

City of Kingsburg
California



**Comprehensive Annual
Financial Report
For the Fiscal Year Ended June 30, 2020**

**CITY OF KINGSBURG
CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2020**

**Prepared by
Finance Department**

**CITY OF KINGSBURG
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2020**

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INTRODUCTORY SECTION

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City of Kingsburg

1401 Draper Street, Kingsburg, CA 93631-1908
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February 01, 2021

Honorable Mayor, Members of the City Council, and Citizens of the City of Kingsburg

SUBJECT: Comprehensive Annual Financial Report - June 30, 2020

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Kingsburg (City) for the fiscal year ended June 30, 2020. This report is published in accordance with local ordinance and state law requirements that financial statements be presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the City. Management assumes full responsibility for the completeness and reliability of all information presented in this report. In order to provide a reasonable basis for making these representations, management of the City has established an internal control framework designed both to ensure the assets of the government are protected from loss, theft or misuse, and to ensure adequate accounting data is compiled to allow for the preparation of the financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. As a recipient of federal, state, and local financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to the appropriate programs. This internal control structure is subject to periodic evaluation by management.

Price Paige & Company, a firm of licensed certified public accountants approved by the City Council, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2020, were free of material misstatement. 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 significant estimates made by management, and evaluating the overall financial statement presentation.

Price Paige & Company concluded based upon the audit, that there is reasonable basis for rendering an unmodified ("clean") opinion that the City's financial statements for the fiscal year ended June 30, 2020, were fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

In addition, the City may be required to undergo an annual single audit in compliance with provisions of Title 2 U.S. Code of Federal Regulations. The report of the Single Audit is published separately from this CAFR

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found in the financial section of this document, immediately following the report of the independent auditor.

Profile of the City Kingsburg

Located in the central San Joaquin Valley of California, the City of Kingsburg has a rich history as a settlement of Native Americans, a wild west outpost for outlaws and cattlemen, a farming community settled by people of Swedish descent and today as a diverse agricultural base town with a Swedish flair. The first known residents, the Nutununtu tribe, first encountered Europeans in 1773 when the Spanish explorer Pedro Fages explored the area and named the Kings River "Rio de los Santo Reyes" (English translation is "River of the Sainted Kings"). In 1871 Southern Pacific built a train depot in Kingsburg and named it "Kings River Switch". As a small settlement, it went by different names until the postal authorities and the Fresno Weekly Expositor reported the name Kingsburg in 1875. By the late 1870's the first Swedish settlers began to settle in Kingsburg. The Swedish colony mostly consisted of sober, hardworking men who began to replace stock raising with farming, and is thought to put an end to the Wild West atmosphere, which lasted until the as late as the 1910's. In 1908 Kingsburg incorporated and in the same election the citizens voted the saloons out. In 1921 a survey showed that 94% of the population within a 3-mile radius of Kingsburg was of Swedish descent. Kingsburg, known as the Swedish Village, continues to design many of its buildings with Swedish architecture. As a diverse and multicultural town today, Kingsburg's population is now estimated over 12,000 people and is known for farming of grapes and stone fruit. The Kings River brings summer recreation of fishing, boating, jet skiing and rafting. The Kings River Golf and Country Club boasts beautiful views of the river and is a championship 18-hole course. With 18 churches within its 2.8 square miles, Kingsburg is a family friendly safe community that prides itself on civic leadership and community engagement. Kingsburg is centrally located on Highway 99 between San Francisco and Los Angeles with the Sierra Nevada's to the east and the Pacific Coast to the west, all a short drive away.

The City delivers a full range of municipal services which include Police, Fire, Community and Economic Development, Recreation, Park Maintenance, and Public Utilities under the Council- Manager form of government. The City Council meets the first and third Wednesdays of every month. Policy making and legislative authority are vested in the City Council, which consists of a Mayor and four Council Members. The Mayor is a current City Council Member who is elected by the Council and serves a two-year term. The Five Council Members are elected and serve four-year terms. The City Manager is appointed by the City Council and is responsible for implementing policies and overseeing the day-to-day operations of the City.

The City Council is required to adopt a budget no later than the close of the prior fiscal year. The budget is prepared by fund (e.g. General Fund) and department (e.g. Police). After adoption, departmental adjustments may be done with the approval from the City Manager provided that there is no

change to the fund balance. Budget amendments to increase appropriations may be taken to the City Council for their approval throughout the year.

Local Economy

The local economy continues to evolve similar to nation-wide trends. This includes the movement away from brick and mortar retailers, who continue to downsize and centralize their operations in larger populaces. The city has been successful in their ongoing efforts to invest in more ‘experience-based’ opportunities, which includes revitalization efforts in the downtown core.

The City is experiencing a slow recovery and has seen an increase to property values and sales tax revenues over the last three years. This gives an indication that the economy is moving in the right direction. Several new smaller businesses have opened, and in April 2019 New T-Mobile announced their intention to locate their new Customer Experience Center (CEC) in Kingsburg, pending the approval of their merger by the federal government. The announcement of the new CEC brings the creation of more than 1,000 new jobs, positioning the New T-Mobile to be one of the largest employers in the area.

The CEC will provide:

- 1,000+ new jobs;
- Contribute \$122mm to California’s economy
- Pay an average wage that is 51% higher than the average wage in Fresno Co.
- New T-Mobile will become one of the largest and highest-paying employers in the Central Valley

The location of the call center will bring immediate economic impact to the entire Central Valley. An Economic Impact Assessment completed by the Berkeley Research Group concluded the CEC would directly and indirectly provide up to 1,500 jobs and \$105 million to the economy of Fresno County on an annual basis. The announcement by T-Mobile comes on the heels of renewed and continued economic investment in the Kingsburg community. With over 25 new businesses opening over the last two years, Kingsburg continues to exemplify a location that offers affordable California living, low crime, high quality of life and a relentless effort to support businesses large and small.

Both revenues and expenditures have been influenced by the uptick in commercial and single family residential building activity. FY19 and beyond we are trending higher for revenues associated with single family residential development. 500 new housing starts have been approved, with 60 single family permits pulled in 2019. While full build outs are anticipated over several years, depending upon market demand, we anticipate that FY20 will continue to see similar single family home starts.

In addition, Downtown development continues, with the completion of upper floor apartments, which are all currently rented. FY2019 also saw demolition of the Stone Hotel (lost to fire in October 2016). Work is now underway to build a mixed-use complex that will include an additional 10 market-rate apartments along with 8,000 sq. ft. of ground floor commercial space.

Staff is cautiously optimistic regarding building activity and understands that the revenues associated are often cyclical with the strength of the economy.

Long Term Financial Planning

The City maintains an annual budget and it serves as the foundation for the City's financial planning and control. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the City Council. The level of budgetary control (i.e. the level where the expenditures cannot legally exceed the appropriated amount) is maintained at the departmental level for the General Fund and at the fund level for all other funds. Department heads may transfer resources within a department as they see fit with the approval of the City Manager. The City Council may amend funds by an affirmative vote at any regular or special City Council Meeting.

The City Council has approved a standard set of financial policies. The fund balance in the General fund shall not be less than 20% of the budgeted general fund appropriations as approved by the City Council as of July 1 of each year. This policy provides increased protection against the uncertain dynamics associated with changes in the local economy.

Changes to employee pension contributions continues to be the most pressing issue impacting long-term planning. In 2018, the Council adopted a financial resolution that created a 'waterfall' policy that designates any surplus funding to three designated funds:

1. CalPERS UAL (70%)
2. Economic Stabilization (15%)
3. Equipment Reserve (15%)

All three funds are designed to leverage the City's current financial health to plan for the potential impact of future years.

The City remains focused on managing expenditures and monitoring revenues while keeping restoration in mind. It is with diligence and tenacity that the City strives to meet future goals of economic expansion and fiscal sustainability. The City will also focus on maintaining public safety needs and invest in the maintenance and replacement of aging infrastructure.

Major Achievements and Initiatives

With the financial challenges we've faced, the City has been protective managing operational reserves throughout the current economic downturn.

In 2013, the City committed to a strategic planning process that engaged council members, employees and consultants. The goal of the session was to align all the community has to offer with the vision for its' future. Financial stewardship and planning, economic incentives for growth, retention of our employees and succession planning for those who retire were key driving forces for the plan.

Council and staff reinvested in the strategic planning process in 2015, reevaluating core initiatives and examining the overall progress made since 2013. With several of the main objectives addressed, Council and staff identified new goals to continue the progression of keeping Kingsburg the "Gem of the Valley."

In 2018, Council completed the most recent update to our strategic planning process. The document serves as the City of Kingsburg's 2018-2023 Strategic Plan. Its purpose is to help the City

prioritize its efforts, allocating both fiscal and human capital to achieve a shared vision and goals that also reflect community priorities and needs. The Plan is the result of a comprehensive review by Regional Government Services (RGS) of the City's current operations and finances, interviews with staff members and discussions with City Council members and an online survey taken by Kingsburg residents.

The findings and conclusions of the review and survey results were presented to Council and staff at a one-day Study Session. The Study Session, which was open to the public, resulted in the development of a Mission Statement, a Vision Statement, a set of Core Values and six Goals to guide the City's future operations:

1. Ensure Financial Stability
2. Improve Public Safety
3. Provide Recreation Opportunities for All Ages
4. Improve Community Communication
5. Increase Retail Opportunities
6. Promote Sustainable Development

The Kingsburg City Council concluded nearly two years of research, feedback and planning and voted to place a 1% sales tax for public safety services on the June 5, 2018 ballot. Measure E passed with approximately 72% approval.

In the first (partial) year of collecting new revenue, investment in public safety came swiftly, including:

- 5 New Employees (2 Police, 3 Fire/Medics)
- Tasers, Rifles, Tablets for Patrol Squads
- New Engine
- KFD – New Personal Protective Equipment (PPE)

The coming year includes additional public safety activity:

- Maintains 5 employees from previous year (3 KFD, 2 KPD)
- Adds additional officer 7/1/2019
- 7 KPD Patrol Vehicles (2 additional from General Fund)
- Tasers, Rifles, Tables for Patrol Squads
- KFD – replace line staff radios (9)
- KFD - Purchase New SCBA Filling Station
- KFD – New Personal Protective Equipment (PPE)

We're committed to providing the highest level of service and quality of life to our citizens.

Cash Management

The City finance staff focuses on safety, liquidity and yield of investments. The highest priority of cash management and investments is to ensure adequate funds are available to meet the City's obligations and all investments are in safe instruments. Yield, while important, is considered in third priority after safety and liquidity. The City invests in the Local Agency Investment Fund (LAIF) operated by the state for the benefit of local governments.

Awards and Acknowledgments


The City was honored to receive The Government Finance Officers Association Distinguished Budget Award in 2020 for the City's 2019-2020 budget. This award is given to local governments that have prepared budgets that exceed expectations and reflect the guidelines established by the National Advisory Council on State and Local Budgeting and the Government Finance Officers Association (GFOA). The award reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting.

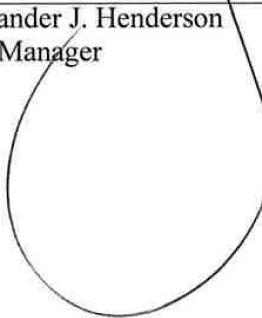
The City received The Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2019. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. The certificate represents a significant accomplishment. This was the third consecutive year that the City of Kingsburg has achieved this prestigious award.

We would like to extend our thanks and appreciation to the City Council for their interest in and suggestions to the financial reporting of the City. The preparation of this CAFR could not have been accomplished without the efforts and dedication of the staff of the City's Finance Department and the auditing firm of Price Paige & Company. We also extend our appreciation to the staff and other personnel from various departments, agencies and authorities who assisted in the preparation of this report.

Respectfully submitted,


Alma Colado
Finance Director


Alexander J. Henderson
City Manager





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Kingsburg
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

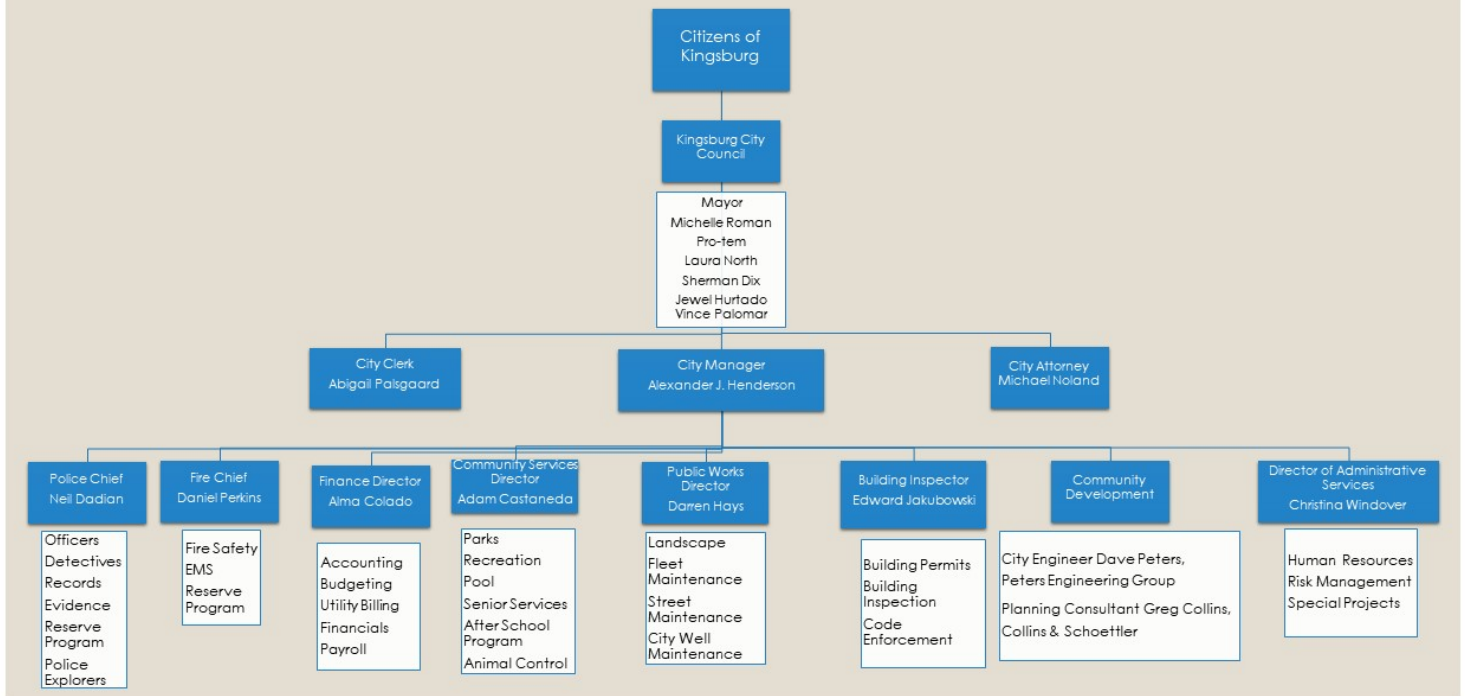
June 30, 2019

Christopher P. Morill

Executive Director/CEO

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City of Kingsburg Organizational Chart



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**CITY OF KINGSBURG
LIST OF ELECTED AND APPOINTED OFFICIALS
JUNE 30, 2020**

Elected Officials

Mayor
Mayor Pro Tem
Council Member
Council Member
Council Member

Michelle Roman
Laura North
Sherman Dix
Jewel Hurtado
Vince Palomar

Appointed Officials

City Manager
City Attorney
City Clerk
Director of Administrative Services
Police Chief
Fire Chief
Building Official
Finance Director/City Treasurer

Alexander J. Henderson
Michael Noland
Abigail Palsgaard
Christina Windover
Neil Dadian
Daniel Perkins
Edward Jakubowski
Alma Colado

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Kingsburg, 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 Kingsburg, California (the City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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 Kingsburg, California, as of June 30, 2020, 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.

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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, the proportionate share of net pension liability, and the schedule of contributions, as listed on the table of contents, 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 the related budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and the related budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the related budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2021, 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.

Price Pange & Company

Clovis, California
February 1, 2021



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

The management of the City of Kingsburg is pleased to present the following discussion and analysis that provides an overview of the financial position and activities of the City of Kingsburg as of and for the year ended June 30, 2020. The discussion should be read in conjunction with the financial statements and accompanying notes to the basic financial statements which follow this section.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements which consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the basic financial statements. The report also includes supplementary information intended to furnish additional detail to support the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and 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 revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, parks and community services, public safety, public works, highways and streets, and planning and community development. The business-type activities of the City include Water, Disposal and Ambulance.

The government-wide financial statements include the Kingsburg Joint Powers Authority. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The Joint Powers Authority, although legally separate, functions for all practical purposes as a department of the City, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 14-15 of this report.

Fund Financial Statements

Fund Financial Statements provide more detailed information about the City's most significant funds, not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State Law or by bond covenants. Management establishes other funds to control and manage money for particular purposes or to show the City is meeting legal responsibilities for using certain taxes, grants, and other money. All the funds of the City can be classified as governmental, proprietary and fiduciary.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Such information is useful in evaluating a government's near-term financing requirement.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the 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 reconciliation between governmental funds and governmental activities. This reconciliation explains the relationship (or differences) between the fund statements and the government-wide statements.

The City of Kingsburg maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the General, Local Transportation Funds, Measure E, Kingsburg Joint Powers Authority, and Capital Facilities funds which are considered to be major funds. Data from the other 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 elsewhere in this report.

The City adopts an annual appropriated budget for the City's funds. A budgetary comparison schedule has been provided for the General Fund, Local Transportation Funds, and Measure E to demonstrate compliance to this budget and can be found on pages 60-62.

The governmental fund financial statements can be found on pages 16-19 of this report.

Proprietary funds. The City has three enterprise funds, Water, Disposal, and Ambulance/Fire, which are used to account for operations that financed and operated in a manner similar to private business enterprises. Enterprise funds are used to report the same functions represented as business-type activities in the government-wide financial statements. The City utilizes enterprise funds to account for those activities that are supported primarily by user charges to external users. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Disposal, and Ambulance/Fire, all of which are major funds. The basic proprietary fund financial statements can be found on pages 20-23 of this report.

Fiduciary funds. The City uses fiduciary funds to account for resources held for the benefits of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the City cannot use these funds to finance its operations.

The basic fiduciary fund financial statements can be found on pages 24-25 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes describe the nature of the City's operations and significant accounting policies and provide clarification regarding unique financial information. The notes to the financial basic statements can be found on pages 28-57 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 60-64 of this report.

The statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Statements and schedules can be found on pages 68-92 of this report.

Financial Highlights

Government-wide financial highlights for the fiscal year ended June 30, 2020:

I. Statement of Net Position

Condensed Statement of Net Position

	<u>2020</u>	<u>2019</u>	
Assets	\$ 50,759,917	\$ 46,626,460	Government-wide total assets at fiscal year ending June 30, 2020 increased by \$4,133,457 which is 8.14% higher than fiscal year ending June 30, 2019.
Liabilities	\$ 15,035,659	\$ 14,944,893	Government-wide total liabilities at fiscal year ending June 30, 2020 increased by \$90,766 which is 0.60% more than fiscal year ending June 30, 2019.
	\$ 2,641,017	\$ 1,855,805	Net of Deferred Outflows/Inflows of Resources - Result of contribution to pension plan in current fiscal year, pension deferrals and loss of refunding of debt.
Net Position	\$ 38,365,275	\$ 33,537,372	The Net Position (assets less liabilities) at fiscal year ending June 30, 2020 increased by \$4,827,903 which is 12.58% more than fiscal year ending June 30, 2019. The net position includes \$2,641,017 of deferred outflows/inflows of resources.

Statement of Net Position (Detail)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Assets:						
Current and other assets	\$ 16,974,241	15,320,040	\$ 3,155,091	\$ 4,407,057	\$ 20,129,332	\$ 19,727,097
Capital assets	19,570,670	17,597,852	11,059,915	9,301,511	30,630,585	26,899,363
Total assets	<u>36,544,911</u>	<u>32,917,892</u>	<u>14,215,006</u>	<u>13,708,568</u>	<u>50,759,917</u>	<u>46,626,460</u>
Deferred Outflows of Resources:						
Total deferred outflows of resources	<u>2,470,618</u>	<u>1,384,695</u>	<u>516,996</u>	<u>674,537</u>	<u>2,987,614</u>	<u>2,059,232</u>
Liabilities:						
Current and other liabilities	3,922,861	4,606,368	3,406,646	3,082,435	7,329,507	7,688,803
Long-term liabilities	6,444,675	4,905,744	1,261,477	2,350,346	7,706,152	7,256,090
Total liabilities	<u>10,367,536</u>	<u>9,512,112</u>	<u>4,668,123</u>	<u>5,432,781</u>	<u>15,035,659</u>	<u>14,944,893</u>
Deferred Inflows of Resources:						
Total deferred inflows of resources	<u>265,137</u>	<u>108,659</u>	<u>81,460</u>	<u>94,768</u>	<u>346,597</u>	<u>203,427</u>
Net Position:						
Net investment in capital assets	16,971,072	14,634,885	6,482,788	4,300,883	23,453,860	18,935,768
Restricted	11,157,339	4,314,137	-	-	11,157,339	4,314,137
Unrestricted	254,445	5,732,794	3,499,631	4,554,673	3,754,076	10,287,467
Total net position	<u>\$ 28,382,856</u>	<u>\$ 24,681,816</u>	<u>\$ 9,982,419</u>	<u>\$ 8,855,556</u>	<u>\$ 38,365,275</u>	<u>\$ 33,537,372</u>

Of the total net position, \$23,453,860 or 61% is the City's investment in capital assets (e.g., land, buildings and improvements, machinery and equipment and infrastructure) less any related debt used to acquire those assets that is still outstanding.

The Statement of Net Position reflects a net effect of \$2,641,017 a separate section for deferred outflows of resources (asset) and a deferred inflow of resources (liability) for other pension related deferrals, and loss of refunding of debt.

GASB Statement No. 68 was issued to improve accounting and financial reporting by state and local governments for pensions. The net pension liability amount is \$7,706,152 and is described in Note 10.

Almost all the City's long-term liabilities relate to the acquisition of capital assets. These capital assets are utilized to provide services to citizens and are not available for future spending. The repayment of the debt on these assets must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position amounts to \$11,157,339 or 29% of the total. Restricted net position represents resources that are subject to external restriction imposed by the State on how they may be used.

Unrestricted net position represents resources which may be used to meet the City's ongoing commitments to citizens and creditors. Government activities unrestricted net position is \$254,445 while the business-type activities account for \$3,499,631. The City can only use this amount to finance the continuing operations of the Water, Disposal, and Ambulance/Fire.

Governmental Activities. Governmental activities account for \$28,382,856 or 74% of the total government-wide net position. This is an increase of \$3,701,040 or 15% over the June 30, 2019 governmental net position ending balance.

Changes in Net Position. Below is a current year recap of the changes in net position. The full statement of Activities can be found on page 15.

	<u>2020</u>
Operating revenues	\$ 22,116,975
Operating expenses	<u>17,289,072</u>
Increase in net position	4,827,903
Net position, beginning of year	<u>33,537,372</u>
Net position, end of year	<u><u>\$ 38,365,275</u></u>

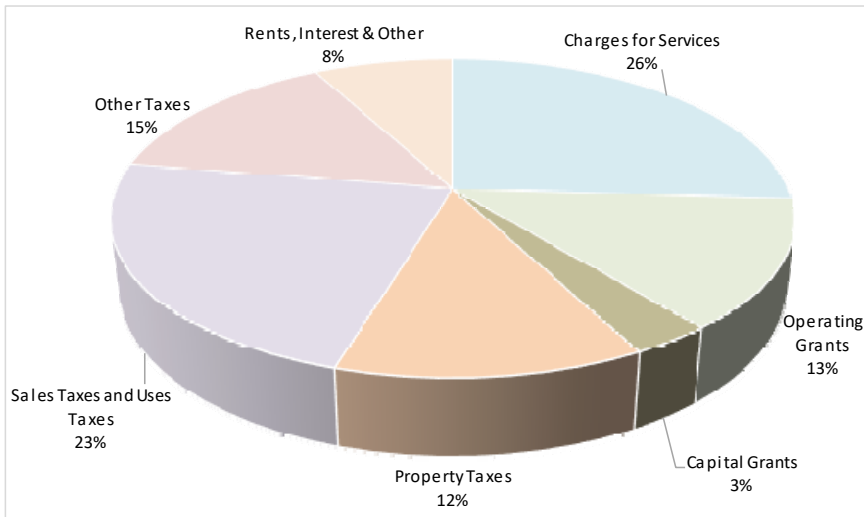
Changes in Net Position (Detail)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
REVENUES						
Program revenues:						
Charges for services	\$ 3,493,622	\$ 1,059,138	\$ 7,114,028	\$ 6,644,726	\$ 10,607,650	\$ 7,703,864
Operating grants	1,763,066	1,473,950	1,324,235	1,231,609	3,087,301	2,705,559
Capital grants	439,572	364,811	102,078	591,320	541,650	956,131
General revenues:						
Property taxes	1,665,338	1,472,558	-	-	1,665,338	1,472,558
Sales and use taxes	3,092,695	2,460,290	-	-	3,092,695	2,460,290
Other taxes	1,961,034	2,316,325	-	-	1,961,034	2,316,325
Rent, interest and other	1,054,262	478,881	107,045	79,703	1,161,307	558,584
Total revenues	13,469,589	9,625,953	8,647,386	8,547,358	22,116,975	18,173,311
EXPENSES						
General government	2,054,881	1,008,560	-	-	2,054,881	1,008,560
Parks and community services	494,862	555,326	-	-	494,862	555,326
Public safety	4,665,132	3,660,296	-	-	4,665,132	3,660,296
Public works	950,088	1,166,319	-	-	950,088	1,166,319
Highway and streets	535,748	673,068	-	-	535,748	673,068
Planning and community	426,503	477,762	-	-	426,503	477,762
Interest	141,335	158,427	-	-	141,335	158,427
Water	-	-	1,939,622	2,112,020	1,939,622	2,112,020
Disposal	-	-	1,967,168	1,986,773	1,967,168	1,986,773
Ambulance/fire	-	-	4,113,733	4,322,083	4,113,733	4,322,083
Total expenses	9,268,549	7,699,758	8,020,523	8,420,876	17,289,072	16,120,634
Increase (decrease) in net position before transfers	4,201,040	1,926,195	626,863	126,482	4,827,903	2,052,677
Transfers	(500,000)	(350,000)	500,000	350,000	-	-
Increase (decrease) in net position	3,701,040	1,576,195	1,126,863	476,482	4,827,903	2,052,677
Net Position - beginning of year	24,681,816	23,105,621	8,855,556	8,379,074	33,537,372	31,484,695
Net Position - end of year	<u>\$ 28,382,856</u>	<u>\$ 24,681,816</u>	<u>\$ 9,982,419</u>	<u>\$ 8,855,556</u>	<u>\$ 38,365,275</u>	<u>\$ 33,537,372</u>

Total governmental revenues for the year were \$13,469,589 with charges for services comprising of 26% of the total revenue. Taxes, which include property, sales and other taxes, account for \$6,719,067 or 50% of the City's governmental activities revenue.

Total governmental expenses for the year were \$9,268,549. Public Safety accounts for \$4,665,132 or 50% of the total governmental activities expenses, followed by General Government, Public Works, Highways and Streets, Parks and Community Services, and Planning and Community with \$2,054,881, \$950,088, \$535,748, \$494,862, and \$426,503 or 22%, 10%, 6%, 5% and 5%, respectively.

Revenues by Source - Governmental Activities

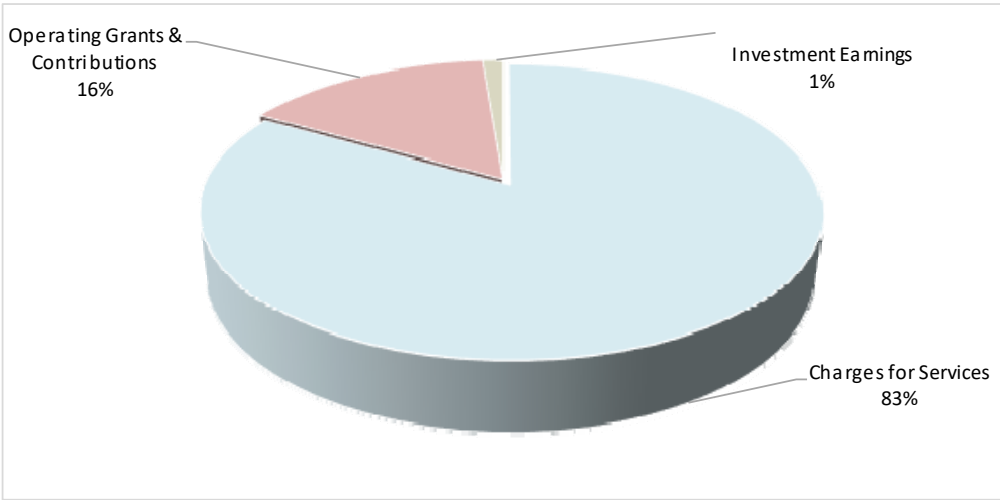


Program revenues which include charges for services, grant revenues and developer capital contributions account for \$5,696,260 or approximately 42% of the total governmental activity revenue. The amounts necessary to fully fund the governmental activity programs are made up by “general” revenues such as taxes, interest and developer fees.

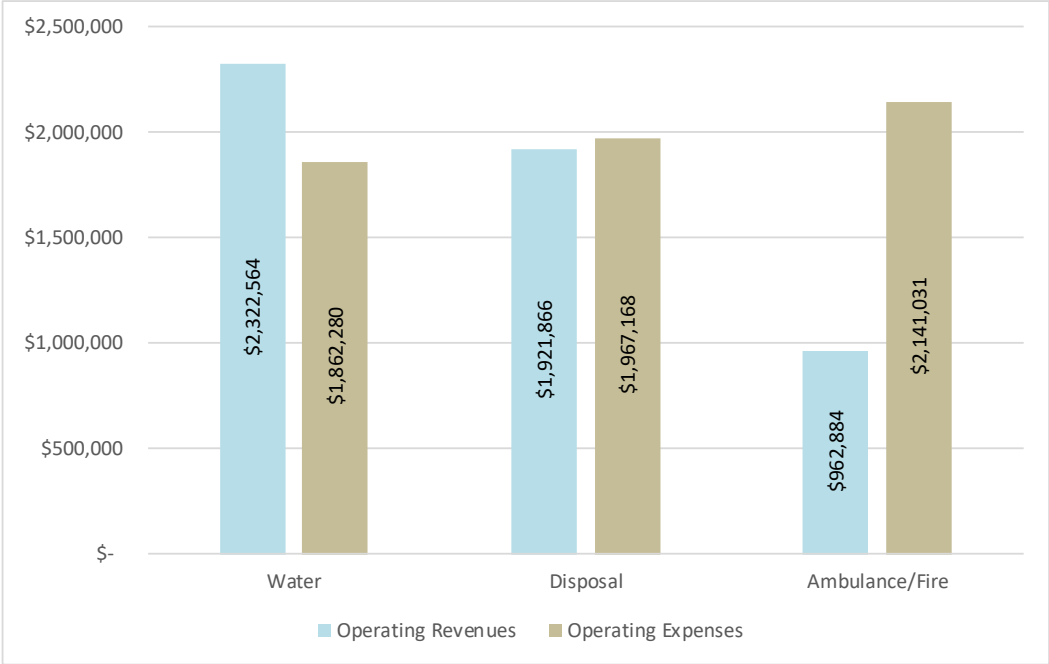
Business-Type Activities

Business-type activities account for \$9,982,419 or 26% of the total government-wide net position. This is an increase of \$1,126,863 or 13% compared to June 30, 2019. Charges for current services account for \$7,114,028 or 82% of the total business-type activity revenue (excluding transfers).

Revenues by Source - Business-Type Activities



Operating Expenses and Operating Revenues-Business Type Activities



In a review of the chart illustrating Operating Expenses and Operating Revenues, it can be noted that operating revenues exceeded operating expenses in Water by \$460,284. Disposal operating expense exceeded revenue by \$45,302 and Ambulance/Fire expenses exceeded operating revenues by approximately \$1,178,147 for fiscal year ending June 30, 2020.

Financial Analysis

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

Governmental Funds. The ending fund balance for all governmental funds is \$16,136,923 which is an increase of \$2,040,476 or 14% when compared to the prior year balance (page 18). Of the total fund balance, \$2,472,085 is unassigned, which is available for spending at the City’s discretion, within the limitations of the fund’s purpose. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been restricted and committed for the following:

Restricted

- Capital improvement projects \$4,815,339
- Circulation improvements 2,338,626
- Public safety programs 833,545
- Land held for low and moderate housing 574,389

Committed

- Pension reserve \$2,068,999
- Equipment reserve 438,500

The General Fund is the chief operating fund of the City. As of June 30, 2020, the total fund balance of the General Fund was \$5,152,461 with unassigned fund balance of \$2,644,962. The General Fund total fund balance decreased \$201,285 or 4% from the previous fiscal year. The unassigned portion, as indicated, is available for spending at the City’s discretion. The increase in the General Fund balance indicates that the General Fund had more revenues and transfers in than it had expenditures and transfers out.

Proprietary Funds. As indicated in the description, proprietary funds are enterprise funds. The City’s Water Fund ended the year with a positive unrestricted net position. The Disposal and Ambulance/Fire Funds ended the year with a negative unrestricted net position.

General Fund Budgetary Highlights

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual on page 60 outlines the differences between the budget and actual numbers. The City experienced \$287,252 or 4% more total revenues and \$179,867 or 3% decrease in total expenditures that the final budget allowed for. Revenues and transfers exceeded expenditures and transfers out and increased the General Fund balance by \$253,715.

Capital Assets and Debt Administration

Capital Assets. The City’s investment in capital assets for its governmental and business-type activities as of June 30, 2020 amounts to \$23,453,860 (net of depreciation). This investment in capital assets includes land, building and improvements, machinery and equipment, and infrastructure.

Major capital additions this year include the following:

Infrastructure	\$	639,928
Machinery and equipment		837,782
Construction in progress (CIP)		3,692,835

Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 587,014	\$ 587,014	\$ 83,216	\$ 83,216	\$ 670,230	\$ 670,230
Buildings and improvements	2,164,199	1,656,820	6,421,141	6,727,563	8,585,340	8,384,383
Machinery and equipment	995,428	547,096	2,319,078	2,470,011	3,314,506	3,017,107
Construction in progress	282,736	752,258	2,236,480	20,721	2,519,216	772,979
Infrastructure	15,541,293	14,054,664	-	-	15,541,293	14,054,664
Total	<u>\$ 19,570,670</u>	<u>\$ 17,597,852</u>	<u>\$ 11,059,915</u>	<u>\$ 9,301,511</u>	<u>\$ 30,630,585</u>	<u>\$ 26,899,363</u>

Additional information on the City's capital assets can be found in Note 6 on pages 43-44.

Long-term Debt. The City's long-term debt as of June 30, 2020 was \$4,956,759 with governmental activities accounting for \$2,674,632 or 54% and business-type activities accounting for \$2,282,127 or 46%.

The City consolidated the PFA Revenue Bond 1991 & 1992 into the PFA Refunding Revenue Bonds Series 2015. This resulted in a historically low interest rate with a net surplus to the City of \$441,078. Additionally, the City also refinanced the 2004 Lease Revenue Bond to the PFA 2015 Lease Revenue Refunding Bond. This bond was rated by Standard & Poors, and was given an A+ rating based on the City's existing financial policies and fund balance strength, and with a low interest rate of 3.25%. The City was able to greatly reduce annual obligations and improve overall cash flow to the Ambulance/Fire Fund (enterprise fund), as well as the Fire Capital Facilities Fund.

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
PFA Refunding Revenue Bonds, Series 2015	\$ 570,900	\$ 733,300	\$ -	\$ -	\$ 570,900	\$ 733,300
PFA 2015 Lease Revenue Refunding Bonds	2,100,000	2,225,000	-	-	2,100,000	2,225,000
Capital Lease	3,732	20,697	-	-	3,732	20,697
CIEDB Water Loan	-	-	1,880,863	1,979,208	1,880,863	1,979,208
Water Meter Capital Lease	-	-	401,264	526,420	401,264	526,420
Total	<u>\$ 2,674,632</u>	<u>\$ 2,978,997</u>	<u>\$ 2,282,127</u>	<u>\$ 2,505,628</u>	<u>\$ 4,956,759</u>	<u>\$ 5,484,625</u>

Additional information on the City's long-term debt can be found in Note 8 on pages 45-48.

Economic Factors and Next Year's Budgets

FY2020 was shaping up to be another year of successful efforts to invest in the long-term viability of our community. New single-family housing was on the rise with over 90 new permits issued. Downtown investment, spurred by public-private partnerships, fueled new businesses improvements to existing structures. As we entered the final quarter of our fiscal year, the entire world was impacted by the COVID-19 pandemic. U.S. state and local governments, on the front lines of the response to the pandemic of a new coronavirus disease, COVID-19, are braced for projected record budget shortfalls. What is difficult is the unknown fallout of the COVID-19 emergency. Specifically, the shape and length of the recovery, the long-term impacts on our small businesses, and total revenue impacts.

For Kingsburg, projected FY21 revenue decreases include: sales tax, property tax, transient occupancy tax, business licenses and building permits. Overall, we are projecting a 10% reduction in total revenues compared to FY20. We are also budgeting for a 3.5% reduction in expenditures. Council also approved the utilization of fund balance from our economic stabilization fund, CalPERS UAL fund and the equipment reserve fund to help balance our budget. Due to previous prudent budgeting, we are not anticipating having to draw down any of the 20% reserves we maintain as outlined in the financial policy.

The City has experienced both commercial and residential growth over the past few years. While the pandemic provided some uncertainty as to how the market would react, we have seen a continued steady demand for new housing and building has followed. Long-term, the City has prepared by forming Community Facility Districts that will properly assess new development in order to help fund critical services impacted by the new growth, including police, fire, landscape, lighting and more. As these building permits are pulled, the City expects to experience a higher collection of impact fees, to be utilized on appropriate infrastructure investment. In FY2020, 53 new single-family housing permits were issued. We expect the trend to continue in FY2021.

Commercially, the New T-Mobile will begin their \$19M investment into their new Customer Experience Center (CEC) in a now vacant former K-Mart building.

The CEC will provide:

- 1,000+ new jobs
- Contribute \$122M to California's economy
- Pay an average wage that is 51% higher than the average wage in Fresno County.
- New T-Mobile will become one of the largest and highest-paying employers in the Central Valley

This investment, coupled with other ongoing commercial projects, should help soften the blow of the unknown landscape due to the COVID-19 pandemic.

Other factors impacting local governments include changes to pension contribution rates. The City has begun saving one-time funds to help provide additional payments to reduce the long-term liability. In addition, Council has adopted an ongoing resolution that directs surplus funding to a dedicated fund to help provide additional flexibility for pre-payments. The City made \$850,000 in additional discretionary payments to CalPERS in 2020 and will continually evaluate the ability to do this in order to experience long term interest rate savings.

Total City-wide revenue budgeted for fiscal year 2020-2021 is \$23,101,797 with expenditures budgeted at \$26,776,777. City-wide capital expenditures are budgeted for \$9,083,133 which will be funded by a variety of funding sources. The 2020-2021 budget offers an opportunity to meet the expectations of our citizens through proper allocation of funds.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director, City of Kingsburg, 1401 Draper Street, Kingsburg, CA 93631.

BASIC FINANCIAL STATEMENTS

**CITY OF KINGSBURG
STATEMENT OF NET POSITION
JUNE 30, 2020**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 9,137,437	\$ 7,034,328	\$ 16,171,765
Restricted cash and investments	211,273	-	211,273
Receivables (net of allowance for uncollectibles)	1,785,070	1,271,835	3,056,905
Advances to Successor Agency	115,000	-	115,000
Land held for low and moderate housing projects	574,389	-	574,389
Internal balances	5,151,072	(5,151,072)	-
Capital assets, not being depreciated	869,750	2,319,696	3,189,446
Capital assets, net of accumulated depreciation	<u>18,700,920</u>	<u>8,740,219</u>	<u>27,441,139</u>
 Total assets	 <u>36,544,911</u>	 <u>14,215,006</u>	 <u>50,759,917</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding of debt	60,014	-	60,014
Deferred outflows related to pensions	<u>2,410,604</u>	<u>516,996</u>	<u>2,927,600</u>
 Total deferred outflows of resources	 <u>2,470,618</u>	 <u>516,996</u>	 <u>2,987,614</u>
LIABILITIES			
Accounts payable and accrued expenses	663,905	918,275	1,582,180
Accrued interest payable	31,721	34,586	66,307
Deposits	53,596	-	53,596
Unearned revenue	66,450	-	66,450
Long-term liabilities:			
Due within one year:			
Compensated absences	219,050	83,786	302,836
Long-term debt	290,032	230,637	520,669
Due in more than one year:			
Compensated absences	228,527	87,872	316,399
Long-term debt	2,369,580	2,051,490	4,421,070
Net pension liability	<u>6,444,675</u>	<u>1,261,477</u>	<u>7,706,152</u>
 Total liabilities	 <u>10,367,536</u>	 <u>4,668,123</u>	 <u>15,035,659</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	<u>265,137</u>	<u>81,460</u>	<u>346,597</u>
NET POSITION			
Net investment in capital assets	16,971,072	6,482,788	23,453,860
Restricted for:			
Capital improvement projects	4,815,339	-	4,815,339
Circulation improvements	2,338,626	-	2,338,626
Debt service	2,595,440	-	2,595,440
Public safety	833,545	-	833,545
Land held for low and moderate housing projects	574,389	-	574,389
Unrestricted	<u>254,445</u>	<u>3,499,631</u>	<u>3,754,076</u>
 Total net position	 <u>\$ 28,382,856</u>	 <u>\$ 9,982,419</u>	 <u>\$ 38,365,275</u>

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

**CITY OF KINGSBURG
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

FUNCTIONS/PROGRAMS:	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 2,054,881	\$ 179,047	\$ -	\$ -	\$ (1,875,834)	\$ -	\$ (1,875,834)
Parks and community services	494,862	176,018	8,968	70,992	(238,884)	-	(238,884)
Public safety	4,665,132	52,247	263,012	-	(4,349,873)	-	(4,349,873)
Public works	950,088	27,328	-	-	(922,760)	-	(922,760)
Highway and streets	535,748	-	1,491,086	368,580	1,323,918	-	1,323,918
Planning and community	426,503	3,058,982	-	-	2,632,479	-	2,632,479
Interest and fiscal charges	141,335	-	-	-	(141,335)	-	(141,335)
Total governmental activities	<u>9,268,549</u>	<u>3,493,622</u>	<u>1,763,066</u>	<u>439,572</u>	<u>(3,572,289)</u>	<u>-</u>	<u>(3,572,289)</u>
Business-type activities:							
Water	1,939,622	2,322,564	-	-	-	382,942	382,942
Disposal	1,967,168	1,921,866	-	-	-	(45,302)	(45,302)
Ambulance/fire	4,113,733	2,869,598	1,324,235	102,078	-	182,178	182,178
Total business-type activities	<u>8,020,523</u>	<u>7,114,028</u>	<u>1,324,235</u>	<u>102,078</u>	<u>-</u>	<u>519,818</u>	<u>519,818</u>
Total primary government	<u>\$ 17,289,072</u>	<u>\$ 10,607,650</u>	<u>\$ 3,087,301</u>	<u>\$ 541,650</u>	<u>(3,572,289)</u>	<u>519,818</u>	<u>(3,052,471)</u>
General revenues:							
Property taxes					1,665,338	-	1,665,338
Sales and use taxes					3,092,695	-	3,092,695
Franchise taxes					476,016	-	476,016
Transient occupancy taxes					320,034	-	320,034
Motor vehicle in-lieu					1,164,984	-	1,164,984
Investment earnings					210,807	107,045	317,852
Miscellaneous					843,455	-	843,455
Transfers					(500,000)	500,000	-
Total general revenues and transfers					<u>7,273,329</u>	<u>607,045</u>	<u>7,880,374</u>
Change in net position					<u>3,701,040</u>	<u>1,126,863</u>	<u>4,827,903</u>
Net position - beginning of year					<u>24,681,816</u>	<u>8,855,556</u>	<u>33,537,372</u>
Net position - end of year					<u>\$ 28,382,856</u>	<u>\$ 9,982,419</u>	<u>\$ 38,365,275</u>

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

CITY OF KINGSBURG
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds			Debt Service Funds	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
	General	Local Transportation	Measure E	Kingsburg Joint Powers Authority	Capital Facilities		
ASSETS							
Cash and investments	\$ 1,638,950	\$ 1,298,854	\$ 313,879	\$ -	\$ 2,910,120	\$ 2,975,634	\$ 9,137,437
Restricted cash and investments	-	-	-	211,273	-	-	211,273
Receivables	731,075	208,096	416,440	-	11,654	417,805	1,785,070
Due from other funds	3,356,704	-	-	-	-	-	3,356,704
Advances to other funds	-	-	-	2,609,000	-	-	2,609,000
Advances to Successor Agency	-	-	-	115,000	-	-	115,000
Land held for low and moderate housing projects	-	-	-	-	-	574,389	574,389
Total assets	\$ 5,726,729	\$ 1,506,950	\$ 730,319	\$ 2,935,273	\$ 2,921,774	\$ 3,967,828	\$ 17,788,873
LIABILITIES							
Accounts payable and accrued expenses	\$ 401,464	\$ 3,679	\$ 124,781	\$ -	\$ -	\$ 133,981	\$ 663,905
Due to other funds	-	-	-	339,833	-	160,799	500,632
Deposits	52,987	-	-	-	-	609	53,596
Advances from other funds	-	-	-	-	-	314,000	314,000
Unearned revenue	66,450	-	-	-	-	-	66,450
Total liabilities	520,901	3,679	124,781	339,833	-	609,389	1,598,583
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	53,367	-	-	-	-	-	53,367
FUND BALANCES							
Restricted for:							
Capital improvements	-	-	-	-	2,921,774	1,893,565	4,815,339
Circulation improvements	-	1,503,271	-	-	-	835,355	2,338,626
Debt service	-	-	-	2,595,440	-	-	2,595,440
Public safety	-	-	605,538	-	-	228,007	833,545
Land held for low and moderate housing projects	-	-	-	-	-	574,389	574,389
Committed to:							
Pension reserve	2,068,999	-	-	-	-	-	2,068,999
Equipment reserve	438,500	-	-	-	-	-	438,500
Unassigned	2,644,962	-	-	-	-	(172,877)	2,472,085
Total fund balances	5,152,461	1,503,271	605,538	2,595,440	2,921,774	3,358,439	16,136,923
Total liabilities and fund balances	\$ 5,726,729	\$ 1,506,950	\$ 730,319	\$ 2,935,273	\$ 2,921,774	\$ 3,967,828	\$ 17,788,873

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

**CITY OF KINGSBURG
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020**

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

Total fund balances - governmental funds		\$ 16,136,923
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		19,570,670
Losses related to the refunding of debt were recognized in the governmental funds, but are capitalized and amortized over the life of the debt in the statement of net position.		60,014
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
Revenue bonds	(2,655,880)	
Unamortized bond discounts	(3,732)	
Compensated absences	(447,577)	
Net pension liability	<u>(6,444,675)</u>	(9,551,864)
Pension related deferrals are reported as deferred outflows and inflows of resources on the statement of net position.		2,145,467
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		53,367
Interest on long-term debt is reported as an expenditure of the governmental funds when paid because it requires the use of current financial resources; however, accrued interest must be recorded in the government-wide financial statements when incurred.		<u>(31,721)</u>
Net position of governmental activities		<u>\$ 28,382,856</u>

CITY OF KINGSBURG
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
	General	Local	Measure E	Kingsburg Joint Powers Authority	Capital Facilities		
		Transportation					
REVENUES							
Taxes	\$ 3,444,080	\$ -	\$ 1,899,962	\$ -	\$ -	\$ 156,908	\$ 5,500,950
Licenses and permits	619,929	-	-	-	-	-	619,929
Intergovernmental	1,176,446	594,978	-	-	-	1,679,316	3,450,740
Charges for services	375,013	-	-	-	-	-	375,013
Fines and forfeitures	11,679	-	-	-	-	-	11,679
Development fees	414,087	-	-	-	1,933,382	210,291	2,557,760
Use of money and property	7,974	19,357	5,442	117,371	34,278	26,386	210,808
Other revenues	831,839	-	4,800	-	-	6,816	843,455
Total revenues	6,881,047	614,335	1,910,204	117,371	1,967,660	2,079,717	13,570,334
EXPENDITURES							
Current:							
General government	1,172,306	-	-	-	-	-	1,172,306
Parks and community services	363,631	-	-	-	-	78,698	442,329
Public safety	2,958,983	-	771,832	-	-	228,600	3,959,415
Public works	571,131	-	-	-	-	-	571,131
Highway and streets	-	89,047	-	-	-	475,355	564,402
Planning and community development	535,021	-	-	-	2,874	9,200	547,095
Capital outlay	1,008,781	414,324	765,515	-	659,369	486,942	3,334,931
Debt service:							
Principal	16,970	-	-	287,400	-	-	304,370
Interest and fiscal charges	509	-	-	89,522	-	43,848	133,879
Total expenditures	6,627,332	503,371	1,537,347	376,922	662,243	1,322,643	11,029,858
Excess (deficiency) of revenues over (under) expenditures	253,715	110,964	372,857	(259,551)	1,305,417	757,074	2,540,476
OTHER FINANCING SOURCES/(USES)							
Transfers in	100,000	-	-	-	-	55,000	155,000
Transfers out	(555,000)	-	-	-	-	(100,000)	(655,000)
Total other financing sources (uses)	(455,000)	-	-	-	-	(45,000)	(500,000)
Net change in fund balances	(201,285)	110,964	372,857	(259,551)	1,305,417	712,074	2,040,476
Fund balances - beginning of year	5,353,746	1,392,307	232,681	2,854,991	1,616,357	2,646,365	14,096,447
Fund balances - end of year	\$ 5,152,461	\$ 1,503,271	\$ 605,538	\$ 2,595,440	\$ 2,921,774	\$ 3,358,439	\$ 16,136,923

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

**CITY OF KINGSBURG
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

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

Net change in fund balances - total governmental funds	\$ 2,040,476
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
The capital outlay expenditures are, therefore, added back to fund balance.	2,765,323
Depreciation expense is deducted from the fund balance.	(792,505)
<p>Compensated absences expense reported in the statement of activities does not require the use of current financial resources; therefore, it is not reported as an expenditure in the governmental funds.</p>	
	(61,881)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
	53,367
<p>In the statement of activities, interest is accrued on long-term debt; whereas, in governmental funds, interest expenditure is recorded when paid.</p>	
	2,391
<p>Changes to net pension liability and pension related deferred outflows and inflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
	(600,648)
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued; whereas these amounts are deferred and amortized in the statement of activities. The increases (decreases) for long-term debt and related items are listed below:</p>	
Principal payments on long-term debt	304,365
Amortization of the loss on refunding of debts	(8,838)
Amortization of bond discounts	(1,010)
	(9,478)
Change in net position of governmental activities	\$ 3,701,040

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

**CITY OF KINGSBURG
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020**

	Business-Type Activities — Enterprise Funds			
	Water	Disposal	Ambulance/Fire	Total
ASSETS				
Current assets:				
Cash and investments	\$ 7,034,328	\$ -	\$ -	\$ 7,034,328
Receivable (net of allowance for uncollectibles)	<u>200,972</u>	<u>134,845</u>	<u>936,018</u>	<u>1,271,835</u>
Total current assets	<u>7,235,300</u>	<u>134,845</u>	<u>936,018</u>	<u>8,306,163</u>
Noncurrent assets:				
Property, plant and equipment, net of accumulated depreciation	<u>6,989,377</u>	<u>1,570</u>	<u>4,068,968</u>	<u>11,059,915</u>
Total noncurrent assets	<u>6,989,377</u>	<u>1,570</u>	<u>4,068,968</u>	<u>11,059,915</u>
Total assets	<u>14,224,677</u>	<u>136,415</u>	<u>5,004,986</u>	<u>19,366,078</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	<u>118,888</u>	<u>53,473</u>	<u>344,635</u>	<u>516,996</u>
Total deferred outflows of resources	<u>118,888</u>	<u>53,473</u>	<u>344,635</u>	<u>516,996</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued expenses	654,889	134,630	128,756	918,275
Accrued interest payable	34,586	-	-	34,586
Due to other funds	-	385,037	2,471,035	2,856,072
Compensated absences	29,904	12,899	40,983	83,786
Current portion of long-term debt	<u>230,637</u>	<u>-</u>	<u>-</u>	<u>230,637</u>
Total current liabilities	<u>950,016</u>	<u>532,566</u>	<u>2,640,774</u>	<u>4,123,356</u>
Noncurrent liabilities:				
Long-term debt	2,051,490	-	-	2,051,490
Advances from other funds	195,000	-	2,100,000	2,295,000
Compensated absences	15,308	2,396	70,168	87,872
Net pension liability	<u>328,339</u>	<u>149,094</u>	<u>784,044</u>	<u>1,261,477</u>
Total noncurrent liabilities	<u>2,590,137</u>	<u>151,490</u>	<u>2,954,212</u>	<u>5,695,839</u>
Total liabilities	<u>3,540,153</u>	<u>684,056</u>	<u>5,594,986</u>	<u>9,819,195</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	<u>26,307</u>	<u>11,933</u>	<u>43,220</u>	<u>81,460</u>
Total deferred inflows of resources	<u>26,307</u>	<u>11,933</u>	<u>43,220</u>	<u>81,460</u>
NET POSITION				
Net investment in capital assets	4,512,250	1,570	1,968,968	6,482,788
Unrestricted	<u>6,264,855</u>	<u>(507,671)</u>	<u>(2,257,553)</u>	<u>3,499,631</u>
Total net position (deficit)	<u>\$ 10,777,105</u>	<u>\$ (506,101)</u>	<u>\$ (288,585)</u>	<u>\$ 9,982,419</u>

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

**CITY OF KINGSBURG
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION – PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities — Enterprise Funds			
	Water	Disposal	Ambulance/Fire	Total
OPERATING REVENUES:				
Charges for services	\$ 2,322,564	\$ 1,921,866	\$ 962,884	\$ 5,207,314
Total operating revenue	2,322,564	1,921,866	962,884	5,207,314
OPERATING EXPENSES:				
Contractual services and utilities	1,014,148	1,804,891	922,350	3,741,389
Personnel services	375,964	130,826	903,012	1,409,802
Supplies and materials	45,047	28,680	98,743	172,470
Depreciation and amortization	427,121	2,771	216,926	646,818
Total operating expenses	1,862,280	1,967,168	2,141,031	5,970,479
Operating income (loss)	460,284	(45,302)	(1,178,147)	(763,165)
NONOPERATING REVENUES (EXPENSES):				
Interest income	107,045	-	-	107,045
Grants	-	-	1,324,235	1,324,235
Interest and fiscal charges	(77,342)	-	(65,988)	(143,330)
Total nonoperating revenues (expenses)	29,703	-	1,258,247	1,287,950
Net income (loss) before transfers	489,987	(45,302)	80,100	524,785
Capital contributions	-	-	102,078	102,078
Transfers in	-	-	500,000	500,000
Change in net position	489,987	(45,302)	682,178	1,126,863
Net position (deficits), beginning of year	10,287,118	(460,799)	(970,763)	8,855,556
Net position (deficits), end of year	\$ 10,777,105	\$ (506,101)	\$ (288,585)	\$ 9,982,419

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

**CITY OF KINGSBURG
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities — Enterprise Funds			
	Water	Disposal	Ambulance/Fire	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 2,449,503	\$ 1,905,392	\$ 766,955	\$ 5,121,850
Payments to suppliers for goods and services	(501,372)	(1,828,657)	(984,480)	(3,314,509)
Payments to or on behalf of employees for services	(604,461)	(243,534)	(1,553,357)	(2,401,352)
Net cash provided (used) by operating activities	<u>1,343,670</u>	<u>(166,799)</u>	<u>(1,770,882)</u>	<u>(594,011)</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	-	-	500,000	500,000
Interfund loan activity	-	166,799	192,947	359,746
Noncapital grant revenue	-	-	1,324,235	1,324,235
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>166,799</u>	<u>2,017,182</u>	<u>2,183,981</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(2,247,832)	-	(55,312)	(2,303,144)
Principal paid on long-term debt	(223,501)	-	-	(223,501)
Interfund loan repayment	(75,000)	-	(125,000)	(200,000)
Interest and fiscal charges	(82,066)	-	(65,988)	(148,054)
Net cash provided (used) by capital and related financing activities	<u>(2,628,399)</u>	<u>-</u>	<u>(246,300)</u>	<u>(2,874,699)</u>
Cash flows from investing activities:				
Interest on investments	<u>107,045</u>	<u>-</u>	<u>-</u>	<u>107,045</u>
Net cash provided (used) by investing activities	<u>107,045</u>	<u>-</u>	<u>-</u>	<u>107,045</u>
Increase (decrease) in cash and cash equivalents	(1,177,684)	-	-	(1,177,684)
Cash and cash equivalents, July 1	<u>8,212,012</u>	<u>-</u>	<u>-</u>	<u>8,212,012</u>
Cash and cash equivalents, June 30	<u>\$ 7,034,328</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,034,328</u>

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

**CITY OF KINGSBURG
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(Continued)**

	Business-Type Activities			Total Enterprise Funds
	Water	Disposal	Ambulance/Fire	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 460,284	\$ (45,302)	\$ (1,178,147)	\$ (763,165)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	427,121	2,771	216,926	646,818
(Increase) decrease in:				
Accounts receivable, net	126,939	(16,474)	(195,929)	(85,464)
Deferred outflows of resources from pensions	35,952	16,088	105,501	157,541
Increase (decrease) in:				
Accounts payable and accrued expenses	557,823	4,914	36,613	599,350
Compensated absences	(4,624)	(10,690)	(31,600)	(46,914)
Net pension liability	(247,065)	(112,337)	(729,467)	(1,088,869)
Deferred inflows of resources from pension	(12,760)	(5,769)	5,221	(13,308)
Net cash provided (used) by operating activities	<u>\$ 1,343,670</u>	<u>\$ (166,799)</u>	<u>\$ (1,770,882)</u>	<u>\$ (594,011)</u>
Schedule of non-cash capital and related financing activities:				
Contributions of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,078</u>	<u>\$ 102,078</u>

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

**CITY OF KINGSBURG
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020**

	Successor Agency of the Redevelopment Agency Private- Purpose Trust
ASSETS	
Cash and investments	\$ 91,931
Other assets	<u>17,266</u>
Total assets	<u>109,197</u>
LIABILITIES	
Accrued interest payable	2,650
Deposits	11,750
Advances from the City	<u>115,000</u>
Total liabilities	<u>129,400</u>
NET POSITION (DEFICIT)	
Held in trust	<u><u>\$ (20,203)</u></u>

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

**CITY OF KINGSBURG
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Successor Agency of the Redevelopment Agency Private- Purpose Trust</u>
ADDITIONS	
Taxes	<u>\$ 49,084</u>
Total additions	<u>49,084</u>
DEDUCTIONS	
Interest and fiscal charges	<u>5,119</u>
Total deductions	<u>5,119</u>
Change in net position	43,965
Net position (deficit) - beginning	<u>(64,168)</u>
Net position (deficit) - ending	<u><u>\$ (20,203)</u></u>

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Kingsburg, California (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting principles. The most significant of the government's accounting principles are described below.

These financial statements present the government and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. There is a blended component unit included in these financial statements and it has a June 30 year-end. There are no discretely presented component units included in these financial statements. The following sections further describe the significant policies of the City.

A. Reporting Entity

The City was incorporated as a general law city in 1908. The City operates under a Council-Manager form of government. The City's major operations include public safety, public works, water and disposal, parks and recreation, building inspection, public improvements, planning and community development, and general administrative services.

The accompanying basic financial statements include the financial activities of the City, the primary government, and its blended component unit, the Kingsburg Joint Powers Authority (KJPA). Financial information for the City and its component units is accounted for in the accompanying financial statements in accordance with principles defining the governmental reporting entity adopted by the GASB. The KJPA was established June 30, 1990 through a Joint Exercise of Powers Agreement. The formation of the joint powers authority was approved by the City Council who is also designated as the Board of Directors for the KJPA. The City Manager is appointed Secretary with the City staff providing all support services. The purpose of the KJPA is solely to provide funds from the sale of revenue bonds to finance or refinance the costs of various projects for the City. The City set up the KJPA to act as a financing/lending type institution only. The KJPA/City legislative meetings are held concurrently. The KJPA is reported as a debt service fund and does not issue separate financial statements.

B. Basis of Presentation – Fund Accounting

Government-Wide Financial Statements – The statement of net position and the statement of activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the *governmental and business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The *Statement of Activities* presents a comparison between direct expenses and program revenues for each different identifiable activity of the City's *business-type activities* 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 included in the program expense reported for individual functions. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Amounts reported as program revenues include: 1) charges to customers or applicant who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation – Fund Accounting (Continued)

Fund Financial Statements – The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The City reports the following major governmental funds:

The **General Fund** is the general operating fund of the City. It is used for all financial resources except those required legally, or by sound financial management to be accounted for in another fund. Generally, the General Fund is used to account for those traditional governmental services of the City, such as police and fire protection, planning and general administrative services.

The **Local Transportation Fund** accounts for revenues received and expenditures made for use on certain transportation and transit projects within Fresno County. Financing is generated from a one-quarter percent sales and use tax made pursuant to the California Transportation Development Act (TDA). Expenditures of these moneys must be made in accordance with TDA provisions.

The **Measure E Fund** accounts for apportioned local sales tax revenues used exclusively to hire police officers, firefighters, and paramedics, and to replace outdated equipment.

The **Kingsburg Public Joint Powers Authority Fund** is used to account for revenues and expenditures of the Kingsburg Public Finance Authority Revenue Bonds. Bond proceeds are to be used to finance or refinance the costs of various improvement projects for the City and other public agencies.

The **Capital Facilities Fund** is used to account for the AB1600 fees received to help the City mediate the cost of growth in the City. These fees are collected from developers to construct facilities related to arterial streets, fire facilities, police facilities, city hall facilities, public works facilities and special recreation facilities.

Proprietary fund financial statements include a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows for each major enterprise fund.

The City has three major enterprise funds, the Water, Disposal, and Ambulance/Fire, which are used to account for operations that are financed and operated in a manner similar to private business enterprises. In an enterprise fund, the intent of the City Council is that costs (expenses, including depreciation) of providing services to the general public, on a continuing basis, be financed or recovered primarily through user charges.

The City reports the following major enterprise funds:

The **Water Fund** is used to account for financial activity of the water utility system.

The **Disposal Fund** is used to account for the financial activity of the solid waste collection and disposal utility system.

The **Ambulance/Fire Fund** is used to account for the financial activity of the Ambulance/Fire activities.

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation – Fund Accounting (Continued)

Additionally, the City reports the following private-purpose fund type:

The ***Successor Agency of the Redevelopment Agency Private-Purpose Trust Fund*** accounts for assets and liabilities of the former redevelopment agency until they are distributed to other units of state and local government as a result of the dissolution of the redevelopment agency.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in the governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Interfund services provided and used are not eliminated in the process of consolidation.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of when the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Entitlements are recorded as revenue when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 day of the year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds and the private-purpose trust fund are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. *Operating revenues*, such as charges for services, result from exchange transactions associated with the principal activity of each fund. *Nonoperating revenues*, such as interest income, state and federal grants, and subsidies, result from nonexchange transactions or ancillary activities. *Operating expenses* include costs for providing services and delivering goods such as administrative expenses and depreciation on capital assets. All other expenses not meeting this definition are reported as *nonoperating expenses*.

D. Budgetary Information

Budgetary and Budgetary Accounting

Annual budgets are adopted on basis consistent with generally accepted accounting principles for the general fund, special revenue funds, capital funds, debt service funds and enterprise funds.

The City, in establishing the budgetary data reflected in the basic financial statements and supplementary information, utilizes the following procedures:

- The City Manager submits to the City Council a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- The City Council reviews the proposed budget at specially scheduled sessions, which are open to the public. The Council also conducts a public hearing on the proposed budget to obtain comments from interest persons.
- Prior to July 1, the budget is legally adopted through passage of an ordinance.
- The budget is amended during the fiscal year to reflect all transfers and amendments.

The appropriated budget is prepared by fund, department, and account. The City's department heads may make transfers of appropriations within a department. The City Manager is authorized to make budget transfers between departments within funds. All revisions must be reported to the City Council. Transfer of appropriations between funds required the approval of the City Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

All annual appropriations lapse at fiscal year-end to the extent they have not been expended.

The actual results of operations compared to the appropriations adopted by the City Council for budgeted major governmental funds are included in the fund financial statements. The comparisons of actual results with budget for nonmajor funds are presented as supplemental information in the combining schedules.

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Cash Equivalents – Cash and cash equivalents represent the City’s cash bank accounts including, but not limited to, certificates of deposit, money market funds and cash management pools for reporting purposes in the statement of cash flows. Additionally, investments with maturities of three months or less when purchased are included as cash equivalents in the statement of cash flows.

The City maintains a cash and investment pool that is available for use by all funds. Interest earnings as a result of this pooling are distributed to the appropriate funds based on month-end cash balances in each fund.

Investments of the pool include only those investments authorized by the California Government Code such as United States Treasury securities, agencies guaranteed by the United States Government, registered state warrants, and other investments. Investments primarily consist of deposits in the State of California Local Agency Investment Fund. Investments are stated at cost or amortized cost.

Accounts Receivable – Billed, but unpaid, services provided to individuals or non-governmental entities are recorded as accounts receivable. The proprietary funds include a year-end accrual for services through the end of the fiscal year which have not yet been billed. Accounts receivable are reported net of an allowance for uncollectible accounts.

Property Tax Calendar – Fresno County is responsible for the assessment, collection and apportionment of property taxes for all taxing jurisdictions. Property taxes are levied in equal installments on November 1 and February 1. They become delinquent on December 10 and April 10, respectively. The lien date is January 1 of each year. Property taxes are accounted for in the General Fund. Property tax revenues are recognized when they become measurable and available to finance current liabilities. The City considers property taxes as available if they are collected within 60 days after the year-end. Property taxes on the unsecured roll are due on July 1 and become delinquent if unpaid on August 31. However, unsecured property taxes are not susceptible to year-end accrual.

The City is permitted by Article XIII A of the State of California Constitution (known as Proposition 13) to levy a maximum tax of \$1.00 per \$100 of full cash value.

Due From/To Other Funds – Items classified as due from/to other funds represent short-term lending/borrowing transactions between funds. This classification also includes the current portion of an advance to or from another fund.

Advances To/From Other Funds – This classification represents noncurrent portions of any long-term lending/borrowing transactions between funds. This amount will be equally offset by a reserve of fund balance which indicates that it does not represent available financial resources and, therefore, is not available for appropriation.

Land Held for Low and Moderate Housing Projects – Land acquired for future sale are shown as land held for low and moderate housing projects in the accompanying financial statements. Land held for low and moderate housing projects is carried at the lower of cost or net realizable value.

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Capital Assets – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the in the government-wide statement of net position and the proprietary funds’ statement of net position. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Capital outlays are recorded as expenditures of the governmental funds and as assets in the government-wide financial statements to the extent the City’s capitalization threshold is met. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	10-50 years
Plant system	20-40 years
Machinery and equipment	5-10 years
Infrastructure.....	40 years

Interest Payable – In the government-wide financial statements, interest payable on long-term debt is recognized as the liability is incurred for governmental fund-types and proprietary fund-types. In the fund financial statements, proprietary fund-types recognize the interest payable when the liability is incurred.

Long-term Obligations – In the government-wide financial statements, proprietary fund types in the fund financial statements, and private-purpose trust fund statements, long-term debt 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. Initial-issue bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Offering costs are expensed when incurred. Bonds payable are reported net of the unamortized portion of applicable premium or discount. Deferred amounts on refunding are reported as deferred outflows of resources. Bond issuance costs, including underwriters’ discount, are expensed when incurred. Amortization of bond premiums or discounts and deferred amounts on refunding are included in interest expense.

In the governmental funds financial statements, bond premiums, discounts, and issuance costs are recognized 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. Interest and principal payments are reported as debt service expenditures.

Unearned Revenue - Unearned revenue is that for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The City typically records intergovernmental revenues (primary grants and subventions) received but not earned (qualifying expenditures not yet incurred).

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued)

Unavailable Revenue - In the fund financial statements, unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unavailable revenue for transactions for which revenues have been earned, but for which funds are not available to meet current financial obligations.

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

Compensated Absences - Accumulated unpaid vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide financial statements as long-term debt. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources. These amounts are reported in the fund from which the employees who have accumulated leave are paid.

Sick leave is accumulated at 15 days per year for full-time regular employees. Vacation is accumulated at 12 days per year for full-time regular employees with less than five years of service to a maximum of 25 days per year for full-time regular employees with over 20 years of service with no limit on accrual of unused hours. Upon employment termination, unused sick leave is paid out at 50% for less than 20 years of service and 75% for more than 20 years of service. These amounts are included as liabilities in the government-wide and enterprise fund financial statements.

Net Position - In the government-wide financial statements, net position is classified in the following categories:

Net investment in capital assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted net position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This category presents the net position of assets that do not meet the definition of "net investment in capital assets" or "restricted net position".

When both restricted and unrestricted net position are available, restricted resources are depleted first before the unrestricted resources are used.

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued)

Fund Balances - 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:

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

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned - This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to the Finance Director through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the general fund.

Unassigned - This classification is the residual classification for the general fund and represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. In other governmental funds it includes any negative residual amounts that may exist as a result of expenditures incurred for specific purposes in excess of amounts restricted, committed or assigned to those purposes.

The City would typically use restricted resources first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

Stabilization Arrangement – The Economic Stabilization Fund (Stabilization Fund) was established by Resolution No. 2018-052 and adopted by City Council on July 18, 2018. Additions to the stabilization amount are a result of the General Fund's surplus above the 20% appropriations for a given year. The Stabilization Fund is then allocated 15% of the given year's surplus funding.

The Stabilization Fund was created to help stabilize future budgets in instance of lower than anticipated revenues (including more volatile revenues). Use of the funds would be only with the approval of Council. The balance of the Stabilization Fund as of June 30, 2020 is \$625,500 which is included in the General Fund's unassigned fund balance.

Encumbrances – The City does not use encumbrance accounting.

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
(Continued)**

Use of Estimates – The preparation of the 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 and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Equity

The following is a summary of deficit fund balances and net position as of June 30, 2020:

Governmental Funds

Nonmajor Special Revenue Funds:

Senior Center	\$ 1,272
Transient Oriented Development Grant	9,200

Nonmajor Debt Service Fund:

Assessment District	\$ 162,405
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Enterprise Funds

Major Funds:

Disposal Fund	\$ 506,101
Ambulance/Fire Fund	288,585

Fiduciary Fund

Successor Agency of the RDA	\$ 20,203
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The deficit fund balance in the Transient Oriented Development Grant Fund is due to expected reimbursements to be received once the project is completed.

The deficit fund balance in the Assessment Districts Fund is due to reclassification of outstanding debt into the fund as an advance. The deficit will be eliminated as resources are obtained from other funds.

The deficit fund balances in the Senior Center, Disposal Fund, the Ambulance/Fire Fund, and the Successor Agency of the RDA Fund are due to operating expenditures exceeding operating revenues. Future revenues are expected to offset these deficits.

NOTE 3 – CASH AND INVESTMENTS

The City pools all of its cash and investments except those funds required to be held by bond trustee or outside fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash is allocated to the various funds on average cash balances. Interest income from cash investments held by bond trustee is credited directly to the related funds.

Cash and investments as of June 30, 2020 are classified in the accompanying financial statements as follows:

Statement of net position:

Cash and investments - unrestricted	\$ 16,171,765
Cash and investments - restricted	211,273

Fiduciary funds:

Cash and investments	<u>91,931</u>
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Total cash and investments	<u>\$ 16,474,969</u>
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CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 – CASH AND INVESTMENTS (Continued)

Cash and investments as of June 30, 2020 consist of the following:

Cash on hand	\$	1,650
Deposits with financial institutions		1,266,920
Investments		
Local Agency Investment Fund		14,995,126
Held by Fiscal Agent:		
Money Market Account		<u>211,273</u>
 Total cash and investments	 \$	 <u>16,474,969</u>

Restricted cash and investments of \$211,273 are held in the Kingsburg Joint Powers Authority Debt Service Fund for debt service payments.

A. Investments Authorized by the California Government Code and the City's Investments Policy

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investments policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. The City's investment policy does not contain any specific provisions intended to limit the City's exposure to interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debts proceeds held by bond trustee 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	Maximum Investment in One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20%	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
JSA Pools (other investment pools)	N/A	None	None

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. 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 for investments held 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
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None

C. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City manages its exposure to interest rate risk is by investing funds in liquid, short-term investments which can be converted to cash when necessary to meet disbursement requirements.

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

Investment Type	Remaining Maturity (in Months)				
	Total	12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
Local Agency Investment Fund Held by Bond Trustee:					
Money Market Account	\$ 14,995,126	\$ 14,995,126	\$ -	\$ -	\$ -
	<u>211,273</u>	<u>211,273</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 15,206,399</u>	<u>\$ 15,206,399</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3 – CASH AND INVESTMENTS (Continued)

D. 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 (where applicable) by the California Government Code, the City’s investment policy, or debt agreements, and the actual rating as of year-end for each investment type. The column marked “exempt from disclosure” identifies those investment types for which GASB Statement No. 40 does not require disclosure as to credit risk:

Investment Type	Total	Exempt from Disclosure	Rating as of Year-End		
			A-1+	AAAm	Not Rated
Local Agency Investment Fund Held by Bond Trustee:	\$ 14,995,126	\$ -	\$ -	\$ -	\$ 14,995,126
Money Market Account	211,273	-	-	-	211,273
Total	\$ 15,206,399	\$ -	\$ -	\$ -	\$ 15,206,399

E. Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. At June 30, 2020, the City did not have any investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

F. Custodial Credit Risk-Deposits

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provisions for deposits:

At June 30, 2020, the carrying amount of the City’s deposits was \$1,266,924. Bank balances before reconciling items were \$1,463,751 at that date, the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the City’s name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the City’s 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.

According to California law, the fair value of pledged securities with banking institutions 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. The City, however, has not waived the collateralization requirements.

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3 – CASH AND INVESTMENTS (Continued)

G. Custodial Credit Risk-Investments

The custodial 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 its investments or collateral securities that are in possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to the City's indirect investment in securities through the use of mutual funds or government investments pools such as the Local Agency Investment Fund (LAIF).

H. Investment in State Investment Pool

The City is a voluntary participant in the 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 investments 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.

I. Investment Valuation

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

The majority of the City's investments, which are allocated at fair value, are in a State of California Local Agency Investment Fund (LAIF). LAIF invests in numerous types of investments ranging all levels in the fair value hierarchy. Accordingly, LAIF is not an investment type that can be categorized in any particular level in the fair value hierarchy.

NOTE 4 – RECEIVABLES

Receivables as of June 30, 2020 consisted of the following for the governmental funds:

	<u>General</u>	<u>Local Transportation Fund</u>	<u>Measure E</u>	<u>Capital Facilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Receivables:						
Taxes	\$ 369,651	\$ -	\$ -	\$ -	\$ -	\$ 369,651
Intergovernmental	<u>361,424</u>	<u>208,096</u>	<u>416,440</u>	<u>11,654</u>	<u>417,805</u>	<u>1,415,419</u>
Receivables	<u>\$ 731,075</u>	<u>\$ 208,096</u>	<u>\$ 416,440</u>	<u>\$ 11,654</u>	<u>\$ 417,805</u>	<u>\$ 1,785,070</u>

Receivables as of June 30, 2020 consisted of the following for the proprietary funds:

	<u>Water</u>	<u>Disposal</u>	<u>Ambulance/Fire</u>	<u>Total Proprietary Funds</u>
Receivables:				
Accounts	\$ 249,047	\$ 191,580	\$ 2,059,607	\$ 2,500,234
Less: Allowance for doubtful accounts	<u>(48,075)</u>	<u>(56,735)</u>	<u>(1,123,589)</u>	<u>(1,228,399)</u>
Receivables, net	<u>\$ 200,972</u>	<u>\$ 134,845</u>	<u>\$ 936,018</u>	<u>\$ 1,271,835</u>

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5 – INTERFUND ACTIVITIES

A. Due From/To Other Funds

Due from/to other funds balances as of June 30, 2020 are as follows:

	Due From	Due To
Governmental Funds		
Major Funds:		
General Fund	\$ 3,356,704	\$ -
Kingsburg Public Finance Authority Debt Service Fund	-	339,833
Nonmajor Funds:		
Transient Oriented Development Grant Special Revenue Fund	-	9,200
School Resource Officer Special Revenue Fund	-	89,590
Street Projects Capital Projects Fund	-	62,009
 Enterprise Funds		
Major Funds:		
Disposal Fund	-	385,037
Ambulance/Fire Fund	-	2,471,035
Total	\$ 3,356,704	\$ 3,356,704

The “due from” balances in the funds listed above represents loans made to other funds to cover operating cash deficits and are expected to be collected in the subsequent year.

B. Advances From/To Other Funds

The Kingsburg Joint Powers Authority issued revenue bonds and used the bond proceeds to acquire qualified obligations of the City of Kingsburg to finance various capital improvements and projects. These advances carry a stated interest rate and have scheduled debt service payments. They are not expected to be repaid within one year. The long-term interfund loan balances as of June 30, 2020 are as follows:

	Advances From	Advances To
Governmental Funds		
Major Funds:		
Kingsburg Joint Powers Authority Debt Service Fund	\$ 2,609,000	\$ -
Nonmajor Fund:		
Assessment Districts Debt Service Fund	-	314,000
 Enterprise Funds		
Major Funds:		
Ambulance/Fire Enterprise Fund	-	2,100,000
Water Enterprise Fund	-	195,000
Total	\$ 2,609,000	\$ 2,609,000

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5 – INTERFUND ACTIVITIES (Continued)

C. Interfund Transfers

The composition of interfund transfers for the year ended June 30, 2020 is as follows:

	Transfer In	Transfer Out
Governmental Funds		
Major Funds:		
General Fund	\$ 100,000	\$ 555,000
Nonmajor Fund:		
Senior Center Special Revenue Fund	55,000	-
COPS Grant Special Revenue Fund	-	100,000
 Enterprise Funds		
Major Funds:		
Ambulance/Fire Enterprise Fund	500,000	-
Total	\$ 655,000	\$ 655,000

During the fiscal year, the City made the following transfers:

- (1) The general fund transferred \$500,000 to the ambulance/fire enterprise fund and \$55,000 to the senior center special revenue fund.
- (2) The COPS grant special revenue fund transferred \$100,000 to the general fund to cover costs of officers reported in general fund expenses.

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6 – CAPITAL ASSETS

Capital assets activity of the governmental activities for the year ended June 30, 2020 is as follows:

	<u>Balances July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers/ Adjustments</u>	<u>Balances June 30, 2020</u>
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 587,014	\$ -	\$ -	\$ -	\$ 587,014
Construction in progress	<u>752,258</u>	<u>1,477,076</u>	<u>-</u>	<u>(1,946,598)</u>	<u>282,736</u>
Total capital assets, not being depreciated	<u>1,339,272</u>	<u>1,477,076</u>	<u>-</u>	<u>(1,946,598)</u>	<u>869,750</u>
Capital assets, being depreciated:					
Buildings and improvements	4,489,246	639,928	-	-	5,129,174
Infrastructure	17,495,382	-	-	1,946,598	19,441,980
Machinery and equipment	<u>3,509,845</u>	<u>648,319</u>	<u>-</u>	<u>-</u>	<u>4,158,164</u>
Total capital assets, being depreciated	<u>25,494,473</u>	<u>1,288,247</u>	<u>-</u>	<u>1,946,598</u>	<u>28,729,318</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,832,426)	(132,549)	-	-	(2,964,975)
Infrastructure	(3,440,718)	(459,969)	-	-	(3,900,687)
Machinery and equipment	<u>(2,962,749)</u>	<u>(199,987)</u>	<u>-</u>	<u>-</u>	<u>(3,162,736)</u>
Total accumulated depreciation	<u>(9,235,893)</u>	<u>(792,505)</u>	<u>-</u>	<u>-</u>	<u>(10,028,398)</u>
Total capital assets being depreciated, net	<u>16,258,580</u>	<u>495,742</u>	<u>-</u>	<u>1,946,598</u>	<u>18,700,920</u>
Governmental activities capital assets, net	<u>\$ 17,597,852</u>	<u>\$ 1,972,818</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,570,670</u>

Depreciation expense is charged to governmental functions as follows:

Governmental activities:	
General government	\$ 16,804
Parks and community services	79,305
Public safety	196,319
Public works	<u>500,077</u>
 Total	 <u>\$ 792,505</u>

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6 – CAPITAL ASSETS (Continued)

Capital assets activity of the business-type activities for the year ended June 30, 2020 is as follows:

	Balances July 1, 2019	Additions	Deletions	Transfers/ Adjustments	Balances June 30, 2020
Business-Type Activities:					
Capital assets, not being depreciated:					
Land	\$ 83,216	\$ -	\$ -	\$ -	\$ 83,216
Construction in progress	<u>20,721</u>	<u>2,215,759</u>	<u>-</u>	<u>-</u>	<u>2,236,480</u>
Total capital assets, not being depreciated	<u>103,937</u>	<u>2,215,759</u>	<u>-</u>	<u>-</u>	<u>2,319,696</u>
Capital assets, being depreciated:					
Buildings, improvements and plants	11,102,190	-	-	-	11,102,190
Machinery and equipment	<u>4,993,640</u>	<u>189,463</u>	<u>-</u>	<u>-</u>	<u>5,183,103</u>
Total capital assets, being depreciated	<u>16,095,830</u>	<u>189,463</u>	<u>-</u>	<u>-</u>	<u>16,285,293</u>
Less accumulated depreciation for:					
Buildings, improvements and plants	(4,374,627)	(306,422)	-	-	(4,681,049)
Machinery and equipment	<u>(2,523,629)</u>	<u>(322,725)</u>	<u>-</u>	<u>(17,671)</u>	<u>(2,864,025)</u>
Total accumulated depreciation	<u>(6,898,256)</u>	<u>(629,147)</u>	<u>-</u>	<u>(17,671)</u>	<u>(7,545,074)</u>
Total capital assets being depreciated, net	<u>9,197,574</u>	<u>(439,684)</u>	<u>-</u>	<u>(17,671)</u>	<u>8,740,219</u>
Business-type activities capital assets, net	<u>\$ 9,301,511</u>	<u>\$ 1,776,075</u>	<u>\$ -</u>	<u>\$ (17,671)</u>	<u>\$ 11,059,915</u>

Depreciation expense is charged to business-type functions as follows:

Business-type activities:	
Water	\$ 427,121
Disposal	2,771
Ambulance/Fire	<u>216,926</u>
Total	<u>\$ 646,818</u>

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 7 – OPERATING LEASE

The City has a non-cancelable lease for the City's Council Chambers. The lease was extended on November 1, 2018 and expires October 31, 2021. For the fiscal year-end June 30, 2020 rent expense was \$31,200. The lease payments are \$2,600 per month.

Future minimum lease payments for the lease are as follows:

2021	\$	31,200
2022		10,400
 Total	\$	41,600

NOTE 8 – LONG-TERM DEBT

The City generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt.

In government fund-types, debt discounts and issuance costs are recognized in the current period. Debt discounts and issuance costs incurred in proprietary funds are deferred and amortized over the term of the debt using the bonds-outstanding method, which approximates the effective interest method. The City's debt activities are summarized below and discussed in detail thereafter:

	Balances June 30, 2019	Additions	Deletions	Balances June 30, 2020	Amounts Due Within One Year
Governmental Activities Long-Term Debt:					
<i>Direct Placements:</i>					
Bonds Payable:					
PFA Refunding Revenue Bonds, Series 2015	\$ 733,300	\$ -	\$ (162,400)	\$ 570,900	\$ 161,300
Total Direct Placements:	733,300	-	(162,400)	570,900	161,300
<i>Direct Borrowings:</i>					
Bonds Payable:					
PFA 2015 Lease Revenue Refunding Bonds	2,225,000	-	(125,000)	2,100,000	125,000
Unamortized bond discounts	(16,030)	-	1,010	(15,020)	-
Capital lease	20,697	-	(16,965)	3,732	3,732
Total Direct Borrowings:	2,229,667	-	(140,955)	2,088,712	128,732
Compensated absences	385,696	340,802	(278,921)	447,577	219,050
Total governmental activities debt	3,348,663	340,802	(582,276)	3,107,189	509,082
Business-Type Activities Long-Term Debt:					
<i>Direct Borrowings:</i>					
CIEDB water loan	1,979,208	-	(98,345)	1,880,863	101,276
Water meter capital lease	526,420	-	(125,156)	401,264	129,361
Total Direct Borrowings:	2,505,628	-	(223,501)	2,282,127	230,637
Compensated absences	218,572	152,049	(198,963)	171,658	83,786
Total business-type activities debt	2,724,200	152,049	(422,464)	2,453,785	314,423
Total long-term debt	\$ 6,072,863	\$ 492,851	\$ (1,004,740)	\$ 5,560,974	\$ 823,505

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8 – LONG-TERM DEBT (Continued)

The liability for compensated absences will be liquidated by the fund in which the employees' salaries are charged. The governmental activities liability is made up of 95% in the general fund and 5% in the Gas Tax fund.

Long-term debt at June 30, 2020 was comprised of the following individual issues:

A. Governmental Activities

Kingsburg Joint Powers Authority Refunding Revenue Bonds, Series 2015 – On April 28, 2015, the City issued \$1,439,100 in direct placement revenue bonds with interest rate of 2.85% payable semi-annually. The bonds were to refund \$945,000 of outstanding Kingsburg Public Finance Authority Revenue Bonds, Series 1991 and \$1,215,000 of outstanding Kingsburg Public Finance Authority Revenue Bonds, Series 1992. These bonds are payable from assessments on the property owners within the district and are payable from other funds of the City. The principal payments range from \$162,400 to \$250,500 and are due annually through fiscal year 2023. At June 30, 2020 bonds outstanding amount to \$570,900.

There is a provision in the note whereby in an event of default the Kingsburg Joint Powers Authority, with written consent by the insurer, may declare the unpaid principal and accrued interest and related expenses to be due and payable immediately if the City is unable to make payment.

Annual debt service requirements to maturity for Kingsburg Joint Powers Authority Refunding Revenue Bonds, Series 2015 at June 30, 2020 are as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 161,300	\$ 13,972	\$ 175,272
2022	159,100	9,406	168,506
2023	<u>250,500</u>	<u>3,570</u>	<u>254,070</u>
Total	<u>\$ 570,900</u>	<u>\$ 26,948</u>	<u>\$ 597,848</u>

Kingsburg Public Joint Powers Authority 2004 Lease Revenue Bonds, Fire Department Facilities – On August 1, 2004, the City issued \$3,395,000 in revenue bonds to construct a new satellite fire/ambulance station and to remodel the current station. On May 14, 2015, the City issued Kingsburg Joint Powers Authority 2015 Lease Revenue Refunding Bonds, Fire Department Facilities Refunding Project to refund the outstanding amount of \$2,685,000.

Kingsburg Joint Powers Authority 2015 Lease Revenue Refunding Bonds, Fire Department Facilities Refunding Project – On May 14, 2015, the City issued \$2,700,000 in direct borrowing lease revenue bonds with interest rates range from 2.0% to 3.5% payable semi-annually. The bonds were to refund \$2,685,000 of outstanding Kingsburg Public Financing Authority 2004 Lease Revenue Bonds, Fire Department Facilities. These bonds are payable from fees for ambulance services. The principal payments in amounts from \$125,000 to \$850,000 are due annually through fiscal year 2034. At June 30, 2020 bonds outstanding amount to \$2,100,000.

There is a provision in the bond agreement whereby in an event of default the Kingsburg Joint Powers Authority, with written consent by the insurer, may declare the unpaid principal and accrued interest and related expenses to be due and payable immediately if the City is unable to make payment.

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8 – LONG-TERM DEBT (Continued)

A. Governmental Activities (Continued)

Annual debt service requirements to maturity for Kingsburg Joint Powers Authority 2015 Lease Revenue Refunding Bonds, Fire Department Facilities Refunding Project are as follows:

Fiscal Year Ending	Principal	Interest	Total
2021	\$ 125,000	\$ 63,488	\$ 188,488
2022	130,000	60,287	190,287
2023	130,000	56,388	186,388
2024	135,000	52,413	187,413
2025	140,000	48,637	188,637
2026-2030	750,000	180,481	930,481
2031-2034	690,000	49,175	739,175
	2,100,000	510,869	2,610,869
Unamortized Bonds Discount	(15,020)	-	(15,020)
Total	\$ 2,084,980	\$ 510,869	\$ 2,595,849

Police Vehicles Capital Lease – On August 12, 2015, the City, as Lessee entered into a capital equipment lease/purchase agreement with Leasource Financial Service, Inc., as Lessor, for purchase of two police vehicles. The agreement bears interest at 3.429% with quarterly payments of \$4,370. At June 30, 2020 the capital lease outstanding amounts to \$3,732.

The lease agreements are secured by the leased vehicles and include provisions whereby in an event of default the lessor can demand immediate payment of the outstanding principal and interest, or that the City return the leased vehicles at the cost of the City.

Annual debt service requirements to maturity for the Police Vehicles Capital Lease at June 30, 2020 are as follows:

Fiscal Year Ending	Governmental Activities		
	Principal	Interest	Total
2021	\$ 3,732	\$ 38	\$ 3,770
	<u>\$ 3,732</u>	<u>\$ 38</u>	<u>\$ 3,770</u>

Leased equipment under capital leases in capital assets at June 30, 2020, included the following:

Equipment	\$ 76,442
Less: Accumulated depreciation	<u>(71,610)</u>
Equipment, net of depreciation	<u>\$ 4,832</u>

CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8 – LONG-TERM DEBT (Continued)

B. Business-Type Activities

CIEDB Water Loan – On August 31, 2004, the City, as purchaser, entered into an installment sale agreement with the California Infrastructure and Economic Development Bank (CIEDB), as seller, of a water system upgrade. As part of the agreement, CIEDB agreed to design, acquire and construct the project for, and sell the project to, the purchaser. In order to implement these provisions, the CIEDB appointed the City as its agent for the purpose of such design, acquisition and construction. The City has pledged all net system revenues to repay the CIEDB Loan. The agreement after the 2011 amendment, in the amount not to exceed \$3,147,396, bears interest at 2.98% with semi-annual payments on August 1 and February 1. Under the terms of the agreement, CIEDB issued tax-exempt bonds to be used for the funding of the project. At June 30, 2020, the loan outstanding amounts to \$1,880,863.

There is a provision in the loan agreement whereby in an event of default the CIEDB may declare the unpaid principal and accrued interest and related expenses to be due and payable immediately if the City is unable to make payment or if the City seeks reorganization or arrangement under federal or state bankruptcy laws.

Annual debt service requirements for the CIEDB Water Loan are as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	
			\$ 155,817
2021	\$ 101,276	\$ 54,541	155,772
2022	104,294	51,478	155,725
2023	107,402	48,323	155,677
2024	110,602	45,075	155,628
2025	113,898	41,730	777,353
2026-2030	622,473	154,880	775,888
2031-2035	<u>720,918</u>	<u>54,970</u>	<u>\$ 2,331,860</u>
	<u>\$ 1,880,863</u>	<u>\$ 450,997</u>	

Water Meter Capital Lease – On September 27, 2012, the City, as Lessee entered into a capital equipment lease/purchase agreement with the Government Capital Corporation, as Lessor, for purchase and installation of 1,800 water meters. The agreement bears interest at 3.36% with annual payments of \$142,839 on September 1st. At June 30, 2020, the capital lease outstanding amounts to \$401,264.

The lease agreement is secured by the leased meters and include provisions whereby in an event of default the lessor can demand immediate payment of the outstanding principal and interest, or that the City return the leased meters at the cost of the City.

Annual debt service requirements for the Water Meter Capital Lease are as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	
			\$ 142,839
2021	\$ 129,361	\$ 13,478	142,839
2022	133,706	9,133	142,839
2023	<u>138,197</u>	<u>4,642</u>	<u>\$ 428,517</u>
	<u>\$ 401,264</u>	<u>\$ 27,253</u>	

Leased equipment under capital leases in capital assets at June 30, 2020, included the following:

Water meters	\$ 1,660,689
Less: Accumulated depreciation	<u>(608,920)</u>
Water meters, net of depreciation	<u>\$ 1,051,769</u>

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial 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 or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The City has a loss on refunding of debt reported in the government-wide statement of net position. A loss on refunding of debt results from the difference in the carrying value of the refunded debt and its reacquisition price. The amount is amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources for loss on refunding of debt reported in the governmental activities of the government-wide statement of net position are \$60,014.

In addition to the deferred outflows and inflows of resources described above, the City has pension related items that qualify to be reported in these categories. The pension related deferred outflows and inflows of resources are described in detail in Note 10.

NOTE 10 – PENSION PLAN

A. General Information about the Pension Plans

Plan Description – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost Sharing Multiple-Employer Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City of Kingsburg's (City) sponsors six rate plans (two miscellaneous and four safety.) Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10 – PENSION PLAN

A. General Information about the Pension Plans (Continued)

The Plans' provisions and benefits in effect at June 30, 2020 are summarized as follows:

	Miscellaneous 1st Tier	Miscellaneous PEPRA
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67
Monthly benefits, as a % of annual salary	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.000%	6.750%
Required employer contribution rates	9.680%	6.985%
	Safety - Police 1st Tier	Safety - Police PEPRA
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57
Monthly benefits, as a % of annual salary	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	9.000%	12.000%
Required employer contribution rates	18.928%	13.034%
	Safety - Fire 1st Tier	Safety - Fire PEPRA
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57
Monthly benefits, as a % of annual salary	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	9.000%	12.000%
Required employer contribution rates	18.928%	13.034%

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The City's required contribution for the unfunded liability was \$1,426,456 for the fiscal year ended June 30, 2020.

Contributions – Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer rates for all public employers are 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 the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

The City's contributions to the plan recognized as a part of pension expense for the year ended June 30, 2020 were \$886,480.

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10 – PENSION PLAN (Continued)

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

As of June 30, 2020, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$7,706,149.

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018, rolled forward to June 30, 2019, using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2018 and 2019 was as follows:

Proportion - June 30, 2018	0.0753%
Proportion - June 30, 2019	0.0752%
Change - Increase (Decrease)	-0.0001%

For the year ended June 30, 2020, the City recognized pension expense of \$1,558,284. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$1,902,272	\$ -
Changes in assumptions	334,214	86,046
Differences between actual and expected experience	502,734	2,931
Net differences between project and actual earnings on plan investments	-	116,224
Change in employer's proportion	33,841	122,911
Differences between the employer's actual contributions and the employer's proportionate share of contributions	154,539	18,485
Total	\$ 2,927,600	\$ 346,597

\$1,902,272 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, 2021. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2021	\$626,823
2022	(38,819)
2023	67,759
2024	22,968
2025	-
Therafter	-

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10 – PENSION PLAN (Continued)

C. Actuarial Assumptions

The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry- Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.15% ⁽¹⁾
Mortality	Derived using CalPERS' Membership Data for all Funds ⁽²⁾

Depending on age, service and type of employment

⁽¹⁾ Net of pension plan investment expenses, including inflation

⁽²⁾ The mortality table was developed based on CalPERS specific data.
The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2017 valuation were based on the results of December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experiences Study can be found on the CalPERS website.

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10 – PENSION PLAN (Continued)

D. Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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 PERF cash flows. 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+ 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 adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

Asset Class ^(a)	New Strategic Allocation	Real Return Years 1-10 ^(b)	Real Return Years 11+ ^(c)
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	100%		

^(a) In the CalPERS CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

^(b) An expected inflation of 2.00% used for this period

^(c) An expected inflation of 2.92% used for this period

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10 – PENSION PLAN (Continued)

D. Discount Rate (Continued)

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-percentage point lower or 1-percentage point higher than the current rate:

Discount Rate -1% 6.15%	Current Discount Rate 7.15%	Discount Rate +1% 8.15%
\$11,319,515	\$7,706,152	\$4,735,525

E. Pension Plan Fiduciary Net Position

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

F. Payable to the Pension Plan

The City had an outstanding amount of contributions payable to the pension plan in the amount of \$25,453 for the year ended June 30, 2020.

NOTE 11 – POST-RETIREMENT HEALTHCARE BENEFITS

The City provides no post-employment benefits for its employees. However, former employees may be maintained on the City’s health insurance programs through the City’s Consolidated Omnibus Budget Reconciliation Act (COBRA) insurance continuation plan.

NOTE 12 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omission; injuries to employees and others; natural disaster. The City participates with other public entities in a joint venture under a joint powers agreement which establishes the Central San Joaquin Valley Risk Management Authority (CSJVRMA). The relationship between the City and CSJVRMA is such that CSJVRMA is not a component unit of the City for financial reporting purposes.

The CSJVRMA is a consortium of 54 cities in San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500, et. Seq. The CSJVRMA is governed by a Board of Directors, which meets three times each year, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by the CSJVRMA. The financial statements of CSJVRMA can be obtained at 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833.

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 12 – RISK MANAGEMENT (Continued)

Each member city pays a premium to cover estimated losses for a fiscal year (claims year). Each program year is retrospectively adjusted five years following the end of a program year and annually thereafter until the last claim incurred during a program year is closed and the actuary has determined there is no longer a need for any incurred but not reported reserves. Any net surplus in the City's balance for these years will be refunded to the City, and net deficits will be billed to the City.

Each member city self-insures a portion of each of its claims, which for Kingsburg is the first \$25,000 of each claim (occurrence) in both the liability program and workers' compensation program. If a claim exceeds a member's retained limit, the amount exceeding the retained limit is distributed to the pool layers above the City's retained limit, and that cost is shared amongst the members within the various pool layers.

For the Liability Program, the CSJVRMA's risk sharing pool covers the first \$1,000,000 of each claim. The CSJVRMA purchases excess liability coverage through the California Affiliated Risk Management Authorities (CARMA) for the amount in excess of \$1,000,000. CARMA's risk sharing pool covers the first \$4,000,000 of each claim, and CARMA purchases a combination of reinsurance and excess insurance through AmTrust Financial Group and Colony for a total of \$29,000,000 in coverage.

For the Workers' Compensation Program, the CSJVRMA's risk sharing pool covers the first \$500,000 of each claim. The CSJVRMA purchases excess workers' compensation coverage through the Local Agency Workers' Compensation Excess JPA (LAWCX) for the amount in excess of \$500,000. LAWCX's risk sharing pool covers the first \$5 million of each claim, and LAWCX purchases a combination of reinsurance and excess insurance through CSAC EIA with statutory limits.

There have been no significant changes from the prior year and settlements have not exceeded coverage in any of the prior three years.

The City also purchases various property coverage programs. Deductibles and limits per property type can be obtained from the City Manager or directly from the Authority.

NOTE 13 – CONTINGENCIES

The City participates in a number of Federal and State assisted grant programs which are subject to financial and compliance audits. Audits for these programs and the respective findings are to be determined at a future date, and the City expects the amount, if any, of the expenditures which may be disallowed by the granting agency to be immaterial.

On March 11, 2020 the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. In response, the State of California issued a shelter in-place order and the temporary closure of all businesses deemed to be nonessential. The most recent Regional Stay at Home Order, effective December 7, 2020 for Fresno County, requires individuals living in the San Joaquin Valley Region to stay at home, except as allowed, to maintain continuity of the federal critical infrastructure sectors. Accordingly, some functions of the City's operations have been limited to protect the health and safety of its employees. The financial impact that could occur as a result of the pandemic is unknown at this time.

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 14 – SUCCESSOR AGENCY TRUST FUND

On January 18, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with Assembly Bill 1X26 (the “Bill”) which dissolved all redevelopment agencies in the State of California.

Under the control of an oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution of the redevelopment agency (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies are only allocated revenue in the amount that is necessary to pay 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.

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 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 favorably for the City.

After the date of the dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

Other Assets

The amount reported as "Other Assets" in the Successor Agency Trust Fund consists of the following:

Downtown directional signs	<u>\$ 17,266</u>
	<u>\$ 17,266</u>

Long-term Debt

Long-term debt reported in the Successor Agency Trust Fund at June 30, 2020 was comprised of the following individual issue:

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2020</u>	<u>Due Within One Year</u>
Kingsburg RDA Tax Refunding Bonds	\$ 150,000	\$ -	\$ 35,000	\$ 115,000	\$ 35,000
	<u>\$ 150,000</u>	<u>\$ -</u>	<u>\$ 35,000</u>	<u>\$ 115,000</u>	<u>\$ 35,000</u>

**CITY OF KINGSBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 14 – SUCCESSOR AGENCY TRUST FUND (Continued)

Kingsburg RDA Tax Refunding Bonds – The former Kingsburg Redevelopment Agency issued a tax allocation bond payable in annual installments ranging from \$25,000 to \$40,000 with interest payable semi-annually at an average overall rate of 7.9% per annum. At June 30, 2020 the bond outstanding amounts to \$115,000.

Annual debt service requirements to maturity for the Kingsburg RDA Tax Refunding Bonds are as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 35,000	\$ 7,702	\$ 42,702
2022	40,000	4,740	44,740
2023	<u>40,000</u>	<u>1,580</u>	<u>41,580</u>
Total	<u>\$ 115,000</u>	<u>\$ 14,022</u>	<u>\$ 129,022</u>

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF KINGSBURG
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 3,354,105	\$ 3,354,105	\$ 3,444,080	\$ 89,975
Licenses and permits	297,900	623,900	619,929	(3,971)
Intergovernmental	1,105,000	1,105,000	1,176,446	71,446
Charges for services	333,730	375,730	375,013	(717)
Fines and penalties	12,250	12,250	11,679	(571)
Development fees	92,450	320,450	414,087	93,637
Use of money and property	-	-	7,974	7,974
Other revenue	120,210	802,360	831,839	29,479
Total revenues	5,315,645	6,593,795	6,881,047	287,252
EXPENDITURES				
Current:				
General government:				
City council	32,255	32,255	31,049	1,206
City attorney	80,918	80,918	84,817	(3,899)
Non-departmental	410,473	531,973	409,150	122,823
City manager	231,507	231,507	228,629	2,878
City clerk	117,578	117,578	120,678	(3,100)
Finance	164,851	187,851	195,899	(8,048)
Human resources/management assistant	100,984	100,984	102,084	(1,100)
Total general government	1,138,566	1,283,066	1,172,306	110,760
Parks and community services:				
Community services	206,378	206,378	198,754	7,624
Pool	191,053	209,553	164,877	44,676
Total parks and community services	397,431	415,931	363,631	52,300
Public safety	2,679,712	2,829,712	2,958,983	(129,271)
Public works:				
Public works - administration	58,218	58,218	71,531	(13,313)
Landscape maintenance	268,828	268,828	271,126	(2,298)
Facility maintenance	54,273	65,273	72,219	(6,946)
Vehicle maintenance	146,951	146,951	156,255	(9,304)
Total public works	528,270	539,270	571,131	(31,861)
Planning and community development	342,941	520,841	535,021	(14,180)
Capital outlay	539,400	1,200,900	1,008,781	192,119
Debt service:				
Principal	16,965	16,965	16,970	(5)
Interest and fiscal charges	514	514	509	5
Total debt service	17,479	17,479	17,479	-
Total expenditures	5,643,799	6,807,199	6,627,332	179,867
Excess (deficiency) of revenues over (under) expenditures	(328,154)	(213,404)	253,715	467,119
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	100,000	100,000	-
Transfers out	(555,000)	(555,000)	(555,000)	-
Total other financing sources (uses)	(455,000)	(455,000)	(455,000)	-
Change in fund balance	(783,154)	(668,404)	(201,285)	467,119
Fund balance - beginning	5,353,746	5,353,746	5,353,746	-
Fund balance - ending	\$ 4,570,592	\$ 4,685,342	\$ 5,152,461	\$ 467,119

**CITY OF KINGSBURG
STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LOCAL TRANSPORTATION FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 430,759	\$ 430,759	\$ 594,978	\$ 164,219
Use of money and property	<u>-</u>	<u>-</u>	<u>19,357</u>	<u>19,357</u>
Total revenues	<u>430,759</u>	<u>430,759</u>	<u>614,335</u>	<u>183,576</u>
EXPENDITURES				
Current:				
Highway and streets	92,500	97,500	89,047	8,453
Capital outlay	<u>609,575</u>	<u>609,575</u>	<u>414,324</u>	<u>195,251</u>
Total expenditures	<u>702,075</u>	<u>707,075</u>	<u>503,371</u>	<u>203,704</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(271,316)</u>	<u>(276,316)</u>	<u>110,964</u>	<u>387,280</u>
Fund balances - beginning	<u>1,392,307</u>	<u>1,392,307</u>	<u>1,392,307</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,120,991</u>	<u>\$ 1,115,991</u>	<u>\$ 1,503,271</u>	<u>\$ 387,280</u>

CITY OF KINGSBURG
STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MEASURE E FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 1,418,964	\$ 1,418,964	\$ 1,899,962	\$ 480,998
Charges for services	14,000	14,000	-	(14,000)
Use of money and property	-	-	5,442	5,442
Other revenues	-	-	4,800	4,800
Total revenues	<u>1,432,964</u>	<u>1,432,964</u>	<u>1,910,204</u>	<u>477,240</u>
EXPENDITURES				
Current:				
Public safety	772,751	772,751	771,832	919
Capital outlay	522,000	766,000	765,515	485
Total expenditures	<u>1,294,751</u>	<u>1,538,751</u>	<u>1,537,347</u>	<u>1,404</u>
Excess (deficiency) of revenues over (under) expenditures	<u>138,213</u>	<u>(105,787)</u>	<u>372,857</u>	<u>478,644</u>
OTHER FINANCING SOURCES/(USES)				
Transfers in	100,000	100,000	-	(100,000)
Transfers out	(100,000)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
Net change in fund balances	138,213	(5,787)	372,857	378,644
Fund balances - beginning	<u>232,681</u>	<u>232,681</u>	<u>232,681</u>	<u>-</u>
Fund balances - ending	<u>\$ 370,894</u>	<u>\$ 226,894</u>	<u>\$ 605,538</u>	<u>\$ 378,644</u>

**CITY OF KINGSBURG
PROPORTIONATE SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2020
LAST 10 YEARS***

	2015	2016	2017	2018	2019	2020
Proportion of the net pension liability	0.0890%	0.0811%	0.0756%	0.0743%	0.0753%	0.0752%
Proportionate share of the net pension liability	\$ 5,591,747	\$ 5,568,697	\$ 6,544,355	\$ 7,365,800	\$ 7,256,090	\$ 7,706,149
Covered payroll	\$ 2,539,694	\$ 2,746,794	\$ 2,823,084	\$ 2,997,055	\$ 3,175,012	\$ 3,358,370
Proportionate share of the net pension liability as percentage of covered payroll	220.17%	202.73%	231.82%	245.77%	228.54%	229.46%
Plan fiduciary net position as a percentage of the total pension liability	79.48%	80.20%	75.41%	73.93%	75.45%	74.98%

NOTES TO THE SCHEDULE

Changes in Benefit Terms - None

Changes of Assumptions - None

*Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

**CITY OF KINGSBURG
SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2020
LAST 10 YEARS***

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Actuarially required contribution (actuarially determined)	\$ 541,072	\$ 574,035	\$ 658,448	\$ 732,726	\$ 795,513	\$ 886,480	\$ 1,902,272
Contributions in relation to the actuarially determined contributions	<u>541,072</u>	<u>574,035</u>	<u>658,448</u>	<u>732,726</u>	<u>795,513</u>	<u>886,480</u>	<u>1,902,272</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,539,694	\$ 2,746,794	\$ 2,823,084	\$ 2,997,055	\$ 3,175,012	\$ 3,358,370	\$ 3,784,976
Contributions as a percentage of covered-employee payroll	21.30%	20.90%	23.32%	24.45%	25.06%	26.40%	50.26%

*Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

Measure C Fund – to account for apportioned local sales tax revenues to be used exclusively for maintenance and improvement of the City's streets and roads.

Gas Tax Fund – to account for revenues and expenditures apportioned to the City under the Streets and Highway Code, Sections 2105, 2106, 2107 and 2107.5 of the State of California. Expenditures for administration, maintenance and construction must be street related.

Senior Center Fund - to account for revenue from federal grants and contributions to fund the activities of the senior center services. The services provide recreational, educational, social and nutritional programs to citizens 55 years and older.

COPS Grant Fund – to account for State revenue received from front line law enforcement.

San Joaquin Valley Air Grant Fund – to account for grant revenue received for the purchase of a police vehicle.

Low and Moderate Income Housing Fund - to administer the housing assets and functions related to the Low and Moderate Income Housing Program retained by the City following the dissolution of the Redevelopment Agency on February 1, 2012. This fund is primarily funded by loan repayment program income generated from the former Redevelopment Agency's housing assets.

Vehicle Abandonment Fund – to account for the abandoned vehicle abatement program in which the City receives funds from the Council of Fresno County Governments. These funds will be used to abate any abandoned vehicles in the City of Kingsburg.

ACT Task Force Grant Fund - to be used to compensate the cost of one Police Officer for the assignment to the ACT (Adult Compliance Team).

Park Improvements Fund – This fund is designated for the City's participation in the State's Housing Related Park Grant Program.

Transient Oriented Development Grant Fund – This fund is designated for the Measure C Transit Oriented Development Program for the development of downtown Kingsburg Strategic Plan to develop transit, pedestrian, and parking strategies that support redevelopment of the downtown area.

School Resource Officer Fund – This fund is for the School Resource Officer Grant which is used to compensate the cost of one Police Officer for the assignment to the Schools Resource Officer.

DEBT SERVICE FUNDS

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

Assessment Districts Fund – to accumulate assessments levied for payment of bonds issued for the Improvement Bonds in Districts No. 1991-1 and No. 1992-1.

NONMAJOR GOVERNMENTAL FUNDS
(Continued)

CAPITAL PROJECTS FUNDS

The ***Capital Projects Funds*** are used to account for financial resources that are restricted, committed or assigned to expenditures for the acquisition of land or acquisition and construction of major facilities other than those financed in the proprietary fund types.

Street Projects Fund – to account for related street construction and maintenance.

Sewer Connection Fund - to account for the sewer connection fees from developers. The money is used to construct sewer facilities within the City limits.

Storm Drain Fund – to account for the storm drain improvements, operations and maintenance. The activities of the fund include building new storm drains and obtaining storm drains completed by developers.

Parks and Recreation Fund – to account for the revenue from the construction assessments to be used for acquisition and development of parks and recreation facilities.

Equipment Replacement Fund – to account for the transfer revenues received for the reserve fund to replace equipment in the future.

**CITY OF KINGSBURG
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 1,028,653	\$ 150,472	\$ 1,796,509	\$ 2,975,634
Receivables	188,377	1,123	228,305	417,805
Land held for low and moderate housing projects	<u>574,389</u>	<u>-</u>	<u>-</u>	<u>574,389</u>
Total assets	<u>\$ 1,791,419</u>	<u>\$ 151,595</u>	<u>\$ 2,024,814</u>	<u>\$ 3,967,828</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ 64,741	\$ -	\$ 69,240	\$ 133,981
Due to other funds	98,790	-	62,009	160,799
Deposits	609	-	-	609
Advances from other funds	<u>-</u>	<u>314,000</u>	<u>-</u>	<u>314,000</u>
Total liabilities	<u>164,140</u>	<u>314,000</u>	<u>131,249</u>	<u>609,389</u>
FUND BALANCES				
Restricted:				
Capital improvements	-	-	1,893,565	1,893,565
Circulation improvements	835,355	-	-	835,355
Public safety programs	228,007	-	-	228,007
Land held for low and moderate housing projects	574,389	-	-	574,389
Unassigned	<u>(10,472)</u>	<u>(162,405)</u>	<u>-</u>	<u>(172,877)</u>
Total fund balances	<u>1,627,279</u>	<u>(162,405)</u>	<u>1,893,565</u>	<u>3,358,439</u>
Total liabilities and fund balances	<u>\$ 1,791,419</u>	<u>\$ 151,595</u>	<u>\$ 2,024,814</u>	<u>\$ 3,967,828</u>

**CITY OF KINGSBURG
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ -	\$ 156,908	\$ -	\$ 156,908
Intergovernmental	1,310,736	-	368,580	1,679,316
Development fees	-	-	210,291	210,291
Use of money and property	1,957	-	24,429	26,386
Other revenues	<u>6,816</u>	<u>-</u>	<u>-</u>	<u>6,816</u>
Total revenues	<u>1,319,509</u>	<u>156,908</u>	<u>603,300</u>	<u>2,079,717</u>
EXPENDITURES				
Current:				
Parks and community services	78,698	-	-	78,698
Public safety	228,600	-	-	228,600
Highway and streets	475,355	-	-	475,355
Planning and community development	9,200	-	-	9,200
Capital outlay	149,727	-	337,215	486,942
Debt service:				
Interest and fiscal charges	<u>-</u>	<u>43,848</u>	<u>-</u>	<u>43,848</u>
Total expenditures	<u>941,580</u>	<u>43,848</u>	<u>337,215</u>	<u>1,322,643</u>
Excess (deficiency) of revenues over (under) expenditures	<u>377,929</u>	<u>113,060</u>	<u>266,085</u>	<u>757,074</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	55,000	-	-	55,000
Transfers out	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Total other financing sources (uses)	<u>(45,000)</u>	<u>-</u>	<u>-</u>	<u>(45,000)</u>
Net change in fund balances	332,929	113,060	266,085	712,074
Fund balances - beginning	<u>1,294,350</u>	<u>(275,465)</u>	<u>1,627,480</u>	<u>2,646,365</u>
Fund balances - ending	<u>\$ 1,627,279</u>	<u>\$ (162,405)</u>	<u>\$ 1,893,565</u>	<u>\$ 3,358,439</u>

**CITY OF KINGSBURG
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2020**

	Measure C	Gas Tax	Senior Center	COPS Grant	San Joaquin Valley Air Grant	Low and Moderate Income Housing Asset
ASSETS						
Cash and investments	\$ 392,712	\$ 435,792	\$ 3,945	\$ 173,435	\$ 21	\$ -
Receivables	24,312	30,875	857	-	-	-
Land held for low and moderate housing projects	-	-	-	-	-	574,389
Total assets	<u>\$ 417,024</u>	<u>\$ 466,667</u>	<u>\$ 4,802</u>	<u>\$ 173,435</u>	<u>\$ 21</u>	<u>\$ 574,389</u>
LIABILITIES						
Accounts payable and accrued expenses	\$ 23,505	\$ 24,831	\$ 5,465	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Deposits	-	-	609	-	-	-
Total liabilities	<u>23,505</u>	<u>24,831</u>	<u>6,074</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Restricted:						
Circulation improvements	393,519	441,836	-	-	-	-
Public safety	-	-	-	173,435	21	-
Land held for low and moderate housing projects	-	-	-	-	-	574,389
Unassigned	-	-	(1,272)	-	-	-
Total fund balances	<u>393,519</u>	<u>441,836</u>	<u>(1,272)</u>	<u>173,435</u>	<u>21</u>	<u>574,389</u>
Total liabilities and fund balances	<u>\$ 417,024</u>	<u>\$ 466,667</u>	<u>\$ 4,802</u>	<u>\$ 173,435</u>	<u>\$ 21</u>	<u>\$ 574,389</u>

**CITY OF KINGSBURG
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2020
(Continued)**

	Vehicle Abandonment	ACT Task Force Grant	Park Improvements	Transient Oriented Development Grant	School Resource Officer	Total
ASSETS						
Cash and investments	\$ 16,626	\$ 6,122	\$ -	\$ -	\$ -	\$ 1,028,653
Receivables	-	36,731	-	-	95,602	188,377
Land held for low and moderate housing projects	-	-	-	-	-	574,389
Total assets	<u>\$ 16,626</u>	<u>\$ 42,853</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,602</u>	<u>\$ 1,791,419</u>
LIABILITIES						
Accounts payable and accrued expenses	\$ -	\$ 4,928	\$ -	\$ -	\$ 6,012	\$ 64,741
Due to other funds	-	-	-	9,200	89,590	98,790
Deposits	-	-	-	-	-	609
Total liabilities	<u>-</u>	<u>4,928</u>	<u>-</u>	<u>9,200</u>	<u>95,602</u>	<u>164,140</u>
FUND BALANCES						
Restricted:						
Circulation improvements	-	-	-	-	-	835,355
Public safety	16,626	37,925	-	-	-	228,007
Land held for low and moderate housing projects	-	-	-	-	-	574,389
Unassigned	-	-	-	(9,200)	-	(10,472)
Total fund balances	<u>16,626</u>	<u>37,925</u>	<u>-</u>	<u>(9,200)</u>	<u>-</u>	<u>1,627,279</u>
Total liabilities and fund balances	<u>\$ 16,626</u>	<u>\$ 42,853</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,602</u>	<u>\$ 1,791,419</u>

**CITY OF KINGSBURG
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Measure C	Gas Tax	Senior Center	COPS Grant	San Joaquin Valley Air Grant	Low and Moderate Income Housing Asset
REVENUES						
Intergovernmental	\$ 397,884	\$ 498,224	\$ 8,968	\$ 155,948	\$ -	\$ -
Use of money and property	1,957	-	-	-	-	-
Other revenues	-	-	6,816	-	-	-
Total revenues	399,841	498,224	15,784	155,948	-	-
EXPENDITURES						
Current:						
Parks and community services	-	-	78,698	-	-	-
Public safety	-	-	-	-	-	-
Highway and streets	185,960	289,395	-	-	-	-
Planning and community development	-	-	-	-	-	-
Capital outlay	28,640	44,063	-	-	-	-
Total expenditures	214,600	333,458	78,698	-	-	-
Excess (deficiency) of revenues over (under) expenditures	185,241	164,766	(62,914)	155,948	-	-
OTHER FINANCING SOURCES/(USES)						
Transfers in	-	-	55,000	-	-	-
Transfers out	-	-	-	(100,000)	-	-
Total other financing sources (uses)	-	-	55,000	(100,000)	-	-
Net change in fund balances	185,241	164,766	(7,914)	55,948	-	-
Fund balances - beginning	208,278	277,070	6,642	117,487	21	574,389
Fund balances - ending	\$ 393,519	\$ 441,836	\$ (1,272)	\$ 173,435	\$ 21	\$ 574,389

CITY OF KINGSBURG
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020
(Continued)

	Vehicle Abandonment	ACT Task Force Grant	Park Improvements	Transient Oriented Development Grant	School Resource Officer	Total
REVENUES						
Intergovernmental	\$ -	\$ 154,110	\$ -	\$ -	\$ 95,602	\$ 1,310,736
Use of money and property	-	-	-	-	-	1,957
Other revenues	-	-	-	-	-	6,816
Total revenues	-	154,110	-	-	95,602	1,319,509
EXPENDITURES						
Current:						
Parks and community services	-	-	-	-	-	78,698
Public safety	-	132,998	-	-	95,602	228,600
Highway and streets	-	-	-	-	-	475,355
Planning and community development	-	-	-	9,200	-	9,200
Capital outlay	-	2,024	75,000	-	-	149,727
Total expenditures	-	135,022	75,000	9,200	95,602	941,580
Excess (deficiency) of revenues over (under) expenditures	-	19,088	(75,000)	(9,200)	-	377,929
OTHER FINANCING SOURCES/(USES)						
Transfers in	-	-	-	-	-	55,000
Transfers out	-	-	-	-	-	(100,000)
Total other financing sources (uses)	-	-	-	-	-	(45,000)
Net change in fund balances	-	19,088	(75,000)	(9,200)	-	332,929
Fund balances - beginning	16,626	18,837	75,000	-	-	1,294,350
Fund balances - ending	\$ 16,626	\$ 37,925	\$ -	\$ (9,200)	\$ -	\$ 1,627,279

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUND – MEASURE C FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 396,300	\$ 396,300	\$ 397,884	\$ 1,584
Use of money and property	-	-	1,957	1,957
Total revenues	396,300	396,300	399,841	3,541
EXPENDITURES				
Current:				
Highway and streets	212,000	212,000	185,960	26,040
Capital outlay	98,000	108,000	28,640	79,360
Total expenditures	310,000	320,000	214,600	105,400
Excess (deficiency) of revenues over (under) expenditures	86,300	76,300	185,241	108,941
Fund balances - beginning	208,278	208,278	208,278	-
Fund balances - ending	\$ 294,578	\$ 284,578	\$ 393,519	\$ 108,941

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUND – GAS TAX FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 524,608	\$ 217,636	\$ 498,224	\$ 280,588
Total revenues	524,608	217,636	498,224	280,588
EXPENDITURES				
Current:				
Highway and streets	287,266	287,266	289,395	(2,129)
Capital outlay	242,000	242,000	44,063	197,937
Total expenditures	529,266	529,266	333,458	195,808
Excess (deficiency) of revenues over (under) expenditures	(4,658)	(311,630)	164,766	476,396
Fund balances - beginning	277,070	277,070	277,070	-
Fund balances - ending	\$ 272,412	\$ (34,560)	\$ 441,836	\$ 476,396

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUND – SENIOR CENTER FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 12,000	\$ 12,000	\$ 8,968	\$ (3,032)
Other revenues	<u>8,000</u>	<u>8,000</u>	<u>6,816</u>	<u>(1,184)</u>
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>15,784</u>	<u>(4,216)</u>
EXPENDITURES				
Current:				
Parks and community services	<u>74,706</u>	<u>74,706</u>	<u>78,698</u>	<u>(3,992)</u>
Total expenditures	<u>74,706</u>	<u>74,706</u>	<u>78,698</u>	<u>(3,992)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54,706)</u>	<u>(54,706)</u>	<u>(62,914)</u>	<u>(8,208)</u>
OTHER FINANCING SOURCES/(USES)				
Transfers in	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>-</u>
Total other financing sources (uses)	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>-</u>
Net change in fund balances	294	294	(7,914)	(8,208)
Fund balances - beginning	<u>6,642</u>	<u>6,642</u>	<u>6,642</u>	<u>-</u>
Fund balances - ending	<u><u>\$ 6,936</u></u>	<u><u>\$ 6,936</u></u>	<u><u>\$ (1,272)</u></u>	<u><u>\$ (8,208)</u></u>

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUND – COPS GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 155,948	\$ 55,948
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>155,948</u>	<u>55,948</u>
EXPENDITURES				
Current:				
Public safety	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>100,000</u>	<u>100,000</u>	<u>155,948</u>	<u>55,948</u>
OTHER FINANCING SOURCES/(USES)				
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net change in fund balances	-	-	55,948	55,948
Fund balances - beginning	<u>117,487</u>	<u>117,487</u>	<u>117,487</u>	<u>-</u>
Fund balances - ending	<u>\$ 117,487</u>	<u>\$ 117,487</u>	<u>\$ 173,435</u>	<u>\$ 55,948</u>

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUND – ACT TASK FORCE GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 113,000	\$ 113,000	\$ 154,110	\$ 41,110
Total revenues	<u>113,000</u>	<u>113,000</u>	<u>154,110</u>	<u>41,110</u>
EXPENDITURES				
Current:				
Public safety	112,825	112,825	132,998	(20,173)
Capital outlay	<u>-</u>	<u>-</u>	<u>2,024</u>	<u>(2,024)</u>
Total expenditures	<u>112,825</u>	<u>112,825</u>	<u>135,022</u>	<u>(22,197)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>175</u>	<u>175</u>	<u>19,088</u>	<u>18,913</u>
Fund balances - beginning	<u>18,837</u>	<u>18,837</u>	<u>18,837</u>	<u>-</u>
Fund balances - ending	<u>\$ 19,012</u>	<u>\$ 19,012</u>	<u>\$ 37,925</u>	<u>\$ 18,913</u>

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUND – TRANSIENT ORIENTED DEVELOPMENT GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 157,000	\$ 157,000	\$ -	\$ (157,000)
Total revenues	<u>157,000</u>	<u>157,000</u>	<u>-</u>	<u>(157,000)</u>
EXPENDITURES				
Current:				
Planning and community development	<u>157,000</u>	<u>157,000</u>	<u>9,200</u>	<u>147,800</u>
Total expenditures	<u>157,000</u>	<u>157,000</u>	<u>9,200</u>	<u>147,800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(9,200)</u>	<u>(9,200)</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,200)</u>	<u>\$ (9,200)</u>

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUND – SCHOOL RESOURCE OFFICER FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 95,602	\$ 95,602
Total revenues	-	-	95,602	95,602
EXPENDITURES				
Current:				
Public safety	-	68,500	95,602	(27,102)
Total expenditures	-	68,500	95,602	(27,102)
Excess (deficiency) of revenues over (under) expenditures	-	(68,500)	-	68,500
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ (68,500)	\$ -	\$ 68,500

**CITY OF KINGSBURG
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 JUNE 30, 2020**

	Assessment District
ASSETS	
Cash and investments	\$ 150,472
Receivables	1,123
Total assets	\$ 151,595
LIABILITIES	
Advances from other funds	\$ 314,000
Total liabilities	314,000
FUND BALANCES	
Unassigned	(162,405)
Total fund balances	(162,405)
Total liabilities and fund balances	\$ 151,595

**CITY OF KINGSBURG
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020**

	Assessment District
REVENUES	
Taxes	\$ 156,908
Total revenues	156,908
EXPENDITURES	
Debt service:	
Interest and fiscal charges	43,848
Total expenditures	43,848
Excess (deficiency) of revenues over (under) expenditures	113,060
Fund balances - beginning	(275,465)
Fund balances - ending	\$ (162,405)

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR DEBT SERVICE FUND – ASSESSMENT DISTRICT FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 163,000	\$ 163,000	\$ 156,908	\$ (6,092)
Total revenues	163,000	163,000	156,908	(6,092)
EXPENDITURES				
Debt service:				
Interest and fiscal charges	44,019	44,019	43,848	171
Total expenditures	44,019	44,019	43,848	171
Excess (deficiency) of revenues over (under) expenditures	118,981	118,981	113,060	(5,921)
Fund balances - beginning	(275,465)	(275,465)	(275,465)	-
Fund balances - ending	\$ (156,484)	\$ (156,484)	\$ (162,405)	\$ (5,921)

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
MAJOR DEBT SERVICE FUND – KINGSBURG JOINT POWERS AUTHORITY FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ 110,000	\$ 110,000	\$ 117,371	\$ 7,371
Total revenues	<u>110,000</u>	<u>110,000</u>	<u>117,371</u>	<u>7,371</u>
EXPENDITURES				
Debt service:				
Principal	319,400	319,400	287,400	32,000
Interest and fiscal charges	<u>23,535</u>	<u>23,535</u>	<u>89,522</u>	<u>(65,987)</u>
Total expenditures	<u>342,935</u>	<u>342,935</u>	<u>376,922</u>	<u>(33,987)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(232,935)</u>	<u>(232,935)</u>	<u>(259,551)</u>	<u>(26,616)</u>
Fund balances - beginning	<u>2,854,991</u>	<u>2,854,991</u>	<u>2,854,991</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,622,056</u>	<u>\$ 2,622,056</u>	<u>\$ 2,595,440</u>	<u>\$ (26,616)</u>

**CITY OF KINGSBURG
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2020**

	Street Projects	Sewer Connection	Storm Drain	Parks and Recreation	Equipment Replacement	Total
ASSETS						
Cash and investments	\$ -	\$ 1,217,455	\$ 191,476	\$ 362,148	\$ 25,430	\$ 1,796,509
Receivables	<u>221,653</u>	<u>4,562</u>	<u>894</u>	<u>1,196</u>	<u>-</u>	<u>228,305</u>
Total assets	<u>\$ 221,653</u>	<u>\$ 1,222,017</u>	<u>\$ 192,370</u>	<u>\$ 363,344</u>	<u>\$ 25,430</u>	<u>\$ 2,024,814</u>
LIABILITIES						
Accounts payable and accrued expenses	\$ 69,240	\$ -	\$ -	\$ -	\$ -	\$ 69,240
Due to other funds	<u>62,009</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,009</u>
Total liabilities	<u>131,249</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>131,249</u>
FUND BALANCES						
Restricted:						
Capital improvements	<u>90,404</u>	<u>1,222,017</u>	<u>192,370</u>	<u>363,344</u>	<u>25,430</u>	<u>1,893,565</u>
Total fund balances	<u>90,404</u>	<u>1,222,017</u>	<u>192,370</u>	<u>363,344</u>	<u>25,430</u>	<u>1,893,565</u>
Total liabilities and fund balances	<u>\$ 221,653</u>	<u>\$ 1,222,017</u>	<u>\$ 192,370</u>	<u>\$ 363,344</u>	<u>\$ 25,430</u>	<u>\$ 2,024,814</u>

**CITY OF KINGSBURG
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Street Projects</u>	<u>Sewer Connection</u>	<u>Storm Drain</u>	<u>Parks and Recreation</u>	<u>Equipment Replacement</u>	<u>Total</u>
REVENUES						
Intergovernmental	\$ 368,580	\$ -	\$ -	\$ -	\$ -	\$ 368,580
Development fees	-	128,168	11,131	70,992	-	210,291
Use of money and property	<u>3</u>	<u>16,904</u>	<u>3,375</u>	<u>4,147</u>	-	<u>24,429</u>
Total revenues	<u>368,583</u>	<u>145,072</u>	<u>14,506</u>	<u>75,139</u>	-	<u>603,300</u>
EXPENDITURES						
Capital outlay	<u>337,215</u>	-	-	-	-	<u>337,215</u>
Total expenditures	<u>337,215</u>	-	-	-	-	<u>337,215</u>
Excess (deficiency) of revenues over (under) expenditures	<u>31,368</u>	<u>145,072</u>	<u>14,506</u>	<u>75,139</u>	-	<u>266,085</u>
Fund balances - beginning	<u>59,036</u>	<u>1,076,945</u>	<u>177,864</u>	<u>288,205</u>	<u>25,430</u>	<u>1,627,480</u>
Fund balances - ending	<u>\$ 90,404</u>	<u>\$ 1,222,017</u>	<u>\$ 192,370</u>	<u>\$ 363,344</u>	<u>\$ 25,430</u>	<u>\$ 1,893,565</u>

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR CAPITAL PROJECTS FUND – STREET PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 2,537,277	\$ 2,338,617	\$ 368,580	\$ (1,970,037)
Use of money and property	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Total revenues	<u>2,537,277</u>	<u>2,338,617</u>	<u>368,583</u>	<u>(1,970,034)</u>
EXPENDITURES				
Capital outlay	<u>2,555,807</u>	<u>2,697,243</u>	<u>337,215</u>	<u>2,360,028</u>
Total expenditures	<u>2,555,807</u>	<u>2,697,243</u>	<u>337,215</u>	<u>2,360,028</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,530)</u>	<u>(358,626)</u>	<u>31,368</u>	<u>389,994</u>
OTHER FINANCING SOURCES/(USES)				
Transfers in	<u>38,840</u>	<u>38,840</u>	<u>-</u>	<u>(38,840)</u>
Total other financing sources (uses)	<u>38,840</u>	<u>38,840</u>	<u>-</u>	<u>(38,840)</u>
Net change in fund balances	20,310	(319,786)	31,368	351,154
Fund balances - beginning	<u>59,036</u>	<u>59,036</u>	<u>59,036</u>	<u>-</u>
Fund balances - ending	<u>\$ 79,346</u>	<u>\$ (260,750)</u>	<u>\$ 90,404</u>	<u>\$ 351,154</u>

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR CAPITAL PROJECTS FUND – SEWER CONNECTION FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Development fees	\$ 26,000	\$ 128,000	\$ 128,168	\$ 168
Use of money and property	<u>800</u>	<u>800</u>	<u>16,904</u>	<u>16,104</u>
Total revenues	<u>26,800</u>	<u>128,800</u>	<u>145,072</u>	<u>16,272</u>
EXPENDITURES				
Current:				
Public works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>26,800</u>	<u>128,800</u>	<u>145,072</u>	<u>16,272</u>
Fund balances - beginning	<u>1,076,945</u>	<u>1,076,945</u>	<u>1,076,945</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,103,745</u>	<u>\$ 1,205,745</u>	<u>\$ 1,222,017</u>	<u>\$ 16,272</u>

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR CAPITAL PROJECTS FUND – STORM DRAIN FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Development fees	\$ 100,000	\$ 100,000	\$ 11,131	\$ (88,869)
Use of money and property	<u>1,000</u>	<u>1,000</u>	<u>3,375</u>	<u>2,375</u>
Total revenues	<u>101,000</u>	<u>101,000</u>	<u>14,506</u>	<u>(86,494)</u>
EXPENDITURES				
Current:				
Public works	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>101,000</u>	<u>101,000</u>	<u>14,506</u>	<u>(86,494)</u>
Net change in fund balances	101,000	101,000	14,506	(86,494)
Fund balances - beginning	<u>177,864</u>	<u>177,864</u>	<u>177,864</u>	<u>-</u>
Fund balances - ending	<u>\$ 278,864</u>	<u>\$ 278,864</u>	<u>\$ 192,370</u>	<u>\$ (86,494)</u>

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
NONMAJOR CAPITAL PROJECTS FUND – PARKS AND RECREATION FUND
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Development fees	\$ 8,500	\$ 70,000	\$ 70,992	\$ 992
Use of money and property	<u>35,000</u>	<u>35,000</u>	<u>4,147</u>	<u>(30,853)</u>
Total revenues	<u>43,500</u>	<u>105,000</u>	<u>75,139</u>	<u>(29,861)</u>
EXPENDITURES				
Current:				
Capital outlay	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,500)</u>	<u>55,000</u>	<u>75,139</u>	<u>20,139</u>
Fund balances - beginning	<u>288,205</u>	<u>288,205</u>	<u>288,205</u>	<u>-</u>
Fund balances - ending	<u>\$ 281,705</u>	<u>\$ 343,205</u>	<u>\$ 363,344</u>	<u>\$ 20,139</u>

CITY OF KINGSBURG
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
MAJOR CAPITAL PROJECTS FUND – CAPITAL FACILITIES FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Development fees	\$ 233,000	\$ 1,930,000	\$ 1,933,382	\$ 3,382
Use of money and property	2,000	2,000	34,278	32,278
Total revenues	<u>235,000</u>	<u>1,932,000</u>	<u>1,967,660</u>	<u>35,660</u>
EXPENDITURES				
Current:				
Planning and community development	-	-	2,874	(2,874)
Capital outlay	<u>935,000</u>	<u>1,026,000</u>	<u>659,369</u>	<u>366,631</u>
Total expenditures	<u>935,000</u>	<u>1,026,000</u>	<u>662,243</u>	<u>363,757</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(700,000)</u>	<u>906,000</u>	<u>1,305,417</u>	<u>399,417</u>
Fund balances - beginning	<u>1,616,357</u>	<u>1,616,357</u>	<u>1,616,357</u>	<u>-</u>
Fund balances - ending	<u>\$ 916,357</u>	<u>\$ 2,522,357</u>	<u>\$ 2,921,774</u>	<u>\$ 399,417</u>

STATISTICAL SECTION

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STATISTICAL SECTION

This part of the **City of Kingsburg'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 say about the government's overall financial health.

Contents

Financial Trend – These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity – These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

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

**CITY OF KINGSBURG
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	FISCAL YEARS									
	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
<u>Governmental Activities</u>										
Net investment in										
capital assets	\$ 9,531,019	\$ 7,581,429	\$ 8,175,220	\$ 8,958,525	\$ 11,010,739	\$ 11,917,893	\$ 13,726,605	\$ 13,580,330	\$ 14,634,885	\$ 16,971,072
Restricted	11,059,895	9,856,824	9,783,215	9,678,997	8,593,486	8,917,767	8,540,239	9,169,130	4,314,137	11,157,339
Unrestricted	(4,466,456)	(363,909)	(217,842)	248,329	(2,336,196)	(1,786,896)	(314,962)	356,161	5,732,794	254,445
Total Net Position	<u>\$ 16,124,458</u>	<u>\$ 17,074,344</u>	<u>\$ 17,740,593</u>	<u>\$ 18,885,851</u>	<u>\$ 17,268,029</u>	<u>\$ 19,048,764</u>	<u>\$ 21,951,882</u>	<u>\$ 23,105,621</u>	<u>\$ 24,681,816</u>	<u>\$ 28,382,856</u>
<u>Business-type Activities</u>										
Net investment in										
capital assets	\$ 2,372,093	\$ 5,948,959	\$ 5,660,682	\$ 6,408,380	\$ 6,998,393	\$ 6,432,895	\$ 6,330,963	\$ 3,774,918	\$ 4,300,883	\$ 6,482,788
Unrestricted	(487,859)	(4,285,183)	(4,142,048)	(4,624,256)	(4,436,064)	(3,228,171)	(2,841,875)	4,604,156	4,554,673	3,499,631
Total Net Position	<u>\$ 1,884,234</u>	<u>\$ 1,663,776</u>	<u>\$ 1,518,634</u>	<u>\$ 1,784,124</u>	<u>\$ 2,562,329</u>	<u>\$ 3,204,724</u>	<u>\$ 3,489,088</u>	<u>\$ 8,379,074</u>	<u>\$ 8,855,556</u>	<u>\$ 9,982,419</u>
<u>Total Primary Government</u>										
Net investment in										
capital assets	\$ 11,903,112	\$ 13,530,388	\$ 13,835,902	\$ 15,366,905	\$ 18,009,132	\$ 18,350,788	\$ 20,057,568	\$ 17,355,248	\$ 18,935,768	\$ 23,453,860
Restricted	11,059,895	9,856,824	9,783,215	9,678,997	8,593,486	8,917,767	8,540,239	9,169,130	4,314,137	11,157,339
Unrestricted	(4,954,315)	(4,649,092)	(4,359,890)	(4,375,927)	(6,772,260)	(5,015,067)	(3,156,837)	4,960,317	10,287,467	3,754,076
Total Net Position	<u>\$ 18,008,692</u>	<u>\$ 18,738,120</u>	<u>\$ 19,259,227</u>	<u>\$ 20,669,975</u>	<u>\$ 19,830,358</u>	<u>\$ 22,253,488</u>	<u>\$ 25,440,970</u>	<u>\$ 31,484,695</u>	<u>\$ 33,537,372</u>	<u>\$ 38,365,275</u>

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

EXPENSES:	FISCAL YEARS									
	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
Governmental activities:										
General government	\$ 876,365	\$ 1,022,861	\$ 732,573	\$ 699,807	\$ 933,367	\$ 810,747	\$ 1,005,379	\$ 965,020	\$ 1,008,560	\$ 2,054,881
Parks and recreation	410,779	344,004	317,664	387,003	430,240	408,729	481,177	530,429	555,326	494,862
Public safety	2,461,622	1,635,259	1,816,354	1,927,391	1,785,462	1,542,352	1,797,401	2,787,216	3,660,296	4,665,132
Highway and streets	-	-	454,231	434,677	380,773	766,093	893,071	878,158	1,166,319	950,088
Public works	969,681	1,153,597	735,781	778,900	814,979	557,321	599,999	717,507	673,068	535,748
Tax pass-through	223,174	-	-	-	-	-	-	-	-	-
Planning and community development	836,351	334,737	166,881	104,243	189,723	286,768	356,258	367,442	477,762	426,503
Interest	628,210	550,981	416,929	437,404	300,066	199,851	187,158	173,912	158,427	141,335
Total governmental activities	<u>6,406,182</u>	<u>5,041,439</u>	<u>4,640,413</u>	<u>4,769,425</u>	<u>4,834,610</u>	<u>4,571,861</u>	<u>5,320,443</u>	<u>6,419,684</u>	<u>7,699,758</u>	<u>9,268,549</u>
Business-type activities:										
Water	1,551,128	1,748,110	1,890,846	1,886,697	1,716,307	1,536,034	1,924,632	1,961,341	2,112,020	1,939,622
Disposal	1,306,541	1,647,144	1,668,555	1,697,655	1,810,815	1,854,083	1,940,311	1,924,253	1,986,773	1,967,168
Ambulance/Fire	2,774,232	1,568,302	1,524,414	1,649,811	1,705,874	2,437,389	2,296,617	4,730,318	4,322,083	4,113,733
Building fee	131,387	50,680	47,184	66,880	113,451	-	-	-	-	-
Total business-type activities	<u>5,763,288</u>	<u>5,014,236</u>	<u>5,130,999</u>	<u>5,301,043</u>	<u>5,346,447</u>	<u>5,827,506</u>	<u>6,161,560</u>	<u>8,615,912</u>	<u>8,420,876</u>	<u>8,020,523</u>
Total primary government expenses	<u>\$ 12,169,470</u>	<u>\$ 10,055,675</u>	<u>\$ 9,771,412</u>	<u>\$ 10,070,468</u>	<u>\$ 10,181,057</u>	<u>\$ 10,399,367</u>	<u>\$ 11,482,003</u>	<u>\$ 15,035,596</u>	<u>\$ 16,120,634</u>	<u>\$ 17,289,072</u>
PROGRAM REVENUES:										
Governmental activities:										
Charges for services	\$ 284,192	\$ 287,035	\$ 409,626	\$ 713,585	\$ 562,899	\$ 703,733	\$ 1,742,760	\$ 1,223,069	\$ 1,059,138	\$ 3,493,622
Operating grants	1,307,475	1,157,695	1,061,521	1,303,802	1,191,204	1,104,208	1,271,688	1,391,409	1,473,950	1,763,066
Capital grants	1,011,768	1,134,825	792,635	284,076	1,189,281	876,625	1,086,239	92,955	364,811	439,572
Total governmental activities	<u>2,603,435</u>	<u>2,579,555</u>	<u>2,263,782</u>	<u>2,301,463</u>	<u>2,943,384</u>	<u>2,684,566</u>	<u>4,100,687</u>	<u>2,707,433</u>	<u>2,897,899</u>	<u>5,696,260</u>
Business-type activities:										
Charges for services	4,899,415	4,090,957	4,158,866	4,598,066	6,663,662	4,783,627	4,664,727	6,589,431	6,644,726	7,114,028
Operating grants	-	-	-	203,192	199,462	899,983	1,391,447	1,712,967	1,231,609	1,324,235
Capital grants	-	-	-	203,192	199,462	-	-	-	591,320	102,078
Total business-type activities	<u>4,899,415</u>	<u>4,090,957</u>	<u>4,158,866</u>	<u>5,004,450</u>	<u>7,062,586</u>	<u>5,683,610</u>	<u>6,056,174</u>	<u>8,302,398</u>	<u>8,467,655</u>	<u>8,540,341</u>
Total primary government program revenues	<u>\$ 7,502,850</u>	<u>\$ 6,670,512</u>	<u>\$ 6,422,648</u>	<u>\$ 7,305,913</u>	<u>\$ 10,005,970</u>	<u>\$ 8,368,176</u>	<u>\$ 10,156,861</u>	<u>\$ 11,009,831</u>	<u>\$ 11,365,554</u>	<u>\$ 14,236,601</u>

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Continued)**

	FISCAL YEARS									
	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
Net (expense)/revenue:										
Governmental activities	\$ (3,802,747)	\$ (2,461,884)	\$ (2,376,631)	\$ (2,467,962)	\$ (1,891,226)	\$ (1,887,295)	\$ (1,219,756)	\$ (3,712,251)	\$ (4,801,859)	\$ (3,572,289)
Business-type activities	<u>(863,873)</u>	<u>(923,279)</u>	<u>(972,133)</u>	<u>(296,593)</u>	<u>1,716,139</u>	<u>(143,896)</u>	<u>(105,386)</u>	<u>(313,514)</u>	<u>46,779</u>	<u>519,818</u>
Total primary government (expenses) revenue, net	<u>\$ (4,666,620)</u>	<u>\$ (3,385,163)</u>	<u>\$ (3,348,764)</u>	<u>\$ (2,764,555)</u>	<u>\$ (175,087)</u>	<u>\$ (2,031,191)</u>	<u>\$ (1,325,142)</u>	<u>\$ (4,025,765)</u>	<u>\$ (4,755,080)</u>	<u>\$ (3,052,471)</u>
GENERAL REVENUES:										
Governmental activities:										
Taxes:										
Property taxes	\$ 1,515,714	\$ 1,105,258	\$ 880,544	\$ 877,251	\$ 891,467	\$ 1,128,016	\$ 1,072,835	\$ 1,422,746	\$ 1,472,558	\$ 1,665,338
Sales and use taxes	857,746	986,848	894,327	1,123,783	1,195,203	953,113	1,051,840	982,698	2,460,290	3,092,695
Franchise taxes	335,279	324,743	332,448	329,884	227,745	371,609	375,520	483,749	433,177	476,016
Other taxes	159,425	-	-	-	-	-	-	-	-	-
Special assessments	740,898	269,198	265,045	284,800	227,861	243,108	249,630	243,785	239,557	-
Business licenses and transient occupancy taxes	304,558	319,203	343,694	409,513	421,535	471,331	515,696	539,949	538,169	320,034
Motor vehicle in-lieu	881,333	839,275	829,356	852,912	890,591	959,489	1,051,648	1,081,176	1,105,422	1,164,984
Investment earnings	436,021	384,396	372,519	294,378	281,981	190,689	205,053	227,180	211,383	210,807
Miscellaneous	-	143,316	172,589	123,042	160,211	133,675	90,403	63,707	267,498	843,455
Gain/Loss on sale of capital assets	-	-	-	-	1,113,000	-	-	-	-	-
Transfers	67,031	(688,126)	(826,055)	(794,705)	(1,126,357)	(783,000)	(383,000)	(179,000)	(350,000)	(500,000)
Extraordinary item-RDA dissolution	-	(224,517)	-	-	-	-	-	-	-	-
Total governmental activities	<u>5,298,005</u>	<u>3,459,594</u>	<u>3,264,467</u>	<u>3,500,858</u>	<u>4,283,237</u>	<u>3,668,030</u>	<u>4,229,625</u>	<u>4,865,990</u>	<u>6,378,054</u>	<u>7,273,329</u>
Business-type activities:										
Investment earnings	673	-	936	1,081	1,321	3,291	6,750	24,500	79,703	107,045
Miscellaneous	-	787	826,055	-	-	-	-	-	-	-
Transfers	(67,031)	702,034	-	794,705	1,126,357	783,000	383,000	179,000	350,000	500,000
Extraordinary item-settlement revenue	-	-	-	-	-	-	-	5,000,000	-	-
Total business-type activities	<u>(66,358)</u>	<u>702,821</u>	<u>826,991</u>	<u>795,786</u>	<u>1,127,678</u>	<u>786,291</u>	<u>389,750</u>	<u>5,203,500</u>	<u>429,703</u>	<u>607,045</u>
Changes in net position:										
Governmental activities	\$ 1,495,258	\$ 997,710	\$ 887,836	\$ 1,032,896	\$ 2,392,011	\$ 1,780,735	\$ 3,009,869	\$ 1,153,739	\$ 1,576,195	\$ 3,701,040
Business-type activities	<u>(930,231)</u>	<u>(220,458)</u>	<u>(145,142)</u>	<u>499,193</u>	<u>2,843,817</u>	<u>642,395</u>	<u>284,364</u>	<u>4,889,986</u>	<u>476,482</u>	<u>1,126,863</u>
Total primary government general revenues	<u>\$ 565,027</u>	<u>\$ 777,252</u>	<u>\$ 742,694</u>	<u>\$ 1,532,089</u>	<u>\$ 5,235,828</u>	<u>\$ 2,423,130</u>	<u>\$ 3,294,233</u>	<u>\$ 6,043,725</u>	<u>\$ 2,052,677</u>	<u>\$ 4,827,903</u>

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED BASIS OF ACCOUNTING)**

	FISCAL YEARS									
	<u>2010-2011</u> ⁽¹⁾	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
General Fund:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 162,769	\$ 130,397	\$ 96,706	\$ 61,652	\$ 25,180	\$ -
Committed	-	-	-	-	-	-	-	-	3,360,441	2,507,499
Unassigned	<u>633,792</u>	<u>1,086,800</u>	<u>1,232,012</u>	<u>1,461,498</u>	<u>2,443,302</u>	<u>2,629,738</u>	<u>3,531,436</u>	<u>4,491,553</u>	<u>1,968,125</u>	<u>2,644,962</u>
Total General Fund	<u>\$ 633,792</u>	<u>\$ 1,086,800</u>	<u>\$ 1,232,012</u>	<u>\$ 1,461,498</u>	<u>\$ 2,606,071</u>	<u>\$ 2,760,135</u>	<u>\$ 3,628,142</u>	<u>\$ 4,553,205</u>	<u>\$ 5,353,746</u>	<u>\$ 5,152,461</u>
All Other Governmental Funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,957,000	\$ -	\$ -	\$ -	\$ -
Restricted	11,059,895	9,856,824	9,783,215	9,678,997	8,593,486	4,621,378	8,540,239	9,169,130	4,314,137	11,157,339
Unassigned	<u>(1,256,922)</u>	<u>(1,937,912)</u>	<u>(1,646,087)</u>	<u>(1,108,285)</u>	<u>(809,095)</u>	<u>(1,150,379)</u>	<u>(465,268)</u>	<u>(374,335)</u>	<u>4,428,564</u>	<u>(172,877)</u>
Total all other governmental funds	<u>\$ 9,802,973</u>	<u>\$ 7,918,912</u>	<u>\$ 8,137,128</u>	<u>\$ 8,570,712</u>	<u>\$ 7,784,391</u>	<u>\$ 7,427,999</u>	<u>\$ 8,074,971</u>	<u>\$ 8,794,795</u>	<u>\$ 8,742,701</u>	<u>\$ 10,984,462</u>

Source: City of Kingsburg Finance Department

Notes:

⁽¹⁾ The City of Kingsburg implemented GASB 54 in the fiscal year ended June 30, 2011.

**CITY OF KINGSBURG
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED BASIS OF ACCOUNTING)**

	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
REVENUES										
Taxes	\$ 3,754,195	\$ 2,952,582	\$ 2,626,639	\$ 2,874,558	\$ 2,806,079	\$ 2,978,556	\$ 3,079,961	\$ 3,494,437	\$ 4,955,546	\$ 5,500,950
Licenses and permits	884,223	840,982	972,680	1,004,639	1,050,552	334,854	636,645	372,683	308,666	619,929
Intergovernmental revenue	2,153,377	1,250,400	1,945,310	1,988,815	2,685,956	2,965,168	3,298,906	2,438,320	3,070,976	3,450,740
Charges for services	246,903	254,067	261,621	331,805	358,346	326,563	384,310	451,115	391,458	375,013
Fines and penalties	34,399	31,262	28,912	24,930	14,854	18,693	12,677	15,464	20,424	11,679
Development fees	165,866	134,788	132,633	393,690	206,034	229,372	1,005,356	689,517	541,125	2,557,760
Interest	436,021	384,398	372,522	294,376	281,982	190,689	205,053	227,180	211,383	210,808
Other revenue	159,425	145,219	174,619	123,834	170,895	133,675	90,403	63,707	267,498	843,455
Total revenues	<u>7,834,409</u>	<u>5,993,698</u>	<u>6,514,936</u>	<u>7,036,647</u>	<u>7,574,698</u>	<u>7,177,570</u>	<u>8,713,311</u>	<u>7,752,423</u>	<u>9,767,076</u>	<u>13,570,334</u>
EXPENDITURES										
Current:										
General Government	876,907	547,042	647,725	754,204	630,146	726,070	972,276	893,467	923,719	1,172,306
Parks and community services	353,173	339,590	314,095	339,903	374,605	351,214	380,758	448,594	490,816	442,329
Public Safety	2,347,346	1,531,296	1,724,612	1,830,589	1,805,649	1,919,580	2,055,197	2,305,276	2,718,914	3,959,415
Public Works	900,665	904,472	429,704	453,140	461,645	438,132	397,214	408,377	708,016	571,131
Tax pass-through	223,174	153,500	-	-	-	-	-	-	-	-
Highway and streets	-	-	438,270	433,283	372,677	574,122	613,152	542,592	561,280	564,402
Planning and community development	626,137	191,037	166,744	104,194	189,215	315,118	311,654	355,537	395,608	547,095
Capital outlay	1,708,283	1,552,710	840,407	1,069,364	1,633,605	1,297,259	2,080,185	493,628	2,404,518	3,334,931
Debt service:										
Principal	327,641	715,272	265,000	265,000	5,190,000	317,349	292,914	314,516	314,697	304,370
Interest and fiscal charges	635,348	543,079	498,896	441,557	478,100	163,665	179,620	166,549	151,061	133,879
Bond issuance costs	-	-	-	-	268,580	-	-	-	-	-
Total expenditures	<u>7,998,674</u>	<u>6,477,998</u>	<u>5,325,453</u>	<u>5,691,234</u>	<u>11,404,222</u>	<u>6,102,509</u>	<u>7,282,970</u>	<u>5,928,536</u>	<u>8,668,629</u>	<u>11,029,858</u>
Excess of revenues Over (under) Expenditures	<u>(164,265)</u>	<u>(484,300)</u>	<u>1,189,483</u>	<u>1,345,413</u>	<u>(3,829,524)</u>	<u>1,075,061</u>	<u>1,430,341</u>	<u>1,823,887</u>	<u>1,098,447</u>	<u>2,540,476</u>
OTHER FINANCING SOURCES (USES)										
Transfers in	1,359,147	1,325,075	425,271	337,833	230,168	499,805	294,677	585,473	153,715	155,000
Transfers out	(1,292,116)	(2,013,201)	(1,251,326)	(1,132,538)	(1,356,525)	(1,282,805)	(677,677)	(764,473)	(503,715)	(655,000)
Capital lease	-	-	-	-	-	80,000	-	-	-	-
Total other financing sources (uses)	<u>67,031</u>	<u>(688,126)</u>	<u>(826,055)</u>	<u>(794,705)</u>	<u>(1,126,357)</u>	<u>(703,000)</u>	<u>(383,000)</u>	<u>(179,000)</u>	<u>(350,000)</u>	<u>(500,000)</u>
EXTRAORDINARY ITEM										
RDA dissolution	-	(738,672)	-	-	-	-	-	-	-	-
Net changes in fund balances	<u>\$ (97,234)</u>	<u>\$ (1,911,098)</u>	<u>\$ 363,428</u>	<u>\$ 550,708</u>	<u>\$ (4,955,881)</u>	<u>\$ 372,061</u>	<u>\$ 1,047,341</u>	<u>\$ 1,644,887</u>	<u>\$ 748,447</u>	<u>\$ 2,040,476</u>
Debt service as a percentage of noncapital expenditures	15.31%	25.55%	17.03%	15.29%	60.76%	10.01%	9.08%	8.85%	7.44%	5.70%

Source: City of Kingsburg Finance Department

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

Fiscal Year	Real Property		Personal Property		Exemption Real Property	Net	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		Assessed Value	Estimated Actual Value
2011	650,856,115	650,856,115	33,850,530	33,850,530	13,385,800	671,320,845	684,706,645
2012	657,011,437	657,011,437	31,508,270	31,508,270	13,192,500	675,327,207	688,519,707
2013	645,899,699	645,899,699	34,245,120	34,245,120	12,790,300	667,354,519	680,144,819
2014	671,443,117	671,443,117	28,981,580	28,981,580	12,806,700	687,617,997	700,424,697
2015	701,662,334	701,662,334	29,990,240	29,990,240	12,499,900	719,152,674	731,652,574
2016	877,189,470	877,189,470	50,748,640	50,748,640	12,285,700	915,652,410	927,938,110
2017	947,962,408	947,962,408	68,868,920	68,868,920	11,904,300	1,004,927,028	1,016,831,328
2018	981,408,294	981,408,294	65,683,876	65,683,876	11,530,500	1,035,561,670	1,047,092,170
2019	1,019,962,455	1,019,962,455	51,286,384	51,286,384	11,203,500	1,060,045,339	1,071,248,839
2020	1,087,881,484	1,087,881,484	44,222,390	44,222,390	11,007,500	1,121,096,374	1,132,103,874

Source: Fresno County Auditor/Controller

**CITY OF KINGSBURG
 ASSESSED VALUE OF TAXABLE PROPERTY
 LAST FIVE FISCAL YEARS**

Fiscal Year End	Residential Property	Commercial Property	Industrial		Unsecured Property	Less Tax-Exempt Property	Taxable Assessed Value	Total	Estimated Actual Taxable Value ⁽²⁾	Factor of Taxable Assessed Value ⁽²⁾
			Property	Other Property				Direct Tax Rate ⁽¹⁾		
2015-16	\$ 582,190,330	\$ 85,031,813	\$ 126,348,774	\$ 95,564,481	\$ 50,732,000	\$ 24,283,128	\$ 915,584,270	1.146164	\$ 1,026,218,679	1.12083
2016-17	648,069,132	121,712,507	155,223,530	34,710,051	68,825,940	23,725,212	1,004,815,948	1.102830	1,142,033,614	1.13656
2017-18	680,632,513	126,149,224	147,261,420	35,594,962	65,643,166	22,437,155	1,032,844,130	1.155064	1,141,242,154	1.10495
2018-19	725,665,588	126,738,869	146,395,878	43,805,088	51,769,384	34,329,468	1,060,045,339	1.145616	1,321,236,906	1.24640
2019-20	770,982,279	132,721,111	145,289,353	56,919,372	44,947,600	29,932,131	1,120,927,584	1.141002	1,328,422,713	1.18511

Source: Avenu Insights & Analytics

2015-16 is the City's first CAFR publication, therefore prior year data availability is limited.

Other property includes state unitary in the amount of \$39,659.

⁽¹⁾ Total Direct Tax Rate is represented by TRA 6-000.

⁽²⁾ Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices.

Based on these calculations a factor was extrapolated and applied to current assessed values.

**CITY OF KINGSBURG
TAX REVENUES BY SOURCE – GOVERNMENTAL ACTIVITIES
LAST TEN FISCAL YEARS**

Fiscal Year	Property	Sales	Franchise	Motor Vehicle	Other Taxes	Total
2010-2011	1,515,714	857,746	335,279	881,333	1,045,456	4,635,528
2011-2012	1,105,258	986,848	324,743	839,275	588,401	3,844,525
2012-2013	880,544	894,327	332,448	829,356	608,739	3,545,414
2013-2014	877,251	1,123,783	329,884	852,912	694,313	3,878,143
2014-2015	891,467	1,195,203	227,745	890,591	649,396	3,854,402
2015-2016	1,128,016	953,113	371,609	959,489	714,439	4,126,666
2016-2017	1,072,835	1,051,840	375,520	1,051,648	765,326	4,317,169
2017-2018	1,422,746	982,698	483,749	1,081,176	783,734	4,754,103
2018-2019	1,472,558	2,460,290	433,177	1,105,422	777,726	6,249,173
2019-2020	1,665,338	3,092,695	476,016	1,164,984	320,034	6,719,067

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST FIVE FISCAL YEARS**

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
Basic City and County Levy					
FRESNO CO LIBRARY	0.017500	0.017500	0.017500	0.017500	0.017500
KINGSBURG CEMETARY	0.013880	0.013880	0.013880	0.013880	0.013880
KINGSBURG HOSPITAL	0.043010	0.043010	0.043010	0.043010	0.043010
CONSOLIDATED MOSQ	0.008160	0.008160	0.008160	0.008160	0.008160
KINGSBURG ELEM	0.168810	0.168810	0.168810	0.168810	0.168810
KINGSBURG HIGH	0.166870	0.166870	0.166870	0.166870	0.166870
STATE CENTER COMM	0.051700	0.051700	0.051700	0.051700	0.051700
SCH EQUALIZATION	0.029850	0.029850	0.029850	0.029850	0.029850
CITY OF KINGSBURG	0.167150	0.167150	0.167150	0.167150	0.167150
FRESNO COUNTY	<u>0.333070</u>	<u>0.333070</u>	<u>0.333070</u>	<u>0.333070</u>	<u>0.333070</u>
TOTAL	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments					
STATE CC 2012 REF	0.002534	0.002562	0.002580	0.002284	0.002044
KINGSBURG JUES 16 REF	0.000000	0.016346	0.002584	0.006122	0.005328
KINGSBURG 2004 BD	0.009346	0.010330	0.001456	0.000000	0.000000
KINGSBURG 2006 REF	0.018620	0.005576	0.017282	0.019682	0.018148
KNGSBG HS 06 S08	0.009596	0.001722	0.000000	0.000000	0.000000
KINGSBURG HI 16 REF	0.000000	0.027752	0.028416	0.028298	0.026658
KINGSBURG HI 98	0.030944	0.027536	0.029258	0.027426	0.025948
KINGSBURG 2006	0.015854	0.000000	0.000000	0.000000	0.000000
KINGSBURG 2013 REF	0.025900	0.000000	0.000000	0.000000	0.000000
KINGSBURG HI 14A	0.027840	0.005088	0.007664	0.007552	0.007180
KINGSBURG HI 14B	0.000000	0.000000	0.017210	0.014906	0.013522
KINGS JUES 2016 A	0.000000	0.000000	0.025260	0.018664	0.018432
ST COL 2002 2007A	0.000108	0.001724	0.000000	0.000000	0.000000
ST COLL 02 S 09A	0.000448	0.000482	0.000452	0.000452	0.000000
ST COLL 02 S 09B	0.000834	0.000540	0.000514	0.000504	0.000000
STATE CCC 15 REF	0.004140	0.003172	0.004056	0.004286	0.004614
ST COLL 2016 GO A	0.000000	0.000000	0.018332	0.015440	0.014730
STATE CC 17 REF	0.000000	0.000000	0.000000	0.000000	0.000440
STATE CC 02 S 18A	<u>0.000000</u>	<u>0.000000</u>	<u>0.000000</u>	<u>0.000000</u>	<u>0.003958</u>
TOTAL	<u>0.146164</u>	<u>0.102830</u>	<u>0.155064</u>	<u>0.145616</u>	<u>0.141002</u>
TOTAL TAX RATE	<u>1.146164</u>	<u>1.102830</u>	<u>1.155064</u>	<u>1.145616</u>	<u>1.141002</u>

Source: Fresno County Auditor/Controller data, Avenu Insights & Analytics

2015-16 is the City's first CAFR publication, therefore prior year data availability is limited.

TRA 6-000 is represented for this report

*In 1978, California voters inacted Proposition 13 which held property taxes to 1% of the assessed Value.

Taxing entity's do not impose mileage rates but instead receive a share of the total 1% tax.

**CITY OF KINGSBURG
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2019-2020		2010-11	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Guardian Industries Corporation	71,957,838	6.42%		
Sun-Maid Raisin Growers Of California	66,432,063	5.93%		
Grace Church Of The Valley-Kingsburg	17,064,600	1.52%		
Pca Central California Corrugated Llc	16,455,300	1.47%		
Alves George J & Louise N L Trustees	11,076,908	0.99%		
Kingsburg Kings Pointe Llc	10,815,960	0.96%		
Jbbbs Llc	9,473,935	0.85%		
Superb Hospitality Llc	7,668,345	0.68%	5,069,047	0.76%
Kes Kingsburg L P	6,186,300	0.55%		
Calico-Kingsburg Llc	5,736,222	0.51%		
Dfa Of California	5,247,919	0.47%		
Plt Kingsburg Llc	5,156,700	0.46%	4,550,000	0.68%
Rmp Properties Llc	3,903,398	0.35%	3,373,286	0.50%
Kingsburg Investments Llc	3,727,293	0.33%	3,221,149	0.48%
Vie-Del Company	3,597,732	0.32%		
Shahbazian John & Linda Trustees	3,435,005	0.31%	2,159,546	0.32%
Foster Poultry Farms	3,370,113	0.30%	1,538,279	0.23%
Cencal Cnc Inc	3,325,600	0.30%		
Public Properties Inc	3,187,662	0.28%		
K Prop Llc	3,135,000	0.28%		
Gong Billy Kwock Trustee	3,084,901	0.28%	2,186,943	0.33%
Wiebe Abe & Ann Trustees	2,847,466	0.25%		
Sai Hospitality Llc	2,757,000	0.25%		
Alamsi Ahmed	2,704,020	0.24%		
Park Kingsburg	2,551,200	0.23%	4,094,476	0.61%
Del Monte Corp			31,014,638	4.62%
Silgan Containers Mfg. Corp			14,756,700	2.20%
Kings View Lp			4,940,100	0.74%
Emster Xii Llc			4,500,000	0.67%
Satterberg Estates Llc			4,190,901	0.62%
Filper Corp			3,692,000	0.55%
85 Almond St Inc.			2,695,000	0.40%
Longs Drug Stores California I			2,672,586	0.40%
Wiebe Abe Ann Trustees			2,460,762	0.37%
Vbw Investments			2,418,612	0.36%
Gianulias Vasio			2,274,418	0.34%
Canzoneri Richard M Norma G Tr			2,148,655	0.32%
Henderson Ez Storage L P			1,968,120	0.29%
Patel Kantilal Indiraben			1,643,681	0.24%
Comcast Of Fresno Inc.			1,601,800	0.24%
Han Sang Kyu Seong Soon			1,500,000	0.22%
Serpa Matilda D Trustee			1,493,363	0.22%
Total Top 25 Taxpayers	274,898,480	24.52%	112,164,062	16.72%
Total Taxable Value	1,120,927,584	100.00%	671,034,263	100.00%

Source: Avenu Insights & Analytics

**CITY OF KINGSBURG
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Current Tax Levies	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections
2010-2011	1,752,265	1,752,265	100%	-	1,752,265
2011-2012	1,772,100	1,772,100	100%	-	1,772,100
2012-2013	1,805,714	1,805,714	100%	-	1,805,714
2013-2014	1,847,084	1,847,084	100%	-	1,847,084
2014-2015	2,105,664	2,105,664	100%	-	2,105,664
2015-2016	1,916,057	1,916,057	100%	-	1,916,057
2016-2017	2,198,316	2,198,316	100%	-	2,198,316
2017-2018	2,270,184	2,270,184	100%	-	2,270,184
2018-2019	2,342,997	2,342,997	100%	-	2,342,997
2019-2020	2,377,674	2,377,674	100%	-	2,377,674

Source: Fresno County Auditor/Controller

Notes: Revenue and Taxation Code Sections 7401 through 4717 provide for an alternative method of distribution of tax levies and collections known as the Teeter Plan. Fresno County distributes 100% of the current secured roll to the City of Kingsburg.

**CITY OF KINGSBURG
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Business Type Activities		Total Primary Government	Percentage of Estimate Actual Value of Taxable Property ⁽¹⁾
	Tax Allocation Bonds	CIEDB Police Bldg Loan	Capital Leases	Lease Revenue Bonds	Water Meter Capital Lease	CIEDB Water Loan		
2011	3,345,000	613,785	-	2,968,393	-	2,670,144	9,597,322	1.43%
2012	2,800,000	-	-	2,894,777	-	2,592,390	8,287,167	1.23%
2013	2,610,000	-	-	2,821,161	-	2,512,316	7,943,477	1.19%
2014	2,425,000	-	-	2,742,545	1,093,774	2,429,858	8,691,177	1.26%
2015	1,439,100	-	-	2,679,930	987,674	2,344,942	7,451,646	1.04%
2016	1,262,900	-	68,853	2,570,000	878,011	2,257,496	7,037,260	0.77%
2017	1,095,300	-	53,539	2,441,950	764,664	2,167,443	6,522,896	0.65%
2018	911,600	-	37,693	2,327,960	647,510	2,074,708	5,999,471	0.58%
2019	733,300	-	20,697	2,208,970	526,420	1,979,208	5,468,595	0.52%
2020	570,900	-	3,732	2,084,980	401,264	1,880,863	4,941,739	0.47%

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements

Source: City of Kingsburg Financial Report

⁽¹⁾ See the schedule of Assessed and Actual Value of Property.

**CITY OF KINGSBURG
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Debt Outstanding			Total Assessed Property Value	Population	Percent of Actual Taxable Value of Property	Per Capita
	General Fund Debt Outstanding	Less Amounts Available in Debt Service Fund	Total				
2011	6,927,178	350,272	6,576,906	671,320,845	11,536	0.98%	570
2012	5,694,777	235,000	5,459,777	675,327,207	11,590	0.81%	471
2013	5,431,161	270,000	5,161,161	667,354,519	11,685	0.77%	442
2014	5,167,545	270,000	4,897,545	687,617,997	11,711	0.71%	418
2015	4,119,030	306,200	3,812,830	719,152,674	12,101	0.53%	315
2016	3,901,753	277,600	3,624,153	915,652,410	12,101	0.40%	299
2017	3,590,789	144,006	3,446,783	1,004,927,028	12,338	0.34%	279
2018	3,277,253	174,572	3,177,461	1,035,561,670	12,253	0.31%	259
2019	2,962,967	192,881	2,770,086	1,060,045,339	12,392	0.26%	224
2020	2,659,612	211,273	2,448,339	1,121,096,374	12,883	0.22%	190

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2020**

	Total Debt 6/30/2020	% Applicable	City's Share of Debt 6/30/2020
OVERLAPPING TAX AND ASSESSMENT DEBT:			
State Center Community College District	\$ 155,670,000	1.253%	\$ 1,950,545
Selma Unified School District	47,797,936	4.934%	2,358,350
Kingsburg Joint Union High School District	19,494,234	48.724%	9,498,371
Kingsburg Elementary Charter School District	18,404,806	63.934%	11,766,929
City of Kingsburg 1915 Act Bonds	314,000	100.000%	<u>314,000</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 25,888,195 ⁽¹⁾
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Fresno County General Fund Obligations	\$ 33,150,000	1.364%	\$ 452,166
Fresno County Pension Obligation Bonds	228,022,749	1.364%	3,110,230
Selma Unified School District Certificates of Participation	11,242,716	4.934%	554,716
Kingsburg Elementary Charter School District Certificates of Participation	4,377,000	63.934%	2,798,391
City of Kingsburg General Fund Obligations	2,100,000	100.000%	<u>2,100,000</u>
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 9,015,503
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	\$ 115,000	100.000%	\$ 115,000
TOTAL DIRECT DEBT			\$ 2,100,000
TOTAL OVERLAPPING DEBT			\$ 32,918,698
COMBINED TOTAL DEBT			\$ 35,018,698 ⁽²⁾

(1) The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentage 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 and non-bonded capital lease

Ratios to 2019-2020 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.29%
Total Direct Debt (\$2,100,000)	19.00%
Combined Total Debt	3.09%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$116,148,483):

Total Overlapping Tax Increment Debt	0.10.%
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Source: Avenu Insights & Analytics

**CITY OF KINGSBURG
LEGAL DEBT MARGIN INFORMATION
AS OF JUNE 30, 2020**

ASSESSED VALUATION	
Assessed Value	\$ 1,121,096,374
Add back exempt property	<u>11,007,500</u>
Total Assessed Value	<u>1,132,103,874</u>
LEGAL BONDED DEBT LIMIT (15% OF ASSESSED VALUE)	169,815,581
AMOUNT OF DEBT SUBJECT TO LIMIT:	
Total Bonded debt	2,655,880
Less Tax Allocation Bonds not subject to limit	<u>-</u>
 Amount Subject to limit	 <u>2,655,880</u>
LEGAL BONDED DEBT MARGIN	<u>\$ 167,159,701</u>

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2011	102,705,997	2,995,000	99,710,997	3.00%
2012	103,277,956	2,920,000	100,357,956	2.91%
2013	102,021,723	2,845,000	99,176,723	2.87%
2014	105,063,705	2,845,000	102,218,705	2.78%
2015	109,747,886	2,765,000	106,982,886	2.58%
2016	139,190,717	2,570,000	136,620,717	1.88%
2017	152,524,699	3,537,250	148,987,449	2.37%
2018	157,063,826	3,239,560	153,824,266	2.11%
2019	160,687,326	2,942,270	157,745,056	1.87%
2020	169,815,581	2,655,880	167,159,701	1.59%

Source: Fresno County Auditor/Controller

**CITY OF KINGSBURG
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST FIVE FISCAL YEARS**

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (4)	**Public School Enrollment	County Unemployment Rate (%) (3)	City Unemployment Rate (%) (3)	County Population (1)
2015-2016	12,101	318,852,032	26,349	34.7	3,438	10.2%	10.4%	984,541
2016-2017	12,338	333,693,548	27,046	34.7	3,391	9.4%	9.6%	995,975
2017-2018	12,253	352,478,498	28,767	34.2	3,390	8.7%	7.3%	1,007,229
2018-2019	12,392	376,006,738	30,343	34.1	3,396	6.4%	5.8%	1,018,241
2019-2020	12,883	406,565,321	31,558	35.2	3,333	15.7%	11.1%	1,023,358

Source: Avenu Insights & Analytics, U.S. Census Bureau, 2010 American Community Survey.

2015-16 is the City's first CAFR publication, therefore prior year data availability is limited.

(1) Population projections are provided by the California Department of Finance Projections.

(2) Income Data is provided by the U.S. Census Bureau, 2010 American Community Survey.

(3) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

(4) Median Age reflects the U.S. Census data estimation table.

**Student Enrollment reflects the total number of students enrolled in Kingsburg Elementary Charter and Kingsburg Joint Union High.

**CITY OF KINGSBURG
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Business Name	2019-2020		2015-2016	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Kingsburg Elementary Charter School Dist. *	367	6.67%	-	-
Guardian Industries Corp	231	4.20%	298	5.14%
Kingsburg Joint Union High School District	120	2.18%	100	1.72%
Kingsburg Care Ctr **	94	1.71%	-	-
Save Mart	93	1.69%	-	-
Jensen McClarty Llc	65	1.18%	70	1.21%
Cencal Cnc Inc	60	1.09%	-	-
Cornerstone Cold Storage***	56	1.02%	46	0.79%
Kings River Union School Dist.	55	1.00%	-	-
City of Kingsburg	54	0.98%	51	0.88%
Total Top 10 Employers	1,195	21.73%	565	9.74%
Total City Labor Force (1)	5,500		5,800	

Source: Avenu Insights & Analytics

2015-16 is the city's first CAFR publication, therefore, prior year data availability is limited.

Results based on direct correspondence with city's local businesses.

*Includes FTE, Substitutes & Coaches

** Includes FTE & On-call

*** Includes seasonal employees

(1) Total City Labor Force provided by EDD Labor Force Data.

**CITY OF KINGSBURG
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Programs	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.44	1.42	1.50	1.35
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.20
Finance	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.95	1.00	5.00
Community Services	4.10	3.85	3.85	3.85	3.85	3.85	7.27	8.41	6.00	6.00
Human Resource	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Police Department	18.00	18.00	18.00	18.00	18.00	18.00	18.07	20.36	21.50	19.72
Planning & Development	1.50	0.25	0.25	0.55	0.55	1.35	2.00	2.00	2.00	2.00
Public Works	3.03	3.03	3.03	3.03	3.03	3.03	3.00	5.34	7.00	7.00
Total Governmental Activities	35.63	34.13	34.13	34.43	34.43	35.23	39.78	45.48	46.00	48.27
Business-Type-Activities										
Water	5.83	5.83	5.83	5.83	5.83	5.83	4.00	4.08	4.00	3.00
Solid Waste	2.05	2.05	2.05	2.05	2.05	2.05	2.00	2.13	-	-
Ambulance/Fire	9.50	9.50	9.20	9.50	12.50	12.50	11.70	11.27	14.50	15.00
Building Permit	0.65	0.65	0.65	0.65	1.35	-	-	-	-	-
Total Business Type Activities	18.03	18.03	17.73	18.03	21.73	20.38	17.70	17.48	18.50	18.00
Full Time Employees	53.66	52.16	51.86	52.46	56.16	55.61	57.48	62.96	64.50	66.27

Source: City of Kingsburg Finance Department

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
# of calls for service	17,246	15,644	17,424	19,109	12,736	8,125	9,840	9,635	9,003	8,599
# of arrests	458	427	361	370	369	276	383	388	309	165
# of traffic citations	881	532	502	655	293	302	657	815	715	229
Fire										
# of fire calls	399	317	380	509	598	441	622	495	560	536
# of EMS calls	1,522	1,613	1,450	1,594	1,651	1,285	1,768	1,657	1,894	2,084
# of inspections	6	6	14	10	8	6	10	6	24	150
Parks and Recreation										
# of recreation classes	5	5	5	5	5	5	5	6	6	2
# of facility rentals	308	276	278	304	341	303	251	292	309	103
Public Works										
# of street miles maintained	47.50	47.50	47.50	47.50	47.50	47.50	50.00	72.00	72.00	72.00
# of Facilities sq ft maintained	67,078	67,078	67,078	67,078	67,078	67,078	67,078	67,078	67,078	67,078
Utilities:										
# of utility accounts	3,548	3,446	3,589	3,602	3,607	3,614	3,666	3,701	3,732	3,818
Water Production volume (in millions)	1,245.30	1,240.30	1,343.70	1,129.00	837.50	805.24	980.18	878.10	844.01	930.01
Planning and Building										
# of building permits	270	255	241	233	388	310	416	379	426	684
# of planning applications	34	20	32	34	27	14	40	25	32	27
# of code complaints	-	-	-	-	30	50	14	61	321	162

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	2	2	2	2
Public Utilities:										
Streets (miles)	47.50	47.50	47.50	47.50	47.50	47.50	50.00	72.00	72.00	72.00
Community Services:										
Parks	8	8	8	8	9	9	9	9	9	9
Utilities:										
Water Wells	8	8	8	8	8	8	8	8	8	8

Source: City of Kingsburg Finance Department