Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2016

CITY OF DIXON, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2016

PREPARED BY

FINANCE DEPARTMENT

CITY OF DIXON

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2016

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Introductory Section

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

COUNCILMEMBER TED HICKMAN
COUNCILMEMBER SCOTT PEDERSON
CITY TREASURER DANE BESNEATTE

November 30, 2016

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

Financing covenants and 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 conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. This report is published to fulfill requirement, the City is pleased to sub for the fiscal year ended June 30, 2016.

Management assumes responsibility for the reliability, completeness 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 2016 is 19,018 (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.

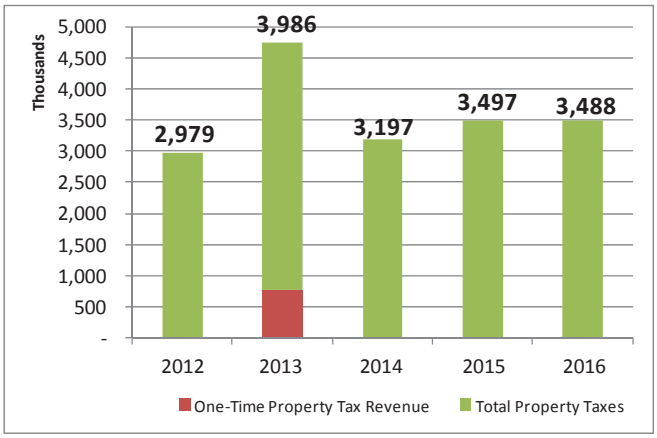
FACTORS AFFECTING FINANCIAL CONDITION

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 5.8% from the 5.9% reported in June 2015, 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 138,300 jobs in the county, a modest increase from 2015, with 1.5% farm related and 98.5% non-farm related jobs. The gross value of Solano's agricultural production is $353.869 million representing a 6.5% drop from 2014 values. Tomatoes and walnuts continued as the top two crops. Sheep farming, an integral part of the County and Dixon, has seen Solano County as one of the top sheep and lamb producing counties in California. Superior Farms, North America's largest lamb marketer/processer, operates and remains of the largest employers in Dixon.

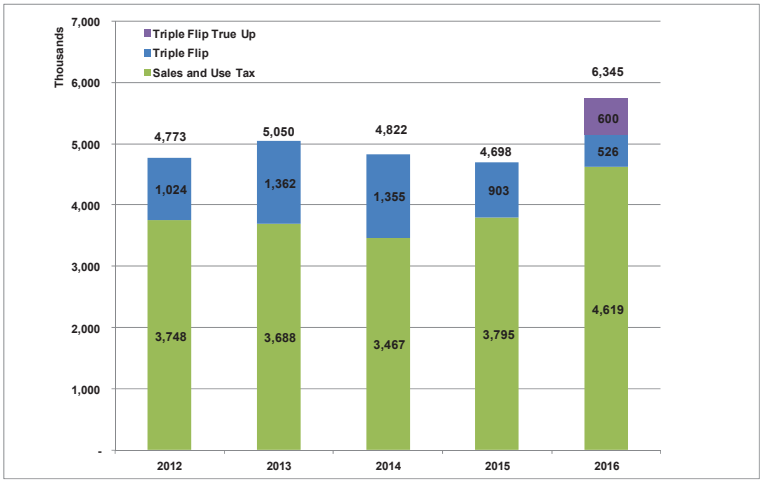
Dixon is one of four cities in the County with a higher cost of living attributable to housing prices. Inflation remains low and housing opportunities with single family residential new construction a bright spot for future economic revival. Home sales throughout the state remain strong with median prices continuing to rise throughout Solano County. The median single family home price in Dixon as of June 2016 increased 6.7% to $377,000 from $353,500 in 2015. Within Solano County, the median price increased to $360,000 from $335,000 for the same reporting period.



Property tax revenues have consistently trended upward in the past five years increasing by 17%. The property tax revenue categories showing particular growth in 2015-16 were the secured and supplemental components. This category generates 22% in General Fund revenues. Dixon has 5,979 parcels/assessments with residential representing 69% 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.

In Dixon, the value increased over $57 million to $1.829 billion or a 3.23% increase over the prior year. Many properties within California and Solano County continue to be 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 & industry, and autos & transportation, as well as state and county pool allocations for sales tax revenues, while declines in fuel/service stations offset some of these gains. The final "triple-flip" payment during this fiscal year which gives the appearance of more robust sales tax numbers than in actuality. This was considered a true-up.



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 36% 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

Capital Improvements and City Infrastructure

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 extended to February 2017 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. As of June 30th, construction activity approximated 74.9% completion. The City continues funding a restricted reserve fund that will be equal to one year's debt service prior to the construction completion date.

The City continues to face the challenges of maintaining its infrastructure and aging City buildings. In 2015-16, the Council adopted an updated Parks Master Plan, accepted several projects as complete including the citywide benchmark project, a sidewalk project, and Heritage Lane, part of the Parklane Subdivision. City buildings such as the Senior Multi-Use Center saw concrete/flooring repairs completed, as did the Fire Department with apparatus floor maintenance, training tower specialty floor coating, and installation of new roll-up doors. Several project appropriations for building improvements such as Police Department painting and carpet and new property/evidence room upgrades have been deferred until 2016-17.

General Plan

The current General Plan was last adopted in 1993. The City has engaged a land use consultant and is currently in the process of completing a comprehensive update to the General Plan. The consultant was retained in October 2014, and it is anticipated the updated General Plan will be completed in fiscal year 2017-18.

Development

Single-family residential permits decreased with 31 issued in 2016 compared with 62 issued in 2015. Tenant improvements, such as the addition of photovoltaic systems and residential remodels remained robust and contributed to increased service charge revenue. Industrial and Commercial properties within Dixon represent 23.5% of assessed value, with commercial seeing a 4.1% increase.

Other Post-Employment Benefits (OPEB)
The City has been funding OPEB on a "pay-as-you-go" basis, and has accrued a $2.544 million unfunded liability. This year, the City created a new fund and set-aside $500,000 toward this liability.

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) Uniform Guidance. 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, 2015. 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 Kathryn Zawadzki, Deputy Finance Director. We appreciate the cooperation of numerous departments within the City that respond to audit requests for detailed information each year. We would like to express our appreciation to the City Council 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 Achievement for Excellence in Financial Reporting

Presented to

City of Dixon

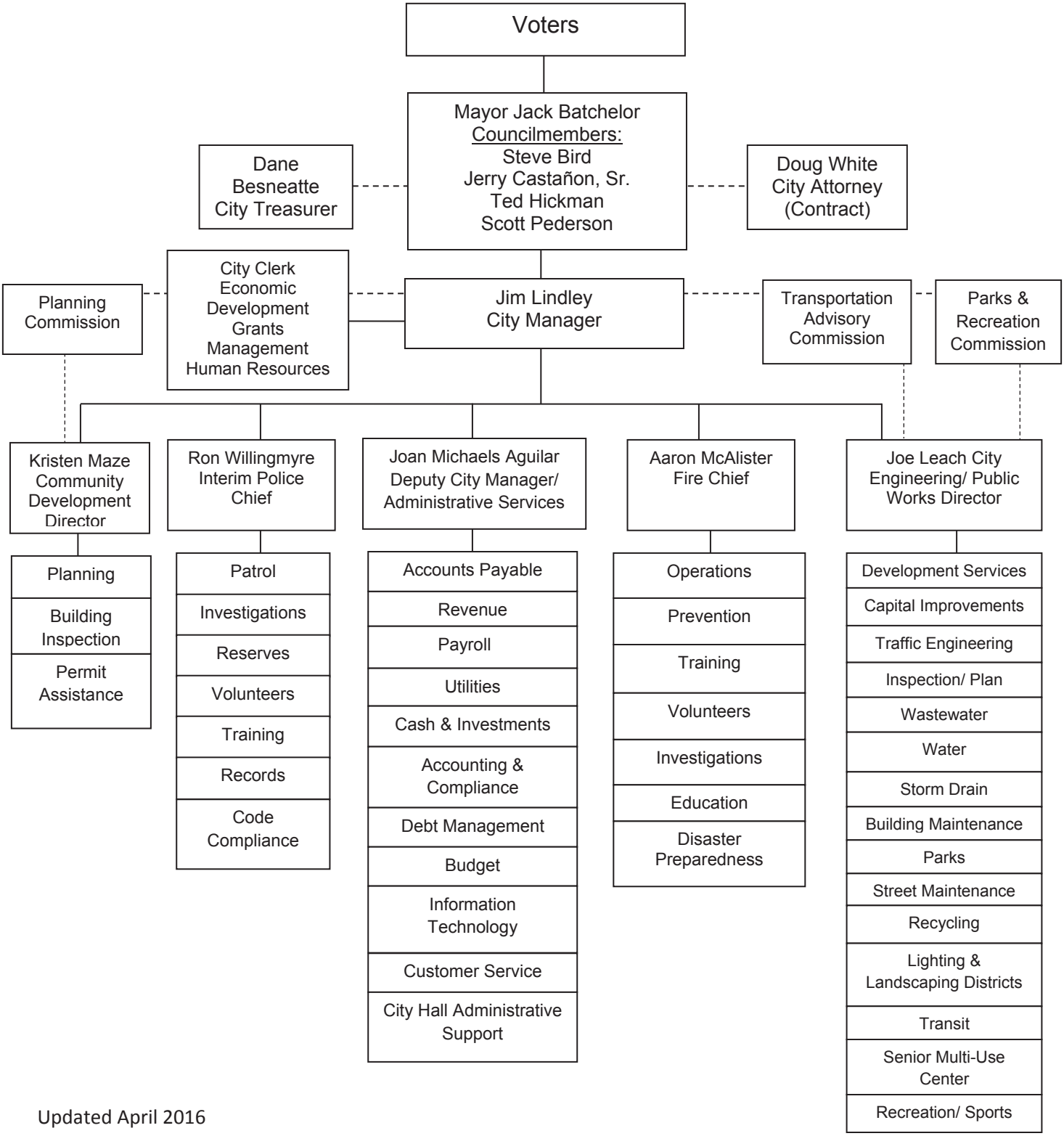
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

CITY OF DIXON
ORGANIZATIONAL CHART 2016



Updated April 2016

CITY OF DIXON
ELECTED OFFICIALS
AND
EXECUTIVE STAFF

JUNE 30, 2016

ELECTED OFFICIALS

Mayor	Jack Batchelor
Vice-Mayor	Steve Bird
Councilmember	Jerry Castañon, Sr.
Councilmember	Ted Hickman
Councilmember	Scott Pederson
City Treasurer	Dane Besneatte

EXECUTIVE STAFF

City Manager	Jim Lindley**
City Attorney	Douglas White**
Deputy City Manager/Administrative Services	Joan Michaels Aguilar
City Engineer/Director of Utilities & Public Works	Joe Leach
Cummunity Development Director	Kristen Maze
Fire Chief	Aaron McAlister
Acting Police Chief	Ron Willingmyre

**Appointed by City Council

Financial Section

LSL

CPAs AND ADVISORS

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, 2016, and the related notes to 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

LSL
CPAs AND ADVISORS

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, 2016, 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.

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 and 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.

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. The 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.

LSL
CPAs AND ADVISORS

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

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 December 2, 2016 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.

Lance, Soll & Lunghard, LLP

Brea, California
December 2, 2016

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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, 2016. 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 $3.0 million in fiscal year 2016. At June 30, 2016, net position totaled $194.2 million.
- Government-wide revenues totaled $30.1 million, including program revenues of $16.9 million and general revenues of $13.2 million, an increase of $2.9 million from prior year's $27.2 million.
- Total government-wide expenses were $27.1 million, a decrease of $1.1 million from the prior year's $28.2 million.
- Net position in governmental activities increased $2.9 million, while net position in business-type activities increased $0.1 million.
- Governmental program revenues increased to $11.4 million from fiscal year 2015's $9.4 million.
- Governmental program expenses decreased to $21.7 million in fiscal year 2016, down $0.5 million from the prior year's $22.2 million.
- Program revenues from business-type activities increased to $5.5 million in fiscal year 2016, up $0.4 million from the prior year's $5.1 million.
- Expenses of business-type activities decreased $0.7 million to $5.3 million in 2016, down from $6.0 million in fiscal year 2015.

Fund Level:

- Governmental fund balances increased to $22.2 million in fiscal year 2016 from the prior year's $16.3 million.
- Governmental fund revenues increased to $24.1 million in fiscal year 2016, up $5.7 million from the prior year's $18.4 million.
- Governmental fund expenditures increased to $18.6 million, up $2.0 million from 2015's $16.6 million.
- General Fund revenues of $15.2 million represented an increase of $1.2 million from fiscal year 2015's revenues of $14.0 million.
- General Fund fund balance increased to $7.9 million at June 30, 2016 up from fiscal year 2015's level of $6.7 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 21) 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.

The Statement of Activities (pages 22-23) 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 users 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 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, the Dixon Fire Protection District, or the Successor Agency of the City of Dixon) 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, 2016, the City of Dixon's major funds are as follows:

** General Fund
** Housing Successor Agency Fund
** CFD 2013-1 Parklane Construction Fund

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 90.

For the governmental funds financial statements, the following fund was reported as a major fund in the prior fiscal year and continues to be reported as a major fund for FY 2015-16:

** 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.

For the governmental funds financial statements, the following fund was first reported as major fund for FY 2015-16:

** The CFD 2013-1 Parklane Construction fund was established to account for the construction funds raised through the sale of bonds for the Parklane Community Facilities District. The proceeds will be distributed to the developer upon submission of eligible reimbursement requests.

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, the CFD 2013-1 Parklane Debt Service 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 37 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 88.

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 $194.2 and $191.2 million at June 30, 2016 and 2015, respectively. Overall total net position increased by $3.0 million in FY 2016.

The Summary of Net Position as of June 30, 2016 and 2015 follows:

Statement of Net Position
As of June 30, 2016 and 2015
(in thousands)

	Governmental Activities			Business Type Activities			Total Government		
	2016	2015	Change	2016	2015	Change	2016	2015	Change
ASSETS									
Current and other assets	$ 25,217	$ 19,279	$ 5,938	$ 12,337	$ 8,395	$ 3,942	$ 37,554	$ 27,674	$ 9,880
Capital Assets	127,698	131,568	(3,870)	75,429	58,163	17,266	203,127	189,731	13,396
Total Assets	152,915	150,847	2,068	87,766	66,558	21,208	240,681	217,405	23,276
Deferred Outflows	3,597	1,862	1,735	95	38	57	3,692	1,900	1,792
LIABILITIES									
Long-term liabilities	19,307	16,089	3,218	23,185	3,487	19,698	42,492	19,576	22,916
Other Liabilities	2,114	3,396	(1,282)	3,413	1,955	1,458	5,527	5,351	176
Total Liabilities	21,421	19,485	1,936	26,598	5,442	21,156	48,019	24,927	23,092
Deferred Inflows	2,133	3,135	(1,002)	48	87	(39)	2,181	3,222	(1,041)
NET POSITION									
Net investment in capital assets	126,419	130,072	(3,653)	53,344	55,386	(2,042)	179,763	185,458	(5,695)
Restricted	15,217	9,024	6,193	752	752	-	15,969	9,776	6,193
Unrestricted	(8,679)	(9,007)	328	7,119	4,930	2,189	(1,560)	(4,077)	2,517
Total Net Position	$132,957	$130,089	$ 2,868	$ 61,215	$ 61,068	$ 147	$194,172	$191,157	$ 3,015

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 $194.2 million in FY 2016 and $191.2 in FY 2015. The increase of $3.0 million for the year ended June 30, 2016 was the result of the addition of the CFD 2013-1 Parklane Construction fund. 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:

** $179.8 million and $185.5 million (93% and 97%) at June 30, 2016 and 2015 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.

** $16.0 million and $9.8 million (8% for 2016 and 5% for 2015) at June 30, 2016 and 2015 in net position represent resources that are subject to external restrictions on how they may be used. Restricted net position at June 30, 2016 is comprised of $16.0 million in special revenue programs.

** The remaining net position at June 30, 2015 was a deficit of $4.1 million and a deficit of $1.6 million at June 30, 2016. This change is the result of the new recognition of pension liabilities beginning 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.

Statement of Activities

Governmental activities increased the City's net position by $2.9 million in FY 2016. In FY 2015, governmental activities decreased net position $0.9 million. Total revenue increased approximately $3.2 million in FY 2016 and increased $1.8 million in 2015. The majority of this revenue increase is due to increased contributions from the new Parklane Community Facilities District. This increase was offset by decreases in Charges for Services of $2.3 million and Operating Grants and Contributions of $2.7 million. Total expenditures decreased $0.4 million due to decreased expenditures in Community Development of $3.3 million. This decrease was offset by increased expenditures in Public Ways and Facilities in the new Parklane Community Facilities District of $2.6 million. Business type activities increased the City's net position by $0.1 million during the year ended June 30, 2016, while resulting in a increase of $19.6 million during 2015. The main component of the 2015 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, 2016 and 2015
(in thousands)

	Governmental Activities			Business-type Activities			Total Government Activities		
	2016	2015	Net change	2016	2015	Net change	2016	2015	Net change
Revenues									
Program revenues									
Charges for Services	$ 3,074	$ 5,400	$ (2,326)	$ 4,827	$ 4,336	$ 491	$ 7,901	$ 9,736	$ (1,835)
Operating grants and contributions	1,237	3,903	(2,666)	-	729	(729)	1,237	4,632	(3,395)
Capital grants and contributions	7,070	71	6,999	654	-	654	7,724	71	7,653
General Revenues									
Taxes	12,347	11,245	1,102	-	-	-	12,347	11,245	1,102
Interest and investment earnings	368	237	131	76	26	50	444	263	181
Other revenue	2	-	2	450	1,297	(847)	452	1,297	(845)
Total Revenues	24,098	20,856	3,242	6,007	6,388	(381)	30,105	27,244	2,861
Expenses:									
Governmental activities									
General government	2,941	2,902	39	-	-	-	2,941	2,902	39
Public safety	8,033	7,997	36	-	-	-	8,033	7,997	36
Parks and recreation	2,350	2,120	230	-	-	-	2,350	2,120	230
Community development	988	4,331	(3,343)	-	-	-	988	4,331	(3,343)
Public w ays and facilities	7,393	4,790	2,603	-	-	-	7,393	4,790	2,603
Interest on long-term liabilities	44	51	(7)	-	-	-	44	51	(7)
Business-type activities									
Sew er	-	-	-	2,937	3,217	(280)	2,937	3,217	(280)
Water	-	-	-	692	2,088	(1,396)	692	2,088	(1,396)
Transit	-	-	-	1,711	688	1,023	1,711	688	1,023
Total Expenses	21,749	22,191	(442)	5,340	5,993	(653)	27,089	28,184	(1,095)
Excess (deficiency) before transfers & special items	2,349	(1,335)	3,684	667	395	272	3,016	(940)	3,956
Transfers & Special items									
Transfers	520	430	90	(520)	(430)	(90)	-	-	-
Special Items	-	-	-	-	18,948	(18,948)	-	18,948	(18,948)
Change in net position	2,869	(905)	3,774	147	18,913	(18,766)	3,016	18,008	(14,992)
Net position - beginning of year	130,088	145,985	(15,897)	61,068	43,041	18,027	191,156	189,026	2,130
Restatement	-	(14,992)	14,992	-	(886)	886	-	(15,878)	15,878
Net position - beginning of year, restated	130,088	130,993	(905)	61,068	42,155	18,913	191,156	173,148	18,008
Net position - end of year	$132,957	$130,088	$ 2,869	$ 61,215	$ 61,068	$ 147	$194,172	$191,156	$ 3,016

Revenues

The City's total revenues were $30.1 million for the year ended June 30, 2016 as compared to $27.2 million as of June 30, 2015. Revenue from governmental activities totaled $24.1 million in 2016 and $20.9 million in 2015. Revenues from business type activities totaled $6.0 million in 2016 and $6.4 million in 2015.

Program revenues included charges for services and grants and contributions. Program revenues were $16.9 million in 2016 and $14.4 million in 2015 or 56% for 2016 and 53% for 2015. Revenues exceeded expenses in governmental activities increasing net position by $2.9 million and business type activities resulted in an increase in net position of $0.1 million for the year ending June 30, 2016. During FY 2015, net position decreased by $0.9 million. In 2016, the $2.9 million increase in net position was a result of the increase in Contributions related to the new Parklane Community Facilities District construction .

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 $13.2 million and $12.8 million (44% and 47% of the total) for the years ended June 30, 2016 and 2015.

Expenses

Expenses for the City totaled $27.1 million and $28.2 million for the years ended June 30, 2016 and 2015, respectively. Governmental activities incurred $21.7 million and $22.2 million and business type activities incurred $5.3 million and $6.0 million in expenses during the years ended June 30, 2016 and 2015, respectively. As can be seen in the table above, governmental activities expenses were about 52% and 42% funded by program revenues, fees, grants and contributions during the years ended June 30, 2016 and 2015. The remaining 48% and 58% ($10.4 million and $12.8 million) of their funding came from general revenues and net position for the years ended June 30, 2016 and 2015. Business-type activities expenses were exceeded by program revenues by $0.1 million at June 30, 2016 and matched revenues in 2015 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 had a full year of operation by the City of Dixon in fiscal year 2016.

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, 2016 and 2015 follows:

Cost of Services by Program
Governmental Activities
For the Years Ended June 30, 2016 and 2015
(in thousands)

	2016		2015	
	Total	Net	Total	Net
Program				
General government	$ 2,941	$ 2,532	$ 2,902	$ 2,350
Public safety	8,033	6,334	7,997	5,890
Development	988	574	4,331	294
Parks and recreation	2,350	1,879	2,120	782
Public w ays and facilities	7,393	(995)	4,790	3,450
Interest on long-term liabilities	44	44	51	51
Total Expenses	$ 21,749	$ 10,368	$ 22,191	$ 12,817

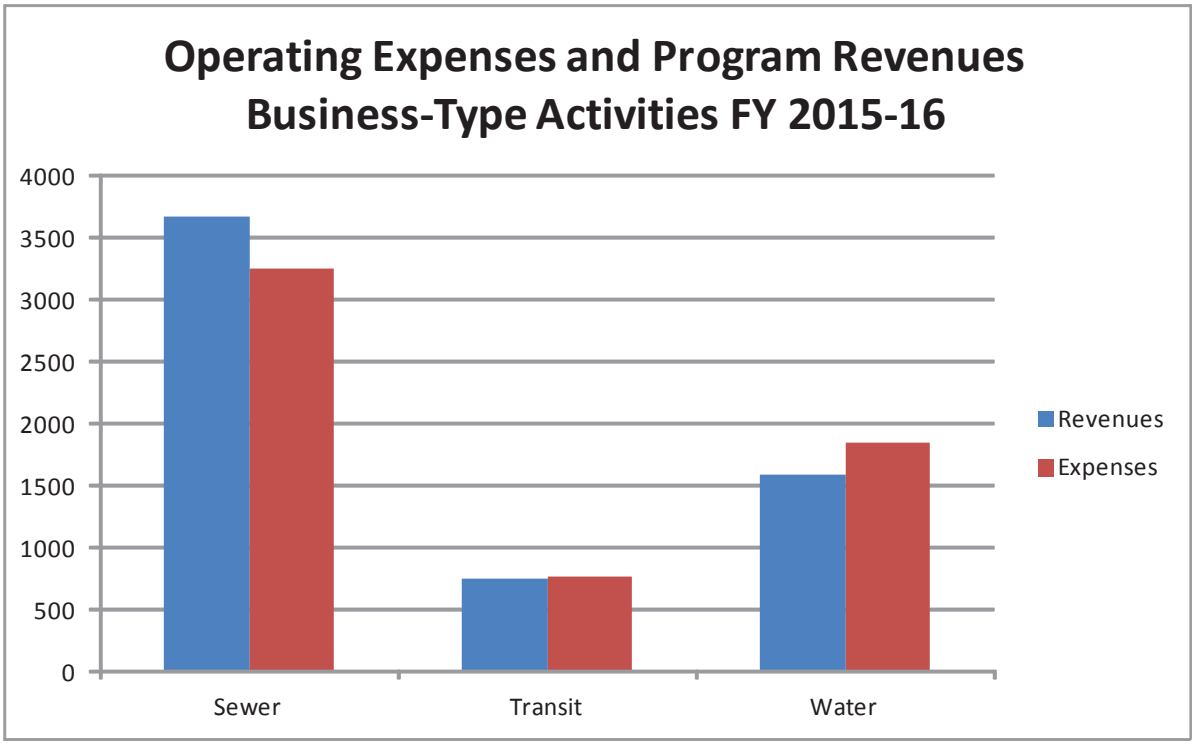
General operations throughout the City are subsidized by general revenue. For each year program revenues generated by development related programs show the funds being collected and set aside for infrastructure projects necessary to meet the needs of growth. Fees are collected under California Government 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, 2016 and 2015
(in thousands)

	2016		2015	
	Amount	% of Total	Amount	% of Total
Revenues:				
Program Revenues:				
Charges for services	$ 3,074	12.5%	$ 5,400	25.4%
Operating grants and contributions	1,237	5.0%	3,903	18.3%
Capital contributions and grants	7,070	28.7%	71	0.3%
General Revenues:				
Property taxes	3,572	14.5%	3,580	16.8%
Transient occupancy taxes	505	2.1%	345	1.6%
Sales taxes	5,825	23.7%	4,778	22.4%
Franchise taxes	589	2.4%	555	2.6%
Business licenses taxes	89	0.4%	83	0.4%
Motor vehicle in lieu-unrestricted	1,766	7.2%	1,902	8.9%
Use of money and property	368	1.5%	237	1.1%
Other revenue	2	0.0%	-	0.0%
Transfers	520	2.1%	430	2.0%
Total Revenues	$ 24,617	100%	$ 21,284	100%

Business-Type Activities

The net position for the business-type activities reflect sewer, transit, and water operations increased $0.1 million as a result a $0.4 million increase in the sewer fund and $0.3 million decrease in water. 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. The following is the comparison of expenses and program revenues by source for the business-type activities for the fiscal year ended June 30, 2016.



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, 2016 and 2015
(in thousands)

	2016		2015	
	Amount	% of total	Amount	% of total
Revenues by source				
Charges for services	$ 4,827	80.4%	$ 4,336	67.9%
Grants and contributions	654	10.9%	729	11.4%
Other	526	8.8%	1,323	20.7%
Total Revenues	$ 6,007	100%	$ 6,388	100%

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

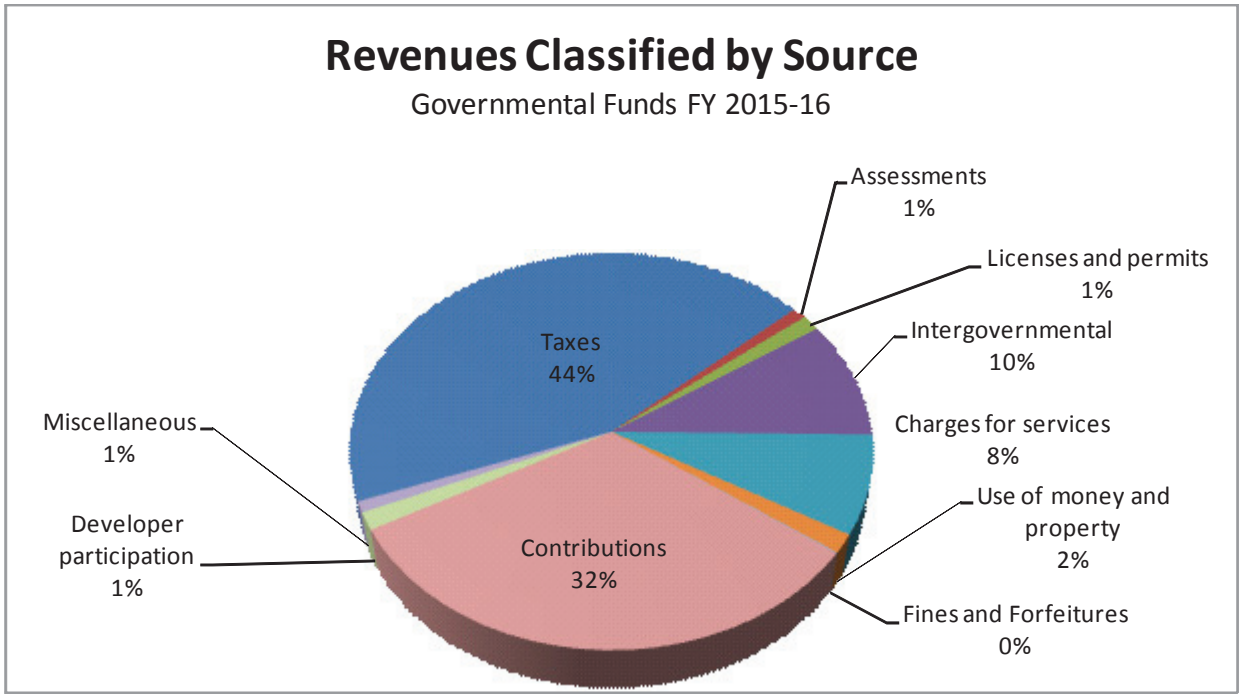
The focus of the City's government funds is to provide information on near term inflows, outflows, and balances of resources that are available to provide services and capital project construction. In particular, unrestricted fund balance may serve as a useful measure of a government's net spendable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

At the end of FY 2016 the City's governmental funds reported combined fund balances of $22.2 million, an increase of $5.9 million from the prior year. This increase is largely from new revenues in the Parklane Community Facilities District. Of the total fund balance of $22.2 million, approximately $0.6 million is nonspendable, $15.2 million is restricted, $2.0 million is assigned for various purposes, and $4.4 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, 2016 and 2015
(in thousands)

	2016		2015	
	Amount	% of Total	Amount	% of Total
Revenues by Source				
Taxes	$ 10,581	44.0%	$ 9,343	50.9%
Assessments	224	0.9%	360	2.0%
Licenses and permits	310	1.3%	356	1.9%
Intergovernmental	2,299	9.6%	3,624	19.7%
Charges for services	1,942	8.1%	2,912	15.9%
Use of money and property	368	1.5%	237	1.3%
Fines and Forfeitures	17	0.1%	17	0.1%
Contributions	7,752	32.2%	1,026	5.6%
Developer participation	343	1.4%	129	0.7%
Miscellaneous	217	0.9%	367	2.0%
Total Revenue	$ 24,053	100%	$ 18,371	100%



Key elements of the changes noted above include:

Taxes provide the greatest source of revenues for the City. These sources represent 44% of total revenues. Increases are seen in this category for property taxes and the final payment of the sales tax in-lieu triple flip.

Intergovernmental revenues reflect revenue received from other agencies for capital projects and operations. During FY 2016, intergovernmental revenues decreased $1.3 million. The decrease is the result of the completion of a HOME funded capital project.

Charges for services also decreased $1.0 million as a result of reduced developer fee revenues during fiscal year 2016.

Contributions increased $6.7 million for the bond proceeds generated for the Parklane Community Facility District construction.

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

Expenditures by Function
Governmental Funds
For the Years Ended June 30, 2016 and 2015
(in thousands)

	2016		2015	
	Amount	% of Total	Amount	% of Total
Expenditures by Function				
General government	$ 3,088	16.6%	$ 2,747	16.5%
Public safety	8,013	43.0%	7,709	46.3%
Development	977	5.2%	1,970	11.8%
Parks and recreation	1,635	8.8%	1,399	8.4%
Public w ays and facilities	3,973	21.3%	1,653	9.9%
Debt service				
Principal	217	1.2%	211	1.3%
Interest and other charges	46	0.2%	53	0.3%
Capital outlay	667	3.6%	894	5.4%
Total Expenditures	$ 18,616	100%	$ 16,636	100%

Key elements of the changes noted above include:

Development expenditures decreased from $2.0 million in 2014 to $0.9 million in 2016 as a result of the completion of HOME funded capital projects.

Public ways and facilities expenditures increased from $1.7 million in 2015 to $4.0 million in 2016 as a result of the addition of the new fund for the Parklane Community Facilities District construction.

Major Funds

The General Fund saw a $1.2 million increase in fund balance, up from an increase of $0.6 million in fiscal year 2015. Total revenues increased $1.3 million. Expenditures increased $0.8 million and transfers out decreased $0.1 million. The majority of the revenue increases are in Taxes. All expenditure categories experienced increases during fiscal year 2016, with the exception of Public works and capital outlay.

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 a minor amount in 2016 due to interest earnings.

The CFD 2013-1 Parklane Construction fund is new in 2016. It was established to track construction costs for the community facilities district. $6.6 million in contribution revenue was generated through the sale of bonds and $1.8 million in bond proceeds were distributed to the developer for eligible development costs.

Other Governmental Funds remained steady with fund balances totaling $9.4 million.

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.

At June 30, 2016 and 2015, respectively, the unrestricted net position was approximately $6.7 million and $4.9 million for the Sewer fund. The Transit Fund shows a deficit unrestricted net position as June 30, 2016 in the amount of $0.3 million as result of Net OPEB obligations and pension liabilities. The water fund shows an increase in unrestricted net position from $0.4 million in 2015 to $0.8 million in 2016.

Sewer operating revenues decreased 10% due to a $0.9 million decrease in other revenues related to developer fees. This was offset by an increase of $0.5 million in charges for services as a result of increased rates. The sewer fund also had increased operating expenses due to higher charges for salaries and benefits. Transit revenues increased 9% due to grant revenues. Operating expenses increased for Transit fund as a result of higher payments for salaries and benefits. 2016 marked the first full year of City operation of water service.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City Council approved a balanced General Fund budget of $14.2 million for FY 2015-16. The fiscal year actual resulted in revenues exceeding expenditures by $1.2 million, increasing fund balance from $6.7 million at June 30, 2015 to $7.9 million at June 30, 2016.

Public safety represents the primary expenditure category for the General Fund at $7.9 million or 53% of the 2015-16 adopted budget. Public works, community development, and recreation combine for an additional 22% for $3.3 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 $3.1 million of the general fund budget for the year.

The City budgeted for increased staffing levels for the third 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 104.23 FTEs in 2015 to 107.38 in 2016.

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, 2016 and 2015, respectively, was $203.1 million and $189.7 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 2016 was an increase of $13.4 million which is the net result of the current year capital replacement and additions less the cost of depreciation and the increase in construction in progress from the Wastewater Treatment Facility construction project.

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.

Capital Assets (net of depreciation)
As of June 30, 2016 and 2015
(in thousands)

	2016			2015		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Land	$ 2,521	$ 797	$ 3,318	$ 2,521	$ 797	$ 3,318
Construction in progress	2,046	23,136	25,182	2,461	4,009	6,470
Buildings & improvements	7,493	50,977	58,470	7,237	53,016	60,253
Equipment	2,029	519	2,548	2,149	341	2,490
Infrastructure	113,608	-	113,608	117,200	-	117,200
Total Net Capital Assets	$ 127,697	$ 75,429	$ 203,126	$ 131,568	$ 58,163	$ 189,731

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 2016, the City of Dixon had outstanding bonds and other long term liabilities of $2.2 million for governmental activities and $22.2 million for business type activities, respectively. Bonds comprised $2.1 million, compensated absences $1.0 million, and a state revolving loan $21.3 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, 2016:

Bonded Debt - Long-term
Outstanding Balances
As of June 30, 2016
(in thousands)

Bond	Purpose	Amount
Governmental Activities:		
2012 Lease revenue bonds	Refunding lease revenue bonds	$ 1,279
Business-type Activities		
2012 Refunding revenue bonds	Refunding sew er revenue bonds	$ 785

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, 2016 and 2015, a total of $5.7 and $6.7 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.

Community Facility District Debt:

In 2016, special tax bonds in the amount of $7.7 million were issued for the Parklane CFD 2013-1. The bond proceeds will be used to finance infrastructure in the district. The debt is secured by tax assessments on the real property in the district and is a limited obligation of the City. The City's only responsibilities are to collect the tax assessments from the property owners and take actions to collect delinquent assessment from property owners in accordance with the City's covenant with the bondholders

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Some economists have noted that California is driving the national economy. California's median home prices have experienced continued growth and Dixon has followed a similar trend. The City saw decreased development revenues in fiscal year 2016 as many of the permits for construction were issued in late 2015. Dixon is seeing increased permit activity in early 2017 and this is expected to continue as single family residential development occurs in the Brookfield Community Facility District and the Valley Glen District.

The General fund continues to see savings from staffing vacancies. These savings represent temporary decreases in expenses and increased PERS costs and Workers' Compensation rates are expected. Improvements to local businesses are boosting General Fund property tax revenues and charges for services. These increases are expected to be ongoing for the foreseeable future. The City will continue to monitor revenues and expenses to maintain a balanced and sustainable operating budget.

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 financial challenges. 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. Wastewater experienced increased revenues in charges for services as a result of the multi-year rate increase. The final approved increase will be effective April 2017. These increases are intended to pay the debt service on the financing for the new wastewater treatment facility. Construction is expected to be completed in early calendar year 2017 and debt service payments will commence one year following the completion. The new facility has expanded capacity to accommodate future growth in the City.

During fiscal year 2016-17, the City will be negotiating with one labor group with a memorandum of understanding scheduled to expire in June 2017. The City will continue to monitor the impacts of personnel costs. The City has been addressing aging infrastructure on a pay-as-you-go basis and continues search for long-term solutions. In 2017, a technology reserve fund was established to begin long-term funding for technology needs. Additionally, staff has been working on updating rates for existing fees and identifying other fees as needed. For example, a permit technology fee was established during 2016.

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, or you may visit our website at www.ci.dixon.ca.us for information.

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CITY OF DIXON

STATEMENT OF NET POSITION
JUNE 30, 2016

	Primary Government		
	Governmental Activities	**Business-Type Activities**	**Total**
Assets:			
Cash and investments	$ 16,767,597	$ 9,021,663	$ 25,789,260
Receivables:			
Accounts	30,859	1,192,620	1,223,479
Taxes	2,071,788	-	2,071,788
Accrued interest	32,481	18,668	51,149
Grants	493,175	65,000	558,175
Internal balances	130,000	(130,000)	-
Prepaid costs	199,489	-	199,489
Due from other governments	581,458	2,160,435	2,741,893
Inventories	1,169	-	1,169
Restricted assets:			
Cash and investments	76,162	8,507	84,669
Cash with fiscal agent	4,832,384	-	4,832,384
Capital assets not being depreciated	4,567,463	23,933,150	28,500,613
Capital assets, net of depreciation	123,130,432	51,496,285	174,626,717
Total Assets	**152,914,457**	**87,766,328**	**240,680,785**
Deferred Outflows of Resources:			
Deferred items related to pension	3,596,999	94,720	3,691,719
Total Deferred Outflows of Resources	**3,596,999**	**94,720**	**3,691,719**
Liabilities:			
Accounts payable	995,841	2,386,395	3,382,236
Accrued liabilities	472,592	61,213	533,805
Accrued interest	10,152	189,459	199,611
Unearned revenue	-	8,507	8,507
Deposits payable	603,555	767,911	1,371,466
Termination benefits	32,118	-	32,118
Noncurrent liabilities:			
Due within one year	919,574	226,938	1,146,512
Due in more than one year	1,281,291	21,966,419	23,247,710
Net OPEB Obligation	1,683,326	519,307	2,202,633
Net pension liability	15,423,078	472,678	15,895,756
Total Liabilities	**21,421,527**	**26,598,827**	**48,020,354**
Deferred Inflows of Resources:			
Deferred item related to pensions	2,132,605	47,819	2,180,424
Total Deferred Inflows of Resources	**2,132,605**	**47,819**	**2,180,424**
Net Position:			
Net investment in capital assets	126,418,995	53,343,595	179,762,590
Restricted for:			
Community development projects	523,634	-	523,634
Public safety	242,636	-	242,636
Parks and recreation	110,672	-	110,672
Public works	4,835,380	-	4,835,380
Capital projects	8,482,986	752,011	9,234,997
Contributions	980	-	980
Valley Glen Storm Drainage	1,021,117	-	1,021,117
Unrestricted	(8,679,076)	7,118,796	(1,560,280)
Total Net Position	**$ 132,957,324**	**$ 61,214,402**	**$ 194,171,726**

See Notes to Financial Statements

CITY OF DIXON

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016

		Program Revenues		
	Expenses	**Charges for Services**	**Operating Contributions and Grants**	**Capital Contributions and Grants**
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	$ 2,940,645	$ 213,024	$ 195,524	$ -
Public safety	8,032,644	988,542	710,594	-
Community development	988,480	414,465	-	-
Parks and Recreation	2,349,843	470,910	-	-
Public works	7,392,592	987,116	330,471	7,070,149
Interest on long-term debt	44,570	-	-	-
Total Governmental Activities	**21,748,774**	**3,074,057**	**1,236,589**	**7,070,149**
Business-Type Activities:				
Sewer	2,936,919	3,170,507	-	9,500
Transit	691,843	95,203	-	644,091
Water	1,710,714	1,561,042	-	-
Total Business-Type Activities	**5,339,476**	**4,826,752**	**-**	**653,591**
Total Primary Government	**$ 27,088,250**	**$ 7,900,809**	**$ 1,236,589**	**$ 7,723,740**

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
Transfers

Total General Revenues, and Transfers

Change in Net Position

Net Position at Beginning of Year

Net Position at End of Year

See Notes to Financial Statements

Net (Expenses) Revenues and Changes in Net Position Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (2,532,097)	$ -	$ (2,532,097)
(6,333,508)	-	(6,333,508)
(574,015)	-	(574,015)
(1,878,933)	-	(1,878,933)
995,144	-	995,144
(44,570)	-	(44,570)
(10,367,979)	**-**	**(10,367,979)**
-	243,088	243,088
-	47,451	47,451
-	(149,672)	(149,672)
-	**140,867**	**140,867**
(10,367,979)	**140,867**	**(10,227,112)**
3,572,421	-	3,572,421
504,658	-	504,658
5,825,290	-	5,825,290
589,478	-	589,478
89,036	-	89,036
1,765,822	-	1,765,822
368,268	76,096	444,364
2,042	449,592	451,634
519,515	(519,515)	-
13,236,530	**6,173**	**13,242,703**
2,868,551	147,040	3,015,591
130,088,773	61,067,362	191,156,135
$ 132,957,324	**$ 61,214,402**	**$ 194,171,726**

See Notes to Financial Statements

CITY OF DIXON

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	General	Special Revenue Funds: Housing Successor Agency	Capital Projects Funds: CFD 2013-1 Parklane Construction
Assets:			
Pooled cash and investments	$ 6,731,918	$ 107,604	$ -
Receivables:			
Accounts	30,859	-	-
Taxes	2,071,788	-	-
Accrued interest	12,588	211	-
Grants	70,166	-	-
Prepaid costs	199,489	-	-
Due from other governments	579,435	-	-
Advances to other funds	197,222	-	-
Inventories	1,169	-	-
Restricted assets:			
Cash and investments	76,162	-	-
Cash and investments with fiscal agents	-	-	4,832,384
Total Assets	**$ 9,970,796**	**$ 107,815**	**$ 4,832,384**
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	$ 490,727	$ -	$ -
Accrued liabilities	461,576	-	-
Deposits payable	603,555	-	-
Advances from other funds	-	-	-
Total Liabilities	**1,555,858**	**-**	**-**
Deferred Inflows of Resources:			
Unavailable revenues	512,120	-	-
Total Deferred Inflows of Resources	**512,120**	**-**	**-**
Fund Balances:			
Nonspendable:			
Inventory	1,169	-	-
Prepaid costs	397,249	-	-
Advances to other funds	197,222	-	-
Restricted for:			
Community development projects	-	107,815	-
Public safety	-	-	-
Parks and recreation	-	-	-
Public works	-	-	4,832,384
Capital Projects	-	-	-
Restricted Contributions	980	-	-
Valley Glen Storm Drain	-	-	-
Assigned to:			
Public works	-	-	-
Capital projects	-	-	-
PERS stabilization	141,132	-	-
Building reserve	60,664	-	-
Equipment replacement	487,028	-	-
Infrastructure reserve	211,781	-	-
OPEB reserve	500,000	-	-
Community development	-	-	-
Unassigned	5,905,593	-	-
Total Fund Balances	**7,902,818**	**107,815**	**4,832,384**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 9,970,796**	**$ 107,815**	**$ 4,832,384**

See Notes to Financial Statements

CITY OF DIXON

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	Other Governmental Funds	Total Governmental Funds
Assets:		
Pooled cash and investments	$ 9,928,075	$ 16,767,597
Receivables:		
Accounts	-	30,859
Taxes	-	2,071,788
Accrued interest	19,682	32,481
Grants	423,009	493,175
Prepaid costs	-	199,489
Due from other governments	2,023	581,458
Advances to other funds	1,425,022	1,622,244
Inventories	-	1,169
Restricted assets:		
Cash and investments	-	76,162
Cash and investments with fiscal agents	-	4,832,384
Total Assets	**$ 11,797,811**	**$ 26,708,806**
Liabilities, Deferred Inflows of Resources, and Fund Balances:		
Liabilities:		
Accounts payable	$ 505,114	$ 995,841
Accrued liabilities	11,016	472,592
Deposits payable	-	603,555
Advances from other funds	1,492,244	1,492,244
Total Liabilities	**2,008,374**	**3,564,232**
Deferred Inflows of Resources:		
Unavailable revenues	411,755	923,875
Total Deferred Inflows of Resources	**411,755**	**923,875**
Fund Balances:		
Nonspendable:		
Inventory	-	1,169
Prepaid costs	-	397,249
Advances to other funds	-	197,222
Restricted for:		
Community development projects	415,819	523,634
Public safety	242,636	242,636
Parks and recreation	110,672	110,672
Public works	2,996	4,835,380
Capital Projects	8,482,986	8,482,986
Restricted Contributions	-	980
Valley Glen Storm Drain	1,021,117	1,021,117
Assigned to:		
Public works	337,080	337,080
Capital projects	256,553	256,553
PERS stabilization	-	141,132
Building reserve	-	60,664
Equipment replacement	-	487,028
Infrastructure reserve	-	211,781
OPEB reserve	-	500,000
Community development	172	172
Unassigned	(1,492,349)	4,413,244
Total Fund Balances	**9,377,682**	**22,220,699**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 11,797,811**	**$ 26,708,806**

See Notes to Financial Statements

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CITY OF DIXON

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2016

Fund balances of governmental funds		$ 22,220,699
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		127,697,895
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Revenue bonds	$ (1,278,900)	
Compensated absences and termination benefits	(954,083)	(2,232,983)
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 an asset or liability.		(1,683,326)
Accrued interest payable for the current portion of interest due on Leases has not been reported in the governmental funds.		(10,152)
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.		923,875
Deferred outflows related to contributions made after the measurement date of the net pension liability		
Contributions made subsequent to measurement date	1,654,890	
Difference between expected and actual experiences	45,928	
Difference between actual and proportionate share of contributions	158,546	
Adjustment due to difference in proportions	1,737,635	3,596,999
Deferred inflows related to unrecognized actuarial gains and losses of the net pension liability		
Change in assumptions	(1,126,734)	
Difference between expected and actual experiences	(150,503)	
Net difference between projected and actual earnings on plan investments	(568,648)	
Difference between actual and proportionate share of contributions	(173,989)	
Adjustment due to difference in proportions	(112,731)	(2,132,605)
Proportionate share of net pension liability		(15,423,078)
Net Position of governmental activities		**$ 132,957,324**

See Notes to Financial Statements

CITY OF DIXON

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

		Special Revenue Funds	Capital Projects Funds
	General	Housing Successor Agency	CFD 2013-1 Parklane Construction
Revenues:			
Taxes	$ 10,580,883	$ -	$ -
Assessments	224,010	-	-
Licenses and permits	309,449	-	-
Intergovernmental	1,341,890	-	-
Charges for services	1,237,014	-	-
Use of money and property	245,696	28,512	10,439
Fines and forfeitures	-	-	-
Contributions	1,103,913	-	6,647,978
Developer participation	-	-	-
Miscellaneous	168,781	777	-
Total Revenues	**15,211,636**	**29,289**	**6,658,417**
Expenditures:			
Current:			
General government	3,087,708	-	-
Public safety	7,917,072	-	-
Community development	505,309	7,745	-
Parks and recreation	1,634,567	-	-
Public works	1,189,934	-	1,826,033
Capital outlay	365,388	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	**14,699,978**	**7,745**	**1,826,033**
Excess (Deficiency) of Revenues Over (Under) Expenditures	511,658	21,544	4,832,384
Other Financing Sources (Uses):			
Transfers in	749,143	-	-
Transfers out	(79,143)	-	-
Total Other Financing Sources (Uses)	**670,000**	**-**	**-**
Net Change in Fund Balances	1,181,658	21,544	4,832,384
Fund Balances, Beginning of Year	6,721,160	86,271	-
Fund Balances, End of Year	**$ 7,902,818**	**$ 107,815**	**$ 4,832,384**

See Notes to Financial Statements

CITY OF DIXON

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes	$ -	$ 10,580,883
Assessments	-	224,010
Licenses and permits	-	309,449
Intergovernmental	957,442	2,299,332
Charges for services	705,401	1,942,415
Use of money and property	83,621	368,268
Fines and forfeitures	16,979	16,979
Contributions	-	7,751,891
Developer participation	343,342	343,342
Miscellaneous	47,302	216,860
Total Revenues	**2,154,087**	**24,053,429**
Expenditures:		
Current:		
General government	-	3,087,708
Public safety	95,577	8,012,649
Community development	464,228	977,282
Parks and recreation	-	1,634,567
Public works	957,109	3,973,076
Capital outlay	302,156	667,544
Debt service:		
Principal retirement	217,100	217,100
Interest and fiscal charges	46,293	46,293
Total Expenditures	**2,082,463**	**18,616,219**
Excess (Deficiency) of Revenues Over (Under) Expenditures	71,624	5,437,210
Other Financing Sources (Uses):		
Transfers in	392,740	1,141,883
Transfers out	(543,225)	(622,368)
Total Other Financing Sources (Uses)	**(150,485)**	**519,515**
Net Change in Fund Balances	(78,861)	5,956,725
Fund Balances, Beginning of Year	9,456,543	16,263,974
Fund Balances, End of Year	**$ 9,377,682**	**$ 22,220,699**

See Notes to Financial Statements

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, 2016

Net change in fund balances - total governmental funds		$ 5,956,725
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.		
Capital outlay	$ 499,556	
Depreciation	(4,369,770)	(3,870,214)
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		217,100
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		1,723
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.		77,518
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.		(299,652)
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.		207,143
Bad debt expense not reported as expenditures in the governmental funds		(162,762)
Pension Expenses recognized in accordance with GASB 68 not recognized in the governmental fund activity.		740,970
Change in net position of governmental activities		**$ 2,868,551**

See Notes to Financial Statements

CITY OF DIXON

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016

	Business-Type Activities - Enterprise Funds			
	Sewer	**Transit**	**Water**	**Totals**
Assets:				
Current:				
Cash and investments	$ 6,717,476	$ 134,636	$ 2,169,551	$ 9,021,663
Receivables:				
Accounts	843,833	-	348,787	1,192,620
Accrued interest	13,968	352	4,348	18,668
Grants	-	65,000	-	65,000
Due from other governments	2,160,435	-	-	2,160,435
Restricted:				
Cash and investments	-	8,507	-	8,507
Total Current Assets	**9,735,712**	**208,495**	**2,522,686**	**12,466,893**
Noncurrent:				
Capital assets - net of accumulated depreciation	59,086,439	162,139	16,180,857	75,429,435
Total Noncurrent Assets	**59,086,439**	**162,139**	**16,180,857**	**75,429,435**
Total Assets	**68,822,151**	**370,634**	**18,703,543**	**87,896,328**
Deferred Outflows of Resources:				
Deferred item related to pensions	63,147	31,573	-	94,720
Total Deferred Outflows of Resources	**63,147**	**31,573**	**-**	**94,720**
Liabilities:				
Current:				
Accounts payable	2,289,512	10,941	85,942	2,386,395
Accrued liabilities	38,908	19,745	2,560	61,213
Accrued interest	189,459	-	-	189,459
Unearned revenues	-	8,507	-	8,507
Deposits payable	-	-	767,911	767,911
Accrued compensated absences	60,876	19,762	-	80,638
Bonds, notes, and capital leases	146,300	-	-	146,300
Total Current Liabilities	**2,725,055**	**58,955**	**856,413**	**3,640,423**
Noncurrent:				
Advances from other funds	-	-	130,000	130,000
Accrued compensated absences	20,292	6,587	-	26,879
Net OPEB Obligation	168,288	351,019	-	519,307
Net pension liability	315,118	157,560	-	472,678
Bonds, notes, and capital leases	21,939,540	-	-	21,939,540
Total Noncurrent Liabilities	**22,443,238**	**515,166**	**130,000**	**23,088,404**
Total Liabilities	**25,168,293**	**574,121**	**986,413**	**26,728,827**
Deferred Inflows of Resources:				
Deferred items related to pensions	31,879	15,940	-	47,819
Total Deferred Inflows of Resources	**31,879**	**15,940**	**-**	**47,819**
Net Position:				
Net investment in capital assets	37,000,599	162,139	16,180,857	53,343,595
Restricted for:				
Capital Projects	-	-	752,011	752,011
Unrestricted	6,684,527	(349,993)	784,262	7,118,796
Total Net Position	**$ 43,685,126**	**$ (187,854)**	**$ 17,717,130**	**$ 61,214,402**

See Notes to Financial Statements

CITY OF DIXON

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2016

	Business-Type Activities - Enterprise Funds			
	Sewer	**Transit**	**Water**	**Totals**
Operating Revenues:				
Charges for services, net of refunds	$ 3,170,507	$ 95,203	$ 1,561,042	$ 4,826,752
Other revenue	436,144	13,448	-	449,592
Total Operating Revenues	**3,606,651**	**108,651**	**1,561,042**	**5,276,344**
Operating Expenses:				
Salaries and benefits	794,496	496,381	81,871	1,372,748
Materials, supplies, and operational expenses	17,126	2,787	7,342	27,255
Repairs and maintenance	197,353	97,488	596,869	891,710
Power and utilities	16,493	4,417	271,464	292,374
Contractual services	44,790	13,529	71,670	129,989
Administration	170,201	22,698	22,909	215,808
Miscellaneous	25,000	598	-	25,598
Depreciation expense	1,464,002	53,945	658,589	2,176,536
Total Operating Expenses	**2,729,461**	**691,843**	**1,710,714**	**5,132,018**
Operating Income (Loss)	877,190	(583,192)	(149,672)	144,326
Nonoperating Revenues (Expenses):				
Intergovernmental	9,500	644,091	-	653,591
Interest income	54,447	1,274	20,375	76,096
Interest expense	(207,458)	-	-	(207,458)
Total Nonoperating Revenues (Expenses)	**(143,511)**	**645,365**	**20,375**	**522,229**
Income (Loss) Before Transfers	733,679	62,173	(129,297)	666,555
Transfers out	(320,576)	(69,905)	(129,034)	(519,515)
Changes in Net Position	413,103	(7,732)	(258,331)	147,040
Net Position:				
Beginning of Year	43,272,023	(180,122)	17,975,461	61,067,362
End of Fiscal Year	**$ 43,685,126**	**$ (187,854)**	**$ 17,717,130**	**$ 61,214,402**

See Notes to Financial Statements

CITY OF DIXON

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
JUNE 30, 2016

	Business-Type Activities - Enterprise Funds			
	Sewer	Transit	Water	Totals
Cash Flows from Operating Activities:				
Cash received from customers and users	$ 1,320,026	$ 113,124	$ 1,577,196	$ 3,010,346
Cash paid to suppliers for goods and services	1,008,392	(141,351)	(965,067)	(98,026)
Cash paid to employees for services	(749,340)	(457,364)	(81,871)	(1,288,575)
Net Cash Provided (Used) by Operating Activities	**1,579,078**	**(485,591)**	**530,258**	**1,623,745**
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	(320,576)	(69,905)	(129,034)	(519,515)
Repayment received from (payment to) other funds	-	-	(70,000)	(70,000)
Grant subsidies	9,500	579,091	-	588,591
Net Cash Provided (Used) by Non-Capital Financing Activities	**(311,076)**	**509,186**	**(199,034)**	**(924)**
Cash Flows from Capital and Related Financing Activities:				
Proceeds from capital debt	19,453,446	-	-	19,453,446
Acquisition and construction of capital assets	(19,364,248)	(79,107)	-	(19,443,355)
Principal paid on capital debt	(144,700)	-	-	(144,700)
Interest paid on capital debt	(27,343)	-	-	(27,343)
Net Cash Provided (Used) by Capital and Related Financing Activities	**(82,845)**	**(79,107)**	**-**	**(161,952)**
Cash Flows from Investing Activities:				
Interest received	49,894	1,224	18,725	69,843
Net Cash Provided (Used) by Investing Activities	**49,894**	**1,224**	**18,725**	**69,843**
Net Increase (Decrease) in Cash and Cash Equivalents	**1,235,051**	**(54,288)**	**349,949**	**1,530,712**
Cash and Cash Equivalents at Beginning of Year	5,482,425	197,431	1,819,602	7,499,458
Cash and Cash Equivalents at End of Year	**$ 6,717,476**	**$ 143,143**	**$ 2,169,551**	**$ 9,030,170**
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	$ 877,190	$ (583,192)	$ (149,672)	$ 144,326
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	1,464,002	53,945	658,589	2,176,536
(Increase) decrease in accounts receivable	(136,857)	-	16,480	(120,377)
(Increase) decrease in due from other governments	(2,149,768)	-	-	(2,149,768)
(Increase) decrease in inventories	-	150	-	150
Increase (decrease) in accounts payable	1,473,148	(3,757)	2,627	1,472,018
Increase (decrease) in deposits payable	-	-	(326)	(326)
Increase (decrease) in unearned revenues	-	4,473	-	4,473
Increase (decrease) in accrued liabilities	6,207	3,773	-	9,980
Increase (decrease) in salaries and benefits payable	45,156	39,017	2,560	86,733
Total Adjustments	**701,888**	**97,601**	**679,930**	**1,479,419**
Net Cash Provided (Used) by Operating Activities	**$ 1,579,078**	**$ (485,591)**	**$ 530,258**	**$ 1,623,745**

See Notes to Financial Statements

CITY OF DIXON

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2016

	Agency Funds	Private-Purpose Trust Fund Successor Agency of Former RDA
Assets:		
Pooled cash and investments	$ 2,040,747	$ 368,579
Receivables:		
Notes and loans	-	933,478
Accrued interest	4,022	709
Prepaid costs	-	86
Due from other governments	2,489	-
Restricted assets:		
Cash and investments with fiscal agents	1,851,185	11,669
Capital assets:		
Capital assets, not being depreciated	-	150,036
Total Assets	**$ 3,898,443**	**1,464,557**
Liabilities:		
Accounts payable	$ 1,590	2,836
Accrued liabilities	4,833	-
Accrued interest	-	15,092
Due to the City	-	150,000
Agency obligations	3,892,020	-
Long-term liabilities:		
Due in one year	-	325,000
Due in more than one year	-	1,975,000
Total Liabilities	**$ 3,898,443**	**2,467,928**
Net Position:		
Held in trust for other purposes		(1,003,371)
Total Net Position		**$ (1,003,371)**

See Notes to Financial Statements

CITY OF DIXON

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2016

	Private-Purpose Trust Fund
	Successor Agency of Former RDA
Additions:	
Taxes	$ 464,065
Interest and change in fair value of investments	3,744
Contributions from City	25,000
Total Additions	**492,809**
Deductions:	
Administrative expenses	215,017
Contractual services	23,500
Cost of issuance	71,359
Interest expense	104,524
Total Deductions	**414,400**
Changes in Net Position	**78,409**
Net Position - Beginning of the Year	(1,081,780)
Net Position - End of the Year	**$ (1,003,371)**

See Notes to Financial Statements

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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:

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-officer 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 VDG Authority's assets will be returned equally to the participants.

Note 1: Summary of Significant Accounting Policies (Continued)

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 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.

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.

Note 1: Summary of Significant Accounting Policies (Continued)

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.

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.

Note 1: Summary of Significant Accounting Policies (Continued)

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.

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.

CFD 2013-1 Parklane Construction - This fund is used to account for capital projects related to the CFD 2013-1 Parklane.

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.

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.

Note 1: Summary of Significant Accounting Policies (Continued)

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, except for sales tax revenues, which are considered available within 90 days. 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 no 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 XIIIA 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 of 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, 2016. 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 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 No. 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. 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.

p. Effect of New Accounting Standards

During the fiscal year ended June 30, 2016, the City implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 72 – *Fair Value Measurement and Application*- effective after June 15, 2015. This statement addresses accounting and financial reporting issues related to fair value measurements. This statement provides guidance for determining a fair value measurement for financial reporting purposes, and provides guidance for applying fair value to certain investments.

Note 2: Cash and Investments

Cash and investments as of June 30, 2016, were classified in the accompanying financial statements as follows:

	Cash and Investments	Restricted Cash and Investments	Total
Governmental activities	$ 16,767,597	$ 4,908,546	$ 21,676,143
Business-type activities	9,021,663	8,507	9,030,170
Total government-wide cash and investments	25,789,260	4,917,053	30,706,313
Fiduciary activities	2,409,326	1,862,854	4,272,180
Total cash and investments	$ 28,198,586	$ 6,779,907	$ 34,978,493

Cash and investments were carried at fair value as of June 30, 2016 and consisted of the following:

Cash and cash equivalents:	
Petty cash on hand	$ 1,325
Demand deposits	1,325,675
Total Cash and cash equivalents	1,327,000
Investments:	
Capital Asset Management Program	2,040,409
Certificates of Deposit	2,406,089
Commerical Bonds	2,933,121
Commerical Paper	297,000
Federal Government Agencies	2,658,408
Local Agency Investment Fund	10,213,799
Money Market Mutual Funds	39,567
U.S. Treasury Securities	6,367,880
Held by fiscal agents:	
Money Market Mutual Funds	6,695,220
Total Investments and held by fiscal agents	33,651,493
	$ 34,978,493

Note 2: Cash and Investments (Continued)

Deposits

At June 30, 2016, the carrying amount of the City's deposits was $1,327,000 and the bank balance was $1,325,661. The $1,339 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to $250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

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.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio or Dollar Amount	Maximum Investment in One Issuer
Banker's Acceptances	180 days	40%	5%
California Asset Management Program	None	$5,000,000	None
California local agency debt	5 years	30%	5%
Commercial paper	180 days	25%	5%
Federal Government Securities	5 years	None	None
Local agency bonds	5 years	30%	5%
Local Agency Investment Fund (LAIF)	None	$50,000,000	None
Medium term corporate notes	5 years	30%	5%
Money market mutual funds	None	20%	None
Negotiable certificates and time deposits	5 years	30%	5%
Non-Negotiable certificates and time deposits	5 years	30%	$500,000
Suprenationals	5 years	30%	None
U.S. Treasury obligations	5 years	None	None

Note 2: Cash and Investments (Continued)

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.

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
Banker's Acceptances	270-360 days	None	None
Commercial paper	180 days	None	None
Investment agreements	None	None	None
JPA Pools (other investment pools)	N/A	None	None
Local agency bonds	5 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Medium term corporate notes	None	None	None
Money market mutual funds	N/A	None	None
Mortgage pass-through securities	None	None	None
Negotiable certificates and time deposits	365 days	None	None
Repurchase agreements	30 days	None	None
U.S. Agency securities	5 years	None	None
U.S. Treasury obligations	5 years	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, 2016:

Note 2: Cash and Investments (Continued)

	Remaining Maturity			
	6 Months or Less	6 Months to 1 Year	1 Year to 3 Years	Fair Value
Investments				
Capital Asset Management Program	$ 2,040,409	$ -	$ -	$ 2,040,409
Certificate of Deposit	-	520,215	1,885,874	2,406,089
Commerical Paper	297,000	-	-	297,000
Corporate Bonds	354,917	450,101	2,128,103	2,933,121
Federal Government Agencies				
Federal Home Loan Bank	-	-	947,085	947,085
Federal Home Loan Mortgage Corp.	-	4,000	500,576	504,576
Federal National Mortgage Associaiton	-	-	1,206,747	1,206,747
Local Agency Investment Fund	10,213,799	-	-	10,213,799
Money Market Mutual Funds	39,567	-	-	39,567
U.S Treasury	-	-	6,367,880	6,367,880
Held with Fiscal Agent				
Money Market Mutual Funds	6,695,220	-	-	6,695,220
	$ 19,640,912	$ 974,316	$ 13,036,265	$ 33,651,493

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, 2016.

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. All securities were investment grade and were legal under State and City law, as of June 30, 2016.

		Rating as of Year End		
Investments	Total	S&P	Moody's	N/A
Capital Asset Mangement Program	$ 2,040,409			Not Rated
Certificate of Deposit	2,406,089	A-1	A2	
Commerical Paper	297,000	A-1	A+	
Corporate Bonds	2,933,121	A-1	A	
Federal Governmental Agencies	2,658,408			Not Rated
Local Agency Investment Fund	10,213,799			Not Rated
Money Market Mutual Funds	39,567			Not Rated
U.S. Treasury Securities	6,367,880	Exempt		
Held with Fiscal Agent				
Money Market Mutual Funds	6,695,220			Not Rated
	$ 33,651,493			

Note 2: Cash and Investments (Continued)

Concentration of Credit Risk

The City is in compliance with restrictions imposed by its investment policy, which limits certain types of investments. As of June 30, 2016, in accordance with GASB Statement No. 40, if the City has invested more than 5% of its total investments in any one issuer, it is exposed to credit risk. The following investments are considered exposed to credit risk:

Capital Asset Management Program	6.06%

Custodial Credit Risk

The 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 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 to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

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 upon the average daily cash balances of the previous month in each fund receiving interest.

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Note 2: Cash and Investments (Continued)

The City has the following recurring fair value measurements as of June 30, 2016:

		Level		
Investments by fair value level	Totals	1	2	3
Capital Asset Management Program	$ 2,040,409	$ -	$ 2,040,409	$ -
Certificates of Deposit	2,406,089	-	2,406,089	-
Commercial Paper	3,230,121	-	3,230,121	-
Federal Government Agencies				
Federal Home Loan Bank	947,085	947,085	-	-
Federal Home Loan Mortgage Collateralized	504,576	504,576	-	-
Federal National Mortgage Association	1,206,747	1,206,747	-	-
Local Agency Investment Fund	10,213,799	-	10,213,799	-
Money Market Mutual Funds	39,567	-	39,567	-
U.S. Treasury Securities	6,367,880	-	6,367,880	-
Totals	26,956,273	$ 2,658,408	$ 24,297,865	$ -
Investments measured at amortized cost				
Cash with Fiscal Agents				
Money Market Funds	6,695,220			
Totals	6,695,220			
Total Investments	$ 33,651,493			

Deposits and securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Local Agency Investment Funds classified in Level 2 of the fair value hierarchy are valued using specified fair market value factors.

Federal Agency Securities classified in Level 2 of the fair value hierarchy are valued using institutional bond quotes.

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.

Note 3: Notes and Loans Receivable (Continued)

A summary of notes receivable at June 30, 2016 is as follows:

Government-wide	Balance July 1, 2015	Additions	Retirements/ Adjustments	Balance June 30, 2016
HOME Loans	$ 11,815,705	$ 393,465	$ (1,000)	$ 12,208,170
Housing Successor Agency	2,236,169	126,780	(127,557)	2,235,392
CDBG Business Loans	314,681	-	(46,301)	268,380
Total Notes Receivable	14,366,555	520,245	(174,858)	14,711,942
Less Allowance for Notes Receivable	(14,212,832)	(499,110)	-	(14,711,942)
Total Notes Receivable, net	$ 153,723	$ 21,135	$ (174,858)	$ -

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.

Note 4: Inter-fund and Intra-Fund Transactions

Inter-fund Receivables/Payables

The composition of inter-fund balances as of June 30, 2016 was as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Water Fund	$ 130,000
General Fund	Non-Major Governmental	67,222
Non-Major Governmental	Non-Major Governmental	1,425,022
Total Inter-fund Receivables/Payables		$ 1,622,244

a) Advances from the general fund to the water fund were the result of an operational loan to the water fund, of which has an outstanding balance of $130,000.

b) Advance from the general fund to the non-major governmental funds was the result of advancing funding for storm drain projects.

c) Advance from the non-major governmental funds to the other non-major governmental funds was the result of advancing funding for the 2008 Pond C Project and the 2012 West B Street Undercrossing Project.

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, 2016 were as follows:

Transfer from	Transfer to	Amount
Water Fund	General Fund	$ 129,034
Transit Fund	General Fund	69,905
Sewer Fund	General Fund	320,576
Non-Major Governmental	General Fund	229,628
General Fund	Non-Major Governmental	79,143
Non-Major Governmental	Non-Major Governmental	313,597
Total Inter-fund Transfers		$ 1,141,883

a) Transfers from the general fund to non-major governmental funds included funding for L&L activities of $53,863 and debt service payments in the amount of $25,280.

b) Transfers to the general fund from non-major governmental funds were for allocated costs; and also included a transfer of $205,250 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 $73,948.

d) Transfers from the Sewer, Water, and Transit Funds were for allocated costs.

Note 5: Capital Assets

Governmental activities	Balance at July 1, 2015	Transfers	Additions	Retirements	Balance at June 30, 2016
Capital assets not being depreciated					
Land	$ 2,521,157	$ -	$ -	$ -	$ 2,521,157
Construction-in-progress	2,460,587	(683,865)	269,584	-	2,046,306
Total capital assets not being depreciated	4,981,744	(683,865)	269,584	-	4,567,463
Capital assets being depreciated					
Buildings and improvements	12,465,654	546,473	31,248	-	13,043,375
Equipment	7,000,188	-	198,724	-	7,198,912
Infrastructure	180,807,759	137,392	-	-	180,945,151
Total capital assets being depreciated	200,273,601	683,865	229,972	-	201,187,438
Less accumulated depreciation					
Buildings and improvements	5,228,430	-	321,482	-	5,549,912
Equipment	4,850,952	-	319,457	-	5,170,409
Infrastructure	63,607,854	-	3,728,831	-	67,336,685
Total accumulated depreciation	73,687,236	-	4,369,770	-	78,057,006
Capital assets being depreciated, net	126,586,365	683,865	(4,139,798)	-	123,130,432
Total Capital Assets	$ 131,568,109	$ -	$ (3,870,214)	$ -	$ 127,697,895

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

Governmental Activities:

General administration	$ 89,172
Public safety	312,506
Parks and recreation	677,702
Community development	185
Public ways and facilities	3,290,205
Total governmental activities depreciation expense	$ 4,369,770

Note 5: Capital Assets (Continued)

Business-type activities	Balance at July 1, 2015	Transfers	Additions	Retirements	Balance at June 30, 2016
Capital assets not being depreciated					
Land	$ 797,166	$ -	$ -	$ -	$ 797,166
Construction-in-progress	4,008,537	(44,943)	19,172,390	-	23,135,984
Total capital assets not being depreciated	4,805,703	(44,943)	19,172,390	-	23,933,150
Capital assets being depreciated					
Structures and improvements	76,733,936	44,943	-	-	76,778,879
Equipment	1,705,111	-	270,965	-	1,976,076
Total capital assets being depreciated	78,439,047	44,943	270,965	-	78,754,955
Less accumulated depreciation					
Structures and improvements	23,717,562	-	2,083,862	-	25,801,424
Equipment	1,364,572	-	92,674	-	1,457,246
Total accumulated depreciation	25,082,134	-	2,176,536	-	27,258,670
Total capital asets being depreciated, net	53,356,913	44,943	(1,905,571)	-	51,496,285
Total Capital Assets	$ 58,162,616	$ -	$ 17,266,819	$ -	$ 75,429,435

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

Sewer	$ 1,464,002
Water	658,589
Transit	53,945
Total business-type activities depreciation expense	$ 2,176,536

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, 2016:

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	Current Portion
Governmental activities:					
Compensated absences	$ 890,580	$ 774,300	$ 742,915	$ 921,965	$ 691,474
2012 Lease revenue	1,496,000	-	217,100	1,278,900	228,100
Total Governmental activities	$ 2,386,580	$ 774,300	$ 960,015	$ 2,200,865	$ 919,574
Business-type activities:					
Compensated absences	$ 76,771	$ 180,717	$ 149,971	$ 107,517	$ 80,638
2012 Refunding bonds	930,000	-	144,700	785,300	146,300
State Revolving Loan	1,847,094	19,453,446	-	21,300,540	-
Total Business-type activities	$ 2,853,865	$ 19,634,163	$ 294,671	$ 22,193,357	$ 226,938

A description of the long-term liabilities related to governmental activities at June 30, 2016 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, 2016 was $1,278,900.

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
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	262,300	8,036	270,336
2022	53,100	852	53,952
Total	$ 1,278,900	$ 120,649	$ 1,399,549

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, 2016 was $785,300.

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, 2016, the California State Water Resources Control Board had disbursed $21,300,540 to the City. 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, 2016, is $21,300,540.

Note 6: Long-Term Liabilities (Continued)

Business-Type Long-Term Liabilities Amortization

2012 Refunding Lease Revenue

For the year Ending June 30,	Principal	Interest	Total
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	$ 785,300	$ 67,785	$ 853,085

State Revolving Loan

For the year Ending June 30,	Principal	Interest	Total
2017	$ -	$ -	$ -
2018	1,000,301	390,240	1,390,541
2019	1,157,111	453,337	1,610,448
2020	1,252,977	488,758	1,741,735
2021	1,264,798	476,938	1,741,736
2022-2026	6,693,720	2,014,959	8,708,679
2027-2031	7,354,251	1,354,428	8,708,679
2032-2036	2,577,382	628,716	3,206,098
Total	$ 21,300,540	$ 5,807,376	$ 27,107,916

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, 2016 were as follows:

Reassessment Revenue Refunding Bonds, Series 2013	$ 2,812,220
2015 Special Tax Bonds - Parklane CFD 2013-1	7,670,000
Total Special Assessment Debt	$ 10,482,220

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, 2016 totaled $32,118, which represents actual future payments and is recorded in governmental activities. Expenses related to termination benefits totaled $124,489 for the year ending June 30, 2016 of which $15,586 related to the last termination benefit payments related to the business-type activities. The outstanding balance as of June 30, 2016 is considered current and future payments are due in the year then ended.

Note 9: Pension Rate Plan

Defined Benefit Rate 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 rate plan for City employees which are categorized into three major categories which are as follows: Miscellaneous Rate Plan Tier 1, 2 and 3, Safety Police Rate Plan Tier 1, 2 and 3 and Safety Fire Rate Plan Tier 1, 2 and 3. All of these rate plan are cost-sharing multiple-employer defined benefit pension rate plan 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 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 rate plan options within CalPERS. The CalPERS annual financial report may be obtained from their website at www.calpers.ca.gov or from their executive Office: 400 P Street, Sacramento, CA, 95814.

Note 9: Pension Rate Plan (Continued)

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

The rate plan provisions and benefits in effect at June 30, 2016, are summarized as follows:

Tier #	Employee Type	Employees Hired	Risk Pool
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

	Miscellaneous Cost-Sharing Rate 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%	0.000%	6.308%
Required employer contribution rates	9.671%	0.000%	6.237%

*Plan is closed to new entrants

Note 9: Pension Rate Plan (Continued)

	Safety Police Cost-Sharing Rate 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%	0.000%
Required employer contribution rates	17.557%	15.627%	0.000%

*Plan is closed to new entrants

	Safety Fire Cost-Sharing Rate 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%	0.000%
Required employer contribution rates	17.557%	15.627%	0.000%

*Plan is closed to new entrants

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 rate 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, 2016, the employer contributions recognized as a reduction to the net pension liability for all the rate Plan was $1,662,238.

Note 9: Pension Rate Plan (Continued)

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

As of June 30, 2016, the City reported net pension liabilities for its proportionate shares of the net pension liability of the rate Plan of $15,895,756.

	Net Pension Liability
Proportion - June 30, 2014	$ 13,818,182
Proportion - June 30, 2015	15,895,756
Change - Increase(Decrease)	2,077,574

The City's net pension liability/(assets) for the rate Plan is measured as the proportionate share of the net pension liability/(assets). The net pension liability/(assets) of the rate Plan is measured as of June 30, 2015, and the total pension liability/(assets) for each rate Plan used to calculate the net pension liability/(assets) was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015, using standard update procedures. The City's proportion of the net pension liability/(assets) was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability/(assets) for each rate Plan as of June 30, 2014 and 2015, was as follows:

	Net Pension Liability
Proportion - June 30, 2014	0.45846%
Proportion - June 30, 2015	0.48174%
Change - Increase(Decrease)	0.02328%

For the year ended June 30, 2016, the City recognized a total pension expense of $578,937 for the plan in total. At June 30, 2016, the City reported deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Current year contributions that occurred after the measurement date of June 30, 2015	$ 1,693,719	$ -
Change of Assumption	48,859	(1,154,469)
Difference between Expected and Actual Experiences	-	(150,503)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	(582,552)
Adjustment due to differences in proportions	1,790,595	(113,007)
Difference in proportionate share	158,546	(179,893)
Total	**$ 3,691,719**	**$ (2,180,424)**

Note 9: Pension Rate Plan (Continued)

The $1,693,719 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:

Measurement Period ended June 30:	Deferred Outflows/(Inflows) of Resources
2016	$ (22,232)
2017	(11,314)
2018	(875,744)
2019	726,866

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2015, the total pension liability was determined by rolling forward the June 30, 2014 total pension liability. The June 30, 2014 and the June 30, 2015 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions	
Discount Rate	7.65%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.65% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table (1)	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) 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.

All other actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period from 1997 to 2007, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Note 9: Pension Rate Plan (Continued)

Change of Assumptions

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plan that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plan, the tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plan 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.

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 (Public Employees’ Retirement 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.

Note 9: Pension Rate Plan (Continued)

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. The target allocation shown was adopted by CalPERS effective on July 1, 2014.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	51.0%	5.25%	5.71%
Global Debt Securities	19.0	0.99	2.43
Inflation Assets	6.0	0.45	3.36
Private Equity	10.0	6.83	6.95
Real Estate	10.0	4.50	5.13
Infrastructure and Forestland	2.0	4.50	5.09
Liquidity	2.0	(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 the Plan, calculated using the discount rate for the 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:

	Discount Rate - 1% 6.65%	Current Discount 7.65%	Discount Rate +1% 8.65%
Plan Net Pension Liability	$ 24,172,124	$ 15,895,756	$ 9,088,079

Pension Plan Fiduciary Net Position

Detailed information about the 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.

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

For the year ended June 30, 2016, the City reported 54 retiree employees. The City currently has 106 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, 2016, the City established a reserve fund with $500,000 to begin funding the existing liability. The City has 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.

Annual OPEB Cost and Net OPEB Obligation

For the year ended June 30, 2016, the City's annual cost for the healthcare plan was $274,238. The City's annual OPEB cost contributed to the plan and the net OPEB obligation for the year ended June 30, 2016 were as follows:

Annual required contribution	
Service cost at year end	$ 274,238
30-year amortization of funded liability	197,000
Total annual required contribution	471,238
Interest on net OPEB obligation	75,801
Adjustment to net OPEB obligation	(123,039)
Total annual OPEB cost	424,000
Employer contributions	41,310
Net pension obligation, July 1, 2015	1,819,943
Net pension obligation, June 30, 2016	$ 2,202,633

Year Ended	Annual OPEB Cost	Actual Employer Contribution	Percentage Contributed	Net Ending OPEB
June 30, 2016	$ 274,238	$ 41,310	15%	$ 2,202,633
June 30, 2015	386,000	35,038	9%	1,819,943
June 30, 2014	387,000	51,615	13%	1,468,981

As of June 30, 2016, $1,683,326 of the net pension obligation was recorded in governmental activities and $519,307 was recorded in business-type activities on the Statement of Net Position.

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

Funded Status and Funding Progress

The funded status of the plan based on the most recent actuarial study using age-adjusted premiums as of June 30, 2014, was as follows:

Actuarial accrued liability (AAL)	
Active employees	$ 2,071,000
Retired employees	473,000
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$ 2,544,000
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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the 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 the plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets consistent with the long-term perspective of the calculations.

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.

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.

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.

Note 12: Risk Management (Continued)

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

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, 2016 was as follows:

Total Assets	$ 54,079,628
Total Liabilities	(40,080,071)
Net Position	(13,999,557)
Total Revenues	18,528,917
Total Expenses	(13,909,485)
Change in Net Position	$ 4,619,432

The City is also a member of California Transit Indemnity Pool (CalTIP). Under CalTIP, the City's Transit Fund contributes to the liability and vehicle physical damage programs. Information on CalTIP can be found online at caltiponline.org.

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, 2016, operating costs associated with the lease totaled $104,784. 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:

2017	$ 108,884
2018	103,392
2019	105,966
2020	17,788
	$ 336,030

Note 14: Deficit Fund Balances

As of June 30, 2016, the following funds had a fund deficit:

Fund	Deficit
Governmental Funds	
Storm Drainage	$ 1,052,222
Transit Projects	400,127
Enterprise Funds	
Transit	187,854
Fiduciary Funds	
Successor Agency of the former RDA	1,003,371

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.

Note 15: Contingencies and Commitments (Continued)

Construction Commitments

The City had construction commitments as of June 30, 2016 totaling $6,494,956 for various construction projects that were not complete as of year-end.

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Dixon that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 11, 2012, the City elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 12-001.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

Note 16: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

a. Cash and investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments	$ 368,579
Cash and investments with fiscal agent	11,669
	$ 380,248

b. Loans Receivable

Notes and loans receivables consist of the following at June 30, 2016:

On March 25, 1986, the Agency entered a reimbursement agreement with the City of Dixon. Under the Agency's redevelopment plan for Central Dixon ("the Project), the City agreed to advance $150,000 to the Agency for the costs of developing a senior center to serve the proposed Project. The City agreed to pay all or part of the value of the land and for the costs of the installation and construction of any building, facility, structure, or other improvements which are publicly owned either within or without the project area. Repayment terms were based on the Agency's pledge of and ability to generate sufficient tax allocations from the Project. This reimbursement agreement bears no interest and as of June 30, 2016 the outstanding balance was $150,000.

c. Capital Assets

An analysis of capital assets as of June 30, 2016, follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 150,036	$ -	$ -	$ 150,036
Total Capital Assets, Not Being Depreciated	$ 150,036	$ -	$ -	$ 150,036

d. Long-Term Debt

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2016, follows:

	Balance July 1, 2015	Additions	Defeasance	Repayments	Balance June 30, 2016	Due Within One Year
Bonds						
Tax Allocation Refunding Bonds - 1995 Issue	$ 2,415,000	$ -	$ (2,415,000)	$ -	$ -	$ -
Tax Allocation Refunding Bonds - 2015 Issue	-	2,355,000	-	55,000	2,300,000	325,000
Total Bonds	$ 2,415,000	$ 2,355,000	$ (2,415,000)	$ 55,000	$ 2,300,000	$ 325,000

Note 16: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Tax Allocation Bonds

1. **Dixon Redevelopment Successor Agency, Central Dixon Development Project Tax Refunding Allocation Bonds, Series 1995. $4,575,000.** These bonds are dated December 1, 2015 and were issued to refinance the 1995 Tax Allocation Bonds. The Bonds are special obligations of the Successor Agency and this bond and interest are payable from, and are secured by a pledge of, security interest in and lien on the Tax

   Revenues being moneys deposited from time to time in the Redevelopment Property Tax Trust Fund ("RPTTF") established under the Dissolution Act, but exclude those amounts which were, prior to the Dissolution Act, required to be deposited into the Former Agency's Low and Moderate Income Housing Fund to the extent required to pay debt service on existing Housing Obligations. Interest is payable semi-annually on March 1 and September 1, of each year commencing March 1, 1996. The bonds mature in annual installments ranging from $70,000 to $310,000 starting September 1, 1996 to September 1, 2024, and bear interest ranging from 1.46% to 3.00%. As of June 30, 2016 these bonds were refunded by the issuance of the 2015 Series Tax Allocation Refunding Bonds.

2. **Dixon Redevelopment Successor Agency, Central Dixon Development Project Tax Allocation Refunding Bonds, Series 2015. $2,355,000.** These bonds are dated December 11, 2015 and were issued to refinance the 1995 Tax Allocation Bonds. The Bonds are special obligations of the Successor Agency and this bond and interest are payable from, and are secured by a pledge of, security interest in and lien on the Tax Revenues being moneys deposited from time to time in the Redevelopment Property Tax Trust Fund ("RPTTF") established under the Dissolution Act, but exclude those amounts which were, prior to the Dissolution Act, required to be deposited into the Former Agency's Low and Moderate Income Housing Fund to the extent required to pay debt service on existing Housing Obligations. Interest is payable semi-annually on March 1 and September 1, of each year commencing March 1, 2016. The bonds mature in annual installments ranging from $55,000 to $140,000 starting March 1, 2016 to September 1, 2024, and bear interest at 1.990%. The balance at June 30, 2016, amounted to $2,300,000.

   The following schedule illustrates the debt service requirements to maturity for the 2015 Tax Allocation Refunding Bonds as of June 30, 2016:

Year Ending June 30	Principal	Interest
2017	$ 325,000	$ 43,780
2018	245,000	38,109
2019	255,000	33,183
2020	255,000	28,109
2021	260,000	22,985
2022 - 2025	960,000	38,457
Total	$ 2,300,000	$ 204,623

e. Insurance

The Successor Agency is covered under the City of Dixon's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note12.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 9,410,103	$ 9,395,823	$ 10,580,883	$ 1,185,060
Intergovernmental	294,392	212,924	224,010	11,086
Licenses and permits	251,516	251,516	309,449	57,933
Intergovernmental	1,412,280	1,412,280	1,341,890	(70,390)
Charges for services	1,082,273	1,173,656	1,237,014	63,358
Use of money and property	274,212	286,212	245,696	(40,516)
Program income	687,551	994,522	1,103,913	109,391
Other revenues	42,707	68,649	168,781	100,132
Total Revenues	**13,455,034**	**13,795,582**	**15,211,636**	**1,416,054**
Expenditures:				
Current:				
General Administration				
City council	158,422	158,422	137,665	20,757
City manager	372,099	382,002	368,396	13,606
City clerk	165,424	166,924	166,686	238
Administrative services	1,303,157	1,393,292	1,283,389	109,903
Personnel	245,418	307,678	232,333	75,345
City attorney	144,000	496,463	473,389	23,074
General liability	209,620	214,920	424,850	(209,930)
Total General Administration	2,598,140	3,120,701	3,087,708	32,993
Public Safety				
Police	4,373,026	4,560,859	3,992,739	568,120
Fire	3,613,444	4,116,635	3,924,333	192,302
Total Public Safety	7,986,470	8,677,494	7,917,072	760,422
Development				
Planning	568,831	567,341	505,309	62,032
Total Development	568,831	567,341	505,309	62,032
Parks and Recreation				
Park maintenance	1,079,272	1,289,857	1,269,081	20,776
Recreation	290,547	304,113	277,702	26,411
Senior multi-use center	95,562	96,793	87,784	9,009
Total Parks and Recreation	1,465,381	1,690,763	1,634,567	56,196
Public Ways and Facilities				
Engineering	686,395	851,899	645,810	206,089
Street maintenance	417,072	409,670	405,452	4,218
Storm Drain Maintenance	175,840	158,457	138,672	19,785
Total Public Ways and Facilities	1,279,307	1,420,026	1,189,934	230,092
Capital outlay	402,791	1,110,259	365,388	744,871
Total Expenditures	**14,300,920**	**16,586,584**	**14,699,978**	**1,886,606**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(845,886)	(2,791,002)	511,658	3,302,660
Other Financing Sources (Uses):				
Transfers in	1,077,663	2,014,084	749,143	(1,264,941)
Transfers out	(407,663)	(1,344,084)	(79,143)	1,264,941
Total Other Financing Sources (Uses)	**670,000**	**670,000**	**670,000**	**-**
Net Change in Fund Balances	(175,886)	(2,121,002)	1,181,658	3,302,660
Fund Balances, Beginning of Year	6,721,160	6,721,160	6,721,160	-
Fund Balances, End of Year	**$ 6,545,274**	**$ 4,600,158**	**$ 7,902,818**	**$ 3,302,660**

See Notes to Required Supplementary Information

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
HOUSING SUCCESSOR AGENCY
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Use of money and property	$ 36	$ 36	$ 28,512	$ 28,476
Other revenues	756	756	777	21
Total Revenues	**792**	**792**	**29,289**	**28,497**
Expenditures:				
Current:				
City administration	35,000	35,000	7,745	27,255
Total Expenditures	**35,000**	**35,000**	**7,745**	**27,255**
Net Change in Fund Balances	(34,208)	(34,208)	21,544	55,752
Fund Balances, Beginning of Year	86,271	86,271	86,271	-
Fund Balances, End of Year	**$ 52,063**	**$ 52,063**	**$ 107,815**	**$ 55,752**

See Notes to Required Supplementary Information

CITY OF DIXON

COST SHARING MULTIPLE-EMPLOYER PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

Measurement Period:	**2015**	**2016**
Proportion of the Net Pension Liability/(Asset)		
Miscellaneous Tier 1 Rate Plan	0.10486%	0.28722%
Miscellaneous Tier 2 Rate Plan	0.00000%	0.00000%
Miscellaneous PEPRA Rate Plan	0.00001%	-0.00007%
Fire Tier 1 Rate Plan	0.03424%	0.05625%
Fire Tier 2 Rate Plan	0.00008%	-0.00006%
Fire PEPRA Rate Plan	0.00000%	-0.00001%
Police Tier 1 Rate Plan	0.08263%	0.13869%
Police Tier 2 Rate Plan	0.00024%	-0.00029%
Police PEPRA Rate Plan	0.00000%	0.00000%
TOTAL PLAN	**0.22206%**	**0.48173%**
Proportionate Share of the Net Pension Liability/(Asset)		
Miscellaneous Tier 1 Rate Plan	$ 6,525,140	$ 7,879,823
Miscellaneous Tier 2 Rate Plan	-	5
Miscellaneous PEPRA Rate Plan	648	(1,868)
Fire Tier 1 Rate Plan	2,130,767	2,317,698
Fire Tier 2 Rate Plan	4,972	(2,293)
Fire PEPRA Rate Plan	-	(388)
Police Tier 1 Rate Plan	5,141,411	5,714,786
Police Tier 2 Rate Plan	15,244	(11,949)
Police PEPRA Rate Plan	-	(58)
TOTAL PLAN	**$ 13,818,182**	**$ 15,895,756**
Covered-Employee Payroll		
Miscellaneous Tier 1 Rate Plan	$ 3,222,931	$ 2,835,347
Miscellaneous Tier 2 Rate Plan	-	308,027
Miscellaneous PEPRA Rate Plan	134,613	436,906
Fire Tier 1 Rate Plan	1,562,122	1,511,759
Fire Tier 2 Rate Plan	119,929	149,179
Fire PEPRA Rate Plan	-	264,190
Police Tier 1 Rate Plan	1,160,290	1,018,064
Police Tier 2 Rate Plan	445,250	424,026
Police PEPRA Rate Plan	-	225,904
TOTAL PLAN	**$ 6,645,135**	**$ 7,173,402**
Proportionate Share of the Net Pension Liability/(Asset) as Percentage of Covered-Employee Payroll		
Miscellaneous Tier 1 Rate Plan	202.46%	277.91%
Miscellaneous Tier 2 Rate Plan	0.00%	0.00%
Miscellaneous PEPRA Rate Plan	0.48%	-0.43%
Fire Tier 1 Rate Plan	136.40%	153.31%
Fire Tier 2 Rate Plan	4.15%	-1.54%
Fire PEPRA Rate Plan	0.00%	-0.15%
Police Tier 1 Rate Plan	443.11%	561.34%
Police Tier 2 Rate Plan	3.42%	-2.82%
Police PEPRA Rate Plan	0.00%	-0.03%
TOTAL PLAN	**207.94%**	**221.59%**
The Pension Plan's (PERF-C) Fiduciary Net Position as a Percentage of the Total Pension Liability	**76.21%**	**73.75%**

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent.

(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 two years are shown.

CITY OF DIXON

COST SHARING MULTIPLE-EMPLOYER PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2015	2016
Actuarially Determined Contributions		
Miscellaneous Tier 1 Rate Plan	$ 682,923	$ 615,169
Miscellaneous Tier 2 Rate Plan	-	6,295
Miscellaneous Rate PEPRA	8,133	25,679
Fire Tier 1 Rate Plan	486,792	364,534
Fire Tier 2 Rate Plan	26,197	23,110
Fire PEPRA Rate Plan	-	30,006
Police Tier 1 Rate Plan	416,610	533,957
Police Tier 2 Rate Plan	89,713	69,536
Police PEPRA Rate Plan	-	25,433
Contribution in Relation to the Actuarially Determined Contribution	(1,710,368)	(1,693,719)
Contribution Deficiency (Excess)	$ -	$ -
Covered-Employee Payroll	$ 6,645,135	$ 7,173,402
Contributions as a Percentage of Covered-Employee Payroll	25.74%	23.61%

(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 two years are shown.

Note to Schedule:

Valuation Date:	June 30, 2013
Methods and assumptions used to determine contribution rates:	
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll, closed
Assets valuation method	Market Value
Discount Rate	7.50% (net of administrative expenses)
Projected Salary Increases	3.30% to 14.20% depending on Age,. Service, and type of employment.
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation of 2.75% and an annual production growth of 0.25%.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
JUNE 30, 2016

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

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY ACCOUNTING AND CONTROL
JUNE 30, 2016

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.

For the fiscal year ending June 30, 2016, the following fund had no adopted annual budgets:

Core Area Drainage

Excess Expenditures and Transfers Over Appropriations

The following departments experienced expenditures in excess of appropriations:

Department/Function	Excess Expenditures
General Administration	
General Liability	$ 12,170

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COMBINING FINANCIAL SCHEDULES AND OTHER SUPPLEMENTARY INFORMATION

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

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

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).

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.

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.

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, 2016

	Special Revenue Funds			
	HOME Loans	CDBG	Gas Tax	Traffic Safety
Assets:				
Pooled cash and investments	$ 13,251	$ 411,590	$ 550,959	$ 34,498
Receivables:				
Accrued interest	30	829	1,263	103
Grants	2,456	-	-	-
Due from other governments	-	-	-	2,023
Total Assets	**$ 15,737**	**$ 412,419**	**$ 552,222**	**$ 36,624**
Liabilities:				
Accounts payable	$ 2,589	$ 7,293	$ -	$ 3,142
Accrued liabilities	-	-	1,525	-
Advances from other funds	-	-	-	-
Total Liabilities	**2,589**	**7,293**	**1,525**	**3,142**
Deferred Inflows of Resources:				
Unavailable revenues	2,455	-	-	-
Total Deferred Inflows of Resources	**2,455**	**-**	**-**	**-**
Fund Balances:				
Restricted for:				
Community development projects	10,693	405,126	-	-
Public safety	-	-	-	33,482
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital Projects	-	-	550,697	-
Valley Glen Storm Drainage	-	-	-	-
Assigned to:				
Public works	-	-	-	-
Capital Projects	-	-	-	-
Community development	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	**10,693**	**405,126**	**550,697**	**33,482**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 15,737**	**$ 412,419**	**$ 552,222**	**$ 36,624**

CITY OF DIXON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016 (CONTINUED)

	Special Revenue Funds			
	Used Oil Recycling Block Grant	COPS Block Grant	Asset Forfeiture	Landscaping and Lighting Assessment Districts
Assets:				
Pooled cash and investments	$ 3,710	$ 216,674	$ 3,128	$ 122,183
Receivables:				
Accrued interest	-	444	6	243
Grants	-	11,253	-	-
Due from other governments	-	-	-	-
Total Assets	**$ 3,710**	**$ 228,371**	**$ 3,134**	**$ 122,426**
Liabilities:				
Accounts payable	$ 714	$ 19,264	$ -	$ 9,957
Accrued liabilities	-	3,087	-	1,797
Advances from other funds	-	-	-	-
Total Liabilities	**714**	**22,351**	**-**	**11,754**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	206,020	3,134	-
Parks and recreation	-	-	-	110,672
Public works	2,996	-	-	-
Capital Projects	-	-	-	-
Valley Glen Storm Drainage	-	-	-	-
Assigned to:				
Public works	-	-	-	-
Capital Projects	-	-	-	-
Community development	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	**2,996**	**206,020**	**3,134**	**110,672**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 3,710**	**$ 228,371**	**$ 3,134**	**$ 122,426**

CITY OF DIXON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Special Revenue Funds			Capital Projects Funds
	Valley Glen Storm Drain	CFD Pond C	CFD Parklane	Capital Improvements
Assets:				
Pooled cash and investments	$ 1,028,693	$ 64,536	$ -	$ 255,524
Receivables:				
Accrued interest	2,103	143	-	504
Grants	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	**$ 1,030,796**	**$ 64,679**	**$ -**	**$ 256,028**
Liabilities:				
Accounts payable	$ 6,613	$ 228	$ -	$ -
Accrued liabilities	3,066	1,541	-	-
Advances from other funds	-	-	-	-
Total Liabilities	**9,679**	**1,769**	**-**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital Projects	-	62,910	-	-
Valley Glen Storm Drainage	1,021,117	-	-	-
Assigned to:				
Public works	-	-	-	-
Capital Projects	-	-	-	256,028
Community development	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	**1,021,117**	**62,910**	**-**	**256,028**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 1,030,796**	**$ 64,679**	**$ -**	**$ 256,028**

CITY OF DIXON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016 (CONTINUED)

	Capital Projects Funds			
	Community Development	Fire	Police	City Facilities
Assets:				
Pooled cash and investments	$ 172	$ 33,712	$ 14,650	$ 26,121
Receivables:				
Accrued interest	-	62	27	49
Grants	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	**$ 172**	**$ 33,774**	**$ 14,677**	**$ 26,170**
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Accrued liabilities	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	**-**	**-**	**-**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital Projects	-	33,774	14,677	26,170
Valley Glen Storm Drainage	-	-	-	-
Assigned to:				
Public works	-	-	-	-
Capital Projects	-	-	-	-
Community development	172	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	**172**	**33,774**	**14,677**	**26,170**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 172**	**$ 33,774**	**$ 14,677**	**$ 26,170**

CITY OF DIXON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Capital Projects Funds			
	Public Works	**Storm Drainage**	**Core Area Drainage**	**Transit Projects**
Assets:				
Pooled cash and investments	$ 336,415	$ -	$ 607	$ 15
Receivables:				
Accrued interest	665	-	1	-
Grants	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	**$ 337,080**	**$ -**	**$ 608**	**$ 15**
Liabilities:				
Accounts payable	$ -	$ -	$ 83	$ 120
Accrued liabilities	-	-	-	-
Advances from other funds	-	1,052,222	-	440,022
Total Liabilities	**-**	**1,052,222**	**83**	**440,142**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital Projects	-	-	-	-
Valley Glen Storm Drainage	-	-	-	-
Assigned to:				
Public works	337,080	-	-	-
Capital Projects	-	-	525	-
Community development	-	-	-	-
Unassigned	-	(1,052,222)	-	(440,127)
Total Fund Balances	**337,080**	**(1,052,222)**	**525**	**(440,127)**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 337,080**	**$ -**	**$ 608**	**$ 15**

CITY OF DIXON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016 (CONTINUED)

	Capital Projects Funds			
	Recreation Improvements	Parks	Agricultural Land Mitigation	Transportation
Assets:				
Pooled cash and investments	$ 1,978,514	$ 896,150	$ 64,744	$ 3,872,229
Receivables:				
Accrued interest	3,856	1,751	127	7,476
Grants	-	-	-	409,300
Due from other governments	-	-	-	-
Total Assets	**$ 1,982,370**	**$ 897,901**	**$ 64,871**	**$ 5,714,027**
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 455,111
Accrued liabilities	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	**-**	**-**	**-**	**455,111**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	409,300
Total Deferred Inflows of Resources	**-**	**-**	**-**	**409,300**
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital Projects	1,982,370	897,901	64,871	4,849,616
Valley Glen Storm Drainage	-	-	-	-
Assigned to:				
Public works	-	-	-	-
Capital Projects	-	-	-	-
Community development	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	**1,982,370**	**897,901**	**64,871**	**4,849,616**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 1,982,370**	**$ 897,901**	**$ 64,871**	**$ 5,714,027**

CITY OF DIXON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Debt Service Funds	
	Lease Financing	**Total Governmental**
Assets:		
Pooled cash and investments	$ -	$ 9,928,075
Receivables:		
Accrued interest	-	19,682
Grants	-	423,009
Due from other governments	-	2,023
Total Assets	**$ -**	**$ 11,797,811**
Liabilities:		
Accounts payable	$ -	$ 505,114
Accrued liabilities	-	11,016
Advances from other funds	-	1,492,244
Total Liabilities	**-**	**2,008,374**
Deferred Inflows of Resources:		
Unavailable revenues	-	411,755
Total Deferred Inflows of Resources	**-**	**411,755**
Fund Balances:		
Restricted for:		
Community development projects	-	415,819
Public safety	-	242,636
Parks and recreation	-	110,672
Public works	-	2,996
Capital Projects	-	8,482,986
Valley Glen Storm Drainage	-	1,021,117
Assigned to:		
Public works	-	337,080
Capital Projects	-	256,553
Community development	-	172
Unassigned	-	(1,492,349)
Total Fund Balances	**-**	**9,377,682**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ -**	**$ 11,797,811**

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CITY OF DIXON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Special Revenue Funds			
	HOME Loans	**CDBG**	**Gas Tax**	**Traffic Safety**
Revenues:				
Intergovernmental	$ 413,465	$ -	$ 423,932	$ -
Charges for services	-	-	-	-
Use of money and property	576	10,685	4,315	388
Fines and forfeitures	-	-	-	16,979
Developer participation	-	-	-	-
Miscellaneous	1,000	46,302	-	-
Total Revenues	**415,041**	**56,987**	**428,247**	**17,367**
Expenditures:				
Current:				
Public safety	-	-	-	-
Community development	436,564	27,664	-	-
Public works	-	-	55,717	57,475
Capital outlay	-	43,459	28,612	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	**436,564**	**71,123**	**84,329**	**57,475**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,523)	(14,136)	343,918	(40,108)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	(279,198)	(561)
Total Other Financing Sources (Uses)	**-**	**-**	**(279,198)**	**(561)**
Net Change in Fund Balances	(21,523)	(14,136)	64,720	(40,669)
Fund Balances, Beginning of Year	32,216	419,262	485,977	74,151
Fund Balances, End of Year	**$ 10,693**	**$ 405,126**	**$ 550,697**	**$ 33,482**

CITY OF DIXON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016 (CONTINUED)

	Special Revenue Funds			
	Used Oil Recycling Block Grant	COPS Block Grant	Asset Forfeiture	Landscaping and Lighting Assessment Districts
Revenues:				
Intergovernmental	$ 5,427	$ 114,618	$ -	$ -
Charges for services	-	-	-	147,687
Use of money and property	-	1,582	22	730
Fines and forfeitures	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	**5,427**	**116,200**	**22**	**148,417**
Expenditures:				
Current:				
Public safety	-	95,577	-	-
Community development	-	-	-	-
Public works	5,546	-	-	203,932
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	**5,546**	**95,577**	**-**	**203,932**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(119)	20,623	22	(55,515)
Other Financing Sources (Uses):				
Transfers in	-	-	-	53,863
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**53,863**
Net Change in Fund Balances	(119)	20,623	22	(1,652)
Fund Balances, Beginning of Year	3,115	185,397	3,112	112,324
Fund Balances, End of Year	**$ 2,996**	**$ 206,020**	**$ 3,134**	**$ 110,672**

CITY OF DIXON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Special Revenue Funds			Capital Projects Funds
	Valley Glen Storm Drain	CFD Pond C	CFD Parklane	Capital Improvements
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Charges for services	89,076	69,038	-	-
Use of money and property	7,476	486	-	1,741
Fines and forfeitures	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	**96,552**	**69,524**	**-**	**1,741**
Expenditures:				
Current:				
Public safety	-	-	-	-
Community development	-	-	-	-
Public works	106,929	36,983	(1,451)	-
Capital outlay	48,697	13,229	-	26,237
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	**155,626**	**50,212**	**(1,451)**	**26,237**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(59,074)	19,312	1,451	(24,496)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(1,447)	(123)	-	(1,536)
Total Other Financing Sources (Uses)	**(1,447)**	**(123)**	**-**	**(1,536)**
Net Change in Fund Balances	(60,521)	19,189	1,451	(26,032)
Fund Balances, Beginning of Year	1,081,638	43,721	(1,451)	282,060
Fund Balances, End of Year	**$ 1,021,117**	**$ 62,910**	**$ -**	**$ 256,028**

CITY OF DIXON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016 (CONTINUED)

	Capital Projects Funds			
	Community Development	Fire	Police	City Facilities
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Charges for services	-	45,976	19,989	29,277
Use of money and property	-	289	126	214
Fines and forfeitures	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	**-**	**46,265**	**20,115**	**29,491**
Expenditures:				
Current:				
Public safety	-	-	-	-
Community development	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	**-**	**-**	**-**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	46,265	20,115	29,491
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	(118,608)	(51,576)	(69,347)
Total Other Financing Sources (Uses)	**-**	**(118,608)**	**(51,576)**	**(69,347)**
Net Change in Fund Balances	-	(72,343)	(31,461)	(39,856)
Fund Balances, Beginning of Year	172	106,117	46,138	66,026
Fund Balances, End of Year	**$ 172**	**$ 33,774**	**$ 14,677**	**$ 26,170**

CITY OF DIXON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Capital Projects Funds			
	Public Works	**Storm Drainage**	**Core Area Drainage**	**Transit Projects**
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Charges for services	-	-	-	-
Use of money and property	2,366	-	5	-
Fines and forfeitures	-	-	-	-
Developer participation	7,710	5,161	-	-
Miscellaneous	-	-	-	-
Total Revenues	**10,076**	**5,161**	**5**	**-**
Expenditures:				
Current:				
Public safety	-	-	-	-
Community development	-	-	-	-
Public works	-	107	585	5,259
Capital outlay	-	-	333	899
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	**-**	**107**	**918**	**6,158**
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,076	5,054	(913)	(6,158)
Other Financing Sources (Uses):				
Transfers in	-	-	-	75,484
Transfers out	(12,858)	(1,684)	-	-
Total Other Financing Sources (Uses)	**(12,858)**	**(1,684)**	**-**	**75,484**
Net Change in Fund Balances	(2,782)	3,370	(913)	69,326
Fund Balances, Beginning of Year	339,862	(1,055,592)	1,438	(509,453)
Fund Balances, End of Year	**$ 337,080**	**$ (1,052,222)**	**$ 525**	**$ (440,127)**

CITY OF DIXON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016 (CONTINUED)

	Capital Projects Funds			
	Recreation Improvements	Parks	Agricultural Land Mitigation	Transportation
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Charges for services	231,430	72,928	-	-
Use of money and property	13,720	6,251	452	32,197
Fines and forfeitures	-	-	-	-
Developer participation	-	-	-	330,471
Miscellaneous	-	-	-	-
Total Revenues	**245,150**	**79,179**	**452**	**362,668**
Expenditures:				
Current:				
Public safety	-	-	-	-
Community development	-	-	-	-
Public works	-	4,468	-	481,559
Capital outlay	65,160	725	-	74,805
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	**65,160**	**5,193**	**-**	**556,364**
Excess (Deficiency) of Revenues Over (Under) Expenditures	179,990	73,986	452	(193,696)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	(6,287)
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**(6,287)**
Net Change in Fund Balances	179,990	73,986	452	(199,983)
Fund Balances, Beginning of Year	1,802,380	823,915	64,419	5,049,599
Fund Balances, End of Year	**$ 1,982,370**	**$ 897,901**	**$ 64,871**	**$ 4,849,616**

CITY OF DIXON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Debt Service Funds	
	Lease Financing	**Total Governmental Funds**
Revenues:		
Intergovernmental	$ -	$ 957,442
Charges for services	-	705,401
Use of money and property	-	83,621
Fines and forfeitures	-	16,979
Developer participation	-	343,342
Miscellaneous	-	47,302
Total Revenues	**-**	**2,154,087**
Expenditures:		
Current:		
Public safety	-	95,577
Community development	-	464,228
Public works	-	957,109
Capital outlay	-	302,156
Debt service:		
Principal retirement	217,100	217,100
Interest and fiscal charges	46,293	46,293
Total Expenditures	**263,393**	**2,082,463**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(263,393)	71,624
Other Financing Sources (Uses):		
Transfers in	263,393	392,740
Transfers out	-	(543,225)
Total Other Financing Sources (Uses)	**263,393**	**(150,485)**
Net Change in Fund Balances	-	(78,861)
Fund Balances, Beginning of Year	-	9,456,543
Fund Balances, End of Year	**$ -**	**$ 9,377,682**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
HOME LOANS
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$ -	$ 4,438,608	$ 413,465	$ (4,025,143)
Use of money and property	-	-	576	576
Total Revenues	**-**	**4,438,608**	**415,041**	**(4,023,567)**
Expenditures:				
Current:				
Community development	-	4,295,479	436,564	3,858,915
Total Expenditures	**-**	**4,295,479**	**436,564**	**3,858,915**
Net Change in Fund Balances	-	143,129	(21,523)	(164,652)
Fund Balances, Beginning of Year	32,216	32,216	32,216	-
Fund Balances, End of Year	**$ 32,216**	**$ 175,345**	**$ 10,693**	**$ (164,652)**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
CDBG
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Use of money and property	$ 8,900	$ 8,900	$ 10,685	$ 1,785
Other revenues	49,350	1,149,350	46,302	(1,103,048)
Total Revenues	**58,250**	**1,158,250**	**56,987**	**(1,101,263)**
Expenditures:				
Current:				
Community development	216,057	691,737	27,664	664,073
Total Expenditures	**216,057**	**1,307,019**	**71,123**	**1,235,896**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(157,807)	(148,769)	(14,136)	134,633
Other Financing Sources (Uses):				
Transfers in	-	200,000	-	(200,000)
Transfers out	-	(200,000)	-	200,000
Total Other Financing Sources (Uses)	**-**	**-**	**-**	**-**
Net Change in Fund Balances	(157,807)	(148,769)	(14,136)	134,633
Fund Balances, Beginning of Year	419,262	419,262	419,262	-
Fund Balances, End of Year	**$ 261,455**	**$ 270,493**	**$ 405,126**	**$ 134,633**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
GAS TAX
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$ 407,893	$ 407,893	$ 423,932	$ 16,039
Use of money and property	-	-	4,315	4,315
Total Revenues	**407,893**	**407,893**	**428,247**	**20,354**
Expenditures:				
Current:				
Public works	99,354	125,268	55,717	69,551
Capital outlay	116,000	30,777	28,612	2,165
Total Expenditures	**215,354**	**156,045**	**84,329**	**71,716**
Excess (Deficiency) of Revenues Over (Under) Expenditures	192,539	251,848	343,918	92,070
Other Financing Sources (Uses):				
Transfers out	(277,017)	(278,320)	(279,198)	(878)
Total Other Financing Sources (Uses)	**(277,017)**	**(278,320)**	**(279,198)**	**(878)**
Net Change in Fund Balances	(84,478)	(26,472)	64,720	91,192
Fund Balances, Beginning of Year	485,977	485,977	485,977	-
Fund Balances, End of Year	**$ 401,499**	**$ 459,505**	**$ 550,697**	**$ 91,192**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
TRAFFIC SAFETY
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Use of money and property	$ -	$ -	$ 388	$ 388
Fines and forfeitures	20,000	20,000	16,979	(3,021)
Total Revenues	**20,000**	**20,000**	**17,367**	**(2,633)**
Expenditures:				
Current:				
Public works	27,000	83,289	57,475	25,814
Total Expenditures	**27,000**	**83,289**	**57,475**	**25,814**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,000)	(63,289)	(40,108)	23,181
Other Financing Sources (Uses):				
Transfers out	(561)	(561)	(561)	-
Total Other Financing Sources (Uses)	**(561)**	**(561)**	**(561)**	**-**
Net Change in Fund Balances	(7,561)	(63,850)	(40,669)	23,181
Fund Balances, Beginning of Year	74,151	74,151	74,151	-
Fund Balances, End of Year	**$ 66,590**	**$ 10,301**	**$ 33,482**	**$ 23,181**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
USED OIL RECYCLING BLOCK GRANT
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$ 5,325	$ 5,325	$ 5,427	$ 102
Total Revenues	**5,325**	**5,325**	**5,427**	**102**
Expenditures:				
Current:				
Public safety	200	200	-	200
Total Expenditures	**5,400**	**5,400**	**5,546**	**(146)**
Net Change in Fund Balances	(75)	(75)	(119)	(44)
Fund Balances, Beginning of Year	3,115	3,115	3,115	-
Fund Balances, End of Year	**$ 3,040**	**$ 3,040**	**$ 2,996**	**$ (44)**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
COPS BLOCK GRANT
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental	$ 100,000	$ 100,000	$ 114,618	$ 14,618
Use of money and property	-	-	1,582	1,582
Total Revenues	**100,000**	**100,000**	**116,200**	**16,200**
Expenditures:				
Current:				
Public safety	135,956	141,456	95,577	45,879
Capital outlay	-	12,000	-	12,000
Total Expenditures	**135,956**	**153,456**	**95,577**	**57,879**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,956)	(53,456)	20,623	74,079
Net Change in Fund Balances	(35,956)	(53,456)	20,623	74,079
Fund Balances, Beginning of Year	185,397	185,397	185,397	-
Fund Balances, End of Year	**$ 149,441**	**$ 131,941**	**$ 206,020**	**$ 74,079**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
LANDSCAPING AND LIGHTING ASSESSMENT DISTRICTS
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Charges for services	$ 147,591	$ 147,591	$ 147,687	$ 96
Use of money and property	-	-	730	730
Total Revenues	**147,591**	**147,591**	**148,417**	**826**
Expenditures:				
Current:				
Public works	201,453	189,480	203,932	(14,452)
Total Expenditures	**201,453**	**189,480**	**203,932**	**(14,452)**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(53,862)	(41,889)	(55,515)	(13,626)
Other Financing Sources (Uses):				
Transfers in	53,863	53,863	53,863	-
Total Other Financing Sources (Uses)	**53,863**	**53,863**	**53,863**	**-**
Net Change in Fund Balances	1	11,974	(1,652)	(13,626)
Fund Balances, Beginning of Year	112,324	112,324	112,324	-
Fund Balances, End of Year	**$ 112,325**	**$ 124,298**	**$ 110,672**	**$ (13,626)**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
VALLEY GLEN STORM DRAIN
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Charges for services	$ 89,074	$ 89,074	$ 89,076	$ 2
Use of money and property	-	-	7,476	7,476
Total Revenues	**89,074**	**89,074**	**96,552**	**7,478**
Expenditures:				
Current:				
Public works	121,921	128,001	106,929	21,072
Capital outlay	28,206	48,875	48,697	178
Total Expenditures	**150,127**	**176,876**	**155,626**	**21,250**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(61,053)	(87,802)	(59,074)	28,728
Other Financing Sources (Uses):				
Transfers out	(1,447)	(1,447)	(1,447)	-
Total Other Financing Sources (Uses)	**(1,447)**	**(1,447)**	**(1,447)**	**-**
Net Change in Fund Balances	(62,500)	(89,249)	(60,521)	28,728
Fund Balances, Beginning of Year	1,081,638	1,081,638	1,081,638	-
Fund Balances, End of Year	**$ 1,019,138**	**$ 992,389**	**$ 1,021,117**	**$ 28,728**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
CFD POND C
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Charges for services	$ 64,832	$ 64,832	$ 69,038	$ 4,206
Use of money and property	-	-	486	486
Total Revenues	**64,832**	**64,832**	**69,524**	**4,692**
Expenditures:				
Current:				
Public works	64,511	68,011	36,983	31,028
Capital outlay	-	13,400	13,229	171
Total Expenditures	**64,511**	**81,411**	**50,212**	**31,199**
Excess (Deficiency) of Revenues Over (Under) Expenditures	321	(16,579)	19,312	35,891
Other Financing Sources (Uses):				
Transfers out	(70)	(123)	(123)	-
Total Other Financing Sources (Uses)	**(70)**	**(123)**	**(123)**	**-**
Net Change in Fund Balances	251	(16,702)	19,189	35,891
Fund Balances, Beginning of Year	43,721	43,721	43,721	-
Fund Balances, End of Year	**$ 43,972**	**$ 27,019**	**$ 62,910**	**$ 35,891**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
CFD PARKLANE
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Charges for services	$ 199,064	$ 199,064	$ -	$ (199,064)
Use of money and property	500	500	-	(500)
Total Revenues	**199,564**	**199,564**	**-**	**(199,564)**
Expenditures:				
Current:				
Public works	12,790	12,791	(1,451)	14,242
Debt service:				
Interest and fiscal charges	186,773	186,773	-	186,773
Total Expenditures	**199,563**	**199,564**	**(1,451)**	**201,015**
Excess (Deficiency) of Revenues Over (Under) Expenditures	1	-	1,451	(400,579)
Other Financing Sources (Uses):				
Notes and loans issued	-	7,648,057	-	-
Cost of Issuance	-	(183,578)	-	-
Total Other Financing Sources (Uses)	**-**	**7,464,479**	**-**	**-**
Fund Balances, Beginning of Year	(1,451)	(1,451)	(1,451)	-
Fund Balances, End of Year	**$ (1,450)**	**$ 7,463,028**	**$ -**	**$ (400,579)**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENTS
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ -	$ -	$ -	$ -
Total Revenues	**1,200**	**1,200**	**1,741**	**541**
Expenditures:				
Public works	35,000	78,508	-	78,508
Capital outlay	-	50,342	26,237	24,105
Total Expenditures	**35,000**	**128,850**	**26,237**	**102,613**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,800)	(127,650)	(24,496)	103,154
Other Financing Sources (Uses):				
Transfers out	-	(1,536)	(1,536)	-
k				
Total Other Financing Sources (Uses)	**-**	**(1,536)**	**(1,536)**	**-**
Net Change in Fund Balances	(33,800)	(129,186)	(26,032)	103,154
Fund Balances, Beginning of Year	282,060	282,060	282,060	-
Fund Balances, End of Year	**$ 248,260**	**$ 152,874**	**$ 256,028**	**$ 103,154**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
FIRE
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ -	$ -	$ -	$ -
Total Revenues	**42,876**	**42,876**	**46,265**	**3,389**
Other Financing Sources (Uses):				
Transfers out	(118,608)	(118,608)	(118,608)	-
k				
Total Other Financing Sources (Uses)	**(118,608)**	**(118,608)**	**(118,608)**	**-**
Net Change in Fund Balances	(75,732)	(75,732)	(72,343)	3,389
Fund Balances, Beginning of Year	106,117	106,117	106,117	-
Fund Balances, End of Year	**$ 30,385**	**$ 30,385**	**$ 33,774**	**$ 3,389**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
POLICE
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ -	$ -	$ -	$ -
Total Revenues	**18,648**	**18,648**	**20,115**	**1,467**
Other Financing Sources (Uses):				
Transfers out	(51,576)	(51,576)	(51,576)	-
k				
Total Other Financing Sources (Uses)	**(51,576)**	**(51,576)**	**(51,576)**	**-**
Net Change in Fund Balances	(32,928)	(32,928)	(31,461)	1,467
Fund Balances, Beginning of Year	46,138	46,138	46,138	-
Fund Balances, End of Year	**$ 13,210**	**$ 13,210**	**$ 14,677**	**$ 1,467**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
CITY FACILITIES
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ -	$ -	$ -	$ -
Total Revenues	**27,288**	**27,288**	**29,491**	**2,203**
Other Financing Sources (Uses):				
Transfers out	(69,347)	(69,347)	(69,347)	-
k				
Total Other Financing Sources (Uses)	**(69,347)**	**(69,347)**	**(69,347)**	**-**
Net Change in Fund Balances	(42,059)	(42,059)	(39,856)	2,203
Fund Balances, Beginning of Year	66,026	66,026	66,026	-
Fund Balances, End of Year	**$ 23,967**	**$ 23,967**	**$ 26,170**	**$ 2,203**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
PUBLIC WORKS
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ 7,200	$ 7,200	$ 7,710	$ 510
Total Revenues	**7,200**	**7,200**	**10,076**	**2,876**
Other Financing Sources (Uses):				
Transfers out	(12,858)	(12,858)	(12,858)	-
k				
Total Other Financing Sources (Uses)	**(12,858)**	**(12,858)**	**(12,858)**	**-**
Net Change in Fund Balances	(5,658)	(5,658)	(2,782)	2,876
Fund Balances, Beginning of Year	339,862	339,862	339,862	-
Fund Balances, End of Year	**$ 334,204**	**$ 334,204**	**$ 337,080**	**$ 2,876**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
STORM DRAINAGE
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ 4,248	$ 4,248	$ 5,161	$ 913
Total Revenues	**4,248**	**4,248**	**5,161**	**913**
Expenditures:				
Public works	148,486	148,486	107	148,379
Total Expenditures	**148,486**	**148,486**	**107**	**148,379**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(144,238)	(144,238)	5,054	149,292
Other Financing Sources (Uses):				
Transfers out	(1,684)	(1,684)	(1,684)	-
k				
Total Other Financing Sources (Uses)	**(1,684)**	**(1,684)**	**(1,684)**	**-**
Net Change in Fund Balances	(145,922)	(145,922)	3,370	149,292
Fund Balances, Beginning of Year	(1,055,592)	(1,055,592)	(1,055,592)	-
Fund Balances, End of Year	**$ (1,201,514)**	**$ (1,201,514)**	**$ (1,052,222)**	**$ 149,292**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
CORE AREA DRAINAGE
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ -	$ -	$ -	$ -
Total Revenues	**-**	**-**	**5**	**5**
Expenditures:				
Capital outlay	-	-	333	(333)
Total Expenditures	**-**	**-**	**918**	**(918)**
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(913)	122,830
Net Change in Fund Balances	-	-	(913)	122,830
Fund Balances, Beginning of Year	1,438	1,438	1,438	-
Fund Balances, End of Year	**$ 1,438**	**$ 1,438**	**$ 525**	**$ 122,830**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
TRANSIT PROJECTS
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ -	$ -	$ -	$ -
Total Revenues	**-**	**-**	**-**	**-**
Expenditures:				
Public works	$ 73,070	$ 73,070	$ 5,259	$ 67,811
Capital outlay	-	-	899	(899)
Total Expenditures	**73,070**	**73,070**	**6,158**	**66,912**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,070)	(73,070)	(6,158)	66,912
Other Financing Sources (Uses):				
Transfers in	73,070	74,606	75,484	878
k				
Total Other Financing Sources (Uses)	**73,070**	**74,606**	**75,484**	**878**
Net Change in Fund Balances	-	1,536	69,326	67,790
Fund Balances, Beginning of Year	(509,453)	(509,453)	(509,453)	-
Fund Balances, End of Year	**$ (509,453)**	**$ (507,917)**	**$ (440,127)**	**$ 67,790**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
RECREATION IMPROVEMENTS
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ -	$ -	$ -	$ -
Total Revenues	**248,046**	**248,046**	**245,150**	**(2,896)**
Expenditures:				
Capital outlay	-	73,585	65,160	8,425
Total Expenditures	**-**	**73,585**	**65,160**	**8,425**
Excess (Deficiency) of Revenues Over (Under) Expenditures	248,046	174,461	179,990	5,529
Net Change in Fund Balances	248,046	174,461	179,990	5,529
Fund Balances, Beginning of Year	1,802,380	1,802,380	1,802,380	-
Fund Balances, End of Year	**$ 2,050,426**	**$ 1,976,841**	**$ 1,982,370**	**$ 5,529**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
PARKS
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ -	$ -	$ -	$ -
Total Revenues	**190,000**	**190,000**	**79,179**	**(110,821)**
Expenditures:				
Public works	5,000	13,259	4,468	8,791
Capital outlay	60,000	215,000	725	214,275
Total Expenditures	**65,000**	**228,259**	**5,193**	**223,066**
Net Change in Fund Balances	125,000	(38,259)	73,986	112,245
Fund Balances, Beginning of Year	823,915	823,915	823,915	-
Fund Balances, End of Year	**$ 948,915**	**$ 785,656**	**$ 897,901**	**$ 112,245**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Developer participation	$ 16,956	$ 322,212	$ 330,471	$ 8,259
Total Revenues	**238,512**	**1,127,768**	**362,668**	**(765,100)**
Expenditures:				
Public works	22,500	1,389,817	481,559	908,258
Capital outlay	2,000	586,181	74,805	511,376
Total Expenditures	**24,500**	**1,975,998**	**556,364**	**1,419,634**
Excess (Deficiency) of Revenues Over (Under) Expenditures	214,012	(848,230)	(193,696)	654,534
Other Financing Sources (Uses):				
Transfers in	-	6,000	-	(6,000)
Transfers out	(6,287)	(6,287)	(6,287)	-
k				
Total Other Financing Sources (Uses)	**(6,287)**	**(287)**	**(6,287)**	**(6,000)**
Net Change in Fund Balances	207,725	(848,517)	(199,983)	648,534
Fund Balances, Beginning of Year	5,049,599	5,049,599	5,049,599	-
Fund Balances, End of Year	**$ 5,257,324**	**$ 4,201,082**	**$ 4,849,616**	**$ 648,534**

CITY OF DIXON

BUDGETARY COMPARISON SCHEDULE
LEASE FINANCING
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Expenditures:				
Debt service:				
Principal retirement	$ 217,100	$ 217,100	$ 217,100	$ -
Interest and fiscal charges	46,293	46,293	46,293	-
Total Expenditures	**263,393**	**263,393**	**263,393**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(263,393)	(263,393)	(263,393)	-
Other Financing Sources (Uses):				
Transfers in	263,393	263,393	263,393	-
Total Other Financing Sources (Uses)	**263,393**	**263,393**	**263,393**	**-**
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	**$ -**	**$ -**	**$ -**	**$ -**

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:

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.

CFD 2013-1 Parklane Debt Service
This fund is used to account for the activities of the 2013-1 Parklane Community Facilities District.

CITY OF DIXON

COMBINING STATEMENT OF ASSETS AND LIABILITIES
ALL AGENCY FUNDS
JUNE 30, 2016

	North First Street Improvement District	Flexible Spending Account	Dixon Fire Protection Agency	Public Financing Assessment District
Assets:				
Pooled cash and investments	$ 1,280,130	$ 4,833	$ 578,717	$ -
Receivables:				
Accrued interest	2,528	-	1,147	-
Due from other governments	-	-	2,489	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	1,192,788
Total Assets	**$ 1,282,658**	**$ 4,833**	**$ 582,353**	**$ 1,192,788**
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 225
Accrued liabilities	-	4,833	-	-
Agency obligations	1,282,658	-	582,353	1,192,563
Total Liabilities	**$ 1,282,658**	**$ 4,833**	**$ 582,353**	**$ 1,192,788**

CITY OF DIXON

COMBINING STATEMENT OF ASSETS AND LIABILITIES
ALL AGENCY FUNDS
JUNE 30, 2016

	CFD 2013-1 Parklane Debt Service	Totals
Assets:		
Pooled cash and investments	$ 177,067	$ 2,040,747
Receivables:		
Accrued interest	347	4,022
Due from other governments	-	2,489
Restricted assets:		
Cash and investments with fiscal agents	658,397	1,851,185
Total Assets	**$ 835,811**	**$ 3,898,443**
Liabilities:		
Accounts payable	$ 1,365	$ 1,590
Accrued liabilities	-	4,833
Agency obligations	834,446	3,892,020
Total Liabilities	**$ 835,811**	**$ 3,898,443**

CITY OF DIXON

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2016

	Balance 7/1/2015	Additions	Deductions	Balance 6/30/2016
North First Street Improvement District				
Assets:				
Pooled cash and investments	$ 1,184,729	$ 793,708	$ 698,307	$ 1,280,130
Receivables:				
Accrued interest	1,594	2,528	1,594	2,528
Total Assets	**$ 1,186,323**	**$ 796,236**	**$ 699,901**	**$ 1,282,658**
Liabilities:				
Accounts payable	$ 20	$ -	$ 20	$ -
Due to external parties/other agencies	1,186,303	796,236	699,881	1,282,658
Total Liabilities	**$ 1,186,323**	**$ 796,236**	**$ 699,901**	**$ 1,282,658**
Flexible Spending Account				
Assets:				
Pooled cash and investments	$ 6,303	$ 46,277	$ 47,747	$ 4,833
Total Assets	**$ 6,303**	**$ 46,277**	**$ 47,747**	**$ 4,833**
Liabilities:				
Accrued liabilities	$ 6,303	$ 46,776	$ 48,246	$ 4,833
Total Liabilities	**$ 6,303**	**$ 46,776**	**$ 48,246**	**$ 4,833**
Dixon Fire Protection Agency				
Assets:				
Pooled cash and investments	$ 488,111	$ 698,504	$ 607,898	$ 578,717
Receivables:				
Accrued interest	655	1,147	655	1,147
Due from other governments	8,669	2,540	8,720	2,489
Total Assets	**$ 497,435**	**$ 702,191**	**$ 617,273**	**$ 582,353**
Liabilities:				
Due to external parties/other agencies	$ 497,435	$ 1,990,123	$ 1,905,205	$ 582,353
Total Liabilities	**$ 497,435**	**$ 1,990,123**	**$ 1,905,205**	**$ 582,353**

CITY OF DIXON

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2016

	Balance 7/1/2015	Additions	Deductions	Balance 6/30/2016
Public Financing Assessment District				
Assets:				
Restricted assets:				
Cash and investments with fiscal agents	$ 1,134,096	$ 1,236,786	$ 1,178,094	$ 1,192,788
Total Assets	**$ 1,134,096**	**$ 1,236,786**	**$ 1,178,094**	**$ 1,192,788**
Liabilities:				
Accounts payable	$ -	$ 225	$ -	$ 225
Due to other governments	10,477	-	10,477	-
Due to external parties/other agencies	1,123,619	692,322	623,378	1,192,563
Total Liabilities	**$ 1,134,096**	**$ 692,547**	**$ 633,855**	**$ 1,192,788**
CFD 2013-1 Parklane Debt Service				
Assets:				
Pooled cash and investments	$ -	$ 177,067	$ -	$ 177,067
Receivables:				
Accrued interest	-	347	-	347
Restricted assets:				
Cash and investments with fiscal agents	-	658,397	-	658,397
Total Assets	**$ -**	**$ 835,811**	**$ -**	**$ 835,811**
Liabilities:				
Accounts payable	$ -	$ 1,365	$ -	$ 1,365
Due to external parties/other agencies	-	834,446	-	834,446
Total Liabilities	**$ -**	**$ 835,811**	**$ -**	**$ 835,811**
Totals - All Agency Funds				
Assets:				
Pooled cash and investments	$ 1,679,143	$ 1,715,556	$ 1,353,952	$ 2,040,747
Receivables:				
Accrued interest	2,249	4,022	2,249	4,022
Due from other governments	8,669	2,540	8,720	2,489
Restricted assets:				
Cash and investments with fiscal agents	1,134,096	1,895,183	1,178,094	1,851,185
Total Assets	**$ 2,824,157**	**$ 3,617,301**	**$ 2,543,015**	**$ 3,898,443**
Liabilities:				
Accounts payable	$ 20	$ 1,590	$ 20	$ 1,590
Accrued liabilities	6,303	46,776	48,246	4,833
Due to other governments	10,477	-	10,477	-
Due to external parties/other agencies	2,807,357	4,313,127	3,228,464	3,892,020
Total Liabilities	**$ 2,824,157**	**$ 4,361,493**	**$ 3,287,207**	**$ 3,898,443**

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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 onetime 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 reserve funds available for community support.

OPEB Reserve Fund
This fund was established to provide reserves to offset future other post employment costs. It is funded by a transfer from the general fund.

CITY OF DIXON

COMBINING BALANCE SHEET
GENERAL FUNDS
JUNE 30, 2016

	General	Contingency	Council Discretion	Recreation
Assets:				
Pooled cash and investments	$ 3,517,413	$ 1,567,335	$ 239,248	$ -
Receivables:				
Accounts	30,853	-	-	6
Taxes	2,071,788	-	-	-
Accrued interest	6,991	3,156	379	3
Grants	70,166	-	-	-
Prepaid costs	199,489	-	-	-
Due from other governments	579,243	-	-	-
Advances to other funds	-	197,222	-	-
Inventories	1,169	-	-	-
Restricted assets:				
Cash and investments	-	-	-	763
Total Assets	**$ 6,477,112**	**$ 1,767,713**	**$ 239,627**	**$ 772**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 457,953	$ -	$ 24,769	$ 762
Accrued liabilities	461,288	-	-	288
Deposits payable	514,548	-	-	-
Total Liabilities	**1,433,789**	**-**	**24,769**	**1,050**
Deferred Inflows of Resources:				
Unavailable revenues	512,120	-	-	-
Total Deferred Inflows of Resources	**512,120**	**-**	**-**	**-**
Fund Balances:				
Nonspendable:				
Inventory	1,169	-	-	-
Prepaid costs	397,249	-	-	-
Advances to other funds	-	197,222	-	-
Restricted for:				
Restricted contributions	980	-	-	-
Assigned to:				
PERS stabilization	-	-	-	-
Building reserve	-	-	-	-
Equipment replacement	-	-	-	-
Infrastructure reserve	-	-	-	-
OPEB reserve	-	-	-	-
Unassigned	4,131,805	1,570,491	214,858	(278)
Total Fund Balances	**4,531,203**	**1,767,713**	**214,858**	**(278)**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 6,477,112**	**$ 1,767,713**	**$ 239,627**	**$ 772**

CITY OF DIXON

COMBINING BALANCE SHEET
GENERAL FUNDS
JUNE 30, 2016

	Planning Agreements	Equipment Replacement	Building Reserve	Infrastructure Reserve
Assets:				
Pooled cash and investments	$ -	$ 485,791	$ 60,516	$ 211,333
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	135	1,045	148	448
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	192	-	-
Advances to other funds	-	-	-	-
Inventories	-	-	-	-
Restricted assets:				
Cash and investments	62,670	-	-	-
Total Assets	**$ 62,805**	**$ 487,028**	**$ 60,664**	**$ 211,781**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 7,243	$ -	$ -	$ -
Accrued liabilities	-	-	-	-
Deposits payable	89,007	-	-	-
Total Liabilities	**96,250**	**-**	**-**	**-**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Nonspendable:				
Inventory	-	-	-	-
Prepaid costs	-	-	-	-
Advances to other funds	-	-	-	-
Restricted for:				
Restricted contributions	-	-	-	-
Assigned to:				
PERS stabilization	-	-	-	-
Building reserve	-	-	60,664	-
Equipment replacement	-	487,028	-	-
Infrastructure reserve	-	-	-	211,781
OPEB reserve	-	-	-	-
Unassigned	(33,445)	-	-	-
Total Fund Balances	**(33,445)**	**487,028**	**60,664**	**211,781**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 62,805**	**$ 487,028**	**$ 60,664**	**$ 211,781**

CITY OF DIXON

COMBINING BALANCE SHEET
GENERAL FUNDS
JUNE 30, 2016

	PERS Stabilization Fund	Community Support	OPEB Reserve	Total General Funds
Assets:				
Pooled cash and investments	$ 140,892	$ 22,119	$ 500,000	$ 6,744,647
Receivables:				
Accounts	-	-	-	30,859
Taxes	-	-	-	2,071,788
Accrued interest	240	43	-	12,588
Grants	-	-	-	70,166
Prepaid costs	-	-	-	199,489
Due from other governments	-	-	-	579,435
Advances to other funds	-	-	-	197,222
Inventories	-	-	-	1,169
Restricted assets:				
Cash and investments	-	-	-	63,433
Total Assets	**$ 141,132**	**$ 22,162**	**$ 500,000**	**$ 9,970,796**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 490,727
Accrued liabilities	-	-	-	461,576
Deposits payable	-	-	-	603,555
Total Liabilities	**-**	**-**	**-**	**1,555,858**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	512,120
Total Deferred Inflows of Resources	**-**	**-**	**-**	**512,120**
Fund Balances:				
Nonspendable:				
Inventory	-	-	-	1,169
Prepaid costs	-	-	-	397,249
Advances to other funds	-	-	-	197,222
Restricted for:				
Restricted contributions	-	-	-	980
Assigned to:				
PERS stabilization	141,132	-	-	141,132
Building reserve	-	-	-	60,664
Equipment replacement	-	-	-	487,028
Infrastructure reserve	-	-	-	211,781
OPEB reserve	-	-	500,000	500,000
Unassigned	-	22,162	-	5,905,593
Total Fund Balances	**141,132**	**22,162**	**500,000**	**7,902,818**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 141,132**	**$ 22,162**	**$ 500,000**	**$ 9,970,796**

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CITY OF DIXON

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUNDS
YEAR ENDED JUNE 30, 2016

	General	Contingency	Council Discretion	Recreation
Revenues:				
Taxes	$ 10,580,883	$ -	$ -	$ -
Assessments	224,010	-	-	-
Licenses and permits	274,267	-	35,182	-
Intergovernmental	1,341,890	-	-	-
Charges for services	1,182,365	-	-	54,649
Use of money and property	211,844	13,191	1,417	17
Contributions	1,096,359	-	-	-
Miscellaneous	143,069	-	-	-
Total Revenues	**15,054,687**	**13,191**	**36,599**	**54,666**
Expenditures:				
Current:				
General government	3,086,708	-	-	-
Public safety	7,917,072	-	-	-
Community development	448,132	-	23,912	-
Parks and recreation	1,592,181	-	-	42,386
Public works	1,187,066	-	-	-
Capital outlay	245,293	-	100,354	-
Total Expenditures	**14,476,452**	**-**	**124,266**	**42,386**
Excess (Deficiency) of Revenues Over (Under) Expenditures	578,235	13,191	(87,667)	12,280
Other Financing Sources (Uses):				
Transfers in	898,762	-	64,960	3,482
Transfers out	(708,227)	(64,960)	-	(16,211)
Total Other Financing Sources (Uses)	**190,535**	**(64,960)**	**64,960**	**(12,729)**
Net Change in Fund Balances	768,770	(51,769)	(22,707)	(449)
Fund Balances, Beginning of Year	3,735,584	1,986,540	70,508	14,085
Fund Balances, End of Year	**$ 4,531,203**	**$ 1,767,713**	**$ 214,858**	**$ (278)**

CITY OF DIXON

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUNDS
YEAR ENDED JUNE 30, 2016

	Planning Agreements	Equipment Replacement	Building Reserve	Infrastructure Reserve
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	486	3,734	489	1,591
Contributions	-	7,554	-	-
Miscellaneous	25,712	-	-	-
Total Revenues	**26,198**	**11,288**	**489**	**1,591**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	33,265	-	-	-
Parks and recreation	-	-	-	-
Public works	2,868	-	-	-
Capital outlay	19,741	-	-	-
Total Expenditures	**55,874**	**-**	**-**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(29,676)	11,288	489	1,591
Other Financing Sources (Uses):				
Transfers in	-	-	-	50,000
Transfers out	-	(48,664)	(43,670)	(41,074)
Total Other Financing Sources (Uses)	**-**	**(48,664)**	**(43,670)**	**8,926**
Net Change in Fund Balances	(29,676)	(37,376)	(43,181)	10,517
Fund Balances, Beginning of Year	(3,770)	536,905	159,278	151,265
Fund Balances, End of Year	**$ (33,445)**	**$ 487,028**	**$ 60,664**	**$ 211,781**

CITY OF DIXON

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUNDS
YEAR ENDED JUNE 30, 2016

	PERS Stabilization Fund	Community Support	OPEB Reserve	Total General Funds
Revenues:				
Taxes	$ -	$ -	$ -	$ 10,580,883
Assessments	-	-	-	224,010
Licenses and permits	-	-	-	309,449
Intergovernmental	-	-	-	1,341,890
Charges for services	-	-	-	1,237,014
Use of money and property	772	12,155	-	245,696
Contributions	-	-	-	1,103,913
Miscellaneous	-	-	-	168,781
Total Revenues	**772**	**12,155**	**-**	**15,211,636**
Expenditures:				
Current:				
General government	-	1,000	-	3,087,708
Public safety	-	-	-	7,917,072
Community development	-	-	-	505,309
Parks and recreation	-	-	-	1,634,567
Public works	-	-	-	1,189,934
Capital outlay	-	-	-	365,388
Total Expenditures	**-**	**1,000**	**-**	**14,699,978**
Excess (Deficiency) of Revenues Over (Under) Expenditures	772	11,155	-	511,658
Other Financing Sources (Uses):				
Transfers in	75,602	-	500,000	1,592,806
Transfers out	-	-	-	(922,806)
Total Other Financing Sources (Uses)	**75,602**	**-**	**500,000**	**670,000**
Net Change in Fund Balances	76,374	11,155	500,000	1,181,658
Fund Balances, Beginning of Year	64,758	6,007	-	6,721,160
Fund Balances, End of Year	**$ 141,132**	**$ 22,162**	**$ 500,000**	**$ 7,902,818**

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.

Contents	Pages
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	140-144
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	145-151
Debt Capacity	
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.	152-156
Economic and Demographic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activates take place and to help[make comparisons over time with other governments.	157-158
Operating Information	
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.	159-161

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net Invested in Capital Assets	$ 145,119	$ 145,706	$ 142,637	$ 139,561	$ 136,806	$ 138,640	$ 135,804	$ 133,405	$ 130,072	$ 126,419
Restricted	19,400	4,811	2,509	3,396	4,502	1,715	1,843	2,073	9,024	15,217
Unrestricted	4,968	15,476	17,525	13,097	10,970	9,103	10,024	10,507	(9,007)	(8,679)
Total governmental activities net position	$ 169,487	$ 165,993	$ 162,671	$ 156,054	$ 152,278	$ 149,458	$ 147,671	$ 145,985	130,089	132,957
Business-type activities										
Net Invested in Capital Assets	$ 58,496	$ 55,719	$ 54,387	$ 52,792	$ 41,823	$ 40,780	$ 39,759	$ 39,561	$ 55,385	$ 53,344
Restricted	571	373	182	196	195	-	-	-	752	752
Unrestricted	918	2,743	2,579	2,853	2,967	3,459	4,186	3,480	4,930	7,119
Total business-type activities net poisition	$ 59,985	$ 58,835	$ 57,148	$ 55,841	$ 44,985	$ 44,239	$ 43,945	$ 43,041	$ 61,067	$ 61,215
Primary government										
Net Invested in Capital Assets	$ 203,615	$ 201,425	$ 197,024	$ 192,353	$ 178,629	$ 179,420	$ 175,563	$ 172,966	$ 185,457	$ 179,763
Restricted	19,971	5,184	2,691	3,592	4,697	1,715	1,843	2,073	9,776	15,969
Unrestricted	5,886	18,219	20,104	15,950	13,937	12,562	14,210	13,987	(4,077)	(1,560)
Total primary government net position	$ 229,472	$ 224,828	$ 219,819	$ 211,895	$ 197,263	$ 193,697	$ 191,616	$ 189,026	$ 191,156	$ 194,172

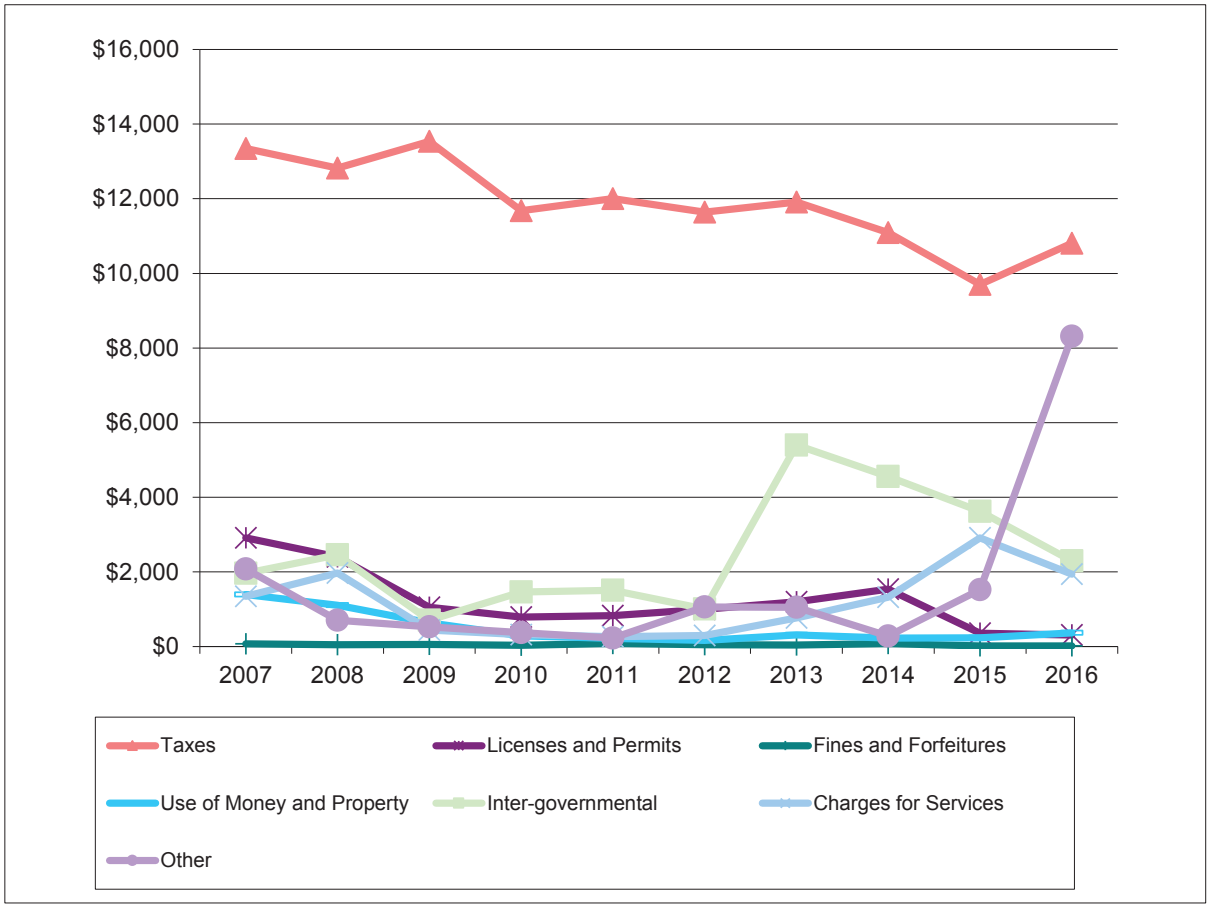
Source: City of Dixon Finance

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities:										
General government	3,048	$ 3,534	$ 2,323	$ 3,130	$ 2,482	$ 1,741	$ 2,022	$ 2,114	$ 2,902	2,941
Public safety	7,425	7,798	7,961	7,832	7,566	7,425	7,569	7,924	7,997	8,033
Public ways and facilities	2,176	2,254	2,394	5,396	4,782	2,188	2,155	4,547	4,790	7,393
Parks and recreation	2,303	2,859	2,426	2,361	2,197	1,203	5,093	2,093	2,120	2,350
Development	5,745	6,455	5,186	3,553	1,649	4,720	4,798	4,539	4,331	988
Interest and fiscal charges	769	445	428	405	384	401	78	60	51	45
Transfers out	-	-	-	-	-	-	-	-	-	-
Total government activity expenses	$ 21,466	$ 23,345	$ 20,718	$ 22,677	$ 19,060	$ 17,678	$ 21,715	$ 21,277	$ 22,191	$ 21,750
Business-type activities:										
Sewer	$ 2,701	$ 3,150	$ 3,066	$ 2,938	$ 2,904	$ 3,005	$ 2,777	$ 2,714	$ 3,217	2,937
Water	711	779	830	882	131	-	-	68	2,088	1,711
Transit	642	713	638	569	624	741	675	632	688	692
Transfers out	92	160	305	308	-	-	-	-	-	-
Total business-type activities expenses	4,146	4,802	4,839	4,697	3,659	3,746	3,452	3,414	5,993	5,340
Total primary government expenses	$ 25,612	$ 28,147	$ 25,557	$ 27,374	$ 22,719	$ 21,424	$ 25,167	$ 24,691	$ 28,184	$ 27,090
Program Revenues										
Charges for Services										
General government	$ 1,363	$ 1,884	$ 155	$ 226	$ 288	$ 204	$ 488	$ 501	$ 299	213
Public safety	727	778	707	663	722	940	937	1,058	1,089	989
Parks and recreation	200	233	333	186	129	584	781	778	1,338	471
Development	1,322	544	180	175	74	252	243	124	1,540	414
Public ways and facilities	151	475	222	88	94	242	226	651	1,134	987
Operating grants	445	632	505	854	202	201	372	277	3,903	1,237
Capital grants	2,326	2,122	853	1,413	1,202	958	4,979	4,384	71	7,070
Total governmental activities	6,534	6,668	2,955	3,605	2,711	3,381	8,026	7,773	9,374	11,381
Business-type activities:										
Charges for services	2,115	2,376	2,358	2,743	2,490	2,681	2,785	2,515	4,336	4,827
Operating grants and contributions	558	577	669	544	532	592	540	554	539	-
Capital grants and contributions	2,974	-	-	57	284	3	18	-	189	654
Transfers In	-	-	-	-	-	-	-	-	-	-
Total business-type activities	$ 5,647	$ 2,953	$ 3,027	$ 3,344	$ 3,306	$ 3,276	$ 3,343	$ 3,069	$ 5,064	$ 5,481
Total primary government	$ 12,181	$ 9,621	$ 5,982	$ 6,949	$ 6,017	$ 6,657	$ 11,369	$ 10,842	$ 14,438	$ 16,862
Net (Expense)/Revenue										
Governmental activities	$ (14,932)	$ (16,677)	$ (17,763)	$ (19,072)	$ (16,349)	$ (14,297)	$ (13,689)	$ (13,504)	$ (12,817)	$ (10,369)
Business-type activities	1,501	(1,849)	(1,812)	(1,353)	(353)	(470)	(109)	(345)	(929)	141
Total primary government	$ (13,431)	$ (18,526)	$ (19,575)	$ (20,425)	$ (16,702)	$ (14,767)	$ (13,798)	$ (13,849)	$ (13,746)	$ (10,228)
General Revenues										
Government Activities										
Taxes										
Sales and use taxes	$ 6,288	$ 5,558	$ 5,236	$ 4,527	$ 4,480	$ 4,840	$ 5,123	$ 4,898	$ 4,778	5,825
Property taxes	5,335	5,504	5,363	4,915	5,069	4,374	3,953	3,477	3,580	3,572
Motor vehicle and gas taxes	1,817	1,790	1,847	1,673	1,777	1,759	1,637	1,862	1,902	1,766
Franchise taxes	492	472	519	502	506	497	516	552	555	589
Transient Occupancy taxes	266	243	200	157	170	173	221	306	345	505
Interest and investment	1,365	1,072	537	244	216	134	271	134	149	342
Rental income	33	36	-	-	-	-	-	-	88	26
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Other revenue	148	50	125	80	56	171	215	103	84	91
Transfers In	92	160	305	308	300	317	185	339	430	520
Total governmental activities	$ 15,836	$ 14,885	$ 14,132	$ 12,406	$ 12,574	$ 12,265	$ 12,121	$ 11,671	$ 11,911	$ 13,236
Business-type Activities										
Interest and investment	$ 304	$ 249	$ 91	$ 33	$ 23	$ 16	$ -	$ 27	$ 19	$ 70
Other revenue	144	449	9	22	(10,526)	(317)	(185)	(339)	19,821	(63)
Total business-type activities	$ 448	$ 698	$ 100	$ 55	$ (10,503)	$ (301)	$ (185)	$ (312)	$ 19,841	$ 7
Other sources(uses) of money	$ -	$ -	$ -	$ -	$ -	$ (3,699)	$ -	$ -	$ -	$ -
Total primary government	$ 16,284	$ 15,583	$ 14,232	$ 12,461	$ 2,071	$ 8,265	$ 11,936	$ 11,359	$ 31,751	$ 13,243
Change in Net Position										
Governmental activities	$ 904	$ (1,792)	$ (3,631)	$ (6,666)	$ (3,775)	$ (5,731)	$ (1,568)	$ (1,833)	$ (906)	$ 2,867
Business-type activities	1,949	(1,151)	(1,712)	(1,298)	(10,856)	(771)	(294)	(657)	18,912	148
Total primary government	$ 2,853	$ (2,943)	$ (5,343)	$ (7,964)	$ (14,631)	$ (6,502)	$ (1,862)	$ (2,490)	$ 18,005	$ 3,015

Source: City of Dixon Finance

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



Fiscal Year	Taxes	Licenses and Permits	Fines and Forfeitures	Use of Money and Property	Inter-governmental	Charges for Services	Other	Total
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
2016	10,805	309	17	368	2,299	1,942	8,312	24,052

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Reserved	$ 813	$ 313	$ 297	$ 535	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	5,007	5,562	5,122	3,880	-	-	-	-	-	-
Nonspendable	-	-	-	-	296	393	367	669	600	596
Restricted	-	-	-	-	1	1	1	1	1	1
Committed	-	-	-	-	115	7	150	153	298	-
Assigned	-	-	-	-	1,558	1,426	778	968	583	1,401
Unassigned	-	-	-	-	1,529	2,058	3,648	4,343	5,239	5,906
Total General Fund	$ 5,820	$ 5,875	$ 5,419	$ 4,415	$ 3,499	$ 3,885	$ 4,944	$ 6,134	$ 6,721	$ 7,903
All Other Governmental Funds										
Reserved	$ 7,064	$ 7,961	$ 4,263	$ 4,273	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved reported in:										
Special revenue funds	1,868	2,200	2,778	2,442	-	-	-	-	-	-
Capital project funds	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	15,216
Committed	-	-	-	-	10	-	1,331	971	1,557	-
Assigned	-	-	-	-	7,009	5,248	4,612	4,661	530	594
Unassigned	-	-	-	-	(957)	(1,588)	(1,614)	(1,841)	(1,566)	(1,492)
Total all other Governmental Funds	$ 17,315	$ 14,962	$ 14,942	$ 12,224	$ 12,160	$ 7,602	$ 8,473	$ 8,021	$ 9,543	$ 14,318

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									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes and assessments	$ 13,343	$ 12,820	$ 13,536	$ 11,682	$ 12,003	$ 11,643	$ 11,914	$ 11,035	$ 9,703	$ 10,805
Licenses, permits, and fess	2,913	2,402	1,052	790	827	1,002	1,203	1,538	356	310
Fines and forfeitures	70	52	54	35	84	46	38	83	17	17
Use of money and property	1,394	1,108	637	286	221	166	311	224	237	368
Program income	768	111	112	59	170	86	107	100	184	83
Intergovernmental revenues	1,193	2,459	707	1,465	1,506	1,008	5,400	4,557	3,625	2,299
Charges for service	1,349	1,974	446	316	265	294	771	1,324	2,912	1,942
Contributions	1,142	4	-	-	-	-	-	-	1,026	7,752
Developer fees	601	322	272	38	3	803	735	69	129	343
Other revenues	336	265	146	275	56	171	213	111	183	134
Total revenues	23,109	21,517	16,962	14,946	15,135	15,219	20,692	19,041	18,372	24,053
Expenditures										
General government	2,939	3,554	1,956	2,917	2,287	1,541	1,837	1,918	2,747	3,088
Public safety	7,114	7,530	7,570	7,296	7,162	7,040	7,087	7,352	7,709	8,013
Parks and recreation	1,481	1,711	1,705	1,542	1,467	1,487	1,415	1,327	1,399	1,635
Development	2,665	2,880	2,930	3,258	1,795	987	5,170	4,973	1,970	977
Public ways and facilities	2,667	2,884	1,924	2,273	1,381	1,325	1,455	1,321	1,653	3,973
Debt service - Principal	465	375	400	425	445	3,605	368	381	211	217
Debt service - Interest	762	438	419	397	374	396	73	63	53	46
Capital outlay	4,807	4,602	1,148	917	1,502	2,652	1,322	1,753	894	668
Total expenditures	22,900	23,974	18,052	19,025	16,413	19,033	18,727	19,088	16,636	18,617
Excess of revenues over (under) expenditures	209	(2,457)	(1,090)	(4,079)	(1,278)	(3,814)	1,965	(47)	1,736	5,436
Other financing sources (uses)										
Proceeds from borrowing	-	-	-	-	-	2,786	-	-	-	-
Transfers in	3,879	3,404	1,888	2,044	3,244	2,600	1,777	1,667	1,457	1,142
Transfers out	(3,787)	(3,243)	(1,583)	(1,736)	(2,945)	(2,283)	(1,592)	(1,328)	(1,027)	(622)
Total other financing sources	92	161	305	308	299	3,103	185	339	430	520
Extraordinary item										
Redevelopment dissolution	-	-	-	-	-	(3,461)	-	-	-	-
Net change in fund balance	$ 301	$ (2,296)	$ (785)	$ (3,771)	$ (979)	$ (4,172)	$ 2,150	$ 292	$ 2,166	$ 5,956
Debt service as a % of noncapital expenditures	6.8%	4.2%	4.8%	4.5%	5.5%	24.4%	2.5%	2.6%	1.7%	1.5%

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
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
2016	1,261,073,709	180,976,833	248,802,965	138,455,906	1,829,309,413	0.18780%	3,435,443

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)

Fiscal Year	Basic County City School Levy	Dixon Unified School District	Solano County Flood Water Project	Solano Community College	Total Direct and Overlapping Rates	Total Direct Rate
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
2016	1.00	0.04833	0.02	0.03492	1.10325	0.18780

Source: HdL, Coren & Cone

CITY OF DIXON
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND TEN YEARS PRIOR

	2015/16			2006/07		
Taxpayer	Rank	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Rank	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Undisclosed[1]	1	$ 94,532,059	5.17%			
Basalite Concrete Products	2	31,150,960	1.70%	1	$ 36,204,476	2.14%
Dixon Vaughn Holdings LLC	3	26,416,514	1.44%			
Wal Mart Real Estate Trust	4	22,365,617	1.22%	2	20,821,964	1.23%
Cardinal Health 200Inc.	5	21,843,971	1.19%	7	12,762,802	0.75%
California Water Service Company	6	14,084,575	0.77%			
Insulfoam, LLC	7	13,527,535	0.74%			
Gymboree Retail Stores, Inc.	8	12,010,450	0.66%	4	13,797,471	0.81%
Meadowwood Apartments LLC	9	10,450,912	0.57%			
Robert A Robben Trust	10	10,313,636	0.56%			
SunTrust Banks Inc.				3	15,855,119	0.94%
Mililani Group				5	13,081,477	0.77%
Premier Industries				6	12,914,849	0.76%
Hubert Rotteveel				8	9,640,888	0.57%
Safeway Stores				9	9,462,099	0.56%
MEC Dixon, Inc.				10	9,242,249	0.55%
Top Ten Totals		$ 256,696,229	14.03%		$ 153,783,394	9.08%
City Total Taxable Assessed Value		$ 1,829,309,413			$ 1,693,137,210	

Notes: [1] 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[1]		Collection in Subsequent Years	Collections to Date	
		Amount	Percent of Levy		Amount	Percentage of Levy
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%
2016	3,097	3,097	100.00%	-	3,097	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)

Fiscal Year	State Sales & Use Tax	Basic County Sales & Use Tax	Solano County Public Library Transaction & Use Tax	Total Sales & Use Tax Rate
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
2016	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)

FY 2015/16		FY 2006/7	
Business Name	Business Category	Business Name	Business Category
Air Perfection	Contractors	Air Perfection	Repair Shop/Equip. Rentals
Altec Industries	Heavy Industrial	Altec Industries	Heavy Industrial
Arco AM PM	Service Stations	Basalite Concrete Products	Contractors
Basalite Concrete Products	Contractors	Baxter Healthcare	Medical/Biotech
Cardinal Health	Medical/Biotech	BMC West Building Materials	Lumber/Building Materials
Cattlemens	Casual Dining	Cardinal Healthcare	Medical/Biotech
Chevron	Service Stations	Cattlemens	Casual Dining
Chevron	Service Stations	Chevron	Service Stations
Design Space Modular Buildings	Trailers/RVs	Chevron	Service Stations
Dhami Discount Liquor	Liquor Stores	Dixon Hardware	Hardware Stores
Dorset Valero	Service Stations	Dixon Shell Lube & Tune	Service Stations
Global Rental	Repair Shop/ Equip. Rentals	Dorset Valero	Service Stations
Gone Fishin' Marine	Boats/Motorcycles	Gone Fishin' Marine	Boats/Motorcycles
Gymboree	Fulfillment Centers	Gymboree	Fulfillment Centers
Ramos Oil	Petroleum Prod/Equipment	John Taylor Fertilizers	Garden/Agricultural Supplies
Ron Du Pratt Ford	New Motor Vehicle Dealers	McDonalds	Quick-Service Restaurants
Safeway	Grocery Stores Liquor	Palisades Gas & Wash	Service Stations
Safeway Fuel	Service Stations	Ramos Oil	Petroleum Prod/Equipment
SEC Auto Solutions	Trailers/Auto Parts	Ron Du Pratt Ford	New Motor Vehicle Dealers
Texaco	Service Stations	Safeway	Grocery Stores Liquor
Tractor Supply	Garden/Agricultural Supplies	Safeway Fuel	Service Stations
Valero	Service Stations	Selectbuild Distribution	Contractors
Valley Truck & Tractor	Warehouse/Farm/Const. Equip	Valero Refining	Service Stations
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 = 83.63%		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)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Major Business Groups										
Food Stores	$ 7,330	$ 7,423	$ 7,384	$ 7,015	$ 6,781	$ 6,908	$ 6,693	$ 6,687	$ 6,922	$ 7,214
Eating and Drinking Places	27,543	28,004	26,543	25,288	24,795	25,424	25,559	26,421	27,416	30,109
Building Materials	10,711	11,935	14,127	23,541	15,521	17,939	18,686	18,943	19,462	28,796
Service Stations	48,326	57,753	58,146	43,038	48,255	63,753	62,845	59,796	56,080	46,324
Other Retail Stores	83,227	85,534	86,133	81,665	85,803	89,866	98,396	103,092	105,462	99,912
All other outlets	338,643	391,528	328,379	297,381	259,315	284,642	279,580	274,761	284,955	294,310
Fiscal Year Totals	$ 515,780	$ 582,177	$ 520,712	$ 477,928	$ 440,470	$ 488,532	$ 491,759	$ 489,700	$ 500,297	$ 506,665

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

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)

	Governmental Activities		Business-Type Activities							
Fiscal Year	Tax Allocation Bonds[2]	Lease Revenue Bonds	Wastewater COPS	Wastewater Revenue Bonds	Total Primary Government	Percent of Personal Income[1]	Population	Debt per Capita	Assessed Value	Personal Income (thousands of dollars)
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
2016	-	1,279	-	785	2,064	0.42%	19,018	109	1,829,309	$ 496,039

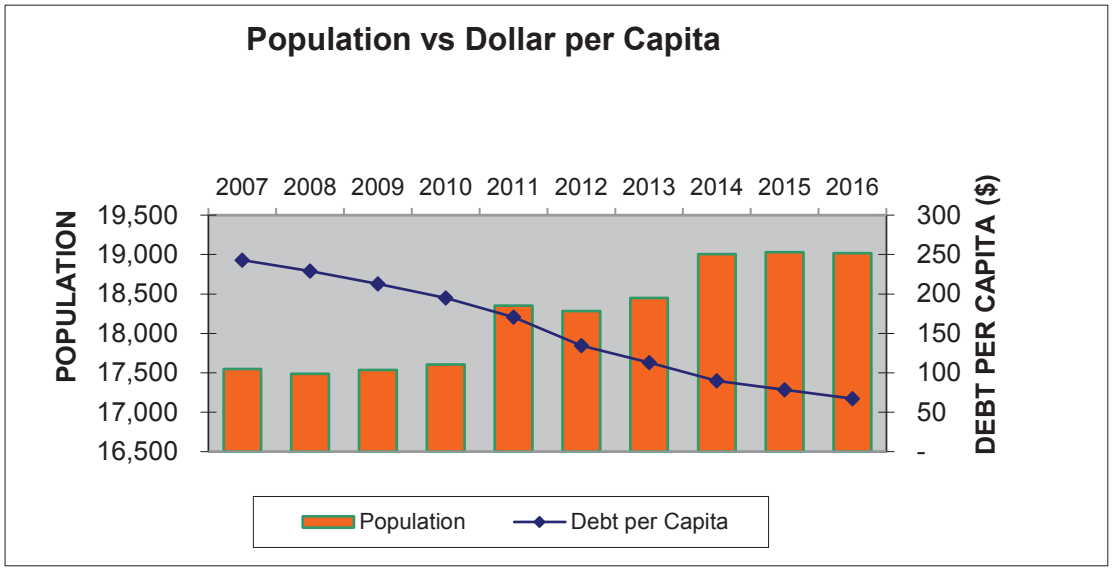
Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

[1] See the Schedule of Demographic Statistics for personal income and population data.

[2] 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	Total Primary Government	Percent of Assessed Value	Population	Debt per Capita	Assessed Value
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
2016	1,279	1,279	0.070%	19,018	67	1,829,309

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, 2016

2015-16 Assessed Valuation :	$	1,829,309,413
Redevelopment Incremental Valuation:		-
Adjusted assessed Valuation:	$	1,829,309,413

Direct and Overlapping Tax and Assessment Debt	% Applicable [1]	Total Debt 6/30/2016	City's Share of Debt 6/30/2015
Solano County Community College District	4.103%	$ 216,406,333	8,879,152
Dixon Unified School District	67.685%	31,711,999	21,464,267
City of Dixon Community Facilities District No. 2013-1	100.000%	7,670,000	7,670,000
City of Dixon 1915 Act Bonds	100.000%	2,812,220	2,812,220
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		258,600,552	40,825,639
DIRECT AND OVERLAPPING GENERAL FUND DEBT			
Solano County Certificates of Participation	3.938%	$ 94,655,000	3,727,514
Solano County Pension Obligations	3.938%	55,810,000	2,197,798
Solano County Office of Education Certifications of Participation	3.938%	1,045,000	41,152
Solano County Community College District General Fund Obligations	4.103%	10,572,508	433,790
Dixon Unified School District Certificates of Participation	67.685%	9,537,362	6,455,363
City of Dixon General Fund Obligations	**100.000%**	**1,278,900**	**1,278,900**
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		$ 172,898,770	$ 14,134,517
OVERLAPPING TAX INCREMENT DEBT (Successor Agency)	100.000%	2,300,000	2,300,000
GROSS COMBINED TOTAL DEBT		$ 431,499,322	
SUBTOTAL DIRECT DEBT			**$ 1,278,900**
SUBTOTAL OVERLAPPING DEBT			$ 58,281,256
GRAND TOTAL OF DIRECT AND OVERLAPPING DEBT			$ 57,260,156 [2]

Ratios to Adjusted Assessed Valuation:		
Total Direct Debt..... $	**1,278,900**	**0.07%**
Combined Total Debt.....		3.13%
Ratios to Redevelopment Incremental Valuation	($234,280,255)	
Total Overlapping Tax Increment Debt.....		0.98%

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

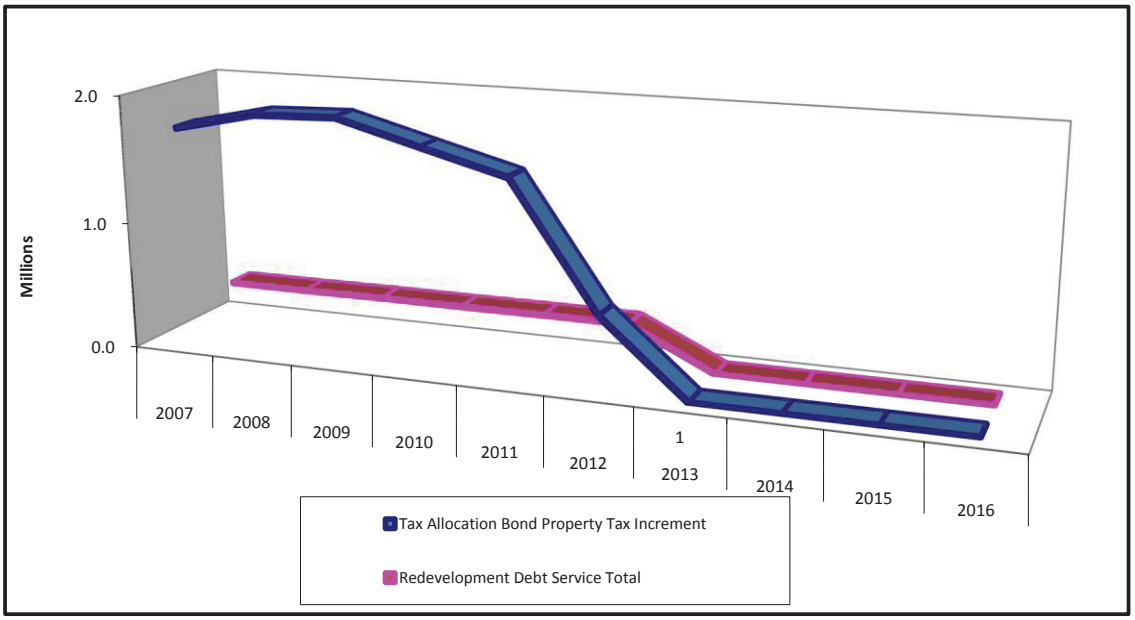
Legal Debt Margin Calculation for Fiscal Year 2016

Assessed Value (in thousands)	$ 1,829,309
Debt Limit (15%) of total assessed value	274,396
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	$ 274,396

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
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%
2016	1,829,309	274,396	-	274,396	0%

Source: City of Dixon Finance

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

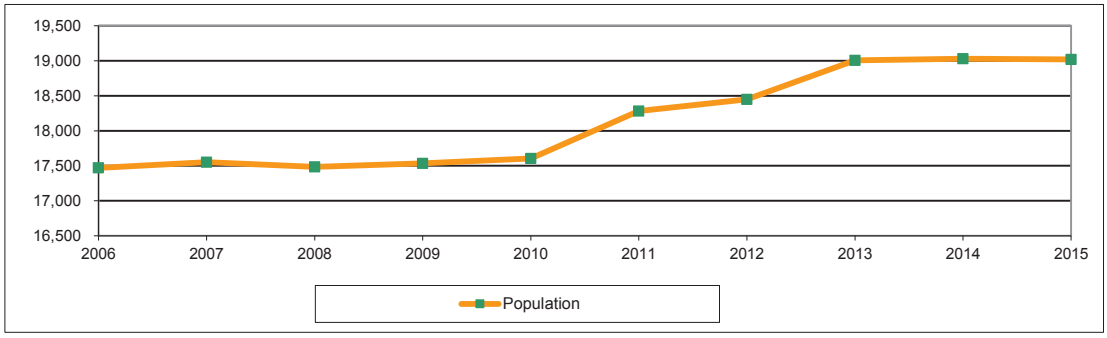


	Tax Allocation Bond Property Tax Increment			Redevelopment Debt Service			
Fiscal Year	Redevelopment Increment	Less: Low and Moderate Income Housing Set-Aside	Net Available Revenue	Principal	Interest	Total	Debt Ratio
2007	2,169	433	1,736	110	213	323	19%
2008	2,350	470	1,880	115	207	322	17%
2009	2,377	475	1,902	125	201	326	17%
2010	2,157	431	1,726	130	193	323	19%
2011	1,941	388	1,552	140	185	325	21%
2012	778	194	584	145	178	323	55%
2013 [1]	-	-	-	-	-	-	0%
2014	-	-	-	-	-	-	0%
2015	-	-	-	-	-	-	0%
2016	-	-	-	-	-	-	0%

[1] 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
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%
2015	19,018	496,039	26,082	5.2%	31.70	3,746	82.0%	20.9%

Source: Hdl, Coren & Cone

CITY OF DIXON
PRINCIPAL EMPLOYERS
CURRENT AND FIVE YEARS PRIOR

Total City Employment[1] 9,400

FY 2015-16

Employer	Employees[2]	Rank	% of Total City Employed
Gymboree, Inc.	364	1	3.87%
Dixon Unified School District	350	2	3.72%
Wal-Mart	300	3	3.19%
Dixon Canning (Campbell's)	220	4	2.34%
Altec Industries	191	5	2.03%
Cardinal Health	190	6	2.02%
Basalite	160	7	1.70%
Superior Packing	160	8	1.70%
City of Dixon	107	9	1.14%
Gold Star Foods	98	10	1.04%

Total City Employment[1] 8,100

2010-11

Employer	Employees[2]	Rank	% of Total City Employed
Gymboree, Inc.	400	1	4.94%
Wal-Mart	317	2	3.91%
First Northern Bank	233	3	2.88%
Dixon Canning (Campbell's)	180	4	2.22%
Cardinal Health	153	5	1.89%
Superior Packing	140	6	1.73%
Basalite	139	7	1.72%
Altec Industries	127	8	1.57%
City of Dixon	104	9	1.28%
Dependable Heating & Air Conditioning	90	10	1.11%

[1]Source: CA EDD Labor Force statistics and Historical Data - www.labormarketinfo.edd.ca.gov

[2] 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

	Fiscal Year									
Function	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
General government										
Management Services	7.5	7.5	7.5	7.5	7.75	6.5	4.75	4.75	4.75	4.75
Finance and IT	6.66	7.5	6.84	6.84	4.84	6.33	9.75	9.75	9.75	9.88
Planning	4	4	3	2.75	2.75	3	2.4	3.13	2.98	3
Building	3	3	2	1.25	1.25	-	-	-	-	-
Other - Transit	7.09	7.68	7.68	6.19	6.78	6.21	6.19	5.75	5.75	5.75
Police										
Officers	30	31	30.5	28.5	27	28	28	28	28	28
Civilians	2	2	2	2	2	2	2	2	2	2
Fire										
Firefighters and officers	22	21	21	20	20	20	20	20	23	24
Civilians	1.875	2	2	2	2	1	1	1	1	1
Public Works										
Engineering	10	10	10	6.5	5.5	5.5	5.5	5.45	5.65	6.2
Maintenance	21.6	22.4	19.6	18.5	15.8	15.5	12.5	12.13	12.65	14
Redevelopment	1	1	1	1	1	1	-	-	-	-
Parks and recreation	4	4	4	4	2.95	2	2	2	2	2
Wastewater collection and treatment	5.36	6.5	6.67	8.165	8.165	7.17	6.5	7.05	6.7	6.8
Total	126.085	129.58	123.79	115.195	107.785	104.21	100.59	101.01	104.23	107.38

Source: City of Dixon Annual Budget

Paid employees only (excluding reserves and volunteers)

CITY OF DIXON
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
Function	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Police:										
Police Calls for Service	19,540	19,202	16,426	17,103	14,937	14,076	13,314	15,049	16,785	15,757
Law Violations:										
Part I Crimes	871	872	609	602	536	394	378	448	484	511
Physical Arrests (Adult and Juvenile)	589	567	492	505	370	416	325	402	523	497
Parking Violations	485	498	179	253	183	152	69	123	68	59
Fire:										
Number of volunteers	12	12	12	12	9	12	12	12	11	12
Number of calls answered	1,923	1,983	2,001	1,997	1,792	1,748	1,916	2,053	2,021	2,186
Transit service:										
Daily average number of passengers	254	260	228	177	174	195	203	209	227	226
Daily average number of service miles	382	230	338	290	307	318	319	336	371	389
Wastewater										
Service Connections	5,196	5,196	5,214	5,214	5,219	5,219	5,219	5,219	5,321	5,341
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
Average Daily Pumping (millions of gallons)	1.37	1.37	1.26	1.27	1.29	1.26	1.71	1.16	1.10	1.20
Water Service - Dixon-Solano Water Agency										
Pumping capacity (million of gallons per day)	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	-	-
Water Service - City of Dixon										
Pumping capacity (million of gallons per day)	-	-	-	-	-	-	-	-	13.24	13.24
Average Consumption (million gallons per day)	-	-	-	-	-	-	-	-	2.24	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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function/Program										
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	15	15
Fire Stations	1	1	1	1	1	1	1	1	1	1
Fire Vehicles	12	12	12	13	13	13	13	13	13	14
Public Works										
Miles of Streets	62	62	62	62	62	62	62	62	62	62.38
Street Lights	2,020	2,020	2,020	2,020	2,020	2,020	2,020	2,020	2,020	2,037
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	73.39
Storm Drain (miles)	43.1	43.1	43.1	43.1	43.1	43.1	43.1	43.1	43.1	43.33
Water										
Wells	-	-	-	-	-	-	-	-	5	5
Water Main (miles)	-	-	-	-	-	-	-	-	44	44.18

Source: City of Dixon Departmental Statistical Tables from Annual Reports

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