

**MEASURE H OVERSIGHT COMMITTEE
REGULAR MEETING AGENDA**

CITY OF CERES, CALIFORNIA
City Council Chambers, 2701 Fourth Street

Wednesday, February 15, 2017 at 6:00 p.m.

Mailing Address: Ceres City Hall, 2720 Second Street, Ceres, CA 95307-3292
Phone: (209) 538-5700 Fax: (209) 538-5780

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, (209) 538-5731. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title II)

Members of the public are advised that all pagers, cellular telephones and any other communication devices are to be turned off upon entering the City Council Chambers.

CALL TO ORDER

ROLL CALL

Committee Members: Cool, Fernandez, Redfern, Valencia and Chairperson Shepherd

CITIZEN COMMUNICATIONS to Committee on matters not included on the Agenda.

While the Committee welcomes and encourages participation at Committee meetings by the public, matters under the jurisdiction of the Committee, and not on the posted Agenda may be addressed by the general public; however California law prohibits the Committee from taking action on any matter not on the posted Agenda unless it is determined to be an emergency by the Committee.

CONSENT CALENDAR

All matters listed on the Consent Calendar are considered routine in nature and will be enacted by a single motion unless otherwise requested by an individual member or public for special consideration. Otherwise the recommendation of staff will be accepted and acted upon by voice vote.

1. Clerks Report of Posting. The agenda of the February 15, 2017 Measure H Oversight Committee was posted on February 9, 2017.
2. Approval of Minutes of the meeting of November 2, 2016.

NEW BUSINESS

3. **Resolution No. 2017-01**, approving the annual report of the Committee regarding the Measure H Expenditures for the year ending June 30, 2016. (S. Dean)
4. Acceptance of the Fiscal Year 2016-17 Mid-Year Budget Report. (S. Dean)

REPORTS

5. Verbal Report from Chief Smith.
6. Verbal Report from Chief Nicholes.

ADJOURNMENT The next regularly scheduled Measure H Committee Meeting is scheduled to be held on Wednesday, May 17, 2017 at 6:00 p.m. in the City Council Chambers, located at 2701 Fourth Street.

Any writings or documents provided to a majority of the Measure H Oversight Committee regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 2720 Second Street, Ceres, CA during normal business hours.

AFFIDAVIT OF POSTING

I, Diane N. Perez, City Clerk, for the City of Ceres, declare under penalty of perjury that the foregoing agenda for the February 15, 2017, Measure H Oversight Committee Meeting was posted on February 9, 2017 at 11:00 a.m. at the following location in Ceres:

- Front Office of City Hall, 2720 Second Street



Diane Nayares-Perez
City Clerk

**MEASURE H OVERSIGHT COMMITTEE
REGULAR MEETING MINUTES**

CITY OF CERES, CALIFORNIA
City Council Chambers, 2701 Fourth Street

Wednesday, November 2, 2016 at 6:00 p.m.

Mailing Address: Ceres City Hall, 2720 Second Street, Ceres, CA 95307-3292
Phone: (209) 538-5700 Fax: (209) 538-5780

CALL TO ORDER

The Measure H Oversight Committee of the City of Ceres met this date in a regular meeting at 6:04 p.m. in the City Council Chambers.

ROLL CALL - Present:

Committee Members Cool, Fernandez, Redfern, Valencia and Chairperson Shepherd

Absent: None

CITIZEN COMMUNICATIONS to Committee on matters not included on the Agenda.

No citizen communication.

CONSENT CALENDAR

All matters listed on the Consent Calendar are considered routine in nature and will be enacted by a single motion unless otherwise requested by an individual member or public for special consideration. Otherwise the recommendation of staff will be accepted and acted upon by voice vote.

1. Clerks Report of Posting. The agenda of the November 2, 2016 Measure H Oversight Committee was posted on October 28, 2016.
2. Approval of Minutes of the meeting of August 10, 2016.

Motion: Motion by **Committee Member Redfern**, seconded by **Committee Member Fernandez**, approving the Consent Calendar as presented.
Passed 5/0/0

AYES: Members: Cool, Fernandez, Redfern, Shepherd, Valencia
NOES: Members: None
ABSENT: Member: None

NEW BUSINESS

3. Fiscal Year 2015/16 Preliminary Year End Update and Review of 1st Quarter Fiscal Year 2016/17. (Wells)

City Manager Wells gave the Fiscal Year 2015/16 Preliminary Year End Update and Review of 1st Quarter Fiscal Year 2016/17. He also provided a financial history of Measure H and detailed the historical changes in Revenues and Expenditures.

ACTION: No formal action taken. The report was accepted by the Committee.

4. Measure H Expenditure Plan Update. (Wells)

City Manager Wells presented the reformatted Measure H Expenditure Plan. The new format includes updated information to reflect the Fiscal Year 2016/17 adopted budget. It also converts the financial data from the previous version to a more readable layout and uses the previous version to capture a written description on the personnel paid directly by Measure H. The revised format also includes highlights of the major capital expenditures by year.

Motion: Motion by Committee Member Cool, seconded by Committee Member Fernandez, approving Item 4. **Passed 5/0/0**

AYES: Members: Cool, Fernandez, Redfern, Shepherd, Valencia

NOES: Members: None

ABSENT: Member: None

REPORTS

5. Verbal Report from Chief Smith.

Chief Smith provided a verbal report regarding the Police Department's projects that were budgeted through Measure H. The projects are: body worn cameras, replacement guns, car modems and Coplink. For next Fiscal Year, the Department is considering PredPOL which is crime prevention software. The City of Modesto is currently successfully using that software. Chief Smith also discussed Beards for Kids program.

ACTION: No action taken; informal report.

6. Verbal Report from Chief Nicholes.

Chief Nicholes provided a verbal report regarding the Fire Department's staffing levels and overtime. He also discussed their application for the Assistance to Fire Fighters Grant that was approved by Council for the replacement of a quint and engine. If the grant is awarded the item will return to Council for acceptance. Chief Nicholes further reported on the California Chiefs Conference he recently attended. He also discussed their current technology being used.

ACTION: No action taken; informal report.

ADJOURNMENT The next regularly scheduled Measure H Committee Meeting is scheduled to be held on Wednesday, February 15, 2017 at 6:00 p.m. in the City Council Chambers, located at 2701 Fourth Street.

There being no further business, presiding Chairperson Shepherd adjourned the meeting at 6:33 p.m.

Leonard Shepherd, Chairperson

ATTEST:

Diane Nayares-Perez, City Clerk



**MEASURE H OVERSIGHT
COMMITTEE REPORT**
MEETING DATE: February 15, 2017

Measure H Oversight Committee

Leonard Shepherd, Chairperson
Don Cool Paula Redfern
Diego Fernandez Rafael Valencia

Report Preparation Date: February 06, 2017

TO: Measure H Oversight Committee

FROM: Suzanne Dean, Finance Director
Suzanne.dean@ci.ceres.ca.us 538-5764

SUBJECT: **Resolution No. 2017-01**, approving the annual report of the Committee regarding the Expenditure of Measure H Revenues for Year Ended June 30, 2016

Please find attached the Measure H Fund Financial Statements and Independent Auditors' Report for the year ended June 30, 2016.

As noted in the Auditors' Report, the audit was conducted in accordance with generally accepted auditing standards. The auditors issued an unqualified report on the statements, meaning that the statements present fairly, in all material respects, the financial position of the Measure H Fund as of June 30, 2016, in conformity with generally accepted accounting principles.

Financial Highlights:

As of June 30, 2016, Measure H Sales Tax Revenue amounted to \$2,756,083. The following table provides information about the expenditures:

Expenditures	Description	Amount
<i>Police</i>		
Salaries & Benefits		\$1,119,462
Contract Services	Equip.maint, training, investigations, phone	\$171,081
Materials & Supplies	Uniforms, Unit supplies	\$24,102
Capital Outlay	Autos, computer equip., tactical equip.	\$22,778
<i>Fire</i>		
Salaries & Benefits		\$1,477,345
Contract Services	Training, investigations, phone	\$74,253
Materials & Supplies	Uniforms, Unit Supplies	\$281
Capital Outlay	Firefighting equip., computer equip.	\$0
	TOTAL	<u>\$2,889,302</u>

As of June 30, 2016, the cash reserves of the fund totaled \$332,278.

Please contact me if you would like additional information about the Measure H financial report.

RESOLUTION NO. 2017-01

**RESOLUTION OF THE CERES CITIZENS' OVERSIGHT COMMITTEE
APPROVING THE ANNUAL REPORT OF THE COMMITTEE REGARDING THE
EXPENDITURE OF MEASURE H REVENUES FOR THE FISCAL YEAR 2015-16**

WHEREAS, Measure H (City Ordinance No. 2007-975) requires, pursuant to Section 3.10.160,C, that the Citizens' Oversight Committee shall review expenditures of revenue collected pursuant to the Ordinance to determine whether such funds are expended for the purposes specified in the current Public Safety Expenditure Plan, and shall issue a report on their findings to the City Council and the public at least annually; and,

WHEREAS, Article VI of the By-Laws of the Measure H Citizens' Oversight Committee requires that the Committee hold a mandatory meeting after the completion of the annual fiscal year audit of Ordinance revenues and expenditures performed by an independent auditor selected by the City Council; and,

WHEREAS, the independent audit of Measure H revenues and expenditures for the fiscal year ending June 30, 2016, was completed by JJACPA, Inc., Certified Public Accountants and provided to the Committee on February 15, 2017; and,

WHEREAS, the Measure H Citizens' Oversight Committee has reviewed the report of the Independent Auditors, and has reviewed such additional financial records and information regarding Measure H revenues and expenditures for the fiscal year ending June 30, 2016, as it deemed necessary to perform its duties.

NOW THEREFORE BE IT RESOLVED by the Measure H Citizens' Oversight Committee that it does issue the following report of its finding regarding the expenditure of Measure H revenues for the fiscal year ending June 30, 2016:

1. As of June 30, 2016, Measure H sales tax revenue amounted to \$2,756,083. The following table provides information about the expenditures:

Expenditures	Description	Amount
<i>Police</i>		
Salaries & Benefits		\$ 1,119,462
Contract Services	Equip.maint, training, investigations, phone	\$ 171,081
Materials & Supplies	Uniforms, unit supplies	\$ 24,102
Capital Outlay	Autos, computer equip, tactical equip.	\$ 22,778
<i>Fire</i>		
Salaries & Benefits		\$1,477,345
Contract Services	Training, investigations, phone	\$ 74,253
Materials & Supplies	Uniforms	\$ 281
Capital Outlay	Firefighting equip., computer equip.	\$ 0
	TOTAL	\$2,889,302

2. That all expenditures of Measure H revenues for the fiscal year ending June 30, 2016, were expended for the purposes specified in the current Public Safety Expenditure Plan.

Resolution No. 2017-01_

BE IT FURTHER RESOLVED that a copy of this Resolution shall be placed on the City of Ceres official web site for review by the public, and a copy shall be forwarded to the Ceres City Council for review and approval as provided in Section 3.10.160,C, of Ordinance No. 2007-975.

PASSED AND ADOPTED by the Ceres Citizens' Oversight Committee at a regular meeting thereof held on the 15th day of February, 2017, by the following vote:

AYES:

NOES:

ABSENT:

Leonard Shepherd, Chairperson

ATTEST:

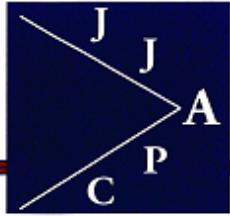
Diane Navares-Perez, Secretary

CITY OF CERES
REPORT ON COMPLIANCE WITH
STANISLAUS COUNTY MEASURE H
FOR FIRE AND POLICE PUBLIC PURPOSES
FOR THE YEAR ENDED JUNE 30, 2016

**City of Ceres
Measure H Compliance Report
For the year ended June 30, 2016**

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JJACPA, Inc.

A Professional Accounting Services Corp.

Independent Accountant's Report on Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by the management of the City of Ceres (City), solely to assist you with compliance with the reporting requirements of the Stanislaus County Initiative Measure H (Initiative) requirements for the year ended June 30, 2016. The City's management is responsible for the financial information included in this report and the compliance with the Stanislaus County Measure H Funds use of funds. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

- a. Verified the appropriateness of personnel and support costs, including equipment purchases, using the City's policies and procedures as the standard for verification.

Findings: No exceptions were noted.

- b. Determined that the Balance Sheet and Schedule of Changes in Fund Balance are an accurate reflection of information contained in the City's records.

Findings: No exceptions were noted.

- c. Determined that revenues from the Measure H Funds for the period are included in the Schedule of Changes in Fund Balance even if they were deposited by the City after the end of the period (i.e., treats revenues from Measure H on a modified accrual basis).

Findings: No exceptions were noted.

- d. Determined that personnel time charged to the program were expended only for fire and police services.

Findings: No exceptions were noted.

- e. Determined that personnel expenses charged to the program are limited to personnel funded by the Initiative for the purposes stated in d above.

Findings: No exceptions were noted.

- f. Determined that direct charges to Measure H Funds are not also included in indirect costs (i.e., space charges) also charged to the Fund.

Findings: No exceptions were noted.

- g. Determined that equipment purchases made with Measure H Funds are only for items specifically approved by the Initiative in the City’s budget.

Findings: No exceptions were noted.

- h. Determined that equipment purchased with Measure H Funds is in the custody and use of the personnel funded by Measure H.

Findings: No exceptions were noted.

- i. Identified non-compliance with applicable statute, regulation, City policy, or Initiative requirements, and any questionable or disallowed amounts received for the period.

Findings: No exceptions were noted.

Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of City management, the City Council, others within the entity, and Stanislaus County or other applicable governmental entities and is not intended to be and should not be used by anyone other than these specified parties.

December 14, 2016

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA

FINANCIAL STATEMENTS

City of Ceres
Measure H Fund
Balance Sheet
June 30, 2016

ASSETS	2016
Assets:	
Cash	\$ -
Taxes receivable	526,873
Total assets	\$ 526,873
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 1,784
Due to City of Ceres	192,811
Total liabilities	194,595
Fund Balance:	
Restricted for fire and police public services	332,278
Total fund balance	332,278
Total liabilities and fund balance	\$ 526,873

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

City of Ceres
Measure H Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2016

	<u>2016</u>
REVENUES:	
Sales tax	\$ 2,756,083
Use of money and property	14
Total revenues	<u>2,756,097</u>
EXPENDITURES:	
Payroll and related costs	2,596,808
Contractual services	225,114
Materials and supplies	44,603
Capital outlay	22,777
Total expenditures	<u>2,889,302</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(133,205)</u>
Net change in fund balances	(133,205)
FUND BALANCES:	
Beginning of year	465,483
End of year	<u>\$ 332,278</u>

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

City of Ceres
Measure H Compliance Report
For the year ended June 30, 2016

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Reporting Entity*

All transactions of the Measure H Fund of the City of Ceres (City) are included as a separate special revenue fund in the basic financial statements of the City. The Measure H Fund is used to account for the City's share of revenues earned and expenditures incurred under Measure H. The accompanying financial statements are for the Measure H Fund only and are not intended to fairly present the financial position of the City and the results of its operations.

B. *Basis of Accounting and Measurement Focus*

The accompanying financial statements are prepared on the modified accrual basis of accounting. Revenues are generally recorded when measurable and available, and expenditures are recorded when the related liabilities are incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus, wherein only current assets and current liabilities generally are included on the balance sheet. Operating statements of governmental funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

C. *Description of Funds*

The accounts are maintained using fund accounting. A fund is a separate accounting entity with a self balancing set of accounts.

The City uses a special revenue fund to account for financial resources received from the half cent sales tax provision of Measure H. These funds are to be used towards salaries and benefits, and the obtaining, furnishing, operating, and/or maintaining of fire and police public services.

D. *Fund Balance*

Fund balance consists of only restricted amounts. Restricted amounts consist of resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the government.

City of Ceres
Measure H Compliance Report
For the year ended June 30, 2016

Notes to Financial Statements, Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. Cash and Investments

The Measure H Fund pools its cash with the City. The City pools cash resources from all funds in order to facilitate the management of cash and achieve the goal of obtaining the highest yield with the greatest safety and least risk. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available. Interest earned on investments is allocated to all funds on the basis of monthly cash and investment balances. The Measure H Fund, through the City pool, participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Asset-Backed Securities (See Note 2D). LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

F. Receivables

Receivables represent the sales tax revenues due from the California State Board of Equalization.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS

A. Summary of Cash and Investments

The Measure H Fund participates in the City's cash and investment pool that includes all other City funds, which the City Treasurer invests to enhance interest earnings. The pooled interest earned is allocated to each fund based on average month-end and investment balances in these funds. The Measure H Fund had cash and investments balance of \$0 at June 30, 2016:

**City of Ceres
Measure H Compliance Report
For the year ended June 30, 2016**

Notes to Financial Statements, Continued

2. CASH AND INVESTMENTS, Continued

A. Summary of Cash and Investments, Continued

The California Government Code requires California banks and savings and loan associations to secure cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name. The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City may waive collateral requirements for cash deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation.

B. Investments

The investments made by the City Treasurer are limited to those allowable under State statutes as incorporated into the City's Investment Policy, which is more conservative than State statutes. Under provisions of this policy, the City is authorized to invest in the following types of investments:

Medium-term Corporate Notes Government Agency Securities
Certificates of Deposit Treasury Bills and Notes
Bankers' Acceptances Passbook Savings Accounts
Commercial Paper State of California Local Agency Investment Fund
Repurchase Agreements

C. Risk Disclosure

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy provides that final maturities of securities cannot exceed five years. Specific maturities of investments depend on liquidity needs. At June 30, 2016, the City's pooled cash and investments had the following maturities:

<u>Maturity</u>	<u>Percentage of Investment</u>
Less than one year	100%

Credit Risk: It is the City's policy that commercial paper have a rating of "A-1" or higher by a nationally recognized statistical rating organization (NRSRO) and have a maturity date not exceeding 180 days from the date of purchase. Medium-term notes, with a final maturity not exceeding five years from the date of purchase, must have a rating of A or the equivalent by a NRSRO. Federal instrumentalities must have a rating of AAA or the equivalent by a NRSRO at the time of purchase with a maximum maturity of five years at the time of purchase. LAIF has a separate investment policy, governed by Government Code Sections 16480-16481.2, that provides credit standards for its investments.

City of Ceres
Measure H Compliance Report
For the year ended June 30, 2016

Notes to Financial Statements, Continued

2. CASH AND INVESTMENTS, Continued

C. Risk Disclosure, Continued

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City currently has no security investments other than LAIF.

D. External Investment Pool – Local Agency Investment Fund

The City's investments with LAIF at June 30, 2016, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments may include the following:

Structured Notes - debt securities (other than Asset-Backed Securities) whose cash-flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities - generally mortgage-backed securities which entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

The City is a voluntary participant in California Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section under the oversight of the Local Investment Advisory Board (Board). The Board consists of five members as designated by state statute, and is chaired by the State Treasurer who is responsible for day to day administration of LAIF. The total amount invested by all public agencies as of June 30, 2016 was \$21,495,234,784 of which the City had a balance of \$29,514,318. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2016 has a portfolio with market valuation of \$69,672,945 thousand. Of the total invested, 99.903% was invested in non-derivative financial products and 0.97% in structured notes and asset-backed securities. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The fair value of the City's position in LAIF is materially equivalent to the value of the pool shares.

SUPPLEMENTARY INFORMATION

City of Ceres

Measure H Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the year ended June 30, 2016

	Original Budget	Actual	Variance Positive (Negative)
REVENUES:			
Sales tax	\$ 2,613,244	\$ 2,756,083	\$ 142,839
Investment income	1,700	14	(1,686)
Reimbursements	1,000	-	(1,000)
Total revenues	<u>2,615,944</u>	<u>2,756,097</u>	<u>140,153</u>
EXPENDITURES:			
Payroll and related costs	2,670,048	2,596,808	73,240
Contractual services	286,500	225,114	61,386
Materials and supplies	90,372	44,603	45,769
Capital outlay	39,800	22,777	17,023
Total expenditures	<u>3,086,720</u>	<u>2,889,302</u>	<u>197,418</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (470,776)</u>	<u>(133,205)</u>	<u>\$ 337,571</u>
FUND BALANCES:			
Beginning of year		<u>465,483</u>	
End of year		<u>\$ 332,278</u>	

City of Ceres
Measure H Compliance Report
For the year ended June 30, 2016

Note to Supplementary Information

A. *Budget*

An annual budget is adopted by City Council for the special revenue funds. The budget is the maximum authorization for spending in a fiscal year. An encumbrance system is used to record commitments and obligations incurred throughout the year to ensure the budget authorization is not exceeded. The budget is developed for the Special Revenue Funds using the modified accrual basis of accounting. Amendments to the approved budget are approved by City Council. Supplemental appropriations are authorized by City Council during the year. All unencumbered budget appropriations lapse at the end of each fiscal year. Encumbrances for significant capital projects are reappropriated as part of the following year's budget. Outstanding encumbrances are committed in fund balance. At the fund level, expenditures may not legally exceed appropriations.



**MEASURE H OVERSIGHT
COMMITTEE REPORT**
MEETING DATE: February 15, 2017

Measure H Oversight Committee

Leonard Shepherd, Chairperson
Don Cool Paula Redfern
Diego Fernandez Rafael Valencia

Report Preparation Date: February 06, 2017

TO: Measure H Oversight Committee

FROM: Suzanne Dean, Finance Director
Suzanne.dean@ci.ceres.ca.us 538-5764

SUBJECT: Fiscal Year 2016-17 Mid-Year Budget Report

Please find attached the Measure H Fund Budget reports for July through January of Fiscal Year 2016-17.

Sales Tax Revenue received is \$1,098,645 or 40.39% of the Budget. Sales Tax revenue recorded is through November which is 42% of the way through the fiscal year. Based on receipts, revenue is expected to meet the budgeted amount of \$2,720,198 at the end of the year.

Expenditures total through January are \$1,800,079 or 60.35% of the Budget. January is 58% of the way through the fiscal year. Expenditures are 2.35% above what is expected for this period of time. Staff will be monitoring the expenditures in this fund to prevent going over budget.

Please contact me if you would like additional information about the Measure H Mid-Year Budget Report.

Expenditure Status Report

City of Ceres
7/1/2016 through 6/30/2017

262 MEASURE H - 1/2 CENT SALES TAX

09 POLICE-NON SWORN

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
262.09.0100 PERSONNEL SERVICES						
Total POLICE-NON SWORN	0.00	0.00	0.00	0.00	0.00	0.00

Expenditure Status Report

City of Ceres
 7/1/2016 through 6/30/2017

262 MEASURE H - 1/2 CENT SALES TAX

10 PUBLIC SAFETY - POLICE

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
262.10.0100 PERSONNEL SERVICES						
262.10.0110.0 SALARIES AND WAGES	558,939.00	346,363.43	346,363.43	0.00	212,575.57	61.97
262.10.0110.1 SALARIES AND WAGES-HOLIDAY PAYOUT	32,146.00	0.00	0.00	0.00	32,146.00	0.00
262.10.0111.0 OVERTIME	102,000.00	37,866.79	37,866.79	0.00	64,133.21	37.12
262.10.0113.0 COURT TIME	12,000.00	2,928.71	2,928.71	0.00	9,071.29	24.41
262.10.0121.0 SOCIAL SECURITY (FICA)	54,643.00	33,124.24	33,124.24	0.00	21,518.76	60.62
262.10.0122.0 EMPLOYEE GROUP INSURANCE	134,928.00	70,459.47	70,459.47	0.00	64,468.53	52.22
262.10.0123.0 RETIREMENT PLAN CHARGES	281,963.00	152,144.00	152,144.00	0.00	129,819.00	53.96
262.10.0124.0 WORKER'S COMPENSATION	51,213.00	25,596.00	25,596.00	0.00	25,617.00	49.98
262.10.0130.0 UNIFORM ALLOWANCE	9,200.00	4,600.47	4,600.47	0.00	4,599.53	50.01
Total PERSONNEL SERVICES	1,237,032.00	673,083.11	673,083.11	0.00	563,948.89	54.41
262.10.0200 CONTRACTUAL SERVICES						
262.10.0201.0 ACCOUNTING AND AUDITING SVC'S	2,100.00	2,682.25	2,682.25	150.83	-733.08	134.91
262.10.0205.0 MEDICAL SERVICES	200.00	25.00	25.00	0.00	175.00	12.50
262.10.0222.0 SUBSCRIPTIONS & MEMBERSHIPS	295.00	100.00	100.00	0.00	195.00	33.90
262.10.0226.0 TRAINING	3,560.00	1,680.00	1,680.00	0.00	1,880.00	47.19
262.10.0230.0 PRINTING AND BINDING	250.00	0.00	0.00	0.00	250.00	0.00
262.10.0248.0 TELECOMMUNICATIONS	3,420.00	1,783.64	1,783.64	0.00	1,636.36	52.15
262.10.0258.0 TRAVEL, LODGING & MEALS	8,070.00	1,618.03	1,618.03	0.00	6,451.97	20.05
262.10.0268.0 ISF - FLEET ALLOCATION	98,129.00	49,068.00	49,068.00	0.00	49,061.00	50.00
262.10.0271.0 ISF - IT ALLOCATION	34,857.00	17,430.00	17,430.00	0.00	17,427.00	50.00
262.10.0299.0 CONTRACT SERVICES	51,200.00	4,700.00	4,700.00	18,500.00	28,000.00	45.31
Total CONTRACTUAL SERVICES	202,081.00	79,086.92	79,086.92	18,650.83	104,343.25	48.37
262.10.0300 MATERIALS & SUPPLIES						
262.10.0301.0 OFFICE SUPPLIES	100.00	0.00	0.00	0.00	100.00	0.00
262.10.0305.0 MEDICAL SUPPLIES	800.00	0.00	0.00	0.00	800.00	0.00
262.10.0309.0 PHOTOGRAPHIC SUPPLIES	50,000.00	41,543.97	41,543.97	3,250.00	5,206.03	89.59
262.10.0316.0 AMMUNITION	17,200.00	10,231.60	10,231.60	0.00	6,968.40	59.49
262.10.0318.0 WEARING AND SAFETY APPAREL	650.00	0.00	0.00	0.00	650.00	0.00

Expenditure Status Report

City of Ceres
 7/1/2016 through 6/30/2017

262 MEASURE H - 1/2 CENT SALES TAX

10 PUBLIC SAFETY - POLICE

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
262.10.0325.0 ELECTRICAL MATERIALS	600.00	396.51	396.51	0.00	203.49	66.09
262.10.0396.0 K-9 SUPPLIES	5,150.00	1,073.96	1,073.96	0.00	4,076.04	20.85
262.10.0399.0 MATERIALS AND SUPPLIES	1,750.00	0.00	0.00	0.00	1,750.00	0.00
Total MATERIALS & SUPPLIES	76,250.00	53,246.04	53,246.04	3,250.00	19,753.96	74.09
262.10.0500 ADDITIONS TO FIXED ASSETS						
262.10.0502.0 COMPUTER EQUIPMENT	12,485.00	7,554.07	7,554.07	0.00	4,930.93	60.51
262.10.0511.0 AUTOMOTIVE EQUIPMENT	26,000.00	23,623.35	23,623.35	0.00	2,376.65	90.86
262.10.0518.0 PUBLIC SAFETY EQUIPMENT	56,016.00	29,741.89	29,741.89	0.00	26,274.11	53.10
Total ADDITIONS TO FIXED ASSETS	94,501.00	60,919.31	60,919.31	0.00	33,581.69	64.46
Total PUBLIC SAFETY - POLICE	1,609,864.00	866,335.38	866,335.38	21,900.83	721,627.79	55.17

Expenditure Status Report

City of Ceres
 7/1/2016 through 6/30/2017

262 MEASURE H - 1/2 CENT SALES TAX

15 PUBLIC SAFETY - FIRE

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
262.15.0100 PERSONNEL SERVICES						
262.15.0110.0 SALARIES AND WAGES	443,414.00	201,271.35	201,271.35	0.00	242,142.65	45.39
262.15.0111.0 OVERTIME	356,000.00	300,396.10	300,396.10	0.00	55,603.90	84.38
262.15.0119.0 FLSA MANDATORY OVERTIME	37,319.00	96,925.23	96,925.23	0.00	-59,606.23	259.72
262.15.0121.0 SOCIAL SECURITY (FICA)	64,626.00	47,497.02	47,497.02	0.00	17,128.98	73.50
262.15.0122.0 EMPLOYEE GROUP INSURANCE	102,312.00	48,413.18	48,413.18	0.00	53,898.82	47.32
262.15.0123.0 RETIREMENT PLAN CHARGES	221,575.00	150,416.94	150,416.94	0.00	71,158.06	67.89
262.15.0124.0 WORKER'S COMPENSATION	45,964.00	22,980.00	22,980.00	0.00	22,984.00	50.00
262.15.0126.0 4850 LABOR CODE	0.00	790.54	790.54	0.00	-790.54	0.00
262.15.0130.0 UNIFORM ALLOWANCE	8,050.00	3,904.49	3,904.49	0.00	4,145.51	48.50
Total PERSONNEL SERVICES	1,279,260.00	872,594.85	872,594.85	0.00	406,665.15	68.21
262.15.0200 CONTRACTUAL SERVICES						
262.15.0205.0 MEDICAL SERVICES	3,215.00	0.00	0.00	0.00	3,215.00	0.00
262.15.0217.0 INVESTIGATIVE SERVICES	250.00	225.00	225.00	0.00	25.00	90.00
262.15.0222.0 SUBSCRIPTIONS & MEMBERSHIPS	1,000.00	870.00	870.00	0.00	130.00	87.00
262.15.0226.0 TRAINING	2,175.00	0.00	0.00	0.00	2,175.00	0.00
262.15.0230.0 PRINTING AND BINDING	125.00	0.00	0.00	0.00	125.00	0.00
262.15.0248.0 TELECOMMUNICATIONS	1,710.00	549.73	549.73	0.00	1,160.27	32.15
262.15.0258.0 TRAVEL, LODGING & MEALS	4,000.00	342.60	342.60	0.00	3,657.40	8.57
262.15.0268.0 ISF - FLEET ALLOCATION	82,305.00	41,154.00	41,154.00	0.00	41,151.00	50.00
262.15.0271.0 ISF - IT ALLOCATION	16,166.00	8,082.00	8,082.00	0.00	8,084.00	49.99
262.15.0286.0 R & M - NON-AUTOMOTIVE EQUIP	9,070.00	6,985.22	6,985.22	0.00	2,084.78	77.01
262.15.0287.0 R & M - COMMUNICATIONS EQUIP	850.00	0.00	0.00	0.00	850.00	0.00
262.15.0299.0 CONTRACT SERVICES	800.00	0.00	0.00	0.00	800.00	0.00
Total CONTRACTUAL SERVICES	121,666.00	58,208.55	58,208.55	0.00	63,457.45	47.84
262.15.0300 MATERIALS & SUPPLIES						
262.15.0318.0 WEARING AND SAFETY APPAREL	7,070.00	2,940.01	2,940.01	0.00	4,129.99	41.58
262.15.0325.0 ELECTRICAL MATERIALS	1,070.00	0.00	0.00	0.00	1,070.00	0.00
Total MATERIALS & SUPPLIES	8,140.00	2,940.01	2,940.01	0.00	5,199.99	36.12

Expenditure Status Report

City of Ceres
 7/1/2016 through 6/30/2017

262 MEASURE H - 1/2 CENT SALES TAX

15 PUBLIC SAFETY - FIRE

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
262.15.0500 ADDITIONS TO FIXED ASSETS						
262.15.0515.0 COMMUNICATION EQUIPMENT	100.00	0.00	0.00	0.00	100.00	0.00
262.15.0521.0 FIRE FIGHTING ACCESSORIES	135.00	0.00	0.00	0.00	135.00	0.00
Total ADDITIONS TO FIXED ASSETS	235.00	0.00	0.00	0.00	235.00	0.00
Total PUBLIC SAFETY - FIRE	1,409,301.00	933,743.41	933,743.41	0.00	475,557.59	66.26

Expenditure Status Report

City of Ceres
 7/1/2016 through 6/30/2017

262 MEASURE H - 1/2 CENT SALES TAX

60 GENERAL CITY

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
262.60.0900 *** Title Not Found ***						
Total GENERAL CITY	0.00	0.00	0.00	0.00	0.00	0.00
Total MEASURE H - 1/2 CENT SALES TAX	3,019,165.00	1,800,078.79	1,800,078.79	21,900.83	1,197,185.38	60.35
Grand Total	3,019,165.00	1,800,078.79	1,800,078.79	21,900.83	1,197,185.38	60.35

Revenue Status Report

City of Ceres
 7/1/2016 through 1/31/2017

262 MEASURE H - 1/2 CENT SALES TAX

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
262.1 TAXES					
262.1.70 BUILDING					
262.1.205.73 MEASURE H - 1/2 CENT SALES TAX	2,720,198.00	1,098,644.90	1,098,644.90	1,621,553.10	40.39
Total TAXES	2,720,198.00	1,098,644.90	1,098,644.90	1,621,553.10	40.39
262.4 REVENUES FROM USE MONEY/PROPTY					
262.4.70 BUILDING					
262.4.502.73 INTEREST ON BANK DEPOSITS	30.00	0.00	0.00	30.00	0.00
Total REVENUES FROM USE MONEY/PROPTY	30.00	0.00	0.00	30.00	0.00
262.5 REVENUE FROM OTHER AGENCIES					
262.5.10 POLICE					
262.5.60 *** Title Not Found ***					
Total REVENUE FROM OTHER AGENCIES	0.00	0.00	0.00	0.00	0.00
262.7 OTHER REVENUE					
262.7.70 BUILDING					
Total OTHER REVENUE	0.00	0.00	0.00	0.00	0.00
262.9 EQUITY TRANSFER					

Revenue Status Report

City of Ceres
 7/1/2016 through 1/31/2017

262 MEASURE H - 1/2 CENT SALES TAX

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
262.9.70 BUILDING					
Total EQUITY TRANSFER	0.00	0.00	0.00	0.00	0.00
Total MEASURE H - 1/2 CENT SALES TAX	2,720,228.00	1,098,644.90	1,098,644.90	1,621,583.10	40.39
Grand Total	2,720,228.00	1,098,644.90	1,098,644.90	1,621,583.10	40.39