357	274,557
2021-2022	315,400	8,889	324,289
Total	<u>\$ 1,496,000</u>	<u>\$ 166,943</u>	<u>\$ 1,662,943</u>

**b. Business-type Activities**2012 Sewer Refunding Bonds

On January 12, 2012, the 2012 Refunding Lease Revenue Bonds were issued by the Dixon Public Financing Authority in the amount of \$1,360,700 to advance refund the 1996 Certificates of Participation. This advance refunding was undertaken to reduce total debt service payments over the next nine years by \$202,901 and resulted in an economic gain of \$186,125. To provide for repayment of the bonds, the City purchased the related facilities from the Dixon Public Financing Authority under an installment sales agreement. The certificates are secured by a pledge of net sewer system revenues. The City is required to collect charges from the facilities that are sufficient to yield net revenues equal to 115% of the debt service payments on this issuance and future debt issuances payable from the net revenues of the sewer system. The interest rate is 3.07%. Principal and interest payments are due semi-annually on March 1 and September 1 through March 2021. The outstanding principal balance of the 2012 bonds at June 30, 2015 was \$930,000.

State Revolving Loan

On August 12, 2014, the City entered into an agreement with the California State Water Resources Control Board for construction of the Sewer Capital Improvement project. The City may borrow up to \$28,500,000 or the eligible costs of the project, whichever is less. At June 30, 2015, the California State Water Resources Control Board had disbursed \$1,847,094. The loan has an interest rate of 1.9% with payments starting in 2018 and maturities through 2036, if the City borrows the full \$28,500,000. The outstanding balance at June 30, 2015, is \$1,847,094.

2014 Sewer Installment Bonds

On August 1, 2014, the 2014 Sewer Installment Bonds were issued by the Dixon Public Financing Authority in the amount of \$1,320,000 for the purpose of planning and design expenses relating to the City's wastewater treatment facility expansion. The

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**Note 6: Long-Term Liabilities (Continued)**

interest rate was 2.10%. Principal was due annually on March 1 and interest payments were due semi-annually on March 1 and September 1 through March 2017. The bonds were paid off on March 3, 2015.

Business-Type Long-Term Liabilities Amortization**2012 Refunding Lease Revenue**

For the year Ending June 30,	Principal	Interest	Total
2016	\$ 144,700	\$ 27,342	\$ 172,042
2017	146,300	22,994	169,294
2018	152,600	18,455	171,055
2019	158,400	13,726	172,126
2020	163,900	8,822	172,722
2021	164,100	3,788	167,888
Total	<u>\$ 930,000</u>	<u>\$ 95,127</u>	<u>\$ 1,025,127</u>

**State Revolving Loan**

For the year Ending June 30,	Principal	Interest	Total
2018	\$ 1,000,301	\$ 390,240	\$ 1,390,541
2019	846,793	331,760	1,178,553
Total	<u>\$ 1,847,094</u>	<u>\$ 722,000</u>	<u>\$ 2,569,094</u>

**Note 7: Special Assessment Debt**

Special assessment bonds have been issued pursuant to the provisions of the Improvement Bond Acts of 1915. The City is in no way liable for repayment of any bonds of the funds related to the Agency funds, according to bond counsel, but is acting only as an agent for the property owner's/bond holders in collecting and forwarding the special assessments. Balances of the various assessment district bonds at June 30, 2015 were as follows:

North First Street Assessment District Limited	
Obligation Improvement Bonds	\$ 3,347,804
2013 revenue Refunding Bonds	<u>3,319,514</u>
Total Special Assessment Debt	<u>\$ 6,667,318</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**Note 8: Early Retirement Incentive**

During fiscal year 2012, the City approved an early retirement incentive program through the Public Agency Retirement System (PARS) for eligible City staff. In order to qualify for the early retirement program, an employee needed to meet the following criteria:

- They must be a Miscellaneous member of PERS
- They must be at least 50 years of age or older effective September 30, 2011
- They must be able to retire under the PERS retirement system with at least 5 years of service
- They must have at least 5 years of City of Dixon service effective September 30, 2011
- They must actually retire from PERS no later than September 30, 2011

During fiscal year 2012, twenty-two City employees met the eligibility criteria. Four general fund and two Transit employees elected to participate. During 2013, two additional employees joined the program. Qualifying employees who participated in the program selected from a number of benefit options, the basic program in which they receive one-twelfth (1/12) of seven percent (7%) of their final pay.

The City records a liability and expense upon election by the employees to participate in the program. The liability at June 30, 2015 totaled \$156,607, which represents actual future payments to be made. Of this amount, \$141,021 is recorded in governmental activities and \$15,586 is recorded in business-type activities. Expenses related to termination benefits totaled \$100,359 for the year ending June 30, 2015. Future payments as of June 30, are as follows:

	Amount
2016	\$ 124,489
2017	32,118
Total	\$ 156,607

**Note 9: Pension Plans**

Defined Benefit Plan

***Plan Description***

The City contracts with California Public Employees Retirement System (“CalPERS”) to provide qualified permanent and probationary employees with a specified package of benefits upon retirement. The City’s has nine pension plans for City employees which are categorized into three major categories which are as follows: Miscellaneous Plan Tier 1, 2 and 3, Safety Police Plan Tier 1, 2 and 3 and Safety Fire Plan Tier 1, 2 and 3. All of these plans are cost-sharing multiple-employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public agencies within the State of California. Benefit provisions and all other

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

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**Note 9: Pension Plans (Continued)**

requirements are established by state statute and the City. The City Council has authority over the City's participation in CalPERS, plan amendments and the choice of plan options within CalPERS. The CalPERS annual financial report may be obtained from their website at [www.calpers.ca.gov](http://www.calpers.ca.gov) or from their executive Office: 400 P Street, Sacramento, CA, 95814.

**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. Each plan has a 3% annual cost-of-living allowance increase benefit. 2% @ 55 plans have a final compensation period of 12 months and 2% @ 62 has a final compensation period of 36 months.

<u>Tier #</u>	<u>Employee Type</u>	<u>Employees Hired</u>	<u>Risk Pool</u>
Tier I	Miscellaneous	Before 12/16/2012	2.5% @ 55
Tier I	Police	Before 11/20/2011	3% @ 50
Tier I	Fire	Before 8/12/2012	3% @ 50
Tier II	Miscellaneous	12/16/2012 - 12/31/2012 (and classic members after 1/1/2013)	2% @ 60
Tier II	Police	11/20/2011 - 12/31/2012 (and classic members after 1/1/2013)	3% @ 55
Tier II	Fire	8/12/2012 - 12/31/2012 (and classic members after 1/1/2013)	3% @ 55
PEPRA	Miscellaneous	On or after 1/1/2013	2% @ 62
PEPRA	Police	On or after 1/1/2013	2.7% @ 57
PEPRA	Fire	On or after 1/1/2013	2.7% @ 57



NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

Note 9: Pension Plans (Continued)

Miscellaneous cost-sharing plans

	Tier 1	Tier 2	PEPRA
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 52 yrs
Monthly benefits, as a % of eligible compensation	2.0% - 2.5%	1.092% - 2.418%	1.0% - 2.5%
Required employee contribution rates	7.942%	7.000%	6.308%
Required employer contribution rates	21.817%	8.050%	6.250%

Police cost-sharing plans

	Tier 1	Tier 2	PEPRA
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs
Monthly benefits, as a % of eligible compensation	3.00%	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	8.986%	8.980%	11.500%
Required employer contribution rates	35.687%	20.774%	11.500%

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

**Note 9: Pension Plans (Continued)**

	<b>Safety Fire cost-sharing plans</b>		
	Tier 1	Tier 2	PEPRA
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs
Monthly benefits, as a % of eligible compensation	3.00%	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	8.986%	8.980%	11.500%
Required employer contribution rates	30.416%	20.774%	11.500%

**Contribution Description**

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and 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 year ended June 30, 2015, the contributions recognized as part of pension expense for all plans were as follows:

	<u>Miscellaneous</u>			
	<u>Plans</u>	<u>Safety Police</u>	<u>Safety Fire</u>	<u>Total</u>
Contributions - employer*	565,193	428,563	232,998	1,226,754
Contributions - employee	269,062	141,915	157,462	568,439

\*Plan's proportionate share of the Aggregate Employer Contributions

***Pension Liabilities, Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions***

As of June 30, 2015, the City reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

<b>Proportionate Share of Net Pension Liability</b>	
Miscellaneous Tier 1	\$ 6,525,140
Miscellaneous PEPRA	648
Police Tier 1	5,141,411
Police Tier 2	15,244
Fire Tier 1	2,130,767
Fire Tier 2	4,972
<b>Total Net Pension Liability:</b>	<b>\$ 13,818,182</b>

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

**Note 9: Pension Plans (Continued)**

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2014, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014, using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each Plan as of June 30, 2013 and 2014, was as follows:

	<b>Miscellaneous Plans</b>		
	Tier 1	PEPRA	Total Plans
Proportion - June 30, 2013	\$ 7,963,473	\$ 885	\$ 7,964,358
Proportion - June 30, 2014	6,525,140	648	6,525,788
Change - Increase(Decrease)	(1,438,336)	451	(1,437,885)

	<b>Safety Plans - Police</b>		
	Tier 1	Tier 2	Total Plans
Proportion - June 30, 2013	\$ 6,177,614	\$ 20,186	\$ 6,197,800
Proportion - June 30, 2014	5,141,411	15,244	5,156,655
Change - Increase(Decrease)	(1,036,203)	(4,942)	(1,041,145)

	<b>Safety Plans - Fire</b>		
	Tier 1	Tier 2	Total Plans
Proportion - June 30, 2013	\$ 2,726,097	\$ 6,584	\$ 2,732,681
Proportion - June 30, 2014	2,130,767	4,972	2,135,739
Change - Increase(Decrease)	(595,330)	(1,612)	(596,942)

For the year ended June 30, 2015, the City recognized a total pension expense of \$1,348,775 for all plans in total. At June 30, 2015, the City reported deferred outflows and deferred inflows of resources related to pensions as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contribution made subsequent to measurement date	\$ 1,662,238	\$ -
Actual Earnings on Pension Plan Investments	-	3,045,836
Adjustment due to Difference in Proportions	22,944	175,789
Difference between actual and proportionate share contribution	215,169	
<b>Total</b>	<u>\$ 1,900,351</u>	<u>\$ 3,221,625</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

**Note 9: Pension Plans (Continued)**

The \$1,662,238 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<b>June 30:</b>	<b>Deferred Outflows/(Inflows) of Resources</b>	
2016	\$	760,225
2017		760,225
2018		750,656
2019		712,406

***Actuarial Methods and Assumptions Used to Determine Total Pension Liability***

For the measurement period ended June 30, 2014, (the measurement date), the total pension liability was determined by rolling forward the June 30, 2013, total pension liability. The June 30, 2013 and the June 30, 2014, total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.50%
Inflation	2.75%
Salary Increases	3.3% - 14.2% (1)
Investment Rate of Return	7.50% (2)
Mortality Rate Table (3)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

- (1) Depending on age, service and type of employment.
- (2) Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
- (3) 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 on the CalPERS website.

All other actuarial assumptions used in the June 30, 2013, valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

***Discount Rate***

The discount rate used to measure the total pension liability was 7.50 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each

**Note 9: Pension Plans (Continued)**

plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent is applied to all plans in the Public Employees Retirement Fund. 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.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. This difference was deemed immaterial to the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management review cycle that is scheduled to be completed in February 2018. 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 67 and 68 calculations through at least the 2017-18, fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our 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 of 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. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) 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 was 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 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 geometric rates of return are net of administrative expenses.

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

Note 9: Pension Plans (Continued)

<b>Asset Class</b>	<b>New Strategic Allocation</b>	<b>Real Return Years 1 - 10 (1)</b>	<b>Real Return Years 11+ (2)</b>
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%

(1) An expected inflation of 2.5% used for this period

(2) An expected inflation of 3.0% used for this period

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

The following presents the City's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, 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 1% point lower or 1% point higher than the current rate:

<b>Miscellaneous plans Net Pension Liability/(Asset)</b>	<b>Discount Rate - 1% 6.50%</b>	<b>Current Discount 7.50%</b>	<b>Discount Rate +1% 8.50%</b>
Tier 1	\$ 10,163,124	\$ 6,525,140	\$ 3,505,959
PEPRA	1,155	648	228
<b>TOTAL:</b>	<b>\$ 10,164,279</b>	<b>\$ 6,525,788</b>	<b>\$ 3,506,187</b>

<b>Safety plans - Police Net Pension Liability/(Asset)</b>	<b>Discount Rate - 1% 6.50%</b>	<b>Current Discount 7.50%</b>	<b>Discount Rate +1% 8.50%</b>
Tier 1	\$ 7,848,784	\$ 5,141,411	\$ 2,910,652
Tier 2	26,233	15,244	6,189
<b>TOTAL:</b>	<b>\$ 7,875,017</b>	<b>\$ 5,156,655</b>	<b>\$ 2,916,841</b>

<b>Safety Plans - Fire Net Pension Liability/(Asset)</b>	<b>Discount Rate - 1% 6.50%</b>	<b>Current Discount 7.50%</b>	<b>Discount Rate +1% 8.50%</b>
Tier 1	\$ 3,516,635	\$ 2,130,767	\$ 989,696
Tier 2	8,556	4,972	2,019
<b>TOTAL:</b>	<b>\$ 3,525,191</b>	<b>\$ 2,135,739</b>	<b>\$ 991,715</b>

**Note 9: Pension Plans (Continued)**

***Pension Plan Fiduciary Net Position***

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See CalPERS website for additional information.

**Note 10: Other Post-Employment Benefits (OPEB)**

This note includes information required by GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*.

Description of the Plan

The City sponsors and administers a single-employer health care plan for its employees. The plan provides medical, dental, and vision plan coverage. Medical coverage is provided through CalPERS under the Public Employees' Medical and Hospital Care Act (PEMHCA), also referred to as PERS Health. Children are eligible for coverage until age 26. Retired employees who were part of the Public Employees Union #1 (Local One) receive one month's premium at the Kaiser plus one dependent rate for each year of full time service to a maximum of 24 months. In addition, the City offers dental and vision insurance. As the City's OPEB benefits are administered by City personnel, no separate financial statements are issued.

For the year ended June 30, 2015, the City reported 49 retiree employees. The City currently has 102 active participants.

Funding Policy

Employees become eligible to retire under PEMHCA and receive City-paid healthcare benefits upon attainment of age 50 and 5 years of covered PERS service, or by attaining qualifying disability retirement status. The City has selected the unequal contribution method, where it contributes a percent of the amount paid for actives to its eligible retirees. The City contribution is up to 5% of active contribution times years of participation in PEMHCA. All bargaining groups are eligible except for police officers and firefighters. As of June 30, 2015, the City had not established a formal funding policy or trust to maintain future required contributions. The City is currently funding the benefits on a pay-as-you-go basis.

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

**Note 10: Other Post-Employment Benefits (OPEB) (Continued)**

Annual OPEB Cost and Net OPEB Obligation

For the year ended June 30, 2015, the City's annual cost for the healthcare plan was \$386,000. The City's annual OPEB cost contributed to the plan and the net OPEB obligation for the year ended June 30, 2015 were as follows:

Annual required contribution	
Service cost at year end	\$ 422,396
30-year amortization of funded liability	<u>-</u>
Total annual required contribution	<u>422,396</u>
Interest on net OPEB obligation	62,432
Adjustment to net OPEB obligation	<u>(98,828)</u>
Total annual OPEB cost	<u>386,000</u>
Employer contributions	35,038
Net pension obligation, July 1, 2014	<u>1,468,981</u>
Net pension obligation, June 30, 2015	<u><u>\$ 1,819,943</u></u>

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Employer Contribution</u>	<u>Percentage Contributed</u>	<u>Net Ending OPEB</u>
June 30, 2015	\$ 386,000	\$ 35,038	9%	\$ 1,819,943
June 30, 2014	387,000	51,615	13%	1,468,981
June 30, 2013	351,000	118,703	34%	1,133,596

As of June 30, 2015, \$1,383,674 of the net pension obligation was recorded in governmental activities and \$436,269 was recorded in business-type activities on the Statement of Net Position.



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**Note 10: Other Post-Employment Benefits (OPEB) (Continued)**Funded Status and Funding Progress

The funded status of the plan based on an actuarial study using age-adjusted premiums as of June 30, 2015, was as follows:

Actuarial accrued liability (AAL)	
Active employees	\$ 2,071,000
Retired employees	<u>473,000</u>
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 2,544,000</u>
Funded Ratio (actuarial value of plan assets / AAL)	0%
Covered payroll (active plan members)	\$ 7,613,000
UAAL as a percentage of covered payroll	33%

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on the values which the City's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Because 2009 was the year of implementation of GASB Statement No. 45 and the City elected to apply the statement prospectively, only the two most recent actuarial plan data is presented. In future years, required trend data will be presented.

Actuarial Methods and Assumptions

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

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**Note 10: Other Post-Employment Benefits (OPEB) (Continued)**

In the 2014 actuarial valuation, the entry age normal cost method was used along with the level percent of payroll amortization method over a closed 30 years. 24 years are remaining on the initial unfunded liability. The asset valuation method was based on the market value of assets. The actuarial assumptions included a 7.25% interest rate if funded, and a 4.00% interest rate if unfunded. Salary increases were assumed to be 3.25% per year, with general inflation at 3.00%. Medical rate increases were based on experience. Part-time employees would terminate before eligible for retirement. Current active and current retiree spousal coverage was the same as the current coverage at election.

**Note 11: Fund Balance**

The City of Dixon has established the following fund balance policies:

Committed Fund Balance: Only the City Council may have the authority to create or change a fund balance commitment. Committing fund balance is accomplished by approval of a resolution by the City Council. The City committed fund balance for the following specific purposes:

GASB Actuarial Report	\$ 11,480
Playground mulch	2,524
Joint facility agreement with Dixon	
Unified School District	5,971
General Plan	265,502
Building Maintenance	<u>13,000</u>
Total committed fund balance	<u><b>\$ 298,477</b></u>

Assigned Fund Balance: The City Council delegates, by resolution 12-067, authority to the Deputy City Manager - Administrative Services to assign amounts to be used for specific purpose. Assignments are less formal than commitments and can be changed by the Deputy City Manager - Administrative Services. An example of an assignment would be the encumbrance of funds for purchase orders approved but not fulfilled by the end of the year.

The accounting policies of the City consider restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts, and unassigned amounts.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2015**

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**Note 12: Risk Management**

The City is a member of the Northern California Cities Self Insurance Fund (NCCSIF) along with twenty other northern California cities. The NCCSIF is a joint power authority (JPA) organized in accordance with Article 1, Chapter 5, Division 7, Title 1 of the California Government Fund Programs. The purpose is to create a common pool of funds to be used to meet obligations of the parties to provide workers' compensation benefits for their employees and to provide excess liability insurance. The NCCSIF provides claims processing, administrative services, risk management services, and actuarial studies. A member from each city governs the NCCSIF. The City Council members do not have significant oversight responsibility, since they evenly share all factors of responsibility with the other cities. The City does not retain the risk of loss. However, ultimate liability for payment of claims and insurance premiums resides with member cities. The NCCSIF is empowered to make supplemental assessments as needed to eliminate deficit positions of member cities. If the JPA become insolvent, the City is responsible only to the extent of any deficiency in its equity balance.

The NCCSIF establishes claims liabilities based on estimates of the ultimate cost of claims (including future claims settlement expenses) that have been reported but not settled, plus estimates of claims that have been incurred but not reported. Because actual claims costs depend on various factors, the claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision of inflation is implicit in the calculation of estimated future claims costs. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The City's insurance coverage and the respective coverage providers are as follows:

Amount	Coverage Provider	Payment
Liability Claims		
\$0 - \$50,000	Self-insured	Banking layer
\$50,001 - \$500,000	Northern California Cities Self Insurance Fund	Shared risk
\$500,001 - \$40,000,000	California Joint Powers Risk Management Authority	Shared risk
Workers' Compensation		
\$0 - \$100,000	Self-insured	
\$100,001 - \$500,000	Northern California Cities Self Insurance Fund	Banking layer
\$500,001 - \$200,000,000	Commercial insurance	Shared risk

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2015

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**Note 12: Risk Management (Continued)**

There have been no significant reductions in insurance coverage in the prior fiscal year. Also, settlements have not exceeded the insurance coverage for the past three fiscal years. The City's equity investment in the NCCSIF of \$394,948 is recorded as a prepaid asset in the General Fund. Compiled condensed financial information for the NCCSIF for the fiscal year ended June 30, 2015 was as follows:

Total Assets	\$ 51,027,028
Total Liabilities	(41,646,903)
Net Position	(9,380,125)
Total Revenues	16,447,026
Total Expenses	<u>(17,130,833)</u>
Change in Net Position	<u>\$ (683,807)</u>

**Note 13: Solar Operating Lease**

In August 2012, the City entered into a solar lease agreement. The City is obligated to lease the equipment for 7 years with the option to extend for 3 years, and another option to extend for 10 years. The cost of the lease increases each year. As of June 30, 2015, operating costs associated with the lease totaled \$100,856. The City does have the option to purchase the equipment at the end of the 20-year period for the greater of the fair market value or \$1,420,014. Future minimum rental payments are as follows:

2016	\$ 104,784
2017	108,884
2018	103,392
2019	105,966
2020	<u>17,788</u>
	<u>\$ 440,814</u>

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2015

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**Note 14: Deficit Fund Balances**

As of June 30, 2015, the following funds had a fund deficit:

<u>Fund</u>	<u>Deficit</u>
<u>Governmental Funds</u>	
Transit Projects	\$ 509,453
Storm Drainage	1,055,592
CFD Parklane	1,451
 <u>Enterprise Funds</u>	
Transit	180,122
 <u>Fiduciary Funds</u>	
Successor Agency of the former RDA	1,081,780

These deficits were a result of expenditures incurred in advance of receipt of revenue and will be eliminated through future revenues and expenditure reductions.

**Note 15: Contingencies and Commitments**

Grant Awards

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Litigation

The City is involved in several pending lawsuits of a nature common to many similar jurisdictions. City management estimates that potential claims against the City, not covered by insurance, will not have a material adverse effect on the financial statements of the City.

Construction Commitments

The City had construction commitments as of June 30, 2015 totaling \$21,129,329 for various construction projects that were not complete as of year-end.

CITY OF DIXON

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2015

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**Note 16: Fund Balance Restatement**

The City recorded the following restatements to fund balances as of June 30, 2015:

<u>Fund</u>	<u>Restatement</u>	<u>Purpose</u>
Gas Tax Special Revenue Fund	\$ (58,654)	(1)
Sewer Enterprise Fund	(296,005)	(2)
Transit Enterprise Fund	(148,003)	(2)
Water Enterprise Fund	<u>(442,168)</u>	(2)
Total Fund level restatements	<u>(944,830)</u>	
Governmental Activities	<u>(14,933,044)</u>	(2)
Total Restatements	<u>\$ (15,877,874)</u>	

- (1) The gas tax fund was restated to reverse 2014 revenues recognized in fiscal year 2015.  
 (2) These restatements are pursuant to the City's implementation of GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions, an amendment to GASB Statement No. 27.*

**Note 17: Dissolution of Dixon-Solano Water Authority**

On August 11, 2014, the Dixon-Solano Water Authority (the Authority) was dissolved pursuant to Section 5 of the September 1, 2010 Joint Powers Agreement by and between Solano Irrigation District and the City of Dixon. This agreement requires, upon dissolution, that one-hundred percent (100%) of the Authority's operations be transferred to the City of Dixon. On August 11, 2014 (the measurement date of the dissolution), the City recognized all remaining assets, deferred outflows/inflows of resources, and liabilities of the Authority as an special item in the Water Fund, in the amount of \$18,948,250.

Total Assets, total liabilities, and net position of the Authority as of August 11, 2014 were as follow:

Total assets	\$ 19,803,446
Total liabilities	<u>(855,196)</u>
<b>Net position</b>	<b><u>\$ 18,948,250</u></b>

**Note 18: Subsequent Events**

City of Dixon Issues Community Facilities District Debt

The City of Dixon sold \$7.67 million in Special Tax Bonds for Community Facilities District (CFD) No. 2013-1 (Parklane) Series 2015. The sale took place on September 1<sup>st</sup> and closed on September 17, 2015 with a final maturity on September 1, 2045. Interest rates range from 2.0% to 5.0% with a true interest cost of 4.733683%. The Council established the Parklane CFD in November 2013 and authorized the issuance of sales and bonds (June 2015) which are secured by the levy of special taxes on property to finance certain public improvements. Streetscape & pedestrian improvements and street improvements at neighborhood streets may include grading, curb, gutters, and sidewalks.

Solano Superior Court rules on Sewer Rate Rollback Ballot Measure

The Superior Court ruled that the initiative was unconstitutional on grounds that an administrative action cannot be overturned by an initiative or referendum. The Court also ruled that the planned special election set by the Council for September 2015 and the General election set for November 2016 were unnecessary with regard to the sewer rate rollback initiative. The Court issued the ruling in July 2015.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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## CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 8,903,826	\$ 8,493,300	\$ 9,343,112	\$ 849,812
Intergovernmental	420,442	321,572	360,180	38,608
Licenses and permits	115,053	185,693	355,761	170,068
Intergovernmental	1,317,179	1,324,967	1,356,799	31,832
Charges for services	1,527,487	1,236,487	1,144,583	(91,904)
Use of money and property	179,060	179,060	159,937	(19,123)
Program income	687,661	1,026,259	1,025,819	(440)
Other revenues	49,965	65,490	215,243	149,753
<b>Total Revenues</b>	<b>13,200,673</b>	<b>12,832,828</b>	<b>13,961,434</b>	<b>1,128,606</b>
<b>Expenditures:</b>				
Current:				
<b>General Administration</b>				
City council	85,878	134,611	123,482	11,129
City manager	347,408	355,207	342,980	12,227
City clerk	181,772	192,864	184,414	8,450
Administrative services	1,698,530	1,755,273	1,481,943	273,330
Personnel	245,037	263,914	241,780	22,134
City attorney	133,200	133,200	146,802	(13,602)
General liability	216,136	226,971	218,532	8,439
<b>Total General Administration</b>	<b>2,907,961</b>	<b>3,062,040</b>	<b>2,739,933</b>	<b>322,107</b>
<b>Public Safety</b>				
Police	3,916,339	4,087,341	3,683,822	403,519
Fire	3,656,997	4,007,133	3,939,973	67,160
<b>Total Public Safety</b>	<b>7,573,336</b>	<b>8,094,474</b>	<b>7,623,795</b>	<b>470,679</b>
<b>Development</b>				
Planning	395,354	412,659	414,242	(1,583)
<b>Total Development</b>	<b>395,354</b>	<b>412,659</b>	<b>414,242</b>	<b>(1,583)</b>
<b>Parks and Recreation</b>				
Park maintenance	1,085,796	1,102,327	1,060,550	41,777
Recreation	267,241	275,362	251,304	24,058
Senior multi-use center	91,622	94,359	86,977	7,382
<b>Total Parks and Recreation</b>	<b>1,444,659</b>	<b>1,472,048</b>	<b>1,398,831</b>	<b>73,217</b>
<b>Public Ways and Facilities</b>				
Engineering	728,612	749,802	721,645	28,157
Street maintenance	519,290	531,530	522,408	9,122
<b>Total Public Ways and Facilities</b>	<b>1,247,902</b>	<b>1,281,332</b>	<b>1,244,053</b>	<b>37,279</b>
Capital outlay	140,500	392,309	445,695	(53,386)
<b>Total Expenditures</b>	<b>13,709,712</b>	<b>14,714,862</b>	<b>13,866,549</b>	<b>848,313</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(509,039)	(1,882,034)	94,885	1,976,919
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,280,283	1,378,924	689,616	(689,308)
Transfers out	(782,258)	(1,136,210)	(197,641)	938,569
<b>Total Other Financing Sources (Uses)</b>	<b>498,025</b>	<b>242,714</b>	<b>491,975</b>	<b>249,261</b>
Net Change in Fund Balances	(11,014)	(1,639,320)	586,860	2,226,180
Fund Balances, Beginning of Year	6,134,300	6,134,300	6,134,300	-
<b>Fund Balances, End of Year</b>	<b>\$ 6,123,286</b>	<b>\$ 4,494,980</b>	<b>\$ 6,721,160</b>	<b>\$ 2,226,180</b>

See notes to Required Supplementary Information

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 HOME LOANS  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 5,958,606	\$ 5,958,606	\$ 1,540,000	\$ (4,418,606)
Use of money and property	-	-	464	464
<b>Total Revenues</b>	<b>5,958,606</b>	<b>5,958,606</b>	<b>1,540,464</b>	<b>(4,418,142)</b>
<b>Expenditures:</b>				
Current:				
City administration	5,971,606	6,118,879	1,541,511	4,577,368
<b>Total Expenditures</b>	<b>5,971,606</b>	<b>6,118,879</b>	<b>1,541,511</b>	<b>4,577,368</b>
Net Change in Fund Balances	(13,000)	(160,273)	(1,047)	159,226
Fund Balances, Beginning of Year	33,263	33,263	33,263	-
<b>Fund Balances, End of Year</b>	<b>\$ 20,263</b>	<b>\$ (127,010)</b>	<b>\$ 32,216</b>	<b>\$ 159,226</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 HOUSING SUCCESSOR AGENCY  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 450	\$ 450	\$ 20,927	\$ 20,477
Other revenues	960	960	40,046	39,086
<b>Total Revenues</b>	<b>1,410</b>	<b>1,410</b>	<b>60,973</b>	<b>59,563</b>
<b>Expenditures:</b>				
Current:				
City administration	26,000	26,000	-	26,000
<b>Total Expenditures</b>	<b>26,000</b>	<b>26,000</b>	<b>-</b>	<b>26,000</b>
Net Change in Fund Balances	(24,590)	(24,590)	60,973	85,563
Fund Balances, Beginning of Year	25,298	25,298	25,298	-
<b>Fund Balances, End of Year</b>	<b>\$ 708</b>	<b>\$ 708</b>	<b>\$ 86,271</b>	<b>\$ 85,563</b>

CITY OF DIXON

MISCELLANEOUS PLAN  
 COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 AS OF JUNE 30, 2015

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	<u>2015<sup>(1)</sup></u>
Proportion of the Net Pension Liability	
Tier 1	0.10486%
Tier - PEPR	0.00001%
Proportionate Share of the Net Pension Liability	
Tier 1	\$ 6,525,140
Tier - PEPR	648
Covered-Employee Payroll <sup>(2)</sup>	
Tier 1	\$ 3,222,931
Tier - PEPR	134,613
Proportionate Share of the Net Pension Liability as Percentage of Covered-Employee Payroll	
Tier 1	202.46%
Tier - PEPR	0.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability <sup>(3)</sup>	
Tier 1	76.21%
Tier - PEPR	83.03%

**Notes to Schedule:**

Benefit Changes:

None.

Changes of Assumptions:

None.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only one year is shown. Measurement date used is 6/30/2014.

(2) Covered-Employee Payroll represented above is based on pensionable earnings received by CalPERS.

(3) Plan represents the total CalPERS Miscellaneous Plan

**CITY OF DIXON**

**SAFETY POLICE PLAN  
 COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 AS OF JUNE 30, 2015**

---

	<u>2015<sup>(1)</sup></u>
Proportion of the Net Pension Liability	
Tier 1	0.08263%
Tier 2	0.00024%
Proportionate Share of the Net Pension Liability	
Tier 1	\$ 5,141,411
Tier 2	15,244
Covered-Employee Payroll <sup>(2)</sup>	
Tier 1	\$ 1,160,290
Tier 2	445,250
Proportionate Share of the Net Pension Liability as Percentage of Covered-Employee Payroll	
Tier 1	443.11%
Tier 2	3.42%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability <sup>(3)</sup>	
Tier 1	74.56%
Tier 2	81.42%

**Notes to Schedule:**

Benefit Changes:

None.

Changes of Assumptions:

None.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only one year is shown. Measurement date used is 6/30/2014.

(2) Covered-Employee Payroll represented above is based on pensionable earnings received by CalPERS.

(3) Plan represents the total CalPERS Miscellaneous Plan

**CITY OF DIXON**

**SAFETY FIRE PLAN  
 COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 AS OF JUNE 30, 2015**

---

	<u>2015<sup>(1)</sup></u>
Proportion of the Net Pension Liability	
Tier 1	0.03424%
Tier 2	0.00008%
Proportionate Share of the Net Pension Liability	
Tier 1	\$ 2,130,767
Tier 2	4,972
Covered-Employee Payroll <sup>(2)</sup>	
Tier 1	\$ 1,562,122
Tier 2	119,929
Proportionate Share of the Net Pension Liability as Percentage of Covered-Employee Payroll	
Tier 1	136.40%
Tier 2	4.15%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability <sup>(3)</sup>	
Tier 1	79.39%
Tier 2	81.42%

**Notes to Schedule:**

Benefit Changes:

None.

Changes of Assumptions:

None.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only one year is shown. Measurement date used is 6/30/2014.

(2) Covered-Employee Payroll represented above is based on pensionable earnings received by CalPERS.

(3) Plan represents the total CalPERS Miscellaneous Plan



**CITY OF DIXON**

**MISCELLANEOUS PLAN  
 COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN  
 SCHEDULE OF PLAN CONTRIBUTIONS  
 AS OF JUNE 30, 2015**

---

	<u>2015<sup>(1)</sup></u>
Actuarially Determined Contribution	\$ 682,923
Contribution in Relation to the Actuarially Determined Contribution	(682,923)
Contribution Deficiency (Excess)	<u>\$ -</u>
Covered-Employee Payroll	\$ 3,222,931
Contributions as a Percentage of Covered-Employee Payroll	21.19%

(1) Fiscal Year 2015 was the first year of implementation, therefore only one year is shown.

**Note to Schedule:**

Valuation Date:	June 30, 2012
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers Example	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Assets valuation method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment rate of return	7.5% net of pension plan investment expense, including inflation
Retirement age	50 Years
Mortality	Derived using CalPERS Membership Data for all Funds

**CITY OF DIXON**

**MISCELLANEOUS PEPRA PLAN  
 COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN  
 SCHEDULE OF PLAN CONTRIBUTIONS  
 AS OF JUNE 30, 2015**

---

	<u>2015<sup>(1)</sup></u>
Actuarially Determined Contribution	\$ 8,133
Contribution in Relation to the Actuarially Determined Contribution	(8,133)
Contribution Deficiency (Excess)	<u>\$ -</u>
Covered-Employee Payroll	\$ 134,613
Contributions as a Percentage of Covered-Employee Payroll	6.04%

(1) Fiscal Year 2015 was the first year of implementation, therefore only one year is shown.

**Note to Schedule:**

Valuation Date:	June 30, 2012
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers Example	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Assets valuation method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment rate of return	7.5% net of pension plan investment expense, including inflation
Retirement age	50 Years
Mortality	Derived using CalPERS Membership Data for all Funds

**CITY OF DIXON**

**SAFETY POLICE PLAN TIER 1  
 COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN  
 SCHEDULE OF PLAN CONTRIBUTIONS  
 AS OF JUNE 30, 2015**

	<u>2015<sup>(1)</sup></u>
Actuarially Determined Contribution	\$ 416,610
Contribution in Relation to the Actuarially Determined Contribution	(416,610)
Contribution Deficiency (Excess)	<u>\$ -</u>
Covered-Employee Payroll	\$ 1,160,290
Contributions as a Percentage of Covered-Employee Payroll	35.91%

(1) Fiscal Year 2015 was the first year of implementation, therefore only one year is shown.

**Note to Schedule:**

Valuation Date:	June 30, 2012
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers Example	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Assets valuation method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment rate of return	7.5% net of pension plan investment expense, including inflation
Retirement age	50 Years
Mortality	Derived using CalPERS Membership Data for all Funds

**CITY OF DIXON**

**SAFETY POLICE PLAN TIER 2  
 COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN  
 SCHEDULE OF PLAN CONTRIBUTIONS  
 AS OF JUNE 30, 2015**

---

	<u>2015<sup>(1)</sup></u>
Actuarially Determined Contribution	\$ 89,713
Contribution in Relation to the Actuarially Determined Contribution	(89,713)
Contribution Deficiency (Excess)	<u>\$ -</u>
Covered-Employee Payroll	\$ 445,250
Contributions as a Percentage of Covered-Employee Payroll	20.15%

(1) Fiscal Year 2015 was the first year of implementation, therefore only one year is shown.

**Note to Schedule:**

Valuation Date:	June 30, 2012
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers Example	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Assets valuation method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment rate of return	7.5% net of pension plan investment expense, including inflation
Retirement age	50 Years
Mortality	Derived using CalPERS Membership Data for all Funds

**CITY OF DIXON**

**SAFETY FIRE PLAN TIER 1  
 COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN  
 SCHEDULE OF PLAN CONTRIBUTIONS  
 AS OF JUNE 30, 2015**

---

	<u>2015<sup>(1)</sup></u>
Actuarially Determined Contribution	\$ 486,792
Contribution in Relation to the Actuarially Determined Contribution	<u>(486,792)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>
Covered-Employee Payroll	\$ 1,562,122
Contributions as a Percentage of Covered-Employee Payroll	31.16%

(1) Fiscal Year 2015 was the first year of implementation, therefore only one year is shown.

**Note to Schedule:**

Valuation Date:	June 30, 2012
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers Example	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Assets valuation method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment rate of return	7.5% net of pension plan investment expense, including inflation
Retirement age	50 Years
Mortality	Derived using CalPERS Membership Data for all Funds

**CITY OF DIXON**

**SAFETY FIRE PLAN TIER 2  
 COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN  
 SCHEDULE OF PLAN CONTRIBUTIONS  
 AS OF JUNE 30, 2015**

	<u>2015<sup>(1)</sup></u>
Actuarially Determined Contribution	\$ 26,197
Contribution in Relation to the Actuarially Determined Contribution	(26,197)
Contribution Deficiency (Excess)	<u>\$ -</u>
Covered-Employee Payroll	\$ 119,929
Contributions as a Percentage of Covered-Employee Payroll	21.84%

(1) Fiscal Year 2015 was the first year of implementation, therefore only one year is shown.

**Note to Schedule:**

Valuation Date:	June 30, 2012
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers Example	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Assets valuation method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment rate of return	7.5% net of pension plan investment expense, including inflation
Retirement age	50 Years
Mortality	Derived using CalPERS Membership Data for all Funds

CITY OF DIXON

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)  
JUNE 30, 2015

---

Actuarial Valuation Date	Normal Accrued Liability	Actuarial Value of Assets	Liability (Excess Assets)	Funded Status	Annual Covered Payroll	UAAL as a % of Covered Payroll
June 30, 2011	\$ 2,096,000	\$ -	\$ 2,096,000	0%	\$ 7,249,000	29%
June 30, 2014	2,544,000	-	2,544,000	0%	7,613,000	33%

See Accompanying Notes to the Basic Financial Statements

**CITY OF DIXON**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY ACCOUNTING AND CONTROL  
JUNE 30, 2015**

---

The City Council establishes budgets for all governmental funds on a basis consistent with Generally Accepted Accounting Principles, with the exception of capital projects which are budgeted on a project length basis. Budgetary control is legally maintained at the fund level. The City Manager submits a proposed budget to the City Council for the following year beginning July 1. The preliminary budget may or may not be amended by the City Council after public hearings are held and is adopted by City Council resolution prior to July 1 in accordance with the municipal code.

The City Council may amend the budget by motion during the fiscal year. The City Manager is authorized to transfer budgeted amounts within an object or purpose within any department. However, the City Council must approve revisions that alter the total expenditures of any department.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year. All budget amounts presented in the accompanying financial statements and supplementary information have been adjusted for legally authorized revisions of the annual budgets during the year. Amounts represent the original budgeted amounts and all supplemental appropriations.

**Excess Expenditures and Transfers Over Appropriations**

The following departments experienced expenditures in excess of appropriations:

<u>Department/Function</u>	<u>Excess Expenditures</u>
<b>General Administration</b>	
City Attorney	\$ 13,602
<b>Development</b>	
Planning	1,583
<b>Capital Outlay</b>	53,386



**COMBINING FINANCIAL SCHEDULES AND OTHER SUPPLEMENTARY INFORMATION**

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## NON-MAJOR GOVERNMENTAL FUNDS

The following funds are reported in total on the Governmental Fund Financial Statements under the column Other Governmental Funds.

### SPECIAL REVENUE FUNDS

#### Gas Tax Fund

This fund is used to account for receipts and expenditures of monies apportioned for road projects under the Street and Highway Code Sections 2103, 2105, 2106, 2107, and 2107.5 of the State of California.

#### Traffic Safety

This fund is used to account for receipts of motor vehicle fines and forfeitures expended for traffic safety projects.

#### Used Oil Recycling Block Grant Fund

This fund is used to account for receipts and expenditures for the Used Oil Recycling Grant provided by the State of California to reduce the amount of illegally disposed used oil and oil related products.

#### COPS Block Grant

This fund accounts for the receipts and expenditures for the "Community Oriented Public Safety" funds provided by the State of California.

#### Asset Forfeiture Fund

This fund is used to account for receipts and expenditures related to asset forfeitures.

#### CDBG Fund

This fund is used to account for the City's participation in the Community Development Block Grant programs, which provides loans to businesses to generate jobs for new employees in the targeted income group (generally low income).

#### Landscaping and Lighting Assessment Districts

This fund is used to account for revenues from assessments and expenditures for the landscaping maintenance and lighting operations of 10 zones within the City limits.

#### Valley Glen Storm Drain

This fund accounts for revenues from assessments and expenditures for the maintenance of the Valley Glen Pump Station and for the Valley Glen housing development proportionate share of cost for the pond A and lateral one storm drainage improvements.

#### CFD Pond C

This fund accounts for assessments and expenditures for the maintenance of the drainage Pond C. The funding for this maintenance is shared by the Brookfield development and the City.

#### CFD Parklane

This fund accounts for Community Facility Districts assessments on new home construction, this may include street improvements, sanitary sewer, storm drain, and water improvements.

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## **CAPITAL PROJECT FUNDS**

### Capital Improvements Fund

This fund is used to account for miscellaneous capital projects and for portions of capital projects which do not have other resources available (i.e., ineligible for development impact fees).

### Community Development Fund

This fund is used to account for miscellaneous capital projects and for portions of capital projects which do not have other resources available (i.e., ineligible for development impact fees), and for economic development support.

### Fire Fund

This fund is used to account for revenue and expenditures budgeted for capital projects relating to fire infrastructure.

### Police Fund

This fund is used to account for revenue and expenditures budgeted for capital projects relating to police infrastructure.

### City Facilities Fund

This fund accounts for revenue and expenditures budgeted for capital projects relating to administrative infrastructure.

### Public Works Fund

This fund accounts for revenues and expenditures budgeted for capital projects relating to public works (municipal service center) infrastructure.

### Storm Drain Fund

This fund is used to account for resources budgeted for storm drain projects.

### Core Area Drainage

This fund is used to track revenues and expenditures related to the Core Area Drainage Project.

### Transit Projects Fund

This fund is used to account for grants received to fund transit facilities.

### Recreation Improvements Fund

This fund is used to account for development impact fees collected to fund expansion of recreation and park facilities.

### Park Improvement Fund

This fund is used to track impact fees collected specifically for capital improvements to parks.

### Transportation Fund

The transportation fund is a capital projects fund used to account for the revenues and expenses budgeted for capital projects relating to transportation.

### Agricultural Land Mitigation Fund

This fund is used to account for development impact fees collected to fund greenbelts.

## **DEBT SERVICE FUNDS**

### Lease Financing

This fund is used to account for the debt service payments of the 2012 Lease bonds issued for the refunding of the bonds in funds 240, 250, and 270.

CITY OF DIXON

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

	Special Revenue Funds			
	CDBG	Gas Tax	Traffic Safety	Used Oil Recycling Block Grant
<b>Assets:</b>				
Pooled cash and investments	\$ 427,947	\$ 485,186	\$ 75,709	\$ 3,792
Receivables:				
Notes and loans	314,681	-	-	-
Accrued interest	577	791	100	7
Grants	9,038	-	-	-
Due from other governments	-	-	412	-
Advances to other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 752,243</b>	<b>\$ 485,977</b>	<b>\$ 76,221</b>	<b>\$ 3,799</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 2,070	\$ 684
Accrued liabilities	-	-	-	-
Advances from other funds	9,261	-	-	-
<b>Total Liabilities</b>	<b>9,261</b>	<b>-</b>	<b>2,070</b>	<b>684</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	323,720	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>323,720</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Restricted for:</b>				
Community development projects	419,262	-	-	-
Public safety	-	-	74,151	-
Parks and recreation	-	-	-	-
Public works	-	-	-	3,115
Capital Projects	-	485,977	-	-
Valley Glen Storm Drainage	-	-	-	-
<b>Committed to:</b>				
Encumbrances	-	-	-	-
<b>Assigned to:</b>				
Public works	-	-	-	-
Capital Projects	-	-	-	-
Community development	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>419,262</b>	<b>485,977</b>	<b>74,151</b>	<b>3,115</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 752,243</b>	<b>\$ 485,977</b>	<b>\$ 76,221</b>	<b>\$ 3,799</b>

CITY OF DIXON

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

	Special Revenue Funds			
	COPS Block Grant	Asset Forfeiture	Landscaping and Lighting Assessment Districts	Valley Glen Storm Drain
<b>Assets:</b>				
Pooled cash and investments	\$ 177,034	\$ 3,108	\$ 127,333	\$ 1,091,465
Receivables:				
Notes and loans	-	-	-	-
Accrued interest	248	4	179	1,478
Grants	10,434	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 187,716</b>	<b>\$ 3,112</b>	<b>\$ 127,512</b>	<b>\$ 1,092,943</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 9,119	\$ 11,305
Accrued liabilities	2,319	-	6,069	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>2,319</b>	<b>-</b>	<b>15,188</b>	<b>11,305</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Restricted for:</b>				
Community development projects	-	-	-	-
Public safety	185,397	3,112	-	-
Parks and recreation	-	-	112,324	-
Public works	-	-	-	-
Capital Projects	-	-	-	-
Valley Glen Storm Drainage	-	-	-	1,081,638
<b>Committed to:</b>				
Encumbrances	-	-	-	-
<b>Assigned to:</b>				
Public works	-	-	-	-
Capital Projects	-	-	-	-
Community development	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>185,397</b>	<b>3,112</b>	<b>112,324</b>	<b>1,081,638</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 187,716</b>	<b>\$ 3,112</b>	<b>\$ 127,512</b>	<b>\$ 1,092,943</b>

CITY OF DIXON

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

	Special Revenue Funds		Capital Projects Funds	
	CFD Pond C	CFD Parklane	Capital Improvements	Community Development
<b>Assets:</b>				
Pooled cash and investments	\$ 43,666	\$ -	\$ 285,588	\$ 172
Receivables:				
Notes and loans	-	-	-	-
Accrued interest	55	-	429	-
Grants	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 43,721</b>	<b>\$ -</b>	<b>\$ 286,017</b>	<b>\$ 172</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 1,451	\$ 3,957	\$ -
Accrued liabilities	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>1,451</b>	<b>3,957</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Restricted for:</b>				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital Projects	43,721	-	-	-
Valley Glen Storm Drainage	-	-	-	-
<b>Committed to:</b>				
Encumbrances	-	-	93,850	-
<b>Assigned to:</b>				
Public works	-	-	-	-
Capital Projects	-	-	188,210	-
Community development	-	-	-	172
<b>Unassigned</b>	<b>-</b>	<b>(1,451)</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>43,721</b>	<b>(1,451)</b>	<b>282,060</b>	<b>172</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 43,721</b>	<b>\$ -</b>	<b>\$ 286,017</b>	<b>\$ 172</b>



CITY OF DIXON

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

	<u>Capital Projects Funds</u>			
	<u>Fire</u>	<u>Police</u>	<u>City Facilities</u>	<u>Public Works</u>
<b>Assets:</b>				
Pooled cash and investments	\$ 105,962	\$ 46,071	\$ 65,929	\$ 343,569
Receivables:				
Notes and loans	-	-	-	-
Accrued interest	155	67	97	467
Grants	-	-	-	83,759
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 106,117</u></b>	<b><u>\$ 46,138</u></b>	<b><u>\$ 66,026</u></b>	<b><u>\$ 427,795</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 4,174
Accrued liabilities	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>4,174</u></b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	83,759
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>83,759</u></b>
<b>Fund Balances:</b>				
<b>Restricted for:</b>				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital Projects	106,117	46,138	66,026	-
Valley Glen Storm Drainage	-	-	-	-
<b>Committed to:</b>				
Encumbrances	-	-	-	-
<b>Assigned to:</b>				
Public works	-	-	-	339,862
Capital Projects	-	-	-	-
Community development	-	-	-	-
<b>Unassigned</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Fund Balances</b>	<b><u>106,117</u></b>	<b><u>46,138</u></b>	<b><u>66,026</u></b>	<b><u>339,862</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 106,117</u></b>	<b><u>\$ 46,138</u></b>	<b><u>\$ 66,026</u></b>	<b><u>\$ 427,795</u></b>

CITY OF DIXON

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

	<u>Capital Projects Funds</u>			
	<u>Storm Drainage</u>	<u>Core Area Drainage</u>	<u>Transit Projects</u>	<u>Recreation Improvements</u>
<b>Assets:</b>				
Pooled cash and investments	\$ -	\$ 1,438	\$ -	\$ 1,799,944
Receivables:				
Notes and loans	-	-	-	-
Accrued interest	107	-	-	2,436
Grants	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 107</u></b>	<b><u>\$ 1,438</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,802,380</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Advances from other funds	1,055,699	-	509,453	-
<b>Total Liabilities</b>	<b><u>1,055,699</u></b>	<b><u>-</u></b>	<b><u>509,453</u></b>	<b><u>-</u></b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>				
<b>Restricted for:</b>				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital Projects	-	-	-	1,802,380
Valley Glen Storm Drainage	-	-	-	-
<b>Committed to:</b>				
Encumbrances	-	-	-	-
<b>Assigned to:</b>				
Public works	-	-	-	-
Capital Projects	-	1,438	-	-
Community development	-	-	-	-
<b>Unassigned</b>	<b><u>(1,055,592)</u></b>	<b><u>-</u></b>	<b><u>(509,453)</u></b>	<b><u>-</u></b>
<b>Total Fund Balances</b>	<b><u>(1,055,592)</u></b>	<b><u>1,438</u></b>	<b><u>(509,453)</u></b>	<b><u>1,802,380</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 107</u></b>	<b><u>\$ 1,438</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,802,380</u></b>

CITY OF DIXON

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

	<u>Capital Projects Funds</u>		
	<u>Parks</u>	<u>Agricultural Land Mitigation</u>	<u>Transportation</u>
<b>Assets:</b>			
Pooled cash and investments	\$ 822,801	\$ 64,332	\$ 3,561,397
Receivables:			
Notes and loans	-	-	-
Accrued interest	1,114	87	4,508
Grants	-	-	-
Due from other governments	-	-	-
Advances to other funds	-	-	1,494,222
<b>Total Assets</b>	<b><u>\$ 823,915</u></b>	<b><u>\$ 64,419</u></b>	<b><u>\$ 5,060,127</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ -	\$ 10,528
Accrued liabilities	-	-	-
Advances from other funds	-	-	-
<b>Total Liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>10,528</u></b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>			
<b>Restricted for:</b>			
Community development projects	-	-	-
Public safety	-	-	-
Parks and recreation	-	-	-
Public works	-	-	-
Capital Projects	823,915	64,419	3,586,805
Valley Glen Storm Drainage	-	-	-
<b>Committed to:</b>			
Encumbrances	-	-	1,462,794
<b>Assigned to:</b>			
Public works	-	-	-
Capital Projects	-	-	-
Community development	-	-	-
<b>Unassigned</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Fund Balances</b>	<b><u>823,915</u></b>	<b><u>64,419</u></b>	<b><u>5,049,599</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 823,915</u></b>	<b><u>\$ 64,419</u></b>	<b><u>\$ 5,060,127</u></b>

CITY OF DIXON

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

	<u>Debt Service Funds</u>	<u>Total Governmental Funds</u>
	<u>Lease Financing</u>	
<b>Assets:</b>		
Pooled cash and investments	\$ -	\$ 9,532,443
Receivables:		
Notes and loans	-	314,681
Accrued interest	-	12,906
Grants	-	103,231
Due from other governments	-	412
Advances to other funds	-	1,494,222
	<u>-</u>	<u>1,494,222</u>
<b>Total Assets</b>	<b><u>\$ -</u></b>	<b><u>\$ 11,457,895</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>		
<b>Liabilities:</b>		
Accounts payable	\$ -	\$ 43,288
Accrued liabilities	-	8,388
Advances from other funds	-	1,574,413
	<u>-</u>	<u>1,574,413</u>
<b>Total Liabilities</b>	<b><u>-</u></b>	<b><u>1,626,089</u></b>
<b>Deferred Inflows of Resources:</b>		
Unavailable revenues	-	407,479
	<u>-</u>	<u>407,479</u>
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>407,479</u></b>
<b>Fund Balances:</b>		
<b>Restricted for:</b>		
Community development projects	-	419,262
Public safety	-	262,660
Parks and recreation	-	112,324
Public works	-	3,115
Capital Projects	-	7,025,498
Valley Glen Storm Drainage	-	1,081,638
<b>Committed to:</b>		
Encumbrances	-	1,556,644
<b>Assigned to:</b>		
Public works	-	339,862
Capital Projects	-	189,648
Community development	-	172
<b>Unassigned</b>	-	(1,566,496)
	<u>-</u>	<u>(1,566,496)</u>
<b>Total Fund Balances</b>	<b><u>-</u></b>	<b><u>9,424,327</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ -</u></b>	<b><u>\$ 11,457,895</u></b>

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## CITY OF DIXON

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	<b>Special Revenue Funds</b>			
	<b>CDBG</b>	<b>Gas Tax</b>	<b>Traffic Safety</b>	<b>Used Oil Recycling Block Grant</b>
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 544,979	\$ -	\$ 5,435
Charges for services	-	-	-	-
Use of money and property	18,418	1,492	217	13
Fines and forfeitures	-	-	17,208	-
Developer participation	-	-	-	-
Miscellaneous	105,427	-	-	-
<b>Total Revenues</b>	<b>123,845</b>	<b>546,471</b>	<b>17,425</b>	<b>5,448</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	15,646	-	5,728
Community development	14,514	-	-	-
Public works	-	32,621	26,949	-
Capital outlay	-	75,747	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>14,514</b>	<b>124,014</b>	<b>26,949</b>	<b>5,728</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	109,331	422,457	(9,524)	(280)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	(384,542)	(725)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(384,542)</b>	<b>(725)</b>	<b>-</b>
Net Change in Fund Balances	109,331	37,915	(10,249)	(280)
Fund Balances, Beginning of Year	309,931	506,716	84,400	3,395
Restatements	-	(58,654)	-	-
Fund Balances, Beginning of Year, as Restated	309,931	448,062	84,400	3,395
<b>Fund Balances, End of Year</b>	<b>\$ 419,262</b>	<b>\$ 485,977</b>	<b>\$ 74,151</b>	<b>\$ 3,115</b>

## CITY OF DIXON

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	<b>Special Revenue Funds</b>			
	<b>COPS Block Grant</b>	<b>Asset Forfeiture</b>	<b>Landscaping and Lighting Assessment</b>	<b>Valley Glen Storm Drain</b>
<b>Revenues:</b>				
Intergovernmental	\$ 106,494	\$ -	\$ -	\$ -
Charges for services	-	-	146,371	91,061
Use of money and property	519	11	344	2,985
Fines and forfeitures	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>107,013</b>	<b>11</b>	<b>146,715</b>	<b>94,046</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	61,825	2,257	-	-
Community development	-	-	-	-
Public works	-	-	227,815	85,130
Capital outlay	54,292	-	-	10,356
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>116,117</b>	<b>2,257</b>	<b>227,815</b>	<b>95,486</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,104)	(2,246)	(81,100)	(1,440)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	55,762	-
Transfers out	(18,200)	-	-	(1,168)
<b>Total Other Financing Sources (Uses)</b>	<b>(18,200)</b>	<b>-</b>	<b>55,762</b>	<b>(1,168)</b>
Net Change in Fund Balances	(27,304)	(2,246)	(25,338)	(2,608)
Fund Balances, Beginning of Year	212,701	5,358	137,662	1,084,246
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	212,701	5,358	137,662	1,084,246
<b>Fund Balances, End of Year</b>	<b>\$ 185,397</b>	<b>\$ 3,112</b>	<b>\$ 112,324</b>	<b>\$ 1,081,638</b>

## CITY OF DIXON

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	Special Revenue Funds		Capital Projects Funds	
	CFD Pond C	CFD Parklane	Capital Improvements	Community Development
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Use of money and property	79	-	1,514	-
Fines and forfeitures	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	6,695	-	-	-
<b>Total Revenues</b>	<b>6,774</b>	<b>-</b>	<b>1,514</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Public works	2,768	1,451	4,142	-
Capital outlay	-	-	8,148	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>2,768</b>	<b>1,451</b>	<b>12,290</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,006	(1,451)	(10,776)	-
<b>Other Financing Sources (Uses):</b>				
Transfers in	22,540	-	-	-
Transfers out	(69)	-	(262,136)	-
<b>Total Other Financing Sources (Uses)</b>	<b>22,471</b>	<b>-</b>	<b>(262,136)</b>	<b>-</b>
Net Change in Fund Balances	26,477	(1,451)	(272,912)	-
Fund Balances, Beginning of Year	17,244	-	554,972	172
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	17,244	-	554,972	172
<b>Fund Balances, End of Year</b>	<b>\$ 43,721</b>	<b>\$ (1,451)</b>	<b>\$ 282,060</b>	<b>\$ 172</b>



## CITY OF DIXON

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	<b>Capital Projects Funds</b>			
	<b>Fire</b>	<b>Police</b>	<b>City Facilities</b>	<b>Public Works</b>
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ 38,127
Charges for services	173,458	75,417	110,460	-
Use of money and property	190	82	120	1,042
Fines and forfeitures	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>173,648</b>	<b>75,499</b>	<b>110,580</b>	<b>39,169</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	83,760
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83,760</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	173,648	75,499	110,580	(44,591)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	(67,531)	(29,361)	(44,554)	(12,501)
<b>Total Other Financing Sources (Uses)</b>	<b>(67,531)</b>	<b>(29,361)</b>	<b>(44,554)</b>	<b>(12,501)</b>
Net Change in Fund Balances	106,117	46,138	66,026	(57,092)
Fund Balances, Beginning of Year	-	-	-	396,954
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	-	-	-	396,954
<b>Fund Balances, End of Year</b>	<b>\$ 106,117</b>	<b>\$ 46,138</b>	<b>\$ 66,026</b>	<b>\$ 339,862</b>

## CITY OF DIXON

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	<b>Capital Projects Funds</b>			
	<b>Storm Drainage</b>	<b>Core Area Drainage</b>	<b>Transit Projects</b>	<b>Recreation Improvements</b>
<b>Revenues:</b>				
Intergovernmental	\$ 32,583	\$ -	\$ -	\$ -
Charges for services	-	-	-	985,741
Use of money and property	368	434	-	3,727
Fines and forfeitures	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>32,951</b>	<b>434</b>	<b>-</b>	<b>989,468</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Public works	8,649	-	4,443	-
Capital outlay	-	66,736	28,031	1,416
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>8,649</b>	<b>66,736</b>	<b>32,474</b>	<b>1,416</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,302	(66,302)	(32,474)	988,052
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	224,364	129,615	-
Transfers out	(1,907)	(25)	(45)	(19)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,907)</b>	<b>224,339</b>	<b>129,570</b>	<b>(19)</b>
Net Change in Fund Balances	22,395	158,037	97,096	988,033
Fund Balances, Beginning of Year	(1,077,987)	(156,599)	(606,549)	814,347
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	(1,077,987)	(156,599)	(606,549)	814,347
<b>Fund Balances, End of Year</b>	<b>\$ (1,055,592)</b>	<b>\$ 1,438</b>	<b>\$ (509,453)</b>	<b>\$ 1,802,380</b>

## CITY OF DIXON

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	Capital Projects Funds			Debt Service Funds
	Agricultural Land			Lease Financing
	Parks	Mitigation	Transportation	
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	185,219	-	-	-
Use of money and property	2,031	177	22,134	(2)
Fines and forfeitures	-	-	-	-
Developer participation	-	-	128,901	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>187,250</b>	<b>177</b>	<b>151,035</b>	<b>(2)</b>
<b>Expenditures:</b>				
Current:				
General government	6,722	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Public works	-	-	15,274	-
Capital outlay	-	-	119,942	-
Debt service:				
Principal retirement	-	-	-	210,600
Interest and fiscal charges	-	-	-	53,105
<b>Total Expenditures</b>	<b>6,722</b>	<b>-</b>	<b>135,216</b>	<b>263,705</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	180,528	177	15,819	(263,707)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	76,000	259,237
Transfers out	-	-	(6,399)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>69,601</b>	<b>259,237</b>
Net Change in Fund Balances	180,528	177	85,420	(4,470)
Fund Balances, Beginning of Year	643,387	64,242	4,964,179	4,470
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	643,387	64,242	4,964,179	4,470
<b>Fund Balances, End of Year</b>	<b>\$ 823,915</b>	<b>\$ 64,419</b>	<b>\$ 5,049,599</b>	<b>\$ -</b>

CITY OF DIXON

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	<b>Total Governmental Funds</b>
<b>Revenues:</b>	
Intergovernmental	\$ 727,618
Charges for services	1,767,727
Use of money and property	55,895
Fines and forfeitures	17,208
Developer participation	128,901
Miscellaneous	112,122
	<hr/>
<b>Total Revenues</b>	<b>2,809,471</b>
	<hr/>
<b>Expenditures:</b>	
Current:	
General government	6,722
Public safety	85,456
Community development	14,514
Public works	409,242
Capital outlay	448,428
Debt service:	
Principal retirement	210,600
Interest and fiscal charges	53,105
	<hr/>
<b>Total Expenditures</b>	<b>1,228,067</b>
	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,581,404
	<hr/>
<b>Other Financing Sources (Uses):</b>	
Transfers in	767,518
Transfers out	(829,182)
	<hr/>
<b>Total Other Financing Sources (Uses)</b>	<b>(61,664)</b>
	<hr/>
Net Change in Fund Balances	1,519,740
	<hr/>
Fund Balances, Beginning of Year	7,963,241
Restatements	(58,654)
	<hr/>
Fund Balances, Beginning of Year, as Restated	7,904,587
	<hr/>
<b>Fund Balances, End of Year</b>	<b>\$ 9,424,327</b>
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CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 GAS TAX  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 467,822	\$ 467,822	\$ 544,979	\$ 77,157
Use of money and property	1,725	1,725	1,492	(233)
<b>Total Revenues</b>	<b>469,547</b>	<b>469,547</b>	<b>546,471</b>	<b>76,924</b>
<b>Expenditures:</b>				
Current:				
Public safety	20,000	20,000	15,646	4,354
Public works	77,312	78,204	32,621	45,583
Capital outlay	1,000	111,938	75,747	36,191
<b>Total Expenditures</b>	<b>98,312</b>	<b>210,142</b>	<b>124,014</b>	<b>86,128</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	371,235	259,405	422,457	163,052
<b>Other Financing Sources (Uses):</b>				
Transfers out	(385,189)	(385,189)	(384,542)	647
<b>Total Other Financing Sources (Uses)</b>	<b>(385,189)</b>	<b>(385,189)</b>	<b>(384,542)</b>	<b>647</b>
Net Change in Fund Balances	(13,954)	(125,784)	37,915	163,699
Fund Balances, Beginning of Year	506,716	506,716	506,716	-
Restatements	-	-	(58,654)	-
Fund Balances, Beginning of Year, as restated	448,062	448,062	448,062	-
<b>Fund Balances, End of Year</b>	<b>\$ 434,108</b>	<b>\$ 322,278</b>	<b>\$ 485,977</b>	<b>\$ 163,699</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 TRAFFIC SAFETY  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 350	\$ 350	\$ 217	\$ (133)
Fines and forfeitures	60,000	60,000	17,208	(42,792)
<b>Total Revenues</b>	<b>60,350</b>	<b>60,350</b>	<b>17,425</b>	<b>(42,925)</b>
<b>Expenditures:</b>				
Current:				
Public works	45,000	59,574	26,949	32,625
<b>Total Expenditures</b>	<b>45,000</b>	<b>59,574</b>	<b>26,949</b>	<b>32,625</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,350	776	(9,524)	(10,300)
<b>Other Financing Sources (Uses):</b>				
Transfers out	(725)	(725)	(725)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(725)</b>	<b>(725)</b>	<b>(725)</b>	<b>-</b>
Net Change in Fund Balances	14,625	51	(10,249)	(10,300)
Fund Balances, Beginning of Year	84,400	84,400	84,400	-
<b>Fund Balances, End of Year</b>	<b>\$ 99,025</b>	<b>\$ 84,451</b>	<b>\$ 74,151</b>	<b>\$ (10,300)</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 USED OIL RECYCLING BLOCK GRANT  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 5,325	\$ 5,325	\$ 5,435	\$ 110
Use of money and property	-	-	13	13
<b>Total Revenues</b>	<b>5,325</b>	<b>5,325</b>	<b>5,448</b>	<b>123</b>
<b>Expenditures:</b>				
Current:				
Public safety	5,325	5,325	5,728	(403)
<b>Total Expenditures</b>	<b>5,325</b>	<b>5,325</b>	<b>5,728</b>	<b>(403)</b>
Net Change in Fund Balances	-	-	(280)	(280)
Fund Balances, Beginning of Year	3,395	3,395	3,395	-
<b>Fund Balances, End of Year</b>	<b>\$ 3,395</b>	<b>\$ 3,395</b>	<b>\$ 3,115</b>	<b>\$ (280)</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 COPS BLOCK GRANT  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 106,494	\$ 6,494
Use of money and property	1,000	1,000	519	(481)
<b>Total Revenues</b>	<b>101,000</b>	<b>101,000</b>	<b>107,013</b>	<b>6,013</b>
<b>Expenditures:</b>				
Current:				
Public safety	123,934	145,974	61,825	84,149
Capital outlay	65,000	75,825	54,292	21,533
<b>Total Expenditures</b>	<b>188,934</b>	<b>221,799</b>	<b>116,117</b>	<b>105,682</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(87,934)	(120,799)	(9,104)	111,695
<b>Other Financing Sources (Uses):</b>				
Transfers out	-	(19,500)	(18,200)	1,300
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(19,500)</b>	<b>(18,200)</b>	<b>1,300</b>
Net Change in Fund Balances	(87,934)	(140,299)	(27,304)	112,995
Fund Balances, Beginning of Year	212,701	212,701	212,701	-
<b>Fund Balances, End of Year</b>	<b>\$ 124,767</b>	<b>\$ 72,402</b>	<b>\$ 185,397</b>	<b>\$ 112,995</b>



CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 CDBG  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 11,860	\$ 11,860	\$ 18,418	\$ 6,558
Other revenues	1,170,880	1,170,880	105,427	(1,065,453)
<b>Total Revenues</b>	<b>1,182,740</b>	<b>1,182,740</b>	<b>123,845</b>	<b>(1,058,895)</b>
<b>Expenditures:</b>				
Current:				
City administration	1,315,000	1,315,000	14,514	1,300,486
<b>Total Expenditures</b>	<b>1,315,000</b>	<b>1,315,000</b>	<b>14,514</b>	<b>1,300,486</b>
Net Change in Fund Balances	(132,260)	(132,260)	109,331	241,591
Fund Balances, Beginning of Year	309,931	309,931	309,931	-
<b>Fund Balances, End of Year</b>	<b>\$ 177,671</b>	<b>\$ 177,671</b>	<b>\$ 419,262</b>	<b>\$ 241,591</b>

CITY OF DIXON

**BUDGETARY COMPARISON SCHEDULE  
LANDSCAPING AND LIGHTING ASSESSMENT DISTRICTS  
YEAR ENDED JUNE 30, 2015**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 144,741	\$ 144,741	\$ 146,371	\$ 1,630
Use of money and property	750	750	344	(406)
<b>Total Revenues</b>	<b>145,491</b>	<b>145,491</b>	<b>146,715</b>	<b>1,224</b>
<b>Expenditures:</b>				
Current:				
Public works	261,742	263,657	227,815	35,842
<b>Total Expenditures</b>	<b>261,742</b>	<b>263,657</b>	<b>227,815</b>	<b>35,842</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(116,251)	(118,166)	(81,100)	37,066
<b>Other Financing Sources (Uses):</b>				
Transfers in	55,762	55,762	55,762	-
<b>Total Other Financing Sources (Uses)</b>	<b>55,762</b>	<b>55,762</b>	<b>55,762</b>	<b>-</b>
Net Change in Fund Balances	(60,489)	(62,404)	(25,338)	37,066
Fund Balances, Beginning of Year	137,662	137,662	137,662	-
<b>Fund Balances, End of Year</b>	<b>\$ 77,173</b>	<b>\$ 75,258</b>	<b>\$ 112,324</b>	<b>\$ 37,066</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 VALLEY GLEN STORM DRAIN  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 89,074	\$ 89,074	\$ 91,061	\$ 1,987
Use of money and property	4,000	4,000	2,985	(1,015)
<b>Total Revenues</b>	<b>93,074</b>	<b>93,074</b>	<b>94,046</b>	<b>972</b>
<b>Expenditures:</b>				
Current:				
Public works	123,400	123,400	85,130	38,270
Capital outlay	12,500	12,500	10,356	2,144
<b>Total Expenditures</b>	<b>135,900</b>	<b>135,900</b>	<b>95,486</b>	<b>40,414</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,826)	(42,826)	(1,440)	41,386
<b>Other Financing Sources (Uses):</b>				
Transfers out	(1,168)	(1,168)	(1,168)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,168)</b>	<b>(1,168)</b>	<b>(1,168)</b>	<b>-</b>
Net Change in Fund Balances	(43,994)	(43,994)	(2,608)	41,386
Fund Balances, Beginning of Year	1,084,246	1,084,246	1,084,246	-
<b>Fund Balances, End of Year</b>	<b>\$ 1,040,252</b>	<b>\$ 1,040,252</b>	<b>\$ 1,081,638</b>	<b>\$ 41,386</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 CFD POND C  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ -	\$ -	\$ 79	\$ 79
Other revenues	6,695	6,695	6,695	-
<b>Total Revenues</b>	<b>6,695</b>	<b>6,695</b>	<b>6,774</b>	<b>79</b>
<b>Expenditures:</b>				
Current:				
Public works	29,165	29,165	2,768	26,397
<b>Total Expenditures</b>	<b>29,165</b>	<b>29,165</b>	<b>2,768</b>	<b>26,397</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,470)	(22,470)	4,006	26,476
<b>Other Financing Sources (Uses):</b>				
Transfers in	22,540	22,540	22,540	-
Transfers out	(69)	(69)	(69)	-
<b>Total Other Financing Sources (Uses)</b>	<b>22,471</b>	<b>22,471</b>	<b>22,471</b>	<b>-</b>
Net Change in Fund Balances	1	1	26,477	26,476
Fund Balances, Beginning of Year	17,244	17,244	17,244	-
<b>Fund Balances, End of Year</b>	<b>\$ 17,245</b>	<b>\$ 17,245</b>	<b>\$ 43,721</b>	<b>\$ 26,476</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 CAPITAL IMPROVEMENTS  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 3,500	\$ 3,500	\$ 1,514	\$ (1,986)
<b>Total Revenues</b>	<b>3,500</b>	<b>3,500</b>	<b>1,514</b>	<b>(1,986)</b>
<b>Expenditures:</b>				
Current:				
Public works	-	56,141	4,142	51,999
Capital outlay	-	50,000	8,148	41,852
<b>Total Expenditures</b>	<b>-</b>	<b>106,141</b>	<b>12,290</b>	<b>93,851</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,500	(102,641)	(10,776)	91,865
<b>Other Financing Sources (Uses):</b>				
Transfers out	-	(262,136)	(262,136)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(262,136)</b>	<b>(262,136)</b>	<b>-</b>
Net Change in Fund Balances	3,500	(364,777)	(272,912)	91,865
Fund Balances, Beginning of Year	554,972	554,972	554,972	-
<b>Fund Balances, End of Year</b>	<b>\$ 558,472</b>	<b>\$ 190,195</b>	<b>\$ 282,060</b>	<b>\$ 91,865</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FIRE  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 67,531	\$ 67,531	\$ 173,458	\$ 105,927
Use of money and property	-	-	190	190
<b>Total Revenues</b>	<b>67,531</b>	<b>67,531</b>	<b>173,648</b>	<b>106,117</b>
<b>Other Financing Sources (Uses):</b>				
Transfers out	(67,531)	(67,531)	(67,531)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(67,531)</b>	<b>(67,531)</b>	<b>(67,531)</b>	<b>-</b>
Net Change in Fund Balances	-	-	106,117	106,117
Fund Balances, Beginning of Year	-	-	-	-
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106,117</b>	<b>\$ 106,117</b>

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE  
 POLICE  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 29,361	\$ 29,361	\$ 75,417	\$ 46,056
Use of money and property	-	-	82	82
<b>Total Revenues</b>	<b>29,361</b>	<b>29,361</b>	<b>75,499</b>	<b>46,138</b>
<b>Other Financing Sources (Uses):</b>				
Transfers out	(29,361)	(29,361)	(29,361)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(29,361)</b>	<b>(29,361)</b>	<b>(29,361)</b>	<b>-</b>
Net Change in Fund Balances	-	-	46,138	46,138
Fund Balances, Beginning of Year	-	-	-	-
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 46,138</b>	<b>\$ 46,138</b>

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE  
 CITY FACILITIES  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 43,006	\$ 43,006	\$ 110,460	\$ 67,454
Use of money and property	400	400	120	(280)
<b>Total Revenues</b>	<b>43,406</b>	<b>43,406</b>	<b>110,580</b>	<b>67,174</b>
<b>Other Financing Sources (Uses):</b>				
Transfers out	(44,554)	(44,554)	(44,554)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(44,554)</b>	<b>(44,554)</b>	<b>(44,554)</b>	<b>-</b>
Net Change in Fund Balances	(1,148)	(1,148)	66,026	67,174
Fund Balances, Beginning of Year	-	-	-	-
<b>Fund Balances, End of Year</b>	<b>\$ (1,148)</b>	<b>\$ (1,148)</b>	<b>\$ 66,026</b>	<b>\$ 67,174</b>



## CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
PUBLIC WORKS  
YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 36,267	\$ 94,737	\$ 38,127	\$ (56,610)
Use of money and property	2,500	2,500	1,042	(1,458)
<b>Total Revenues</b>	<b>38,767</b>	<b>97,237</b>	<b>39,169</b>	<b>(58,068)</b>
<b>Expenditures:</b>				
Capital outlay	25,000	83,470	83,760	(290)
<b>Total Expenditures</b>	<b>25,000</b>	<b>83,470</b>	<b>83,760</b>	<b>(290)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,767	13,767	(44,591)	(58,358)
<b>Other Financing Sources (Uses):</b>				
Transfers out	(12,501)	(12,501)	(12,501)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(12,501)</b>	<b>(12,501)</b>	<b>(12,501)</b>	<b>-</b>
Net Change in Fund Balances	1,266	1,266	(57,092)	(58,358)
Fund Balances, Beginning of Year	396,954	396,954	396,954	-
<b>Fund Balances, End of Year</b>	<b>\$ 398,220</b>	<b>\$ 398,220</b>	<b>\$ 339,862</b>	<b>\$ (58,358)</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 STORM DRAINAGE  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 16,204	\$ 16,204	\$ 32,583	\$ 16,379
Use of money and property	-	-	368	368
Other revenues	1,450	1,450	-	(1,450)
<b>Total Revenues</b>	<b>17,654</b>	<b>17,654</b>	<b>32,951</b>	<b>15,297</b>
<b>Expenditures:</b>				
Current:				
Public works	150,617	150,617	8,649	141,968
<b>Total Expenditures</b>	<b>150,617</b>	<b>150,617</b>	<b>8,649</b>	<b>141,968</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(132,963)	(132,963)	24,302	157,265
<b>Other Financing Sources (Uses):</b>				
Transfers out	(1,907)	(1,907)	(1,907)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,907)</b>	<b>(1,907)</b>	<b>(1,907)</b>	<b>-</b>
Net Change in Fund Balances	(134,870)	(134,870)	22,395	157,265
Fund Balances, Beginning of Year	(1,077,987)	(1,077,987)	(1,077,987)	-
<b>Fund Balances, End of Year</b>	<b>\$ (1,212,857)</b>	<b>\$ (1,212,857)</b>	<b>\$ (1,055,592)</b>	<b>\$ 157,265</b>

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE  
 CORE AREA DRAINAGE  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ -	\$ -	\$ 434	\$ 434
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>434</b>	<b>434</b>
<b>Expenditures:</b>				
Capital outlay	-	190,000	66,736	123,264
<b>Total Expenditures</b>	<b>-</b>	<b>190,000</b>	<b>66,736</b>	<b>123,264</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(190,000)	(66,302)	122,830
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	224,364	224,364	-
Transfers out	(25)	(25)	(25)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(25)</b>	<b>224,339</b>	<b>224,339</b>	<b>-</b>
Net Change in Fund Balances	(25)	34,339	158,037	122,830
Fund Balances, Beginning of Year	(156,599)	(156,599)	(156,599)	-
<b>Fund Balances, End of Year</b>	<b>\$ (156,624)</b>	<b>\$ (122,260)</b>	<b>\$ 1,438</b>	<b>\$ 122,830</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 TRANSIT PROJECTS  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
Public works	\$ 74,290	\$ 74,290	\$ 4,443	\$ 69,847
Capital outlay	4,000	23,500	28,031	(4,531)
<b>Total Expenditures</b>	<b>78,290</b>	<b>97,790</b>	<b>32,474</b>	<b>65,316</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(78,290)	(97,790)	(32,474)	65,316
<b>Other Financing Sources (Uses):</b>				
Transfers in	74,290	131,562	129,615	(1,947)
Transfers out	(45)	(45)	(45)	-
<b>Total Other Financing Sources (Uses)</b>	<b>74,245</b>	<b>131,517</b>	<b>129,570</b>	<b>(1,947)</b>
Net Change in Fund Balances	(4,045)	33,727	97,096	63,369
Fund Balances, Beginning of Year	(606,549)	(606,549)	(606,549)	-
<b>Fund Balances, End of Year</b>	<b>\$ (610,594)</b>	<b>\$ (572,822)</b>	<b>\$ (509,453)</b>	<b>\$ 63,369</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 RECREATION IMPROVEMENTS  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 372,315	\$ 372,315	\$ 985,741	\$ 613,426
Use of money and property	4,900	4,900	3,727	(1,173)
<b>Total Revenues</b>	<b>377,215</b>	<b>377,215</b>	<b>989,468</b>	<b>612,253</b>
<b>Expenditures:</b>				
Current:				
City administration	476,000	476,000	-	476,000
Capital outlay	25,000	25,000	1,416	23,584
<b>Total Expenditures</b>	<b>501,000</b>	<b>501,000</b>	<b>1,416</b>	<b>499,584</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(123,785)	(123,785)	988,052	1,111,837
<b>Other Financing Sources (Uses):</b>				
Transfers out	(19)	(19)	(19)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(19)</b>	<b>(19)</b>	<b>(19)</b>	<b>-</b>
Net Change in Fund Balances	(123,804)	(123,804)	988,033	1,111,837
Fund Balances, Beginning of Year	814,347	814,347	814,347	-
<b>Fund Balances, End of Year</b>	<b>\$ 690,543</b>	<b>\$ 690,543</b>	<b>\$ 1,802,380</b>	<b>\$ 1,111,837</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 PARKS  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 239,000	\$ 239,000	\$ 185,219	\$ (53,781)
Use of money and property	2,500	2,500	2,031	(469)
<b>Total Revenues</b>	<b>241,500</b>	<b>241,500</b>	<b>187,250</b>	<b>(54,250)</b>
<b>Expenditures:</b>				
Current:				
General government	160,000	160,000	6,722	153,278
Capital outlay	10,000	10,000	-	10,000
<b>Total Expenditures</b>	<b>170,000</b>	<b>170,000</b>	<b>6,722</b>	<b>163,278</b>
Net Change in Fund Balances	71,500	71,500	180,528	109,028
Fund Balances, Beginning of Year	643,387	643,387	643,387	-
<b>Fund Balances, End of Year</b>	<b>\$ 714,887</b>	<b>\$ 714,887</b>	<b>\$ 823,915</b>	<b>\$ 109,028</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 TRANSPORTATION  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 584,000	\$ 584,000	\$ -	\$ (584,000)
Use of money and property	224,907	224,907	22,134	(202,773)
Developer participation	25,275	86,025	128,901	42,876
<b>Total Revenues</b>	<b>834,182</b>	<b>894,932</b>	<b>151,035</b>	<b>(743,897)</b>
<b>Expenditures:</b>				
Current:				
Public works	611,000	1,424,456	15,274	1,409,182
Capital outlay	76,000	233,575	119,942	113,633
<b>Total Expenditures</b>	<b>687,000</b>	<b>1,658,031</b>	<b>135,216</b>	<b>1,522,815</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	147,182	(763,099)	15,819	778,918
<b>Other Financing Sources (Uses):</b>				
Transfers in	76,000	76,000	76,000	-
Transfers out	(6,399)	(6,399)	(6,399)	-
<b>Total Other Financing Sources (Uses)</b>	<b>69,601</b>	<b>69,601</b>	<b>69,601</b>	<b>-</b>
Net Change in Fund Balances	216,783	(693,498)	85,420	778,918
Fund Balances, Beginning of Year	4,964,179	4,964,179	4,964,179	-
<b>Fund Balances, End of Year</b>	<b>\$ 5,180,962</b>	<b>\$ 4,270,681</b>	<b>\$ 5,049,599</b>	<b>\$ 778,918</b>

CITY OF DIXON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 LEASE FINANCING  
 YEAR ENDED JUNE 30, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ -	\$ -	\$ (2)	\$ (2)
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>(2)</b>
<b>Expenditures:</b>				
Debt service:				
Principal retirement	210,600	210,600	210,600	-
Interest and fiscal charges	53,105	53,105	53,105	-
<b>Total Expenditures</b>	<b>263,705</b>	<b>263,705</b>	<b>263,705</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(263,705)	(263,705)	(263,707)	(2)
<b>Other Financing Sources (Uses):</b>				
Transfers in	263,704	269,015	259,237	(9,778)
<b>Total Other Financing Sources (Uses)</b>	<b>263,704</b>	<b>269,015</b>	<b>259,237</b>	<b>(9,778)</b>
Net Change in Fund Balances	(1)	5,310	(4,470)	(9,780)
Fund Balances, Beginning of Year	4,470	4,470	4,470	-
<b>Fund Balances, End of Year</b>	<b>\$ 4,469</b>	<b>\$ 9,780</b>	<b>\$ -</b>	<b>\$ (9,780)</b>



## **AGENCY FUNDS**

Agency funds are fiduciary funds which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The specific agency funds used by the City are shown below:

### West "A" Street Improvement District Fund

This fund is used to account for revenue from special assessments and debt service payments on the Dixon West "A" Street Assessment District limited obligation improvement bonds.

### North First Street Improvement District Fund

This fund is used to account for the revenue from assessments and debt service payments on the Dixon-North First Street Assessment District limited obligation improvement bonds.

### Flexible Spending Account

This fund is used to account for cash on deposit by employees for the flexible spending program.

### Dixon Fire Protection District

This fund is used to account for the operation and maintenance of the Dixon Fire Protection District, a separate legal entity for which the City provides accounting services under a joint exercise of powers agreement.

### Public Financing Assessment Districts

This fund is used to account for North First Street Improvement District and West "A" Street Improvement District resources used to make debt service payments on the 1998 Senior Lien Reassessment Revenue bonds, Series A, and the Junior Lien Reassessment bonds, Series B.

### Dixon-Solano Water Authority

This fund is used to account for the activities of the joint powers authority, Dixon-Solano Water Authority, a water service operated under a joint exercise of power agreement between the City of Dixon and Solano Irrigation District.

CITY OF DIXON

COMBINING STATEMENT OF ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 JUNE 30, 2015

	West "A" Street Improvement District	North First Street Improvement District	Flexible Spending Account
<b>Assets:</b>			
Pooled cash and investments	\$ -	\$ 1,184,729	\$ 6,303
Receivables:			
Accrued interest	-	1,594	-
Due from other governments	-	-	-
Restricted assets:			
Cash and investments with fiscal agents	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 1,186,323</b>	<b>\$ 6,303</b>
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ 20	\$ -
Accrued liabilities	-	-	6,303
Due to other governments	-	-	-
Agency obligations	-	1,186,303	-
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 1,186,323</b>	<b>\$ 6,303</b>

CITY OF DIXON

COMBINING STATEMENT OF ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 JUNE 30, 2015

	Dixon Fire Protection Agency	Public Financing Assessment District	Dixon-Solano Water Authority
<b>Assets:</b>			
Pooled cash and investments	\$ 488,111	\$ -	\$ -
Receivables:			
Accrued interest	655	-	-
Due from other governments	8,669	-	-
Restricted assets:			
Cash and investments with fiscal agents	-	1,134,096	-
<b>Total Assets</b>	<b>\$ 497,435</b>	<b>\$ 1,134,096</b>	<b>\$ -</b>
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-
Due to other governments	-	10,477	-
Agency obligations	497,435	1,123,619	-
<b>Total Liabilities</b>	<b>\$ 497,435</b>	<b>\$ 1,134,096</b>	<b>\$ -</b>

CITY OF DIXON

COMBINING STATEMENT OF ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
JUNE 30, 2015

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	<u>Totals</u>
<b>Assets:</b>	
Pooled cash and investments	\$ 1,679,143
Receivables:	
Accrued interest	2,249
Due from other governments	8,669
Restricted assets:	
Cash and investments with fiscal agents	<u>1,134,096</u>
<b>Total Assets</b>	<b><u>\$ 2,824,157</u></b>
<b>Liabilities:</b>	
Accounts payable	\$ 20
Accrued liabilities	6,303
Due to other governments	10,477
Agency obligations	<u>2,807,357</u>
<b>Total Liabilities</b>	<b><u>\$ 2,824,157</u></b>

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CITY OF DIXON

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2015

	Balance 7/1/2014	Additions	Deductions	Balance 6/30/2015
<b><u>West "A" Street Improvement District</u></b>				
<b>Liabilities:</b>				
Due to other funds	\$ 26,040	\$ -	\$ 26,040	\$ -
Due to external parties/other agencies	(26,040)	26,040	-	-
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 26,040</b>	<b>\$ 26,040</b>	<b>\$ -</b>
<b><u>North First Street Improvement District</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 1,031,845	\$ 826,027	\$ 673,143	\$ 1,184,729
Receivables:				
Accrued interest	1,314	1,594	1,314	1,594
<b>Total Assets</b>	<b>\$ 1,033,159</b>	<b>\$ 827,621</b>	<b>\$ 674,457</b>	<b>\$ 1,186,323</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 619	\$ 599	\$ 20
Accrued interest	76,081	-	76,081	-
Due to external parties/other agencies	957,078	903,700	674,475	1,186,303
<b>Total Liabilities</b>	<b>\$ 1,033,159</b>	<b>\$ 904,319</b>	<b>\$ 751,155</b>	<b>\$ 1,186,323</b>
<b><u>Flexible Spending Account</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 6,419	\$ 55,174	\$ 55,290	\$ 6,303
<b>Total Assets</b>	<b>\$ 6,419</b>	<b>\$ 55,174</b>	<b>\$ 55,290</b>	<b>\$ 6,303</b>
<b>Liabilities:</b>				
Accrued liabilities	\$ 6,419	\$ 55,174	\$ 55,290	\$ 6,303
<b>Total Liabilities</b>	<b>\$ 6,419</b>	<b>\$ 55,174</b>	<b>\$ 55,290</b>	<b>\$ 6,303</b>
<b><u>Dixon Fire Protection Agency</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 636,488	\$ 581,175	\$ 729,552	\$ 488,111
Receivables:				
Accrued interest	643	655	643	655
Due from other governments	-	8,669	-	8,669
<b>Total Assets</b>	<b>\$ 637,131</b>	<b>\$ 590,499</b>	<b>\$ 730,195</b>	<b>\$ 497,435</b>
<b>Liabilities:</b>				
Accounts payable	\$ 2,501	\$ 212,272	\$ 214,773	\$ -
Due to external parties/other agencies	634,630	637,842	775,037	497,435
<b>Total Liabilities</b>	<b>\$ 637,131</b>	<b>\$ 850,114</b>	<b>\$ 989,810</b>	<b>\$ 497,435</b>

CITY OF DIXON

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
YEAR ENDED JUNE 30, 2015**

	<u>Balance 7/1/2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2015</u>
<b><u>Public Financing Assessment District</u></b>				
<b>Assets:</b>				
Restricted assets:				
Cash and investments with fiscal agents	\$ 1,088,374	\$ 678,628	\$ 632,906	\$ 1,134,096
<b>Total Assets</b>	<b><u>\$ 1,088,374</u></b>	<b><u>\$ 678,628</u></b>	<b><u>\$ 632,906</u></b>	<b><u>\$ 1,134,096</u></b>
<b>Liabilities:</b>				
Accrued interest	\$ 42,985	\$ -	\$ 42,985	\$ -
Due to other governments	-	10,477	-	10,477
Due to external parties/other agencies	1,045,389	1,291,053	1,212,823	1,123,619
<b>Total Liabilities</b>	<b><u>\$ 1,088,374</u></b>	<b><u>\$ 1,301,530</u></b>	<b><u>\$ 1,255,808</u></b>	<b><u>\$ 1,134,096</u></b>
<b><u>Dixon-Solano Water Authority</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 1,519,342	\$ 222,332	\$ 1,741,674	\$ -
Receivables:				
Accounts	365,216	443,712	808,928	-
Accrued interest	1,869		1,869	-
<b>Total Assets</b>	<b><u>\$ 1,886,427</u></b>	<b><u>\$ 666,044</u></b>	<b><u>\$ 2,552,471</u></b>	<b><u>\$ -</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 96,734	\$ 187,450	\$ 284,184	\$ -
Deposits payable	769,186	2,100	771,286	-
Due to external parties/other agencies	1,020,507	74,257,960	75,278,467	-
<b>Total Liabilities</b>	<b><u>\$ 1,886,427</u></b>	<b><u>\$ 74,447,510</u></b>	<b><u>\$ 76,333,937</u></b>	<b><u>\$ -</u></b>
<b><u>Totals - All Agency Funds</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 3,194,094	\$ 1,684,708	\$ 3,199,659	\$ 1,679,143
Receivables:				
Accounts	365,216	443,712	808,928	-
Accrued interest	3,826	2,249	3,826	2,249
Due from other governments	-	8,669	-	8,669
Restricted assets:				
Cash and investments with fiscal agents	1,088,374	678,628	632,906	1,134,096
<b>Total Assets</b>	<b><u>\$ 4,651,510</u></b>	<b><u>\$ 2,817,966</u></b>	<b><u>\$ 4,645,319</u></b>	<b><u>\$ 2,824,157</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 99,235	\$ 400,341	\$ 499,556	\$ 20
Accrued liabilities	6,419	55,174	55,290	6,303
Accrued interest	119,066	-	119,066	-
Deposits payable	769,186	2,100	771,286	-
Due to other governments	-	10,477	-	10,477
Due to other funds	26,040	-	26,040	-
Due to external parties/other agencies	3,631,564	77,116,595	77,940,802	2,807,357
<b>Total Liabilities</b>	<b><u>\$ 4,651,510</u></b>	<b><u>\$ 77,584,687</u></b>	<b><u>\$ 79,412,040</u></b>	<b><u>\$ 2,824,157</u></b>

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## GENERAL FUNDS

The General Fund is the primary operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. For the City, the general funds used by the City are shown below:

### General Fund

This fund is the primary source for discretionary spending that is not restricted by the source of the funds received. It serves the administration, development services, community facilities, public safety, and non-departmental divisions.

### Contingency Fund

The sole purpose of this fund is to separate out a portion of the general fund reserve. Interest earnings are normally the only transaction in this fund. The undesignated fund balance of the general fund and the contingency fund are added together for the general fund balance available to finance budgetary transactions.

### Council Discretionary Fund

This fund was established to separate out expenditures which the City Council has set aside for particular purposes. Revenues from the KBI/Select Build sales taxes and other one time revenues are transferred into this fund from the General Fund. Currently, this fund is being used mainly to account for the General Plan activities.

### Recreation Fund

This fund is used to account for programs such as classes of general interest, day camp, youth and adult sports leagues, and teen activities.

### Planning Agreements Fund

This fund is used to account for developer deposits to cover the cost of planning services.

### Equipment Replacement Fund

This fund is funded by a transfer from the General Fund. Its funds are used to for the replacement of equipment.

### Building Reserve Fund

This fund is used to account for expenditures related to building costs. It is funded by transfers made from time to time from the General Fund.

### Infrastructure Reserve

This fund was established to provide infrastructure reserves for the City. It is funded by transfers made from time to time from the General Fund.

### PERS Stabilization

This fund was established to provide reserves to offset the employer portion of future PERS retirement cost increases. It is funded by a transfer from the general fund.

### Community Support

This fund was established to provide reserve contributions received from residents towards City operations.

CITY OF DIXON

COMBINING BALANCE SHEET  
GENERAL FUNDS  
JUNE 30, 2015

	General	Contingency	Council Discretion	Recreation
<b>Assets:</b>				
Pooled cash and investments	\$ 4,291,505	\$ 1,693,804	\$ 87,948	\$ -
Receivables:				
Accounts	184,544	10,477	-	44
Taxes	915,976	-	-	-
Accrued interest	5,541	2,068	271	9
Grants	86,223	-	-	-
Prepaid costs	398,856	-	-	-
Due from other governments	468,375	-	-	-
Advances to other funds	-	280,191	-	-
Inventories	822	-	-	-
Restricted assets:				
Cash and investments	-	-	-	15,367
<b>Total Assets</b>	<b>\$ 6,351,842</b>	<b>\$ 1,986,540</b>	<b>\$ 88,219</b>	<b>\$ 15,420</b>
<b>Liabilities, Deferred inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,171,058	\$ -	\$ 17,711	\$ 900
Accrued liabilities	402,710	-	-	435
Deposits payable	409,517	-	-	-
<b>Total Liabilities</b>	<b>1,983,285</b>	<b>-</b>	<b>17,711</b>	<b>1,335</b>
<b>Deferred inflows of resources:</b>				
Unavailable revenues	632,973	-	-	-
<b>Total Deferred inflows of Resources</b>	<b>632,973</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Inventory	822	-	-	-
Prepaid costs	398,856	-	-	-
Advances to other funds	-	200,000	-	-
<b>Restricted for:</b>				
Restricted contributions	980	-	-	-
<b>Committed to:</b>				
Encumbrances	19,975	207,943	57,559	-
<b>Assigned to:</b>				
PERS stabilization	-	-	-	-
Equipment replacement	-	-	-	-
<b>Unassigned</b>	<b>3,314,951</b>	<b>1,578,597</b>	<b>12,949</b>	<b>14,085</b>
<b>Total Fund Balances</b>	<b>3,735,584</b>	<b>1,986,540</b>	<b>70,508</b>	<b>14,085</b>
<b>Total Liabilities, deferred inflows of resources, and Fund Balances</b>	<b>\$ 6,351,842</b>	<b>\$ 1,986,540</b>	<b>\$ 88,219</b>	<b>\$ 15,420</b>

CITY OF DIXON

COMBINING BALANCE SHEET  
GENERAL FUNDS  
JUNE 30, 2015

	Planning Agreements	Equipment Replacement	Building Reserve	Infrastructure Reserve
<b>Assets:</b>				
Pooled cash and investments	\$ -	\$ 536,196	\$ 159,057	\$ 151,001
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	112	709	221	264
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Inventories	-	-	-	-
Restricted assets:				
Cash and investments	75,924	-	-	-
<b>Total Assets</b>	<b>\$ 76,036</b>	<b>\$ 536,905</b>	<b>\$ 159,278</b>	<b>\$ 151,265</b>
<b>Liabilities, Deferred inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 7,465	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deposits payable	72,341	-	-	-
<b>Total Liabilities</b>	<b>79,806</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Inventory	-	-	-	-
Prepaid costs	-	-	-	-
Advances to other funds	-	-	-	-
<b>Restricted for:</b>				
Restricted contributions	-	-	-	-
<b>Committed to:</b>				
Encumbrances	-	13,000	-	-
<b>Assigned to:</b>				
PERS stabilization	-	-	-	-
Equipment replacement	-	518,462	-	-
<b>Unassigned</b>	<b>(3,770)</b>	<b>5,443</b>	<b>159,278</b>	<b>151,265</b>
<b>Total Fund Balances</b>	<b>(3,770)</b>	<b>536,905</b>	<b>159,278</b>	<b>151,265</b>
<b>Total Liabilities, deferred inflows of resources, and Fund Balances</b>	<b>\$ 76,036</b>	<b>\$ 536,905</b>	<b>\$ 159,278</b>	<b>\$ 151,265</b>

CITY OF DIXON

COMBINING BALANCE SHEET  
GENERAL FUNDS  
JUNE 30, 2015

	PERS Stabilization Fund	Community Support	Total General Funds
<b>Assets:</b>			
Pooled cash and investments	\$ 64,670	\$ 6,000	\$ 6,990,181
Receivables:			
Accounts	-	-	195,065
Taxes	-	-	915,976
Accrued interest	88	7	9,290
Grants	-	-	86,223
Prepaid costs	-	-	398,856
Due from other governments	-	-	468,375
Advances to other funds	-	-	280,191
Inventories	-	-	822
Restricted assets:			
Cash and investments	-	-	91,291
<b>Total Assets</b>	<b>\$ 64,758</b>	<b>\$ 6,007</b>	<b>\$ 9,436,270</b>
<b>Liabilities, Deferred inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ -	\$ 1,197,134
Accrued liabilities	-	-	403,145
Deposits payable	-	-	481,858
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>2,082,137</b>
<b>Deferred inflows of resources:</b>			
Unavailable revenues	-	-	632,973
<b>Total Deferred inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>632,973</b>
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Inventory	-	-	822
Prepaid costs	-	-	398,856
Advances to other funds	-	-	200,000
<b>Restricted for:</b>			
Restricted contributions	-	-	980
<b>Committed to:</b>			
Encumbrances	-	-	298,477
<b>Assigned to:</b>			
PERS stabilization	64,758	-	64,758
Equipment replacement	-	-	518,462
<b>Unassigned</b>	<b>-</b>	<b>6,007</b>	<b>5,238,805</b>
<b>Total Fund Balances</b>	<b>64,758</b>	<b>6,007</b>	<b>6,721,160</b>
<b>Total Liabilities, deferred inflows of resources, and Fund Balances</b>	<b>\$ 64,758</b>	<b>\$ 6,007</b>	<b>\$ 9,436,270</b>

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## CITY OF DIXON

**STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GENERAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	<u>General</u>	<u>Contingency</u>	<u>Council Discretion</u>	<u>Recreation</u>
<b>Revenues:</b>				
Taxes	\$ 9,343,112	\$ -	\$ -	\$ -
Assessments	360,180	-	-	-
Licenses and permits	326,110	-	29,651	-
Intergovernmental	1,356,799	-	-	-
Charges for services	1,086,317	-	-	55,962
Use of money and property	144,230	6,958	507	18
Contributions	1,010,785	-	-	-
Miscellaneous	149,824	-	-	-
<b>Total Revenues</b>	<b>13,777,357</b>	<b>6,958</b>	<b>30,158</b>	<b>55,980</b>
<b>Expenditures:</b>				
Current:				
General government	2,728,035	-	11,898	-
Public safety	7,623,795	-	-	-
Community development	356,264	-	1,721	-
Parks and recreation	1,355,378	-	-	43,453
Public works	1,248,451	-	-	-
Capital outlay	297,441	-	129,314	-
<b>Total Expenditures</b>	<b>13,609,364</b>	<b>-</b>	<b>142,933</b>	<b>43,453</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	167,993	6,958	(112,775)	12,527
<b>Other Financing Sources (Uses):</b>				
Transfers in	689,616	-	-	-
Transfers out	(197,641)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>491,975</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	659,968	6,958	(112,775)	12,527
Fund Balances, Beginning of Year	3,075,616	1,979,582	183,283	1,558
<b>Fund Balances, End of Year</b>	<b>\$ 3,735,584</b>	<b>\$ 1,986,540</b>	<b>\$ 70,508</b>	<b>\$ 14,085</b>

## CITY OF DIXON

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GENERAL FUNDS  
YEAR ENDED JUNE 30, 2015

	Planning Agreements	Equipment Replacement	Building Reserve	Infrastructure Reserve
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	2,304	-	-
Use of money and property	176	1,105	432	385
Contributions	-	15,034	-	-
Miscellaneous	65,419	-	-	-
<b>Total Revenues</b>	<b>65,595</b>	<b>18,443</b>	<b>432</b>	<b>385</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	56,257	-	-	-
Parks and recreation	-	-	-	-
Public works	(4,398)	-	-	-
Capital outlay	18,940	-	-	-
<b>Total Expenditures</b>	<b>70,799</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,204)	18,443	432	385
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(5,204)	18,443	432	385
Fund Balances, Beginning of Year	1,434	518,462	158,846	150,880
<b>Fund Balances, End of Year</b>	<b>\$ (3,770)</b>	<b>\$ 536,905</b>	<b>\$ 159,278</b>	<b>\$ 151,265</b>

## CITY OF DIXON

**STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GENERAL FUNDS  
YEAR ENDED JUNE 30, 2015**

	<b>PERS Stabilization Fund</b>	<b>Community Support</b>	<b>Total General Funds</b>
<b>Revenues:</b>			
Taxes	\$ -	\$ -	\$ 9,343,112
Assessments	-	-	360,180
Licenses and permits	-	-	355,761
Intergovernmental	-	-	1,356,799
Charges for services	-	-	1,144,583
Use of money and property	119	6,007	159,937
Contributions	-	-	1,025,819
Miscellaneous	-	-	215,243
<b>Total Revenues</b>	<b>119</b>	<b>6,007</b>	<b>13,961,434</b>
<b>Expenditures:</b>			
Current:			
General government	-	-	2,739,933
Public safety	-	-	7,623,795
Community development	-	-	414,242
Parks and recreation	-	-	1,398,831
Public works	-	-	1,244,053
Capital outlay	-	-	445,695
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>13,866,549</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	119	6,007	94,885
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	689,616
Transfers out	-	-	(197,641)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>491,975</b>
Net Change in Fund Balances	119	6,007	586,860
Fund Balances, Beginning of Year	64,639	-	6,134,300
<b>Fund Balances, End of Year</b>	<b>\$ 64,758</b>	<b>\$ 6,007</b>	<b>\$ 6,721,160</b>





# Statistical Section

## STATISTICAL SECTION

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b>Contents</b>	<b>Pages</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	153-157
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	158-164
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	165-169
<b>Economic and Demographic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time with other governments.	170-171
<b>Operating Information</b> These schedules contain contextual information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	172-174

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB. Statement No. 34 in 2003; schedules presenting government-wide information include information beginning in that year.

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**CITY OF DIXON**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS (in thousands of dollars)**  
*(accrual basis of accounting)*

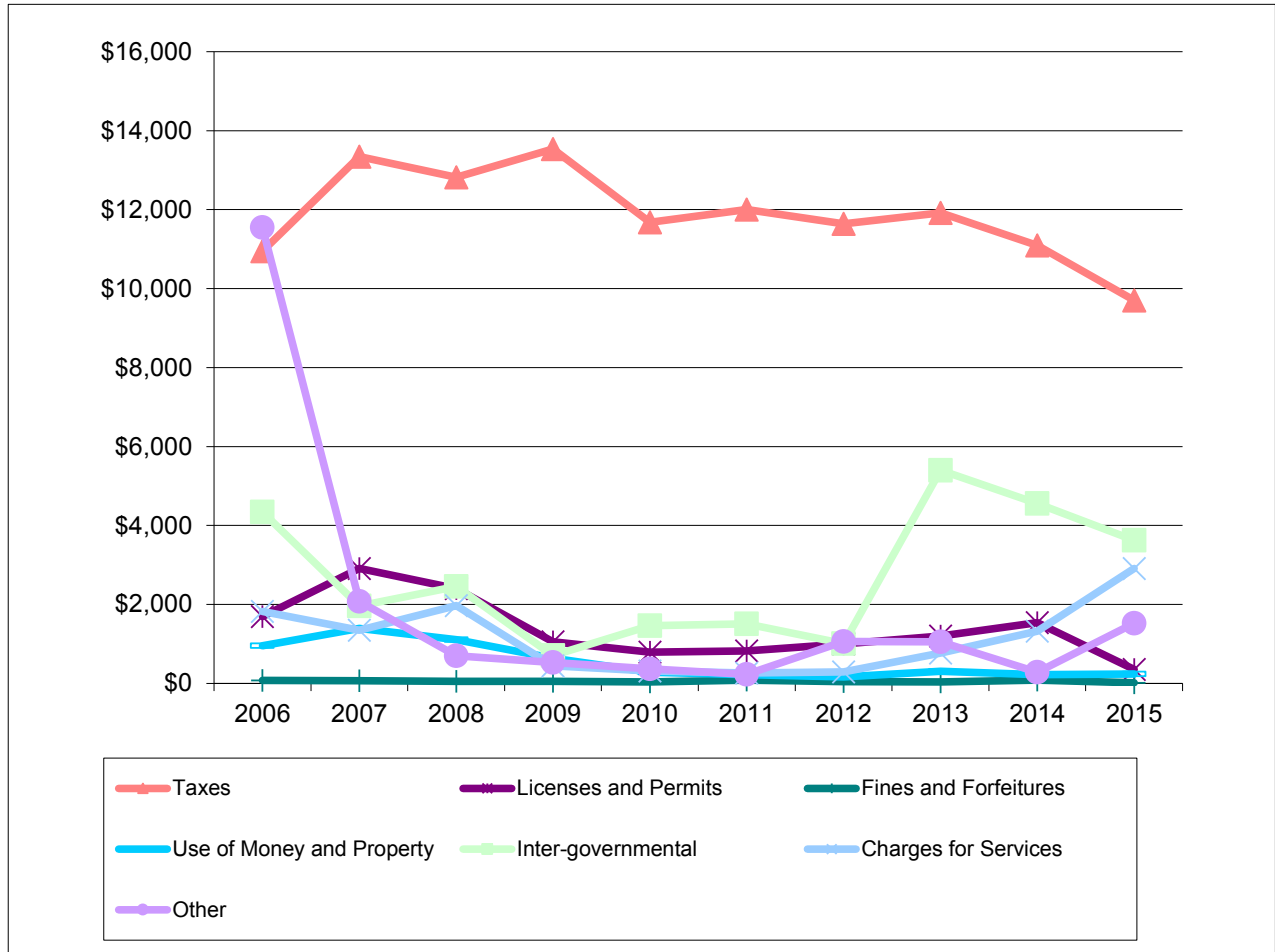
	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities</b>										
Net Investment in Capital Assets	\$ 144,002	\$ 145,119	\$ 145,706	\$ 142,637	\$ 139,561	\$ 136,806	\$ 138,640	\$ 135,804	\$ 133,405	\$ 130,072
Restricted	20,525	19,400	4,811	2,509	3,396	4,502	1,715	1,843	2,073	9,024
Unrestricted	4,058	4,968	15,476	17,525	13,097	10,970	9,103	10,024	10,507	(9,007)
<b>Total governmental activities net position</b>	<b>\$ 168,585</b>	<b>\$ 169,487</b>	<b>\$ 165,993</b>	<b>\$ 162,671</b>	<b>\$ 156,054</b>	<b>\$ 152,278</b>	<b>\$ 149,458</b>	<b>\$ 147,671</b>	<b>\$ 145,985</b>	<b>\$ 130,089</b>
<b>Business-type activities</b>										
Net Investment in Capital Assets	\$ 55,008	\$ 58,496	\$ 55,719	\$ 54,387	\$ 52,792	\$ 41,823	\$ 40,780	\$ 39,759	\$ 39,561	\$ 55,385
Restricted	550	571	373	182	196	195	-	-	-	752
Unrestricted	2,478	918	2,743	2,579	2,853	2,967	3,459	4,186	3,480	4,930
<b>Total business-type activities net position</b>	<b>\$ 58,036</b>	<b>\$ 59,985</b>	<b>\$ 58,835</b>	<b>\$ 57,148</b>	<b>\$ 55,841</b>	<b>\$ 44,985</b>	<b>\$ 44,239</b>	<b>\$ 43,945</b>	<b>\$ 43,041</b>	<b>\$ 61,067</b>
<b>Primary government</b>										
Net Investment in Capital Assets	\$ 199,010	\$ 203,615	\$ 201,425	\$ 197,024	\$ 192,353	\$ 178,629	\$ 179,420	\$ 175,563	\$ 172,966	\$ 185,457
Restricted	21,075	19,971	5,184	2,691	3,592	4,697	1,715	1,843	2,073	9,776
Unrestricted	6,536	5,886	18,219	20,104	15,950	13,937	12,562	14,210	13,987	(4,077)
<b>Total primary government net position</b>	<b>\$ 226,621</b>	<b>\$ 229,472</b>	<b>\$ 224,828</b>	<b>\$ 219,819</b>	<b>\$ 211,895</b>	<b>\$ 197,263</b>	<b>\$ 193,697</b>	<b>\$ 191,616</b>	<b>\$ 189,026</b>	<b>\$ 191,156</b>

**CITY OF DIXON**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS (in thousands)**  
*(accrual basis of accounting)*

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
Governmental Activities:										
General government	\$ 2,612	\$ 3,048	\$ 3,534	\$ 2,323	\$ 3,130	\$ 2,482	\$ 1,741	\$ 2,022	\$ 2,114	\$ 2,902
Public safety	6,828	7,425	7,798	7,961	7,832	7,566	7,425	7,569	7,924	7,997
Public ways and facilities	1,963	2,176	2,254	2,394	5,396	4,782	2,188	2,155	4,547	4,790
Parks and recreation	1,799	2,303	2,859	2,426	2,361	2,197	1,203	5,093	2,093	2,120
Development	5,890	5,745	6,455	5,186	3,553	1,649	4,720	4,798	4,539	1,980
Interest and fiscal charges	535	769	445	428	405	384	401	78	60	51
Transfers out	-	-	-	-	-	-	-	-	-	-
Total government activity expenses	\$ 19,627	\$ 21,466	\$ 23,345	\$ 20,718	\$ 22,677	\$ 19,060	\$ 17,678	\$ 21,715	\$ 21,277	\$ 19,840
Business-type activities:										
Sewer	\$ 2,341	\$ 2,701	\$ 3,150	\$ 3,066	\$ 2,938	\$ 2,904	\$ 3,005	\$ 2,777	\$ 2,714	\$ 3,217
Water	555	711	779	830	882	131	-	-	68	2,088
Transit	646	642	713	638	569	624	741	675	632	688
Transfers out	28	92	160	305	308	-	-	-	-	-
Total business-type activities expenses	3,570	4,146	4,802	4,839	4,697	3,659	3,746	3,452	3,414	5,993
Total primary government expenses	\$ 23,197	\$ 25,612	\$ 28,147	\$ 25,557	\$ 27,374	\$ 22,719	\$ 21,424	\$ 25,167	\$ 24,691	\$ 25,833
<b>Program Revenues</b>										
Charges for Services										
General government	\$ 1,744	\$ 1,363	\$ 1,884	\$ 155	\$ 226	\$ 288	\$ 204	\$ 488	\$ 501	\$ 299
Public safety	696	727	778	707	663	722	940	937	1,058	1,089
Parks and recreation	139	200	233	333	186	129	584	781	778	1,338
Development	109	1,322	544	180	175	74	252	243	124	1,540
Public ways and facilities	376	151	475	222	88	94	242	226	651	1,134
Operating grants	1,122	445	632	505	854	202	201	372	277	1,552
Capital grants	12,718	2,326	2,122	853	1,413	1,202	958	4,979	4,384	71
Total governmental activities	16,904	6,534	6,668	2,955	3,605	2,711	3,381	8,026	7,773	7,023
Business-type activities:										
Charges for services	1,817	2,115	2,376	2,358	2,743	2,490	2,681	2,785	2,515	4,336
Operating grants and contributions	501	558	577	669	544	532	592	540	554	539
Capital grants and contributions	3,725	2,974	-	-	57	284	3	18	-	189
Transfers In	-	-	-	-	-	-	-	-	-	-
Total business-type activities	\$ 6,043	\$ 5,647	\$ 2,953	\$ 3,027	\$ 3,344	\$ 3,306	\$ 3,276	\$ 3,343	\$ 3,069	\$ 5,064
Total primary government	\$ 22,947	\$ 12,181	\$ 9,621	\$ 5,982	\$ 6,949	\$ 6,017	\$ 6,657	\$ 11,369	\$ 10,842	\$ 12,087
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (2,723)	\$ (14,932)	\$ (16,677)	\$ (17,763)	\$ (19,072)	\$ (16,349)	\$ (14,297)	\$ (13,689)	\$ (13,504)	\$ (12,817)
Business-type activities	2,473	1,501	(1,849)	(1,812)	(1,353)	(353)	(470)	(109)	(345)	(929)
Total primary government	\$ (250)	\$ (13,431)	\$ (18,526)	\$ (19,575)	\$ (20,425)	\$ (16,702)	\$ (14,767)	\$ (13,798)	\$ (13,849)	\$ (13,746)
<b>General Revenues</b>										
Government Activities										
Taxes										
Sales and use taxes	\$ 4,742	\$ 6,288	\$ 5,558	\$ 5,236	\$ 4,527	\$ 4,480	\$ 4,840	\$ 5,123	\$ 4,898	\$ 4,778
Property taxes	4,888	5,335	5,504	5,363	4,915	5,069	4,374	3,953	3,477	3,580
Motor vehicle and gas taxes	1,432	1,817	1,790	1,847	1,673	1,777	1,759	1,637	1,862	1,902
Franchise taxes	437	492	472	519	502	506	497	516	552	555
Transient Occupancy taxes	225	266	243	200	157	170	173	221	306	345
Interest and investment	936	1,365	1,072	537	244	216	134	271	134	149
Rental income	43	33	36	-	-	-	-	-	-	88
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Other revenue	45	148	50	125	80	56	171	215	103	84
Transfers In	28	92	160	305	308	300	317	185	339	430
Total governmental activities	\$ 12,776	\$ 15,836	\$ 14,885	\$ 14,132	\$ 12,406	\$ 12,574	\$ 12,265	\$ 12,121	\$ 11,671	\$ 11,911
Business-type Activities										
Interest and investment	\$ 170	\$ 304	\$ 249	\$ 91	\$ 33	\$ 23	\$ 16	\$ -	\$ 27	\$ 19
Other revenue	1,570	144	449	9	22	(10,526)	(317)	(185)	(339)	19,821
Total business-type activities	\$ 1,740	\$ 448	\$ 698	\$ 100	\$ 55	\$ (10,503)	\$ (301)	\$ (185)	\$ (312)	\$ 19,841
Other sources(uses) of money	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,699)	\$ -	\$ -	\$ 3
Total primary government	\$ 14,516	\$ 16,284	\$ 15,583	\$ 14,232	\$ 12,461	\$ 2,071	\$ 8,265	\$ 11,936	\$ 11,359	\$ 31,754
<b>Change in Net Position</b>										
Governmental activities	\$ 10,053	\$ 904	\$ (1,792)	\$ (3,631)	\$ (6,666)	\$ (3,775)	\$ (5,731)	\$ (1,568)	\$ (1,833)	\$ (903)
Business-type activities	4,213	1,949	(1,151)	(1,712)	(1,298)	(10,856)	(771)	(294)	(657)	18,912
Total primary government	\$ 14,266	\$ 2,853	\$ (2,943)	\$ (5,343)	\$ (7,964)	\$ (14,631)	\$ (6,502)	\$ (1,862)	\$ (2,490)	\$ 18,008

Source: City of Dixon Finance

**CITY OF DIXON**  
**GOVERNMENTAL FUNDS REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS (in thousands)**  
*(accrual basis of accounting)*



<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Fines and Forfeitures</u>	<u>Use of Money and Property</u>	<u>Inter-governmental</u>	<u>Charges for Services</u>	<u>Other</u>	<u>Total</u>
2006	\$ 10,946	\$ 1,696	\$ 77	\$ 958	\$ 4,342	\$ 1,828	\$ 11,546	\$ 31,393
2007	13,343	2,913	70	1,394	1,961	1,349	2,079	23,109
2008	12,820	2,402	52	1,108	2,459	1,974	702	21,517
2009	13,536	1,052	54	637	707	446	530	16,962
2010	11,682	790	35	285	1,465	316	372	14,945
2011	12,003	827	84	221	1,506	265	229	15,135
2012	11,643	1,001	46	166	1,008	294	1,060	15,218
2013	11,914	1,203	38	311	5,400	771	1,056	20,693
2014	11,094	1,538	83	224	4,557	1,324	281	19,101
2015	9,703	356	17	237	3,625	2,912	1,522	18,372

**CITY OF DIXON**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS (in thousands)**  
*(modified accrual basis of accounting)*

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 682	\$ 813	\$ 313	\$ 297	\$ 535	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	4,111	5,007	5,562	5,122	3,880	-	-	-	-	-
Nonspendable	-	-	-	-	-	296	393	367	669	600
Restricted	-	-	-	-	-	1	1	1	1	1
Committed	-	-	-	-	-	115	7	150	153	298
Assigned	-	-	-	-	-	1,558	1,426	778	968	583
Unassigned	-	-	-	-	-	1,529	2,058	3,648	4,343	5,239
<b>Total General Fund</b>	<b>\$ 4,793</b>	<b>\$ 5,820</b>	<b>\$ 5,875</b>	<b>\$ 5,419</b>	<b>\$ 4,415</b>	<b>\$ 3,499</b>	<b>\$ 3,885</b>	<b>\$ 4,944</b>	<b>\$ 6,134</b>	<b>\$ 6,721</b>
All Other Governmental Funds										
Reserved	\$ 9,696	\$ 7,064	\$ 7,961	\$ 4,263	\$ 4,273	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved reported in:										
Special revenue funds	2,058	1,868	2,200	2,778	2,442	-	-	-	-	-
Capital project funds	6,286	8,383	4,801	7,901	5,509	-	-	-	-	-
Nonspendable	-	-	-	-	-	1,968	2,249	2,080	1,745	-
Restricted	-	-	-	-	-	4,130	1,693	2,064	2,485	9,023
Committed	-	-	-	-	-	10	-	1,331	971	1,557
Assigned	-	-	-	-	-	7,009	5,248	4,612	4,661	529
Unassigned	-	-	-	-	-	(957)	(1,588)	(1,614)	(1,841)	(1,566)
<b>Total all other Governmental Funds</b>	<b>\$ 18,040</b>	<b>\$ 17,315</b>	<b>\$ 14,962</b>	<b>\$ 14,942</b>	<b>\$ 12,224</b>	<b>\$ 12,160</b>	<b>\$ 7,602</b>	<b>\$ 8,473</b>	<b>\$ 8,021</b>	<b>\$ 9,543</b>

The City of Dixon implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. Therefore comparative information for prior years is not available.

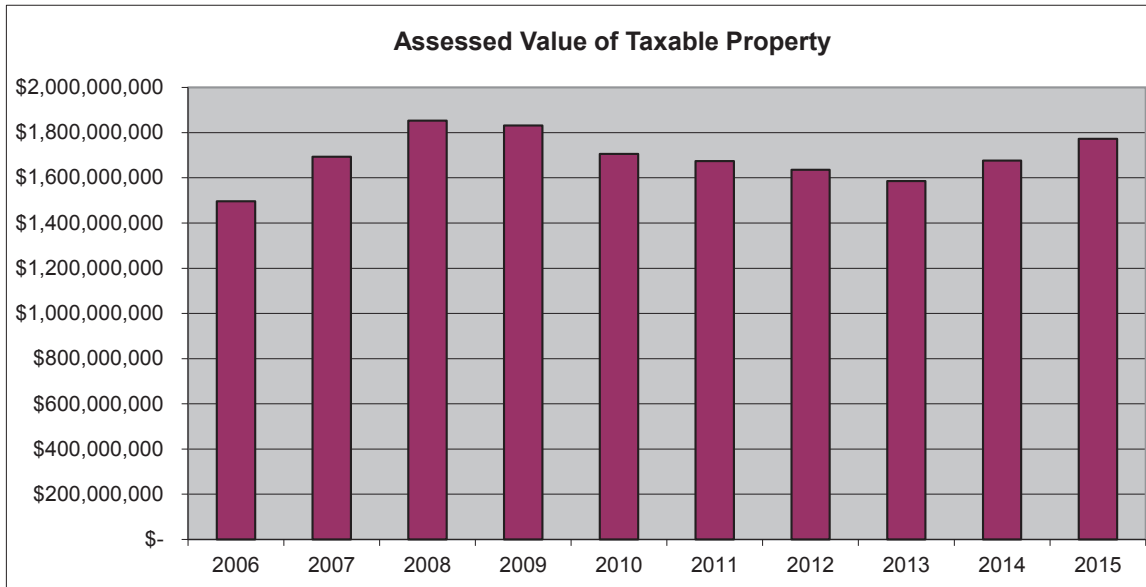
Source: City of Dixon Finance

**CITY OF DIXON**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS (in thousands)**  
*(modified accrual basis of accounting)*

	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Revenues</b>										
Taxes and assessments	\$ 10,946	\$ 13,343	\$ 12,820	\$ 13,536	\$ 11,682	\$ 12,003	\$ 11,643	\$ 11,914	\$ 11,035	\$ 9,703
Licenses, permits, and fess	1,696	2,913	2,402	1,052	790	827	1,002	1,203	1,538	356
Fines and forfeitures	77	70	52	54	35	84	46	38	83	17
Use of money and property	957	1,394	1,108	637	286	221	166	311	224	237
Program income	1,594	768	111	112	59	170	86	107	100	184
Intergovernmental revenues	2,748	1,193	2,459	707	1,465	1,506	1,008	5,400	4,557	3,625
Charges for service	1,828	1,349	1,974	446	316	265	294	771	1,324	2,912
Contributions	9,703	1,142	4	-	-	-	-	-	-	1,026
Developer fees	1,678	601	322	272	38	3	803	735	69	129
Other revenues	165	336	265	146	275	56	171	213	111	183
<b>Total revenues</b>	<b>31,392</b>	<b>23,109</b>	<b>21,517</b>	<b>16,962</b>	<b>14,946</b>	<b>15,135</b>	<b>15,219</b>	<b>20,692</b>	<b>19,041</b>	<b>18,372</b>
<b>Expenditures</b>										
General government	2,505	2,939	3,554	1,956	2,917	2,287	1,541	1,837	1,918	2,747
Public safety	6,415	7,114	7,530	7,570	7,296	7,162	7,040	7,087	7,352	7,709
Parks and recreation	1,306	1,481	1,711	1,705	1,542	1,467	1,487	1,415	1,327	1,399
Development	2,686	2,665	2,880	2,930	3,258	1,795	987	5,170	4,973	1,970
Public ways and facilities	2,939	2,667	2,884	1,924	2,273	1,381	1,325	1,455	1,321	1,653
Debt service - Principal	450	465	375	400	425	445	3,605	368	381	211
Debt service - Interest	491	762	438	419	397	374	396	73	63	53
Capital outlay	17,182	4,807	4,602	1,148	917	1,502	2,652	1,322	1,753	894
<b>Total expenditures</b>	<b>33,974</b>	<b>22,900</b>	<b>23,974</b>	<b>18,052</b>	<b>19,025</b>	<b>16,413</b>	<b>19,033</b>	<b>18,727</b>	<b>19,088</b>	<b>16,636</b>
Excess of revenues over (under) expenditures	(2,582)	209	(2,457)	(1,090)	(4,079)	(1,278)	(3,814)	1,965	(47)	1,736
<b>Other financing sources (uses)</b>										
Proceeds from borrowing	-	-	-	-	-	-	2,786	-	-	-
Transfers in	3,383	3,879	3,404	1,888	2,044	3,244	2,600	1,777	1,667	1,457
Transfers out	(3,355)	(3,787)	(3,243)	(1,583)	(1,736)	(2,945)	(2,283)	(1,592)	(1,328)	(1,027)
<b>Total other financing sources</b>	<b>28</b>	<b>92</b>	<b>161</b>	<b>305</b>	<b>308</b>	<b>299</b>	<b>3,103</b>	<b>185</b>	<b>339</b>	<b>430</b>
<b>Extraordinary item</b>										
Redevelopment dissolution	-	-	-	-	-	-	(3,461)	-	-	-
<b>Net change in fund balance</b>	<b>\$ (2,554)</b>	<b>\$ 301</b>	<b>\$ (2,296)</b>	<b>\$ (785)</b>	<b>\$ (3,771)</b>	<b>\$ (979)</b>	<b>\$ (4,172)</b>	<b>\$ 2,150</b>	<b>\$ 292</b>	<b>\$ 2,166</b>
Debt service as a % of noncapital expenditures	5.6%	6.8%	4.2%	4.8%	4.5%	5.5%	24.4%	2.5%	2.6%	1.7%



**CITY OF DIXON  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS**



Property Taxes - Primary Own-Source Revenue

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
2006	\$ 1,118,505,103	\$ 121,514,359	\$ 120,636,093	\$ 135,819,451	\$ 1,496,475,006	0.28997%	\$ 4,339,329
2007	1,274,422,301	145,650,411	130,704,860	142,359,638	1,693,137,210	0.28877%	4,889,272
2008	1,379,032,478	165,134,084	158,906,122	150,325,141	1,853,397,825	0.28893%	5,355,022
2009	1,316,898,828	180,793,061	170,707,791	163,217,303	1,831,616,983	0.29231%	5,354,000
2010	1,135,898,725	185,301,156	173,857,213	211,221,330	1,706,278,424	0.29569%	5,045,295
2011	1,068,035,906	182,283,193	285,003,298	138,336,899	1,673,659,296	0.29395%	4,919,722
2012	1,020,412,005	173,969,716	298,431,146	142,426,419	1,635,239,286	0.28648%	4,684,634
2013	993,226,556	167,798,603	291,007,970	134,109,175	1,586,142,304	0.28636%	4,542,077
2014	1,095,136,228	172,478,921	264,820,040	144,148,183	1,676,583,372	0.18894%	3,167,737
2015	1,200,380,745	173,832,941	250,198,317	147,671,154	1,772,083,157	0.18784%	3,328,681

Notes:

- [a] Includes "supplemental roll" tax receipts for property transfer after "lien date" (collections can exceed 100% of levy).
- [b] Taxes receipted net of administrative collections (SB-2557) charges and redevelopment pass-thrus.

Source : HdL, Coren & Cone

**CITY OF DIXON**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
*(Per \$100 of Assessed Value)*

<u>Fiscal Year</u>	<u>Basic County City School Levy</u>	<u>Dixon Unified School District</u>	<u>Solano County Flood Water Project</u>	<u>Solano Community College</u>	<u>Total Direct and Overlapping Rates</u>	<u>Total Direct Rate</u>
2006	1.00	0.04342	0.02	0.01643	1.07985	0.28832
2007	1.00	0.04923	0.02	0.01547	1.08470	0.28832
2008	1.00	0.04664	0.02	0.01458	1.08122	0.28728
2009	1.00	0.04699	0.02	0.01498	1.08197	0.29274
2010	1.00	0.05456	0.02	0.01846	1.09302	0.29234
2011	1.00	0.05170	0.02	0.01945	1.09115	0.28773
2012	1.00	0.06717	0.02	0.02016	1.10732	0.28321
2013	1.00	0.05487	0.02	0.02060	1.09547	0.27830
2014	1.00	0.05222	0.02	0.03955	1.11177	0.13754
2015	1.00	0.05691	0.02	0.03672	1.11363	0.18784

Source: HdL, Coren & Cone

**CITY OF DIXON  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT AND TEN YEARS PRIOR**

<b>Taxpayer</b>	<b>2014/15</b>			<b>2005/06</b>		
	Rank	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Rank	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Undisclosed <sup>1</sup>	1	\$ 100,426,083	5.67%			
Basalite Concrete Products	2	30,083,368	1.70%	1	\$ 29,382,457	1.96%
Dixon Vaughn Holdings LLC	3	25,927,796	1.46%			
California Water Service Company	4	23,394,525	1.32%			
Cardinal Health 200Inc.	5	22,923,005	1.29%	6	13,107,308	0.88%
Wal Mart Real Estate Trust	6	21,968,138	1.24%	4	14,809,108	0.99%
Gymboree Logistics Partnership	7	14,158,691	0.80%	5	13,790,177	0.92%
Insulfoam, LLC	8	13,364,438	0.75%			
Safeway Stores	9	10,257,001	0.58%	9	9,318,619	0.62%
Meadowood Apartments LLC	10	10,246,312	0.58%			
Pulte Homes Corp.				2	15,636,890	1.04%
SunTrust Banks Inc.				3	15,544,234	1.04%
Mililani Group				7	12,824,977	0.86%
Premier Industries				8	12,808,428	0.86%
MEC Dixon, Inc.				10	9,061,029	0.61%
<b>Top Ten Totals</b>		<b>\$ 272,749,357</b>	<b>15.39%</b>		<b>\$ 146,283,227</b>	<b>9.78%</b>
<b>City Total Taxable Assessed Value</b>		<b>\$ 1,772,083,157</b>			<b>\$ 1,257,067,754</b>	

Notes: <sup>1</sup> Taxpayer name is undisclosed due to non-disclosure agreement with City of Dixon

Source: Hdl, Coren & Cone

**CITY OF DIXON**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS (in thousands)**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>1</sup>		Collection in Subsequent Years	Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 4,023	\$ 4,023	100.00%	10	\$ 4,033	100.25%
2007	4,051	4,051	100.00%	2	4,053	100.05%
2008	4,030	4,030	100.00%	(2)	4,028	99.95%
2009	3,998	3,998	100.00%	9	4,007	100.23%
2010	3,552	3,552	100.00%	3	3,555	100.08%
2011	2,587	2,587	100.00%	-	2,587	100.00%
2012	2,681	2,681	100.00%	-	2,681	100.00%
2013	2,512	2,512	100.00%	-	2,512	100.00%
2014	2,569	2,569	100.00%	-	2,569	100.00%
2015	3,005	3,005	100.00%	-	3,005	100.00%

Property tax for the City of Dixon is distributed to the different governmental agencies under the State mandated alternate method of apportioning taxes (commonly referred to as the "Teeter Plan" whereby all local agencies, including cities, receive from the county 100% of their respective shares of the ad valorem taxes levied, without regard to the actual collection of the taxes levied. This method was placed in effect by Solano County in the 1965-66 tax year and remains in effect unless the County Board of Supervisors orders its discontinuance.

**CITY OF DIXON**  
**SALES TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
*(Per \$1 of Taxable Sale)*

<u>Fiscal Year</u>	<u>State Sales &amp; Use Tax</u>	<u>Basic County Sales &amp; Use Tax</u>	<u>Solano County Public Library Transaction &amp; Use Tax</u>	<u>Total Sales &amp; Use Tax Rate</u>
2006	6.25	1.00	0.125	7.375
2007	6.25	1.00	0.125	7.375
2008	6.25	1.00	0.125	7.375
2009	7.25	1.00	0.125	8.375
2010	7.25	1.00	0.125	8.375
2011	7.25	1.00	0.125	8.375
2012	6.25	1.00	0.125	7.375
2013	6.50	1.00	0.125	7.625
2014	6.50	1.00	0.125	7.625
2015	6.50	1.00	0.125	7.625

Source: California Board of Equalization

**CITY OF DIXON**  
**Top 25 Sales Tax Producers**  
**Fiscal Year 2015 and 2006**  
(In Alphabetical Order)

<b>FY 2014/15</b>		<b>FY 2005/06</b>	
<u>Business Name</u>	<u>Business Category</u>	<u>Business Name</u>	<u>Business Category</u>
Air Perfection	Contractors	Air Perfection	Repair Shop/Equip. Rentals
Altec Industries	Heavy Industrial	Altec Industries	Heavy Industrial
Basalite Concrete Products	Contractors	Basalite Concrete Products	Contractors
Baxter Healthcare	Medical/Biotech	Baxter Healthcare	Medical/Biotech
Cardinal Health	Medical/Biotech	Cardinal Healthcare	Medical/Biotech
Cattlemens	Casual Dining	Cattlemens	Casual Dining
Design Space Modular Buildings	Trailers/RVs	Chevron	Service Stations
Dixon Arco	Service Stations	Dixon Hardware	Hardware Stores
Dixon Chevron	Service Stations	Dixon Shell Lube & Tune	Service Stations
Dorset Valero	Service Stations	Dorset 76	Service Stations
Global Rental	Repair Shop/ Equip. Rentals	Global Rental	Repair Shop/Equip Rentals
Gone Fishin' Marine	Boats/Motorcycles	Gone Fishin' Marine	Boats/Motorcycles
GS Texaco	Service Stations	Gymboree	Fulfillment Centers
Gymboree	Fulfillment Centers	John Taylor Fertilizers	Garden/Agricultural Supplies
Ramos Oil	Petroleum Prod/Equipment	Palisades Gas & Wash	Service Stations
Ron Du Pratt Ford	New Motor Vehicle Dealers	Ramos Oil	Petroleum Prod/Equipment
Safeway	Grocery Stores Liquor	Ron Du Pratt Ford	New Motor Vehicle Dealers
Safeway Fuel	Service Stations	Safeway	Grocery Stores Liquor
SEC Auto Solutions	Trailers/Auto Parts	Safeway Fuel	Service Stations
Sidhu Chevron	Service Stations	Sidhu Chevron	Service Stations
Tractor Supply	Garden/Agricultural Supplies	Sidhu Chevron	Service Stations
Valero	Service Stations	Valero Refining	Service Stations
Valley Truck & Tractor	Warehouse/Farm/Const. Equip	Valley Truck & Tractor	Warehouse/Farm/Const. Equip
Walmart	Discount Dept Stores	Walmart	Discount Dept Stores
Wilbur Ellis Company	Garden/Agricultural Supplies	Western Insulfoam	Light Industrial/Printers

Percent of Fiscal Year Total Paid by Top 25 Accounts = 85.85%

Percent of Fiscal Year Total Paid by Top 25 Accounts = 85.83%

Source: Hdl, Coren & Cone

**CITY OF DIXON**  
**TAXABLE SALES BY CATEGORY**  
**LAST TEN CALENDAR YEARS (in thousands)**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Major Business Groups										
Food Stores	\$ 7,815	\$ 7,330	\$ 7,423	\$ 7,384	\$ 7,015	\$ 6,781	\$ 6,908	\$ 6,693	\$ 6,687	\$ 6,922
Eating and Drinking Places	27,147	27,543	28,004	26,543	25,288	24,795	25,424	25,559	26,421	27,416
Building Materials	11,459	10,711	11,935	14,127	23,541	15,521	17,939	18,686	18,943	19,462
Service Stations	45,876	48,326	57,753	58,146	43,038	48,255	63,753	62,845	59,796	56,080
Other Retail Stores	73,783	83,227	85,534	86,133	81,665	85,803	89,866	98,396	103,092	105,462
All other outlets	285,574	338,643	391,528	328,379	297,381	259,315	284,642	279,580	274,761	284,955
Fiscal Year Totals	\$ 451,654	\$ 515,780	\$ 582,177	\$ 520,712	\$ 477,928	\$ 440,470	\$ 488,532	\$ 491,759	\$ 489,700	\$ 500,297

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the source of the City's revenue.

Source: State of California Board of Equalization and Hdl Coren & Coren and Companies

**CITY OF DIXON**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
*(amounts expressed in thousands, except per capita amount)*

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percent of Personal Income <sup>1</sup>	Population	Debt per Capita	Assessed Value	Personal Income (thousands of dollars)
	Tax Allocation Bonds <sup>2</sup>	Lease Revenue Bonds	COPS	Capital Leases	Wastewater COPS	Wastewater Revenue Bonds							
2006	\$ 3,675	\$ 4,515	\$ 105	\$ -	\$ 2,035	\$ -	\$ 10,330	2.59%	17,078	\$ 605	\$ 1,496,475	\$ 398,984	
2007	3,565	4,265	-	-	1,950	-	9,780	2.24%	17,470	560	1,693,137	437,134	
2008	3,450	4,005	-	-	1,865	-	9,320	2.03%	17,550	531	1,853,397	458,491	
2009	3,325	3,730	-	-	1,775	-	8,830	1.91%	17,486	505	1,831,617	461,277	
2010	3,195	3,435	-	-	1,680	-	8,310	1.85%	17,535	474	1,706,278	448,567	
2011	3,055	3,130	-	-	1,580	-	7,765	1.73%	17,605	441	1,673,659	448,135	
2012	-	2,456	-	-	-	1,361	3,817	0.80%	18,282	209	1,635,239	476,173	
2013	-	2,087	-	-	-	1,203	3,290	0.66%	18,449	178	1,586,142	501,112	
2014	-	1,707	-	-	-	1,068	2,775	0.56%	19,005	146	1,676,583	499,679	
2015	-	1,496	-	-	-	930	2,426	0.47%	19,026	128	1,772,083	512,166	

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

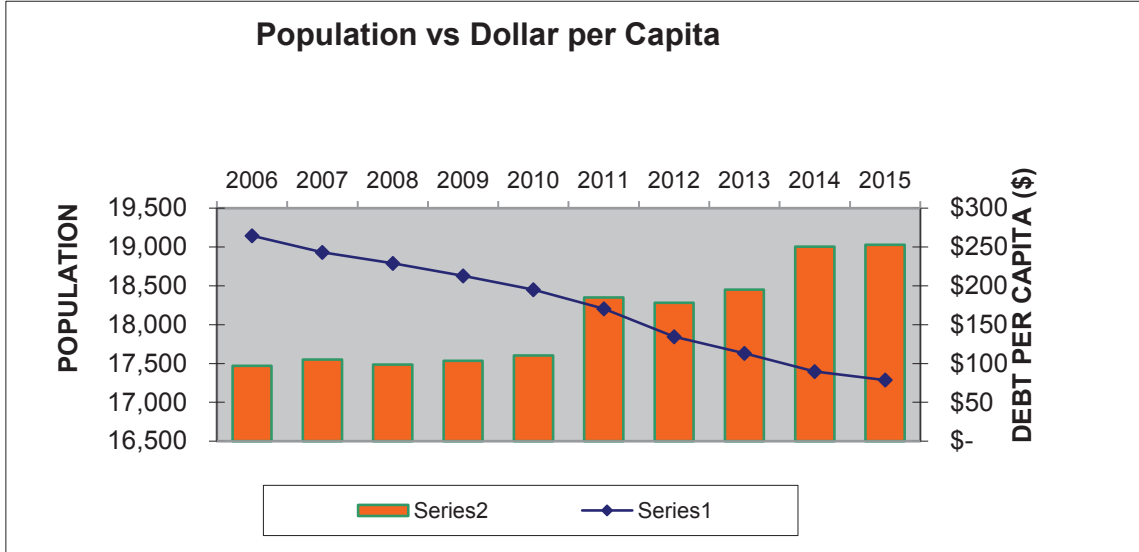
<sup>1</sup> See the Schedule of Demographic Statistics for personal income and population data.

<sup>2</sup> As part of the redevelopment agency dissolution, the Tax Allocation Bonds were transferred to the Successor Agency, and therefore, no outstanding balance exists for the City as of June 30, 2012.

Source: City of Dixon Finance



**CITY OF DIXON  
RATIO OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS YEARS**



Fiscal Year	Lease Revenue Bonds	COPS	Total Primary Government	Percent of Assessed Value	Population	Debt per Capita	Assessed Value
2006	\$ 4,515	\$ 105	\$ 4,620	0.309%	17,470	\$ 264	1,496,475
2007	4,265	-	4,265	0.252%	17,550	243	1,693,137
2008	4,005	-	4,005	0.216%	17,486	229	1,853,397
2009	3,730	-	3,730	0.204%	17,535	213	1,831,616
2010	3,435	-	3,435	0.201%	17,605	195	1,706,278
2011	3,130	-	3,130	0.187%	18,351	171	1,673,659
2012	2,456	-	2,456	0.150%	18,282	134	1,635,239
2013	2,087	-	2,087	0.132%	18,449	113	1,586,142
2014	1,707	-	1,707	0.102%	19,005	90	1,676,583
2015	1,496	-	1,496	0.084%	19,029	79	1,772,083

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Source: City of Dixon Finance and HDL

**CITY OF DIXON  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2015**

2014-15 Assessed Valuation :	\$ 1,772,083,157
Redevelopment Incremental Valuation:	-
Adjusted assessed Valuation:	<u>\$ 1,772,083,157</u>

<u>Direct and Overlapping Tax and Assessment Debt</u>	<u>% Applicable [1]</u>	<u>Total Debt 6/30/2015</u>	<u>City's Share of Debt 6/30/2015</u>
Solano County Community College District	4.195%	\$ 214,806,989	9,011,153
Dixon Unified School District	68.780%	27,006,740	18,575,236
City of Dixon 1915 Act Bonds	100.000%	<u>3,319,514</u>	<u>3,319,514</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		245,133,243	30,905,903
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT</u>			
Solano County Certificates of Participation	4.013%	\$ 100,105,000	4,017,214
Solano County Pension Obligations	4.013%	62,810,000	2,520,565
Solano County Office of Education Certifications of Participation	4.013%	1,360,000	54,577
Dixon Unified School District Certificates of Participation	68.780%	9,537,362	6,559,798
<b>City of Dixon General Fund Obligations</b>	<b>100.000%</b>	<b><u>1,496,000</u></b>	<b><u>1,496,000</u></b>
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		<u>\$ 175,308,362</u>	<u>\$ 14,648,154</u>
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency)</u>			
	100.000%	\$ 2,415,000	\$ 2,415,000
GROSS COMBINED TOTAL DEBT		\$ 420,441,605	
<b>SUBTOTAL DIRECT DEBT</b>			<b>\$ 1,496,000</b>
SUBTOTAL OVERLAPPING DEBT			\$ 48,888,057
GRAND TOTAL OF DIRECT AND OVERLAPPING DEBT			\$ 47,969,057 [2]

<u>Ratios to Adjusted Assessed Valuation:</u>			
<b>Total Direct Debt</b> .....	<b>\$ 1,496,000</b>		<b>0.08%</b>
Combined Total Debt.....			2.71%
 <u>Ratios to Redevelopment Incremental Valuation (\$233,252,012)</u>			
Total Overlapping Tax Increment Debt.....			1.04%

Notes:

[1] The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

[2] Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

**CITY OF DIXON  
LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS**

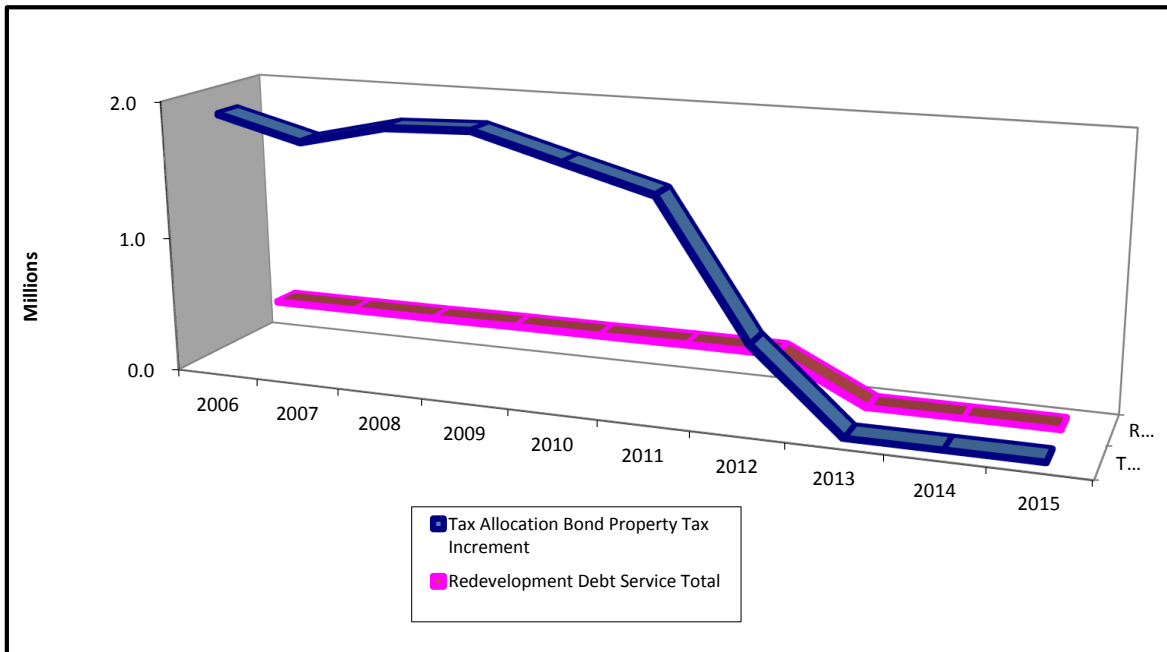
**Legal Debt Margin Calculation for Fiscal Year 2015**

Assessed Value (in thousands)	\$ 1,772,083
Debt Limit (15%) of total assessed value	265,812
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	\$ 265,812

Fiscal Year	Total Taxable Assessed Value (in thousands)	Debt Limit Amount	Total net debt applicable to limit	Legal debt margin	Ratio of net debt applicable to limit to legal debt limit
2006	\$ 1,496,475	\$ 224,471	\$ -	\$ 224,471	0%
2007	1,693,137	253,971	-	253,971	0%
2008	1,853,397	278,010	-	278,010	0%
2009	1,831,616	274,742	-	274,742	0%
2010	1,706,278	255,942	-	255,942	0%
2011	1,673,659	251,049	-	251,049	0%
2012	1,635,239	245,286	-	245,286	0%
2013	1,586,142	237,921	-	237,921	0%
2014	1,676,583	251,487	-	251,487	0%
2015	1,772,083	265,812	-	265,812	0%

Source: City of Dixon Finance

**CITY OF DIXON  
PLEDGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS (in thousands)**

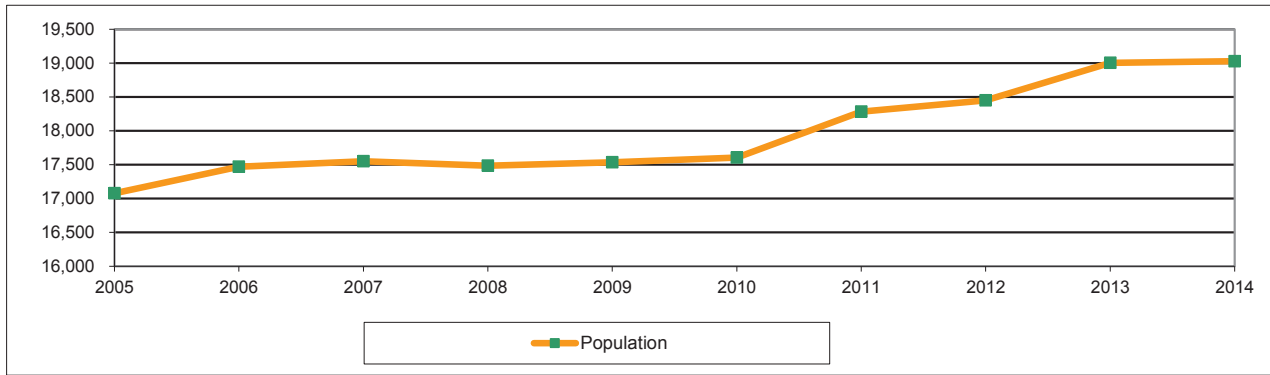


Fiscal Year	Tax Allocation Bond Property Tax Increment				Redevelopment Debt Service			
	Redevelopment Increment	Less: Low and Moderate Income Housing Set-Aside		Net Available Revenue	Principal	Interest	Total	Debt Ratio
2006	\$ 2,280	\$ 382	\$ 1,898	\$ 105	\$ 219	\$ 324	17%	
2007	2,169	433	1,736	110	213	323	19%	
2008	2,350	470	1,880	115	207	322	17%	
2009	2,377	475	1,902	125	201	326	17%	
2010	2,157	431	1,726	130	193	323	19%	
2011	1,940	388	1,552	140	185	325	21%	
2012	778	194	584	145	178	323	55%	
2013	-	-	-	-	-	-	0%	
2014	-	-	-	-	-	-	0%	
2015	-	-	-	-	-	-	0%	

<sup>1</sup> As part of the redevelopment agency dissolution, the Tax Allocation Bonds were transferred to the Successor Agency, and therefore, no outstanding balance exists for the City as of June 30, 2012.

Source: City of Dixon Finance

**CITY OF DIXON  
DEMOGRAPHIC AND ECONOMIC INDICATORS  
LAST TEN FISCAL YEARS**



Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate	Median Age	School Enrollment	% of pop 25+ w/ H.S. Degree	% of pop 25+ w/ Bachelor's Degree
2005	17,078	\$ 398,984	\$ 23,362	4.3%	-	3,929	-	-
2006	17,470	437,134	25,022	3.9%	-	4,050	-	-
2007	17,550	458,491	26,125	4.2%	-	4,088	-	-
2008	17,486	461,277	26,380	5.4%	-	4,127	-	-
2009	17,535	448,567	25,581	8.7%	32.00	4,089	79.2%	19.2%
2010	17,605	448,135	25,455	9.7%	32.70	4,166	78.7%	19.4%
2011	18,282	476,173	26,046	9.2%	32.30	3,946	82.1%	19.6%
2012	18,449	501,112	27,162	6.5%	32.50	3,899	83.9%	20.6%
2013	19,005	499,679	26,292	5.6%	33.70	3,800	81.5%	19.3%
2014	19,029	512,166	26,915	6.3%	34.10	3,808	80.8%	22.1%

Source: Hdl, Coren & Cone

**CITY OF DIXON  
PRINCIPAL EMPLOYERS  
CURRENT AND FIVE YEARS PRIOR**

Total City Employment<sup>1</sup>

9,000

Total City Employment<sup>1</sup>

8,100

**FY 2014-15**

Employer	Employees <sup>2</sup>	Rank	% of Total City Employed
Dixon Unified School District	350		3.89%
Gymboree, Inc.	325		3.61%
Wal-Mart	298		3.31%
Dixon Canning (Campbell's)	280		3.11%
First Northern Bank	192		2.13%
Altec Industries	174		1.93%
Basalite	169		1.88%
Superior Packing	130		1.44%
City of Dixon	107		1.19%
Cardinal Health	105		1.17%

**2009-10**

Employer	Employees <sup>2</sup>	Rank	% of Total City Employed
Gymboree, Inc.	419	1	5.17%
Kragen Auto Works	400	2	4.94%
Wal Mart	288	3	3.56%
Cardinal Health	203	4	2.51%
Dixon Unified School District	197	5	2.43%
Basalite	180	6	2.22%
Dixon Canning Corporation (Seasonal)	180	7	2.22%
Superior Packing	140	8	1.73%
City of Dixon	115	9	1.42%
First Northern Bank	109	10	1.35%

<sup>1</sup>Source: CA EDD Labor Force statistics and Historical Data - [www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)

<sup>2</sup>Source: Current year information comes directly from the employers; prior year information from the respective years audit statistical sections

**CITY OF DIXON**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General government										
Management Services	7.5	7.5	7.5	7.5	7.5	7.75	6.5	4.75	4.75	4.75
Finance and IT	6.3	6.66	7.5	6.84	6.84	4.84	6.33	9.75	9.75	9.75
Planning	4	4	4	3	2.75	2.75	3	2.4	3.13	2.98
Building	3	3	3	2	1.25	1.25	-	-	-	-
Other - Transit	7.09	7.09	7.68	7.68	6.19	6.78	6.21	6.19	5.75	5.75
Police										
Officers	30	30	31	30.5	28.5	27	28	28	28	28
Civilians	2	2	2	2	2	2	2	2	2	2
Fire										
Firefighters and officers	22	22	21	21	20	20	20	20	20	23
Civilians	1.75	1.875	2	2	2	2	1	1	1	1
Public Works										
Engineering	10	10	10	10	6.5	5.5	5.5	5.5	5.45	5.65
Maintenance	21.6	21.6	22.4	19.6	18.5	15.8	15.5	12.5	12.13	12.65
Redevelopment	1	1	1	1	1	1	1	-	-	-
Parks and recreation	4	4	4	4	4	2.95	2	2	2	2
Wastewater collection and treatment	5.3	5.36	6.5	6.67	8.165	8.165	7.17	6.5	7.05	6.7
Total	<u>125.54</u>	<u>126.085</u>	<u>129.58</u>	<u>123.79</u>	<u>115.195</u>	<u>107.785</u>	<u>104.21</u>	<u>100.59</u>	<u>101.01</u>	<u>104.23</u>

Source: City of Dixon Annual Budget

Paid employees only (excluding reserves and volunteers)

**CITY OF DIXON  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

<u>Function</u>	<u>Fiscal Year</u>										
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Police:</b>											
Police Calls for Service	17,191	19,378	19,540	19,202	16,426	17,103	14,937	14,076	13,314	15,049	16,785
Law Violations:											
Part I Crimes	726	671	871	872	609	602	536	394	378	448	484
Physical Arrests (Adult and Juvenile)	602	568	589	567	492	505	370	416	325	402	523
Parking Violations	360	594	485	498	179	253	183	152	69	123	68
<b>Fire:</b>											
Number of volunteers	35	12	12	12	12	12	9	12	12	12	11
Number of calls answered	1,965	1,900	1,923	1,983	2,001	1,997	1,792	1,748	1,916	2,053	2,021
<b>Transit service:</b>											
Daily average number of passengers	260	257	254	260	228	177	174	195	203	209	227
Daily average number of service miles	230	385	382	230	338	290	307	318	319	336	371
<b>Wastewater</b>											
Service Connections	4,905	5,196	5,196	5,196	5,214	5,214	5,219	5,219	5,219	5,219	5,321
Maximum daily capacity of treatment plant (millions gallons per day)	1.82	1.82	1.82	1.82	1.82	1.82	1.82	1.82	1.82	1.82	1.82
Average Daily Pumping (millions of gallons)	1.48	1.37	1.37	1.37	1.26	1.27	1.29	1.26	1.71	1.16	1.10
<b>Water Service - Dixon-Solano Water Agency</b>											
Pumping capacity (million of gallons per day)	8.33	8.33	8.33	11.93	11.93	11.93	11.93	11.93	11.93	11.93	-
Average Consumption (million gallons per day)	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	-
<b>Water Service - City of Dixon</b>											
Pumping capacity (million of gallons per day)	-	-	-	-	-	-	-	-	-	-	13.24
Average Consumption (million gallons per day)	-	-	-	-	-	-	-	-	-	-	2.24

Source: City of Dixon Departmental Statistical Tables from Annual Reports



**CITY OF DIXON  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Patrol Units	17	17	17	17	17	17	17	17	17	15
Fire Stations	1	1	1	1	1	1	1	1	1	1
Fire Vehicles	12	12	12	12	13	13	13	13	13	13
Public Works										
Miles of Streets	62	62	62	62	62	62	62	62	62	62
Street Lights	2,020	2,020	2,020	2,020	2,020	2,020	2,020	2,020	2,020	2,020
Recreation and Community Services:										
City Parks	7	7	7	7	7	7	7	7	7	7
City Parks Acreage	89	89	89	89	89	89	89	89	89	89
Senior Centers	1	1	1	1	1	1	1	1	1	1
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	6	6	6	6	6	6	6	6	6	6
Baseball/Softball Diamonds	11	11	11	11	11	11	11	11	11	11
Soccer Fields	5	5	5	5	5	5	5	5	5	5
Library	1	1	1	1	1	1	1	1	1	1
Wastewater										
Treatment Plants	1	1	1	1	1	1	1	1	1	1
Sewer Lines (miles)	73	73	73	73	73	73	73	73	73	73
Storm Drain (miles)	43.1	43.1	43.1	43.1	43.1	43.1	43.1	43.1	43.1	43.1
Water										
Wells	-	-	-	-	-	-	-	-	-	5
Water Main (miles)	-	-	-	-	-	-	-	-	-	44

Source: City of Dixon Departmental Statistical Tables from Annual Reports