

# CITY OF KINGSBURG CALIFORNIA



**2023-2024**  
**Annual Comprehensive**  
**Financial Report**  
For the Fiscal Year July 1, 2023 to June 30, 2024

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## **INTRODUCTORY SECTION**



## City of Kingsburg

1401 Draper Street, Kingsburg, CA 93631-1908  
(559) 897-5821 (559) 897-5568

March 18, 2025

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

SUBJECT: Annual Comprehensive Financial Report - June 30, 2024

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Kingsburg (City) for the fiscal year ended June 30, 2024. 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, 2024, 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, 2024, 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, if required, is published separately from this ACFR.

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 12,865 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 by-District 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's annual budget serves as the foundation for our financial planning and control system. Every year, each City department submits requests for annual appropriations to the City Manager. The City Manager uses these requests as a starting point for developing a proposed annual operating budget. The City Manager then presents the proposed annual operating budget to the City Council's Finance Committee followed by a presentation to the City Council. The Council holds public hearings on the

proposed annual budget and then ultimately adopts a formal budget. During the fiscal year the City Manager and Council periodically review the City's actual financial activity in relationship to the original budget, and as necessary, amends the original budget to reflect changing needs. The City Council is required to adopt an annual 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.

### **Factors Affecting Financial Condition**

The local economy continues to evolve similar to nationwide trends. This includes the movement away from larger brick and mortar retailers, who continue to downsize and centralize their operations in larger populaces. Kingsburg has been successful in their ongoing efforts to invest in more 'experience-based' opportunities, which includes revitalization efforts in the downtown core. We often refer to our downtown as the city's "living room" and we've worked tirelessly to make that place welcoming for businesses, visitors and our residents.

Fiscally, our sales tax, fuel tax, and tourism related revenues are returning to pre-pandemic status. In some cases, we are exceeding pre-pandemic levels. Sales tax receipts are anticipated to outpace property tax revenues in the General Fund. Property taxes, transient occupancy taxes, sales taxes and development related fees have all performed higher than forecasted.

Without a safe, clean environment, our city would struggle. Thankfully, our residents believe in this as well, supporting the 1% public safety transaction and use tax (Measure E). Passed by 72% of voters in 2018, revenues received are utilized only by our police and fire/EMS. To date, it accounts for 15 full-time positions across both departments, as well as equipment, capital projects, training and more. This fund has continued to exceed expectations for revenue growth, and our community is the benefactor. For FY24, we are projecting nearly \$2.67M in receipts, which is a 15.8% increase from FY21 (the most recent full year of actual receipts). Measure E has proven an invaluable resource for our departments, helping to increase full-time staffing, training and equipping personnel.

The American Rescue Plan Act (ARPA) has provided the City with ~\$2.8M, which can be utilized for any governmental service. The Council has allocated a portion of that funding, but has reserved roughly 50% for future years, as the funds are not required to be encumbered until the end of 2024, and fully spent until the end of 2026.

The City has approved nearly 500 new single family lots on several separate housing tracts (dating back to 2017). To date, ~440 of those homes have been constructed, with the remainder still under construction. While the rate of building is largely dependent upon market factors, 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, landscaping, 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.

Major employers include T-Mobile with over 1,000 employees, Sun-Maid Growers of California with over 650 employees, Guardian Glass with 280 employees, Kingsburg Elementary School District with 265 employees and Packaging Corp. of America at 180 employees.

## **Financial Policies**

The City maintains budgetary controls with the objective of ensuring compliance with legal provision embodied in the annual appropriated 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 expenditure cannot legally exceed the annual appropriate 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 annual 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.

## **Pension and Capital Funding**

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 annually 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. To address our unfunded actuarial liability related to employee pension costs, the City has contributed additional discretionary payments to CalPERS in 2019 & 2021, with an expected long-term interest savings of ~\$1.8M.

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**

In 2023, Council completed the most recent update to our strategic planning process. The document serves as the City of Kingsburg's 2024-2029 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 updated plan included a review of our previous strategic plan, performed by The Mejorando Group.

Our facilitator, Patrick Ibarra, also led both invite-only and open community sessions to gauge the needs of our community over the next five years, and beyond. The sessions resulted in updated Mission Statement & Vision Statements, as well as new goals from which to drive our outcomes:

#### Mission Statement

Kingsburg is dedicated to leadership that inspires, professionalism that ensures excellence in service, and partnership that fosters community collaboration.

#### Vision Statement

In Kingsburg, we take pride in our uniqueness, which is rooted in a rich heritage that shapes our identity. Together, we celebrate the past, engage the present, and build a future full of possibilities.

#### Strategic Goals

- Preserve the Kingsburg Experience
- Financial Stability
- Support Businesses
- Community Engagement
- Community Safety

#### **Preserve the Kingsburg Experience**

More and more, we embrace the heritage and thoughtful nature which Kingsburg has developed. City leaders have consistently chosen quality over quantity when it comes to growth. Be it new housing or commercial development, Kingsburg has maintained its charm, heritage and core values by requiring

#### **Financial Stability**

##### **Community Facilities Districts**

Beginning in 2017, Council began requiring that all new annexations and eligible development begin participating in Community Facilities Districts as a condition of approval. Mello-Roos community facilities districts (CFDs) are a type of special tax district formed when property owners within a geographic area agree to impose a tax on property in order to fund infrastructure improvements or services. The public services that are financed by the CFD levy include, without limitation, police services, fire and ambulance and emergency response services, parks and open space maintenance, lighting and landscape maintenance, alley maintenance and repair, administrative fees of the City and reimbursement of costs related to the formation of CFD 2017-01 advanced by the City.

The effect of these Districts provides financial assurance to the City and those subdivisions that funding will be available to address the items as outlined above.

#### **Support Businesses**

##### **Economic Development Incentives**

Kingsburg continues to gain momentum as it relates to investment in our community. This not only contributes to the creation of new jobs and the attraction of investment, but it also fosters an environment that stimulates innovation, enhances local businesses' competitiveness, and increases our city's overall economic resilience. A thriving economy positively impacts every facet of community life. High development standards and ensuring community input and desire is central to our decision making.

## **Community Engagement**

### A Connected Community

In FY23, the city agreed to enter into a public/private agreement to install 17+ miles of conduit and fiber optic infrastructure that will provide coverage for all Kingsburg neighborhoods. The 17-mile fiber project is now completed, with strategically placed access points allowing for high-speed internet access to all homes and businesses via either a Wi-Fi backhaul or direct hardwire.

High-speed fiber internet plays an indispensable role in modern cities, acting as a lifeline to the digital world and profoundly impacting access to information and services for all citizens. This technological infrastructure is not merely about faster internet connection; it's about social equity, economic development, and bridging the digital divide. It's about ensuring all citizens - regardless of their socio-economic status - have access to online education, telehealth services, remote work opportunities, and digital government services. It can also stimulate economic growth by attracting tech-savvy businesses and entrepreneurs, fostering innovation and creating job opportunities.

## **Community Safety**

### Meeting the Need

In the 1990s and 2000s, over 80% of EMS patients were transported to Kingsburg or Selma District Hospital which only took an hour for transport. However, most patients today request to be transported to hospitals in Fresno, Clovis, Madera, or Visalia, which takes two hours. While the population has remained steady over the last 20 years, the time the ambulance isn't available to respond to another emergency has not. Even though the ambulance is committed to an emergency call twice as long, the fire department cannot recoup additional reimbursement to compensate for the additional time. Furthermore, ambulances are also experiencing Ambulance Patient Off-Load Times (APOT) or wall times. Even when ambulances arrive at a hospital, the ambulance must wait for an emergency room to become available. More patients wanting to be transported to these areas has resulted in overcrowded emergency rooms, affecting ambulance availability.

## **Risk Management**

The City limits its exposure to losses from unfavorable events, employee injuries, and from the risk of damages to City property by participating with other governments in an insurance pool wherein the risk of substantial monetary loss is transferred from the City to the insurance pool. Further information about this arrangement is included in the notes to the financial statements.

## **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 and in California CLASS Pool investments is a local government investment pool that provides public agencies with the opportunity to pool their funds together with the goal of collectively earning interest on investments.

## Awards and Acknowledgments

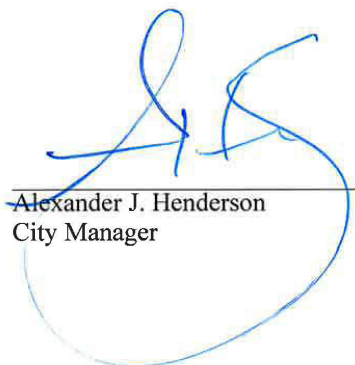
The City was honored to receive The Government Finance Officers Association Distinguished Budget Award in 2025 for the City's 2024-2025 annual budget. This award is given to local governments that have prepared budgets that exceed expectations and reflect the guidelines established by the National Advisory 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 Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2023. 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 seventh 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 ACFR 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 Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

ORGANIZATIONAL CHART OF  
**THE CITY OF KINGSBURG**

CALIFORNIA

CITIZENS OF KINGSBURG

CITY COUNCIL

MAYOR  
 BRANDON PURSELL JR.  
 PRO-TEM  
 VINCE PALOMAR  
 COUNCIL MEMBERS  
 LAURA NORTH  
 STACI SMITH  
 DAVID M. SILVA

CITY MANAGER  
 ALEXANDER HENDERSON

CITY CLERK  
 ABIGAIL PALSGAARD

CITY ATTORNEY  
 MICHAEL NOLAND

LOCAL ELECTIONS OFFICIAL  
 LOCAL LEGISLATION OFFICIAL  
 LICENSING  
 RECORDS MANAGEMENT

POLICE CHIEF  
 NEIL DADIAN

PATROL  
 INVESTIGATIONS  
 TRAFFIC  
 RECORDS PROPERTY/  
 EVIDENCE

FIRE CHIEF  
 DANIEL PERKINS

FIRE RESPONSE  
 EMS COMMUNITY  
 RISK  
 REDUCTION RESCUE  
 SERVICES

FINANCE DIRECTOR  
 ALMA COLADO

ACCOUNTING  
 BUDGETING  
 UTILITY BILLING  
 FINANCIALS  
 PAYROLL  
 BUDGETING  
 UTILITY BILLING

PUBLIC WORKS DIRECTOR  
 DANIEL GALAVEZ

FACILITIES  
 FLEET & STREET  
 MAINTENANCE PARK &  
 LANDSCAPE  
 MAINTENANCE  
 WATER SYSTEM

COMMUNITY DEVELOPMENT  
 DIRECTOR  
 HOLLY OWEN

CITY PLANNING BUILDING  
 PERMITS BUILDING  
 INSPECTIONS  
 CODE ENFORCEMENT

COMMUNITY SERVICES  
 DIRECTOR  
 ADAM CASTANEDA

PARKS  
 RECREATION  
 POOL  
 SENIOR SERVICES  
 COMMUNITY EVENTS

ASSISTANT CITY MANAGER/  
 DIRECTOR OF ADMINISTRATIVE  
 SERVICES  
 CHRISTINA WINDOVER

HUMAN RESOURCES  
 ADMINISTRATION RISK  
 MANAGEMENT SPECIAL  
 PROJECTS

CONSULTANT SERVICES PROVIDED BY: PETERS ENGINEERING GROUP (ENGINEER); KAHN, SOARES & CONWAY, LLP (CITY ATTORNEY); JOLENE POLYACK (ECONOMIC DEVELOPMENT).

**Elected Officials**

Mayor	Brandon Pursell Jr.
Mayor Pro Tem	Vince Palomar
Council Member	Laura North
Council Member	Staci Smith
Council Member	David M. Silva

**Appointed Officials**

City Manager	Alexander J. Henderson
City Attorney	Michael Noland
City Clerk	Abigail Palsgaard
Director of Administrative Services	Christina Windover
Police Chief	Neil Dadian
Fire Chief	Rodnie Roberts
Building Official	AJ O'Connell
Finance Director/City Treasurer	Alma Colado
Community Development Director	Holly Owen

## **FINANCIAL SECTION**



**INDEPENDENT AUDITOR'S REPORT**

To the Honorable Mayor and City Council  
City of Kingsburg, California

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kingsburg, California (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, 2024, 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.

***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, schedule of proportionate share of net pension liability, schedule of contributions, and notes to the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

**Supplementary 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 accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2025, 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 solely 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 the effectiveness of the City's 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  
March 18, 2025

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



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 for the year ended June 30, 2024. The discussion should be read in conjunction with the accompanying transmittal letter, the basic financial statements and the accompanying notes to the basic financial statements which follow this section.

### **Overview of the Basic Financial Statements**

The Annual Comprehensive Financial Report is composed of the following:

1. Introductory section, including the Transmittal Letter
2. Management's Discussion and Analysis
3. 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.
4. The report also includes supplementary information intended to furnish additional detail to support the basic financial statements.
5. Statistical information.

The Basic Financial Statements consist of the City-wide Financial Statements and the Fund Financial Statements. These two sets of financial statements provide a short-term view as well as a long-term view.

### Government-wide Financial Statements

All of the City's activities are grouped into either Governmental Activities or into Business-type Activities. Governmental Activities are those functions that are principally supported by taxes or by specific governmental program revenues such as developer fees. Business-type Activities are those services that are principally charges paid by direct users of the service such as Disposal collection.

The government-wide financial statements are designed to provide readers with a broad overview of all of the City's finances taken as a whole, using a long-term view, in a manner similar to a private-sector business. The Government-wide Financial Statements consist of the Statement of Net Position and Statement of Activities.

The *Statement of Net Position* presents financial information on all 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/Fire.

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 18-19 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 nineteen 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 Fund, Measure E Fund, Capital Facilities Fund and Streets Projects Fund. 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, Measure E Fund, Capital Facilities Fund and Streets Projects Fund to demonstrate compliance with this budget and can be found on pages 64-68.

The governmental fund financial statements can be found on pages 21-24 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 Water, Disposal, and Ambulance/Fire, all of which are major funds. The basic proprietary fund financial statements can be found on pages 25-27 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 29-30 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 basic financial basic statements can be found on pages 32-62 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 65-66 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 68-91 of this report.

**Financial Highlights**

Government-wide financial highlights for the fiscal year ended :

**I. Statement of Net Position**

Condensed Statement of Net Position

	<u>2024</u>	<u>2023</u>	
Assets	\$ 68,921,265	\$ 63,204,355	Government-wide total assets at fiscal year ending June 30, 2024 increased by \$5,716,910 which is 9.1% higher than fiscal year ending June 30, 2023
Liabilities	\$ 17,580,166	\$ 13,706,922	Government-wide total liabilities at fiscal year ending June 30, 2024 increased by \$3,873,244 which is 28.3% higher than fiscal year ending June 30, 2023
Deferred Outflows/Inflows of Resources	\$ 3,734,177	\$ 3,520,878	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	\$ 55,075,276	\$ 53,018,311	The Net Position (assets less liabilities) at fiscal year ending June 30, 2024 increased by \$2,056,965 which is 3.9% more than fiscal year ending June 30, 2023. The net position includes a net amount of \$3,734,177 of deferred outflows/inflows of resources.

**Statement of Net Position (Detail)**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Assets:</b>						
Current and other assets	\$ 27,716,599	\$ 25,948,000	\$ (336,553)	\$ (927,103)	\$ 27,380,046	\$ 25,020,897
Capital assets	30,615,824	26,100,054	10,925,395	12,083,404	41,541,219	38,183,458
Total assets	<u>58,332,423</u>	<u>52,048,054</u>	<u>10,588,842</u>	<u>11,156,301</u>	<u>68,921,265</u>	<u>63,204,355</u>
<b>Deferred Outflows of Resources:</b>						
Total deferred outflows of resources	<u>2,959,024</u>	<u>3,064,594</u>	<u>1,183,658</u>	<u>1,246,758</u>	<u>4,142,682</u>	<u>4,311,352</u>
<b>Liabilities:</b>						
Current and other liabilities	6,689,617	3,621,541	2,581,066	2,412,458	9,270,683	6,033,999
Long-term liabilities	5,860,734	5,386,421	2,448,749	2,286,502	8,309,483	7,672,923
Total liabilities	<u>12,550,351</u>	<u>9,007,962</u>	<u>5,029,815</u>	<u>4,698,960</u>	<u>17,580,166</u>	<u>13,706,922</u>
<b>Deferred Inflows of Resources:</b>						
Total deferred inflows of resources	<u>269,400</u>	<u>551,149</u>	<u>139,105</u>	<u>239,325</u>	<u>408,505</u>	<u>790,474</u>
<b>Net Position:</b>						
Net investment in capital assets	27,818,069	24,377,392	9,447,552	10,488,898	37,265,621	34,866,290
Restricted	15,039,704	14,157,183	-	-	15,039,704	14,157,183
Unrestricted	5,613,923	7,018,962	(2,843,972)	(3,024,124)	2,769,951	3,994,838
Total net position	<u>\$ 48,471,696</u>	<u>\$ 45,553,537</u>	<u>\$ 6,603,580</u>	<u>\$ 7,464,774</u>	<u>\$ 55,075,276</u>	<u>\$ 53,018,311</u>

Of the total net position, \$37,265,621 or 64% 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 are still outstanding.

The Statement of Net Position reflects a net effect of \$3,734,177 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 \$8,309,483 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 \$15,039,704 or 28% 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 \$5,613,923 while the business-type activities account for a deficit of \$2,843,972. 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 \$48,471,696 or 88% of the total government-wide net position. This is an increase of \$2,918,159 or 6% over the governmental net position ending balance due to an increase in investment in capital assets.

**CITY OF KINGSBURG | JUNE 30, 2024**  
Management's Discussion and Analysis

**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 19.

	<u>2024</u>	<u>2023</u>
Operating revenues	\$ 26,430,378	\$ 27,685,381
Operating expenses	24,701,487	26,160,142
Increase in net position	1,728,891	1,525,239
Error correction (see footnote 14)	328,074	-
Net position, beginning of year	53,018,311	51,493,072
Net position, end of year	<u>\$ 55,075,276</u>	<u>\$ 53,018,311</u>

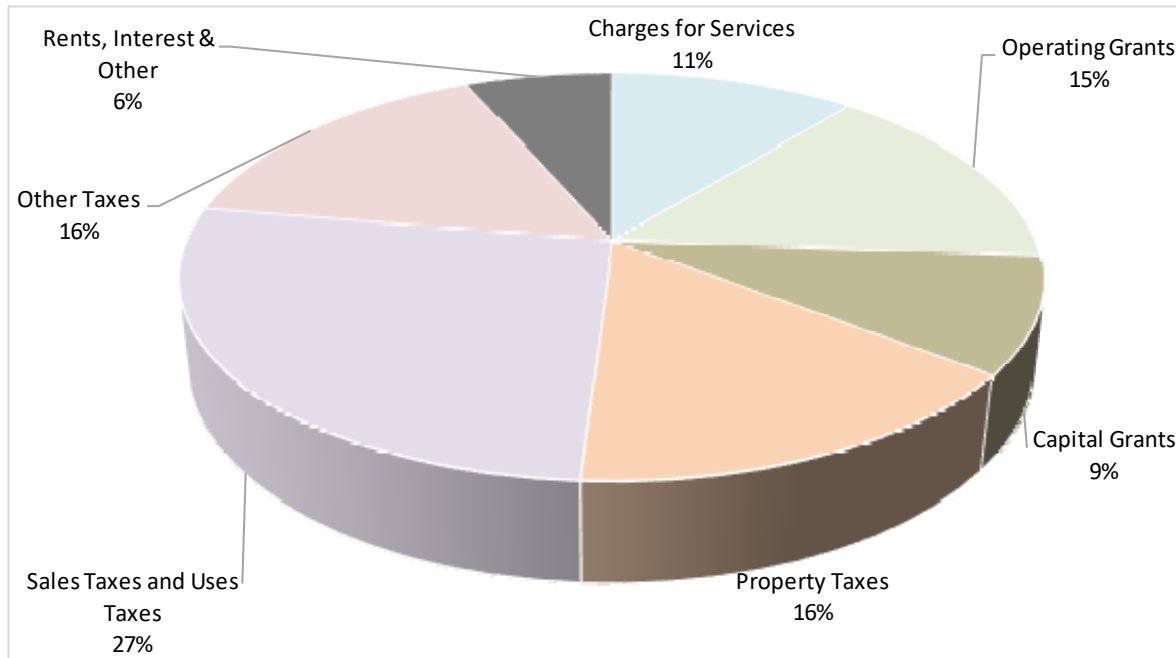
**Changes in Net Position (Detail)**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>REVENUES</b>						
<b>Program revenues:</b>						
Charges for services	\$ 1,765,976	\$ 1,667,353	\$ 8,009,940	\$ 10,570,131	\$ 9,775,916	\$ 12,237,484
Operating grants	2,428,127	2,473,952	2,295,127	2,130,047	4,723,254	4,603,999
Capital grants	1,481,502	1,490,462	-	-	1,481,502	1,490,462
<b>General revenues:</b>						
Property taxes	2,491,557	2,113,382	-	-	2,491,557	2,113,382
Sales and use taxes	4,274,956	4,281,190	-	-	4,274,956	4,281,190
Other taxes	2,533,596	2,390,317	-	-	2,533,596	2,390,317
American Rescue Plan Act (ARPA)	-	-	-	-	-	-
Gain on sale of assets	36,903	-	-	4,449	36,903	4,449
Rent, interest and other	1,047,546	525,610	65,148	38,488	1,112,694	564,098
<b>Total revenues</b>	<u>16,060,163</u>	<u>14,942,266</u>	<u>10,370,215</u>	<u>12,743,115</u>	<u>26,430,378</u>	<u>27,685,381</u>
<b>EXPENSES</b>						
General government	2,699,908	2,524,957	-	-	2,699,908	2,524,957
Parks and community services	901,887	930,517	-	-	901,887	930,517
Public safety	6,565,174	5,678,130	-	-	6,565,174	5,678,130
Public works	756,263	683,806	-	-	756,263	683,806
Highway and streets	1,239,528	1,363,268	-	-	1,239,528	1,363,268
Planning and community	860,918	1,191,530	-	-	860,918	1,191,530
Interest	-	69,661	-	-	-	69,661
Water	-	-	3,713,756	3,150,628	3,713,756	3,150,628
Disposal	-	-	3,190,123	2,643,750	3,190,123	2,643,750
Ambulance/fire	-	-	4,773,930	7,923,895	4,773,930	7,923,895
<b>Total expenses</b>	<u>13,023,678</u>	<u>12,441,869</u>	<u>11,677,809</u>	<u>13,718,273</u>	<u>24,701,487</u>	<u>26,160,142</u>
Increase (decrease) in net position before transfers	3,036,485	2,500,397	(1,307,594)	(975,158)	1,728,891	1,525,239
Transfers in(out)	(466,636)	1,896,915	466,636	(1,896,915)	-	-
Increase (decrease) in net position	<u>2,569,849</u>	<u>4,397,312</u>	<u>(840,958)</u>	<u>(2,872,073)</u>	<u>1,728,891</u>	<u>1,525,239</u>
Net Position - beginning, as previously reported	45,553,537	41,156,225	7,464,774	10,336,847	53,018,311	51,493,072
Error correction (see footnote 14)	348,310	-	(20,236)	-	328,074	-
Net Position - beginning, as restated	<u>45,901,847</u>	<u>41,156,225</u>	<u>7,444,538</u>	<u>10,336,847</u>	<u>53,346,385</u>	<u>51,493,072</u>
Net Position - end of year	<u>\$ 48,471,696</u>	<u>\$ 45,553,537</u>	<u>\$ 6,603,580</u>	<u>\$ 7,464,774</u>	<u>\$ 55,075,276</u>	<u>\$ 53,018,311</u>

Total governmental revenues for the year were \$16,060,163 with charges for services comprising of 11% of the total revenue. Taxes, which include property, sales and other taxes, account for \$9,300,109 or 58% of the City's governmental activities revenue. The increase in revenues is due to increases to property taxes, service fees, permits and use of property.

Total governmental expenses for the year were \$13,023,678. Public Safety accounts for \$6,565,174 or 50% of the total governmental activity expenses, followed by Highways and Streets, Parks and Community Services, Public Works, General Government, and Planning and Community with \$1,239,527, \$901,887, \$756,263, \$2,699,908, \$860,918 or 10%, 7%, 6%, 21%, 7% respectively. The increases in expenses are due to recording the Solar equipment lease-purchase agreement and the Fiber optic loan program. The City financed and provided for the infrastructure (conduit and fiber) construction utilizing a self-funded loan (repaid at 4% interest) and \$1M of ARPA funds.

**Revenues by Source - Governmental Activities**

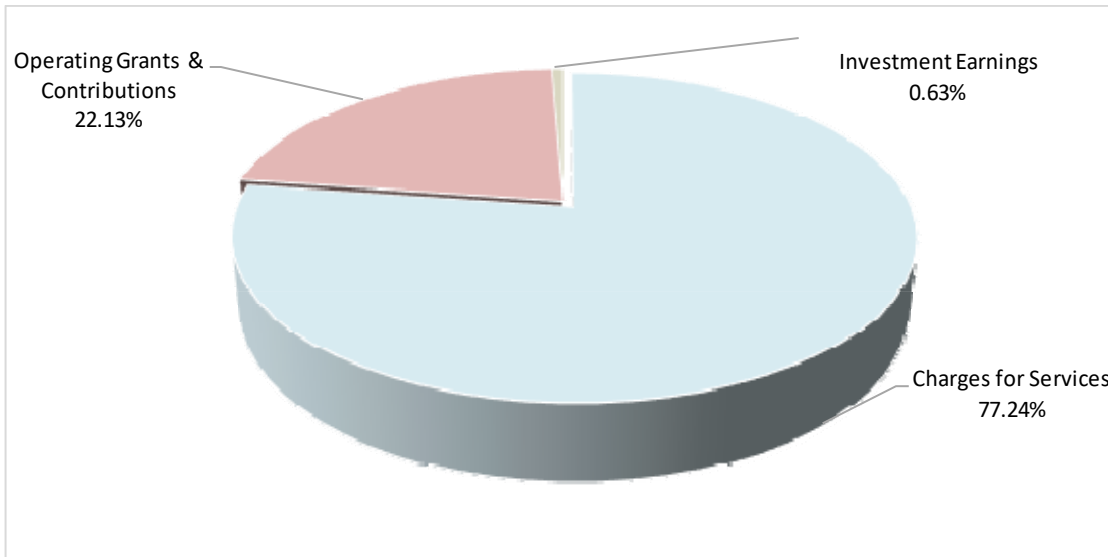


Program revenues which include charges for services, grant revenues and developer capital contributions account for \$5,675,605 or approximately 35% of the total governmental activity revenue. The amounts necessary to fully fund the governmental activity programs are made up by “general” revenues such as taxes, interest, and developer fees.

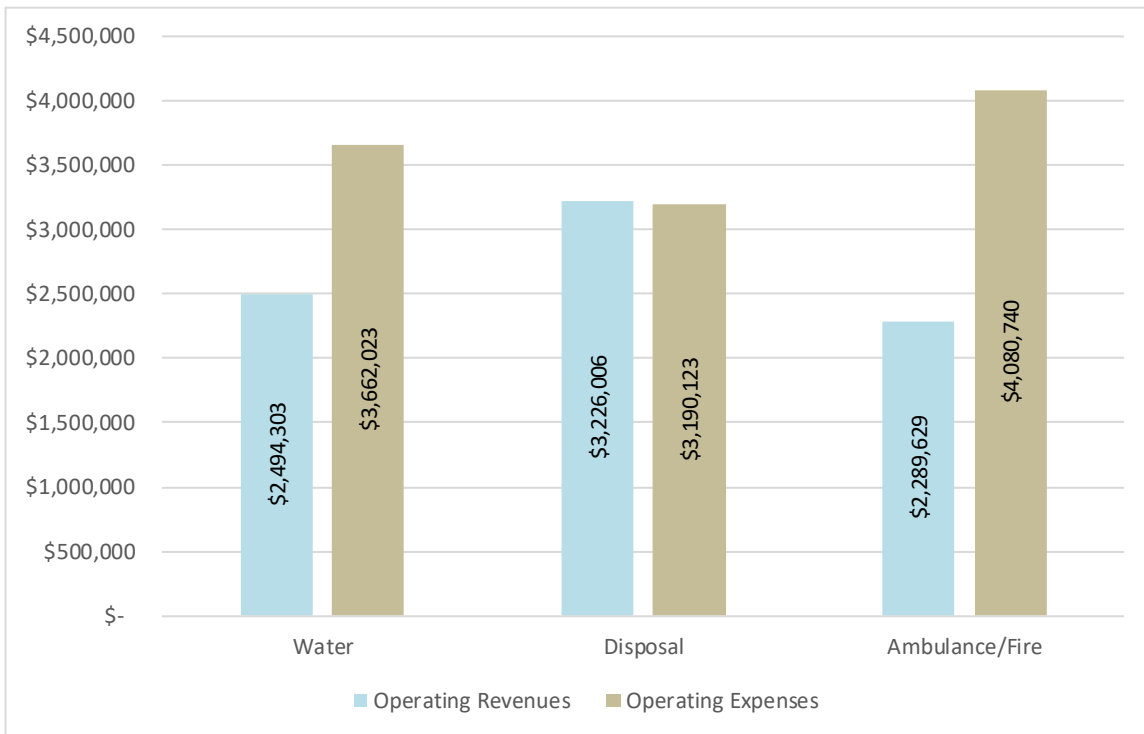
**Business-Type Activities**

Business-type activities account for \$6,603,580 or 12% of the total government-wide net position. This is a decrease of \$861,194 or 13% compared to June 30, 2023. Charges for current services account for \$8,009,940 or 77% 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 expenses exceeded operating revenues in Water by \$1,219,453. Disposal operating revenues exceeded expenses by \$35,883 due to an increase in disposal rates and Ambulance/Fire expenses exceeded operating revenues by approximately -\$189,172 for fiscal year ending June 30, 2024.

**Financial Analysis**

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

Governmental Funds – Most of the City's basic services are reported in government funds. These funds focus on reporting the flow of money into and out of those funds and the balances left at year-end that are available for spending. The ending fund balance for all governmental funds is \$26,355,684 which is an increase of \$1,561,711 or 6% when compared to the prior year balance (page 23). The increase in revenues is primarily due to an increase in revenue from property taxes, service fees, permits, and other taxes. Of the total fund balance, \$6,864,020 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 \$10,777,092
- Circulation improvements 2,240,259
- Debt Service 1,480,956
- Public safety programs 540,653

Committed

- Pension reserve 1,449,631
- Economic development 385,993
- Equipment reserve 534,140

The General Fund is the chief operating fund of the City. As of June 30, 2024, the total fund balance of the General Fund was \$14,035,246 with unassigned fund balance of \$7,924,535. The General Fund total fund balance increased \$2,987,257 or 27% from the previous fiscal year. New development increased, the City has approved nearly 500 new single family lots on several separate housing tracts (dating back to 2017). To date, nearly 440 of those homes have been constructed, with the remainder currently in development. 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 expenditures and transfers-out which is most attributed to an increase in revenue from property taxes, service fees, permits and other taxes.

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.

**Fund Highlights**

- The General Fund balance increased by \$2,987,257 which is mostly due to an increase in revenue from property taxes, service fees, permits, & other taxes.
- The Measure E fund balance decreased by approximately \$668,055 which is attributable to increased expenditure related to salaries for the Police and Fire department.
- The Capital Facilities fund noted an increase in fund balance of \$737,356 which is mostly attributable to collection of development fees in excess of related capital outlays.
- The Street Projects fund balance decreased by \$170,917 which is mostly attributable to significant capital project activity related to the Madsen Avenue reconstruction and sidewalks repair projects.
- The City's nonmajor governmental fund balance increased by \$422,849 which is due to various activity, but included significant capital outlays and revenues related to highways and street projects throughout the City.
- The City's Water fund net position decreased by \$1,158,390 which is mostly attributable to a decrease of capital assets and an increased on related operating expenditures.
- The Disposal fund net position increased by \$35,883 which is mostly attributable to charges for services in excess of related operating expenses.
- The Ambulance/Fire fund net position increased by \$261,313 which is mostly attributable to chargers for services in excess of related operating expenses.

**General Fund Budgetary Highlights**

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual General Fund on page 66 outlines the differences between the budget and actual numbers. The Final budget amount for General Fund expenditures totaled \$7.2 million excluding transfers out. In comparison, actual expenditure excluding transfers totaled \$7.8 million. The variance in expenditure was \$.7 million, which was largely due to an increase in capital outlay. Total revenues were budgeted at \$7.8 million; actual revenues in the General Fund were \$8.1 with a variance of \$.3 million, which is due to the increased in property taxes and other chargers for services.

**Other Major Funds**

Revenue in the Measure E Fund came to \$2,727,688. The revenue is primarily composed of 1% public safety transaction and use tax. Revenues received are utilized only by our police and fire/EMS.

Capital Projects Fund accounting for capital facilities and street projects revenue came to \$2,034,435. The revenue is primarily composed of intergovernmental revenues and development fees.

**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, 2024, amounts to \$41,541,219 (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:

Buildings and improvements, & vehicles	\$ 752,396
Infrastructure	2,828,056
Construction in progress (CIP)	2,135,462

**Capital Assets**  
 (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 583,614	\$ 587,014	\$ 83,216	\$ 83,216	\$ 666,830	\$ 670,230
Buildings and improvements	2,396,853	2,343,883	9,420,420	9,959,673	11,817,273	12,303,556
Machinery and equipment	2,180,644	2,287,119	1,158,533	2,010,754	3,339,177	4,297,873
SBITA - Right to use asset	47,091	72,108	22,893	29,761	69,984	101,869
Construction in progress	1,907,228	58,788	240,333	-	2,147,561	58,788
Infrastructure	23,500,394	21,375,970	-	-	23,500,394	21,375,970
<b>Total</b>	<b>\$ 30,615,824</b>	<b>\$ 26,724,882</b>	<b>\$ 10,925,395</b>	<b>\$ 12,083,404</b>	<b>\$ 41,541,219</b>	<b>\$ 38,808,286</b>

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

**Long-term Debt.** The City's long-term debt as of June 30, 2024 was \$6,311,289 with governmental activities accounting for \$4,854,000 or 77% and business-type activities accounting for \$1,457,289 or 23%. The City 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 AA- 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.

Additionally, the City also financed several energy conservation projects, primarily focused on solar improvements, through the 2023 Equipment Lease-Purchase Agreement. The lease has a principal amount of \$3,274,000 with an interest rate of 4.77% and an average annual debt service of \$268,358. The final maturity date is May 1, 2038. Based on projected energy savings, the solar projects are expected to generate over \$9 million in net utility cost savings over the next 30 years.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
2023 Equipment Lease Purchase Agreement Loan	\$ 3,274,000	\$ -	\$ -	\$ -	\$ 3,274,000	\$ -
PFA 2015 Lease Revenue Refunding Bonds	1,580,000	1,715,000	-	-	1,580,000	1,715,000
CIEDB Water Loan	-	-	1,457,289	1,567,891	1,457,289	1,567,891
<b>Total</b>	<b>\$ 4,854,000</b>	<b>\$ 1,715,000</b>	<b>\$ 1,457,289</b>	<b>\$ 1,567,891</b>	<b>\$ 6,311,289</b>	<b>\$ 3,282,891</b>

Additional information on the City's long-term debt can be found in Note 8 on pages 52-54.

**Economic Factors and Next Year's Budgets**

The City's annual budget is the legally adopted expenditure control document of the City. Budgetary comparison statements are required for the General Fund and all major special revenue funds and be found immediately following the Government-wide financial statements in this Financial section of the ACFR. These statements compare the original adopted budget, the budget as amended throughout the fiscal year, and the actual expenditures for each fund, prepared on a budgetary basis. Budgets are prepared on the modified accrual basis of accounting consistent with GAAP, except that encumbrances are included in budgeted expenditures. The City Council has the legal authority to amend the budget of any fund at any time during the fiscal year. The budgetary legal level of control, the level on which expenditures may not legally exceed appropriations, is generally at the fund level. For budgeting purposes, the General Fund is composed of several departments while all other budgeted funds are considered a single department. Budgeted expenditures may be reallocated within a division and between divisions within a department without City Council approval.

The 2025 General Fund budget places an emphasis on public safety, infrastructure investments, support of economic development activities, and maintaining our 20% fund balance. Public Safety operations (Police, Fire/EMS) account for roughly 50% of the General Fund Budget. Roughly 90% of Fire/EMS operations are supported via a separate enterprise fund.

The public safety budget includes the staffing of 21 police positions (sworn and non-sworn), while Measure E accounts for another 9 police positions, both sworn and non-sworn. Given the City's continued focus on economic development through recruiting and retaining businesses, our nine (9) incentive program(s) funding remains in place for the coming year.

Council policy, as set forth in Resolution No. 2018-052, mandates that any surplus amount over the 20% balance of expenditures in the General Fund be transferred to three separate accounts, including an Economic Stabilization Fund (503), Equipment Reserve Fund (504) and CalPERS Unaccrued Liability Fund (502).

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 has contributed additional discretionary payments to CalPERS in 2019 and 2021, with an expected long-term interest savings of approximately \$1.8M.

**Requests for Information**

The Management's Discussion and Analysis 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 Phone (559) 897-5821.

## **BASIC FINANCIAL STATEMENTS**

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

**CITY OF KINGSBURG | JUNE 30, 2024**

Statement of Net Position

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 16,962,224	\$ 1,294,704	\$ 18,256,928
Restricted cash with fiscal agent	2,044,744	-	2,044,744
Receivables (net of allowance for uncollectibles)	4,929,718	2,148,656	7,078,374
Internal balances	3,779,913	(3,779,913)	-
Capital assets, not being depreciated	2,490,842	323,549	2,814,391
Capital assets, net of accumulated depreciation	<u>28,124,982</u>	<u>10,601,846</u>	<u>38,726,828</u>
Total assets	<u>58,332,423</u>	<u>10,588,842</u>	<u>68,921,265</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Loss on refunding of debt	39,898	-	39,898
Deferred outflows related to pensions	<u>2,919,126</u>	<u>1,183,658</u>	<u>4,102,784</u>
Total deferred outflows of resources	<u>2,959,024</u>	<u>1,183,658</u>	<u>4,142,682</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	922,439	701,756	1,624,195
Accrued interest payable	47,023	18,095	65,118
Deposits	75,532	-	75,532
Retention	28,464	10,615	39,079
Unearned revenue	-	96,286	96,286
Long-term liabilities:			
Due within one year:			
Compensated absences	346,434	141,785	488,219
SBITA - Liability	25,881	7,057	32,938
Long-term debt	140,000	113,898	253,898
Due in more than one year:			
Compensated absences	387,328	134,686	522,014
SBITA - Liability	13,496	13,497	26,993
Long-term debt	4,703,020	1,343,391	6,046,411
Net pension liability	<u>5,860,734</u>	<u>2,448,749</u>	<u>8,309,483</u>
Total liabilities	<u>12,550,351</u>	<u>5,029,815</u>	<u>17,580,166</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	<u>269,400</u>	<u>139,105</u>	<u>408,505</u>
Total deferred inflows of resources	<u>269,400</u>	<u>139,105</u>	<u>408,505</u>
<b>NET POSITION</b>			
Net investment in capital assets	27,818,069	9,447,552	37,265,621
Restricted for:			
Capital improvement projects	10,777,836	-	10,777,836
Circulation improvements	2,240,259	-	2,240,259
Debt service	1,480,956	-	1,480,956
Public safety	540,653	-	540,653
Unrestricted	<u>5,613,923</u>	<u>(2,843,972)</u>	<u>2,769,951</u>
Total net position	<u>\$ 48,471,696</u>	<u>\$ 6,603,580</u>	<u>\$ 55,075,276</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

**Statement of Activities**

FUNCTIONS/PROGRAMS:	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 2,699,908	\$ 222,617	\$ -	\$ -	\$ (2,477,291)	\$ -	\$ (2,477,291)
Parks and community services	901,887	137,868	24,737	285,041	(454,241)	-	(454,241)
Public safety	6,565,174	88,931	576,990	-	(5,899,253)	-	(5,899,253)
Public works	756,263	5,430	9,479	-	(741,354)	-	(741,354)
Highway and streets	1,239,528	-	1,816,921	1,184,590	1,761,983	-	1,761,983
Planning and community development	860,918	1,311,130	-	11,871	462,083	-	462,083
<b>Total governmental activities</b>	<b>13,023,678</b>	<b>1,765,976</b>	<b>2,428,127</b>	<b>1,481,502</b>	<b>(7,348,073)</b>	<b>-</b>	<b>(7,348,073)</b>
<b>Business-type activities:</b>							
Water	3,713,756	2,494,303	-	-	-	(1,219,453)	(1,219,453)
Disposal	3,190,123	3,226,006	-	-	-	35,883	35,883
Ambulance/fire	4,773,930	2,289,631	2,295,127	-	-	(189,172)	(189,172)
<b>Total business-type activities</b>	<b>11,677,809</b>	<b>8,009,940</b>	<b>2,295,127</b>	<b>-</b>	<b>-</b>	<b>(1,372,742)</b>	<b>(1,372,742)</b>
<b>Total primary government</b>	<b>\$ 24,701,487</b>	<b>\$ 9,775,916</b>	<b>\$ 4,723,254</b>	<b>\$ 1,481,502</b>	<b>(7,348,073)</b>	<b>(1,372,742)</b>	<b>(8,720,815)</b>
<b>General revenues and transfers:</b>							
Property taxes					2,491,557	-	2,491,557
Sales and use taxes					4,274,956	-	4,274,956
Franchise taxes					623,693	-	623,693
Transient occupancy taxes					400,932	-	400,932
Motor vehicle in-lieu					1,508,971	-	1,508,971
Investment earnings					853,055	65,148	918,203
Miscellaneous					194,491	-	194,491
Gain on sale of assets					36,903	-	36,903
Transfers					(466,636)	466,636	-
<b>Total general revenues and transfers</b>					<b>9,917,922</b>	<b>531,784</b>	<b>10,449,706</b>
<b>Change in net position</b>					<b>2,569,849</b>	<b>(840,958)</b>	<b>1,728,891</b>
<b>Net position - beginning, as previously reported</b>					<b>45,553,537</b>	<b>7,464,774</b>	<b>53,018,311</b>
<b>Error correction (see footnote 14)</b>					<b>348,310</b>	<b>(20,236)</b>	<b>328,074</b>
<b>Net position - beginning, restated</b>					<b>45,901,847</b>	<b>7,444,538</b>	<b>53,346,385</b>
<b>Net position - ending</b>					<b>\$ 48,471,696</b>	<b>\$ 6,603,580</b>	<b>\$ 55,075,276</b>

The Notes to the Basic Financial Statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

**CITY OF KINGSBURG | JUNE 30, 2024**

**Governmental Funds**

**Balance Sheet**

	Special Revenue Funds			Capital Projects Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General	(Formerly major fund) Local		Capital Facilities	Street Projects		
		Transportation	Measure E				
<b>ASSETS</b>							
Cash and investments	\$ 5,286,955	\$ -	\$ 7,263	\$ 5,975,034	\$ -	\$ 5,692,972	\$ 16,962,224
Restricted cash with fiscal agent	2,044,744	-	-	-	-	-	2,044,744
Receivables	3,097,990	-	472,066	15,647	807,663	536,352	4,929,718
Due from other funds	4,091,178	-	-	-	-	-	4,091,178
Advances to other funds	-	-	-	-	-	1,580,000	1,580,000
<b>Total assets</b>	<b>\$ 14,520,867</b>	<b>\$ -</b>	<b>\$ 479,329</b>	<b>\$ 5,990,681</b>	<b>\$ 807,663</b>	<b>\$ 7,809,324</b>	<b>\$ 29,607,864</b>
<b>LIABILITIES</b>							
Accounts payable and accrued expenses	\$ 356,407	\$ -	\$ 58,529	\$ 25,911	\$ 47,721	\$ 433,871	\$ 922,439
Due to other funds	-	-	-	-	1,015,424	875,841	1,891,265
Deposits	74,923	-	-	-	-	609	75,532
Retention payable	-	-	-	-	1,816	26,648	28,464
<b>Total liabilities</b>	<b>431,330</b>	<b>-</b>	<b>58,529</b>	<b>25,911</b>	<b>1,064,961</b>	<b>1,336,969</b>	<b>2,917,700</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue	54,291	-	-	-	-	280,189	334,480
<b>Total deferred inflows of resources</b>	<b>54,291</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>280,189</b>	<b>334,480</b>
<b>FUND BALANCES</b>							
Nonspendable:							
Notes receivable	2,082,196	-	-	-	-	-	2,082,196
Restricted for:							
Capital improvements	2,044,744	-	-	5,964,770	-	2,768,322	10,777,836
Circulation improvements	-	-	-	-	-	2,240,259	2,240,259
Debt service	-	-	-	-	-	1,480,956	1,480,956
Public safety	-	-	420,800	-	-	119,853	540,653
Committed to:							
Pension reserve	1,449,631	-	-	-	-	-	1,449,631
Economic development	-	-	-	-	-	385,993	385,993
Equipment reserve	534,140	-	-	-	-	-	534,140
Unassigned	7,924,535	-	-	-	(257,298)	(803,217)	6,864,020
<b>Total fund balances (deficits)</b>	<b>14,035,246</b>	<b>-</b>	<b>420,800</b>	<b>5,964,770</b>	<b>(257,298)</b>	<b>6,192,166</b>	<b>26,355,684</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 14,520,867</b>	<b>\$ -</b>	<b>\$ 479,329</b>	<b>\$ 5,990,681</b>	<b>\$ 807,663</b>	<b>\$ 7,809,324</b>	<b>\$ 29,607,864</b>

The Notes to the Basic Financial Statements are an integral part of this statement.

**CITY OF KINGSBURG | JUNE 30, 2024**

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position

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

Total fund balances - governmental funds	\$	26,355,684
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		30,615,824
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.		39,898
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	(1,569,020)	
Loans	(3,274,000)	
Subscription based information technology arrangements (SBITA)	(39,377)	
Compensated absences	(733,762)	
Net pension liability	<u>(5,860,734)</u>	(11,476,893)
Pension related deferrals are reported as deferred outflows and inflows of resources on the statement of net position.		2,649,726
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		334,480
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>(47,023)</u>
Net position of governmental activities	\$	<u>48,471,696</u>

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**

	Special Revenue Funds			Capital Projects Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General	(Formerly major fund) Local		Capital Facilities	Street Projects		
		Transportation	Measure E				
<b>REVENUES</b>							
Taxes	\$ 4,986,871	\$ -	\$ 2,637,704	\$ -	\$ -	\$ 144,109	\$ 7,768,684
Licenses and permits	642,364	-	-	-	-	-	642,364
Intergovernmental	1,577,955	-	-	-	1,184,590	2,495,599	5,258,144
Charges for services	252,708	-	-	-	-	-	252,708
Fines and forfeitures	12,920	-	-	-	-	-	12,920
Development fees	190,634	-	-	591,720	618	93,015	875,987
Use of money and property	337,679	-	21,285	257,507	-	272,869	889,340
Other revenues	116,931	-	68,699	-	-	8,861	194,491
<b>Total revenues</b>	<b>8,118,062</b>	<b>-</b>	<b>2,727,688</b>	<b>849,227</b>	<b>1,185,208</b>	<b>3,014,453</b>	<b>15,894,638</b>
<b>EXPENDITURES</b>							
Current:							
General government	1,802,023	-	-	-	-	-	1,802,023
Parks and community services	422,866	-	-	-	-	284,749	707,615
Public safety	2,621,956	-	2,805,130	-	-	440,879	5,867,965
Public works	618,190	-	-	-	-	-	618,190
Highway and streets	-	-	-	-	-	710,793	710,793
Planning and community development	676,475	-	-	-	-	14,259	690,734
Capital outlay	1,544,715	-	590,613	111,871	1,356,125	2,502,170	6,105,494
Debt service:							
Principal	20,172	-	-	-	-	135,000	155,172
Interest and fiscal charges	91,543	-	-	-	-	54,723	146,266
Issuance costs	58,269	-	-	-	-	-	58,269
<b>Total expenditures</b>	<b>7,856,209</b>	<b>-</b>	<b>3,395,743</b>	<b>111,871</b>	<b>1,356,125</b>	<b>4,142,573</b>	<b>16,862,521</b>
Excess (deficiency) of revenues over (under) expenditures	261,853	-	(668,055)	737,356	(170,917)	(1,128,120)	(967,883)
<b>OTHER FINANCING SOURCES/(USES)</b>							
Issuance of debt	3,274,000	-	-	-	-	-	3,274,000
Transfers in	150,000	-	-	-	-	528,579	678,579
Transfers out	(995,216)	-	-	-	-	(150,000)	(1,145,216)
<b>Total other financing sources (uses)</b>	<b>2,428,784</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>378,579</b>	<b>2,807,363</b>
<b>Net change in fund balances</b>	<b>2,690,637</b>	<b>-</b>	<b>(668,055)</b>	<b>737,356</b>	<b>(170,917)</b>	<b>(749,541)</b>	<b>1,839,480</b>
Fund balances - beginning, as previously reported	11,047,989	1,746,779	1,088,855	5,227,414	(86,381)	5,769,317	24,793,973
Error correction (see footnote 14)	296,620	-	-	-	-	(574,389)	(277,769)
Change within financial reporting entity (major to nonmajor)	-	(1,746,779)	-	-	-	1,746,779	-
Fund balances - beginning, restated	11,344,609	-	1,088,855	5,227,414	(86,381)	6,941,707	24,516,204
<b>Fund balances - ending</b>	<b>\$ 14,035,246</b>	<b>\$ -</b>	<b>\$ 420,800</b>	<b>\$ 5,964,770</b>	<b>\$ (257,298)</b>	<b>\$ 6,192,166</b>	<b>\$ 26,355,684</b>

The Notes to the Basic Financial Statements are an integral part of this statement.

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Governmental Funds

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities

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

Net change in fund balances - total governmental funds	\$ 1,839,480
<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. In the current period, these amounts are:</p>	
Capital outlay	5,428,883
Depreciation and amortization expense	(1,406,451)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net position.	(132,742)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	334,480
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.	(56,520)
In the Statement of Activities, interest is accrued on long-term debt; whereas, in governmental funds, interest expenditure is recorded when paid.	(19,311)
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.	(298,133)
<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	155,173
Issuance of long-term debt	(3,274,000)
Amortization of bond discounts	<u>(1,010)</u>
Change in net position of governmental activities	<u>\$ 2,569,849</u>

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Proprietary Funds

Statement of Proprietary Net Position

	Business-Type Activities — Enterprise Funds			
	Water	Disposal	Ambulance/Fire	Total
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 1,294,704	\$ -	\$ -	\$ 1,294,704
Receivables (net of allowance for uncollectibles)	175,892	264,105	1,708,659	2,148,656
Total current assets	<u>1,470,596</u>	<u>264,105</u>	<u>1,708,659</u>	<u>3,443,360</u>
Noncurrent assets:				
Capital assets, net of accumulated depreciation	7,748,724	-	3,176,671	10,925,395
Total noncurrent assets	<u>7,748,724</u>	<u>-</u>	<u>3,176,671</u>	<u>10,925,395</u>
Total assets	<u>9,219,320</u>	<u>264,105</u>	<u>4,885,330</u>	<u>14,368,755</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pensions	<u>401,187</u>	<u>150,483</u>	<u>631,988</u>	<u>1,183,658</u>
Total deferred outflows of resources	<u>401,187</u>	<u>150,483</u>	<u>631,988</u>	<u>1,183,658</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued expenses	375,007	207,875	118,874	701,756
Accrued interest payable	18,095	-	-	18,095
Due to other funds	-	122,583	2,077,330	2,199,913
Unearned revenues	-	96,286	-	96,286
Retention	10,615	-	-	10,615
Compensated absences - current	47,327	24,300	70,158	141,785
SBITA - liability - current	7,057	-	-	7,057
Long-term debt - current	<u>113,898</u>	<u>-</u>	<u>-</u>	<u>113,898</u>
Total current liabilities	<u>571,999</u>	<u>451,044</u>	<u>2,266,362</u>	<u>3,289,405</u>
Noncurrent liabilities:				
Advances from other funds	-	-	1,580,000	1,580,000
Compensated absences	18,804	6,994	108,888	134,686
SBITA - liability	13,497	-	-	13,497
Long-term debt	1,343,391	-	-	1,343,391
Net pension liability	<u>910,334</u>	<u>341,858</u>	<u>1,196,557</u>	<u>2,448,749</u>
Total noncurrent liabilities	<u>2,286,026</u>	<u>348,852</u>	<u>2,885,445</u>	<u>5,520,323</u>
Total liabilities	<u>2,858,025</u>	<u>799,896</u>	<u>5,151,807</u>	<u>8,809,728</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pensions	<u>67,028</u>	<u>24,900</u>	<u>47,177</u>	<u>139,105</u>
Total deferred inflows of resources	<u>67,028</u>	<u>24,900</u>	<u>47,177</u>	<u>139,105</u>
<b>NET POSITION</b>				
Net investment in capital assets	6,270,881	-	3,176,671	9,447,552
Unrestricted	<u>424,573</u>	<u>(410,208)</u>	<u>(2,858,337)</u>	<u>(2,843,972)</u>
Total net position (deficit)	<u>\$ 6,695,454</u>	<u>\$ (410,208)</u>	<u>\$ 318,334</u>	<u>\$ 6,603,580</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Proprietary Funds

Statement of Revenues, Expenses and Changes in Proprietary Net Position

	Business-Type Activities — Enterprise Funds			
	Water	Disposal	Ambulance/Fire	Total
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 2,494,303	\$ 3,226,006	\$ 2,289,629	\$ 8,009,938
Total operating revenue	<u>2,494,303</u>	<u>3,226,006</u>	<u>2,289,629</u>	<u>8,009,938</u>
<b>OPERATING EXPENSES:</b>				
Contractual services and utilities	2,028,025	2,810,480	1,346,503	6,185,008
Personnel services	900,682	334,769	2,386,720	3,622,171
Supplies and materials	59,802	44,874	164,740	269,416
Depreciation and amortization	673,514	-	182,777	856,291
Total operating expenses	<u>3,662,023</u>	<u>3,190,123</u>	<u>4,080,740</u>	<u>10,932,886</u>
Operating income (loss)	<u>(1,167,720)</u>	<u>35,883</u>	<u>(1,791,111)</u>	<u>(2,922,948)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Interest income	65,148	-	-	65,148
Grants	-	-	2,295,127	2,295,127
Gain (loss) on disposal of assets	-	-	(640,816)	(640,816)
Interest and fiscal charges	(51,733)	-	(52,372)	(104,105)
Total nonoperating revenues (expenses)	<u>13,415</u>	<u>-</u>	<u>1,601,939</u>	<u>1,615,354</u>
Net income (loss) before transfers	<u>(1,154,305)</u>	<u>35,883</u>	<u>(189,172)</u>	<u>(1,307,594)</u>
Transfers in	<u>16,151</u>	<u>-</u>	<u>450,485</u>	<u>466,636</u>
Change in net position	<u>(1,138,154)</u>	<u>35,883</u>	<u>261,313</u>	<u>(840,958)</u>
Net position (deficits), beginning	7,853,844	(446,091)	57,021	7,464,774
Error correction (see footnote 14)	<u>(20,236)</u>	<u>-</u>	<u>-</u>	<u>(20,236)</u>
Net position (deficit) - beginning restated	<u>7,833,608</u>	<u>(446,091)</u>	<u>57,021</u>	<u>7,444,538</u>
Net position (deficit) - ending	<u>\$ 6,695,454</u>	<u>\$ (410,208)</u>	<u>\$ 318,334</u>	<u>\$ 6,603,580</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Proprietary Funds

Statement of Cash Flows

	Business-Type Activities — Enterprise Funds			
	Water	Disposal	Ambulance/Fire	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 2,488,252	\$ 3,204,538	\$ 2,121,562	\$ 7,814,352
Payments to suppliers for goods and services	(1,843,525)	(2,849,827)	(1,565,920)	(6,259,272)
Payments to or on behalf of employees for services	(818,310)	(299,284)	(2,383,194)	(3,500,788)
Net cash provided by (used for) operating activities	(173,583)	55,427	(1,827,552)	(1,945,708)
Cash flows from noncapital financing activities:				
Transfers from other funds	16,151	-	450,485	466,636
Interfund loan activity	-	(130,427)	(560,856)	(691,283)
Noncapital grant revenue	-	75,000	2,295,127	2,370,127
Net cash provided by noncapital financing activities	16,151	(55,427)	2,184,756	2,145,480
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(252,156)	-	(169,832)	(421,988)
Principal paid on long-term debt	(116,663)	-	-	(116,663)
Interfund loan repayment	-	-	(135,000)	(135,000)
Proceeds from the sale of assets	82,890	-	-	82,890
Interest and fiscal charges	(53,106)	-	(52,372)	(105,478)
Net cash provided by (used for) capital and related financing activities	(339,035)	-	(357,204)	(696,239)
Cash flows from investing activities:				
Interest on investments	65,148	-	-	65,148
Net cash provided by investing activities	65,148	-	-	65,148
Net increase (decrease) in cash and cash equivalents	(431,319)	-	-	(431,319)
Cash and cash equivalents - beginning	1,726,023	-	-	1,726,023
Cash and cash equivalents - ending	\$ 1,294,704	\$ -	\$ -	\$ 1,294,704

The Notes to the Basic Financial Statements are an integral part of this statement.

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Proprietary Funds  
Statement of Cash Flows  
(Continued)

	Business-Type Activities			Total Enterprise Funds
	Water	Disposal	Ambulance/Fire	
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	\$ (1,167,720)	\$ 35,883	\$ (1,791,111)	\$ (2,922,948)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	673,514	-	182,777	856,291
(Increase) decrease in:				
Accounts receivable, net	(6,051)	(21,468)	(168,067)	(195,586)
Deferred outflows of resources from pensions	19,460	5,249	38,390	63,099
Increase (decrease) in:				
Accounts payable and accrued expenses	244,302	5,527	(54,677)	195,152
Compensated absences	8,082	3,272	(15,097)	(3,743)
Net pension liability	90,592	40,433	31,222	162,247
Deferred inflows of resources from pension	(35,762)	(13,469)	(50,989)	(100,220)
Net cash provided by (used for) operating activities	<u>\$ (173,583)</u>	<u>\$ 55,427</u>	<u>\$ (1,827,552)</u>	<u>\$ (1,945,708)</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**CITY OF KINGSBURG | JUNE 30, 2024**

Fiduciary Funds  
Statement of Fiduciary Net Position

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	Successor Agency of the Redevelopment Agency Private- Purpose Trust Fund
<b>ASSETS</b>	
Cash and investments	\$ <u>67,128</u>
Total assets	<u>67,128</u>
<b>LIABILITIES</b>	
Deposits	<u>11,750</u>
Total liabilities	<u>11,750</u>
<b>NET POSITION</b>	
Restricted for:	
Redevelopment agency dissolution	\$ <u><u>55,378</u></u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Fiduciary Funds

Statement of Changes in Fiduciary Net Position

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	Successor Agency of the Redevelopment Agency Private- Purpose Trust Fund
<b>ADDITIONS</b>	
Taxes	\$ <u>          -</u>
Total additions	<u>                  -</u>
<b>DEDUCTIONS</b>	
Interest and fiscal charges	<u>          (922)</u>
Total deductions	<u>          (922)</u>
Net increase (decrease) in fiduciary net position	<u>          922</u>
Net position - beginning, as previously reported	71,722
Error correction (see footnote 14)	<u>        (17,266)</u>
Fund balances - beginning, restated	<u>        54,456</u>
Net position - ending	<u>\$        55,378</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**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.

**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 **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 **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.

The **Street Projects Fund** is used to account for related street construction and maintenance.

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.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**B. Basis of Presentation – Fund Accounting** (Continued)

The City reports on 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.

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 government 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 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.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**C. Measurement Focus and Basis of Accounting** (Continued)

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 finance purchases are reported as other financing sources.

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 days 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 a 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.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**D. Budgetary Information** (Continued)

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.

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

**Cash and Investments** – Cash and investments 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 1st 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.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

**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.

**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 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.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

***Subscription-Based Information Technology Arrangements (SBITAs)***

Lessee: The City enters into noncancellable Subscription-Based Information Technology Arrangements (SBITAs) for the acquisition of various information technology services. SBITAs are accounted for in accordance with GASB Statement No. 96.

Upon commencement of a subscription, the City recognizes a subscription liability and an intangible right-to-use subscription asset (subscription asset) in the government-wide financial statements. Subscription liabilities are recognized when their initial individual values are \$25,000 or more. The subscription liability is initially measured at the present value of payments expected to be made during the subscription term and is subsequently reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, and any directly attributable initial costs. The subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITAs include determining the discount rate used to discount expected subscription payments to present value, the subscription term, and the composition of subscription payments.

- The City generally uses the interest rate charged by the subscription provider as the discount rate. When the interest rate charged by the provider is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs, which is the prime rate at the inception of the subscription.
- The subscription term includes the noncancellable period of the subscription and subscription payments that the City is reasonably certain to make.
- The measurement of subscription liability excludes any variable payments such as payments based on the number of user seats unless they depend on an index or a rate or are fixed in substance.

The City monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Subscription assets are reported with other intangible assets, and subscription liabilities are reported as liabilities on the Statement of Net Position.

This disclosure provides information on the accounting policies related to SBITAs in accordance with GASB Statement No. 96 and should be read in conjunction with the accompanying financial statements.

***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.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Leases – Lessee** - The lessee recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases, which it has determined is the prime rate at the inception of the lease.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long- term debt on the Statement of Net Position.

**Lessor:** The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental and enterprise fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses the interest rate charged to the lessees as the discount rate. When the interest rate charged to the lessees is not provided, the City generally uses the implied rate of return as the discount rate for leases. When the implied rate of return has not been determined, the City uses its estimated incremental borrowing rate which it has determined is the prime rate at the inception of the lease.
- The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

**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).

**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.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**E. 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, 2024 is \$697,140 which is included in the General Fund's unassigned fund balance.

**Encumbrances** – The City does not use encumbrance accounting.

**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, 2024:

**Governmental Funds**

Major Funds:

Street Projects	\$ 257,298
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Nonmajor Special Revenue Funds:

Senior Center	353,780
Park Improvements	297,581
School Resource Officer	151,856

**Enterprise Funds**

Major Funds:

Disposal Fund	410,208
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The deficit fund balance in the Street Projects, Senior Center, Park Improvements, School Resource Officer and Disposal Fund, is due to excess expenditures over revenues. The deficit will be eliminated through a transfer of resources from other funds or through future periods with revenues in excess of expenditures.

**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, 2024 are classified in the accompanying financial statements as follows:

Statement of net position:

Cash and investments - unrestricted	\$ 18,256,928
Cash with fiscal agents - restricted	2,044,744
Fiduciary funds:	
Cash and investments	<u>67,128</u>
Total cash and investments	<u>\$ 20,368,800</u>

**NOTE 3 – CASH AND INVESTMENTS** (Continued)

Cash and investments as of June 30, 2024 consist of the following:

Cash on hand	\$	1,050
Deposits with financial institutions		2,223,491
Investments:		
Local Agency Investment Fund		5,289,186
CalClass		12,855,073
Total investments:		<u>18,144,259</u>
 Total cash and investments	 \$	 <u>20,368,800</u>

**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.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
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

**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 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	\$ 5,289,186	\$ 5,289,186	\$ -	\$ -	\$ -
CalClass	<u>12,855,073</u>	<u>12,855,073</u>	-	-	-
Total	<u>\$ 18,144,259</u>	<u>\$ 18,144,259</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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	\$ 5,289,186	\$ -	\$ -	\$ -	\$ 5,289,186
CalClass	12,855,073	-	-	12,855,073	-
Total	\$ 18,144,259	\$ -	\$ -	\$ 12,855,073	\$ 5,289,186

**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, 2024, 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, 2024, the carrying amount of the City’s deposits was \$178,746. Bank balances before reconciling items were \$573,815 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.

**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 in California Class Investment Pool (CalClass)**

The City maintains an investment in the California CLASS investment pool (CalClass). California CLASS is a Joint Powers Authority and is managed to comply with the requirements of California Government Code Section 53601. CalClass invests in various money market securities, including U.S. Treasury securities, U.S. agencies, and other related securities. The investment seeks to maintain a stable \$1.00 net asset value per share. All participants are voluntary, and the net asset value of the fund is calculated daily using a mark-to-market methodology. The value of the pool shares which may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the City's portion in the pool.

**J. 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, 2024 consisted of the following for the governmental funds:

	General	Measure E	Capital Facilities	Street Projects	Other Governmental Funds	Total Governmental Funds
Receivables:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 47	\$ 47
Intergovernmental	658,542	472,066	15,647	807,663	536,305	2,490,223
Notes	2,082,196	-	-	-	-	2,082,196
Interest	357,252	-	-	-	-	357,252
Receivables	<u>\$ 3,097,990</u>	<u>\$ 472,066</u>	<u>\$ 15,647</u>	<u>\$ 807,663</u>	<u>\$ 536,352</u>	<u>\$ 4,929,718</u>

Notes receivables as identified above are not expected to be fully collected within a year and have been classified as noncurrent.

Receivables as of June 30, 2024 consisted of the following for the proprietary funds:

	Water	Disposal	Ambulance/Fire	Total Proprietary Funds
Receivables:				
Accounts	\$ 223,967	\$ 320,840	\$ 2,920,566	\$ 3,465,373
Less: Allowance for doubtful accounts	<u>(48,075)</u>	<u>(56,735)</u>	<u>(1,211,907)</u>	<u>(1,316,717)</u>
Receivables, net	<u>\$ 175,892</u>	<u>\$ 264,105</u>	<u>\$ 1,708,659</u>	<u>\$ 2,148,656</u>

**NOTE 5 – INTERFUND ACTIVITIES**

**A. Due From/To Other Funds**

Due from/to other funds balances as of June 30, 2024 are as follows:

	Due From	Due To
<b>Governmental Funds</b>		
Major Funds:		
General Fund	\$ 4,091,178	\$ -
Street Projects Capital Projects Fund	-	1,015,424
Nonmajor Funds:		
Kingsburg Public Finance Authority Debt Service Fund	-	99,044
ACT Task Force Special Revenue Fund	-	12,665
Senior Center Special Revenue Fund	-	265,577
Park Improvements	-	270,456
School Resource Officer Special Revenue Fund	-	228,099
<b>Enterprise Funds</b>		
Major Funds:		
Disposal Fund	-	122,583
Ambulance/Fire Fund	-	2,077,330
Total	<u>\$ 4,091,178</u>	<u>\$ 4,091,178</u>

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.

**NOTE 5 – INTERFUND ACTIVITIES** (Continued)

**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, 2024 are as follows:

	<u>Advances From</u>	<u>Advances To</u>
<b>Governmental Funds</b>		
Nonmajor Fund:		
Kingsburg Joint Powers Authority Debt Service Fund	\$ 1,580,000	\$ -
<b>Enterprise Funds</b>		
Major Funds:		
Ambulance/Fire Enterprise Fund	<u>-</u>	<u>1,580,000</u>
Total	<u>\$ 1,580,000</u>	<u>\$ 1,580,000</u>

**C. Interfund Transfers**

The composition of interfund transfers for the year ended June 30, 2024 is as follows:

	<u>Transfer In</u>	<u>Transfer Out</u>
<b>Governmental Funds</b>		
Major Funds:		
General Fund	\$ 150,000	\$ 995,215
Nonmajor Fund:		
Forgiveable Loan Program Fund	428,579	-
Senior Center Special Revenue Fund	100,000	-
COPS Grant Special Revenue Fund	-	150,000
<b>Enterprise Funds</b>		
Major Funds:		
Water Enterprise Fund	16,151	-
Ambulance/Fire Enterprise Fund	<u>450,485</u>	<u>-</u>
Total	<u>\$ 1,145,215</u>	<u>\$ 1,145,215</u>

A description of the City’s significant transfers is noted below:

- (1) The General Fund transferred approximately \$429,000 to the Forgiveable Loan Program Fund to support partnerships with eligible business and property owners on projects that provide long-term community benefits. Additionally, the General Fund transferred approximately \$450,000 to the Ambulance/Fire Enterprise Fund and \$100,000 to the Senior Center Special Revenue Fund to cover operating deficits.
- (2) The COPS Grant Special Revenue Fund transferred approximately \$150,000 to the General Fund to cover the costs of officers reported in General Fund expenses.

**NOTE 6 – CAPITAL ASSETS**

Capital assets activity of the governmental activities for the year ended June 30, 2024 is as follows:

	(Restated) Balances July 1, 2023	Additions	Deletions	Transfers/ Adjustments	Balances June 30, 2024
<b>Governmental Activities:</b>					
Capital assets not being depreciated:					
Land	\$ 587,014	\$ -	\$ (3,400)	\$ -	\$ 583,614
Construction in progress	<u>58,788</u>	<u>1,895,129</u>	<u>(46,689)</u>	<u>-</u>	<u>1,907,228</u>
Total capital assets, not being depreciated	<u>645,802</u>	<u>1,895,129</u>	<u>(50,089)</u>	<u>-</u>	<u>2,490,842</u>
Capital assets, being depreciated:					
Buildings and improvements	5,767,415	283,804	(92,507)	-	5,958,712
Infrastructure	26,854,567	2,828,056	-	-	29,682,623
Machinery and equipment	5,621,215	468,592	(533,328)	-	5,556,479
SBITA - Right to use asset	<u>87,274</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,274</u>
Total capital assets, being depreciated	<u>38,330,471</u>	<u>3,580,452</u>	<u>(625,835)</u>	<u>-</u>	<u>41,285,088</u>
Less accumulated depreciation for:					
Buildings and improvements	(3,423,532)	(177,745)	39,418	-	(3,561,859)
Infrastructure	(5,478,597)	(703,632)	-	-	(6,182,229)
Machinery and equipment	(3,334,096)	(500,057)	458,318	-	(3,375,835)
SBITA - Right to use asset	<u>(15,166)</u>	<u>(25,017)</u>	<u>-</u>	<u>-</u>	<u>(40,183)</u>
Total accumulated depreciation	<u>(12,251,391)</u>	<u>(1,406,451)</u>	<u>497,736</u>	<u>-</u>	<u>(13,160,106)</u>
Total capital assets being depreciated, net	<u>26,079,080</u>	<u>2,174,001</u>	<u>(128,099)</u>	<u>-</u>	<u>28,124,982</u>
Governmental activities capital assets, net	<u>\$ 26,724,882</u>	<u>\$ 4,069,130</u>	<u>\$ (178,188)</u>	<u>\$ -</u>	<u>\$ 30,615,824</u>

Depreciation expense is charged to governmental functions as follows:

<b>Governmental activities:</b>	
General government	\$ 49,253
Parks and community services	102,575
Highways and streets	739,612
Public safety	<u>515,011</u>
 Total	 <u>\$ 1,406,451</u>

**NOTE 6 – CAPITAL ASSETS** (Continued)

Capital assets activity of the business-type activities for the year ended June 30, 2024 is as follows:

	(Restated) Balances July 1, 2023	Additions	Deletions	Transfers/ Adjustments	Balances June 30, 2024
<b>Business-Type Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 83,216	\$ -	\$ -	\$ -	\$ 83,216
Construction in progress	<u>-</u>	<u>240,333</u>	<u>-</u>	<u>-</u>	<u>240,333</u>
Total capital assets, not being depreciated	<u>83,216</u>	<u>240,333</u>	<u>-</u>	<u>-</u>	<u>323,549</u>
Capital assets, being depreciated:					
Buildings, improvements and plants	15,889,255	-	(139,286)	-	15,749,969
Machinery and equipment	4,770,603	181,655	(1,042,252)	-	3,910,006
SBITA - Right to use asset	<u>34,340</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,340</u>
Total capital assets, being depreciated	<u>20,694,198</u>	<u>181,655</u>	<u>(1,181,538)</u>	<u>-</u>	<u>19,694,315</u>
Less accumulated depreciation for:					
Buildings, improvements and plants	(5,929,582)	(532,812)	56,396	76,449	(6,329,549)
Machinery and equipment	(2,759,849)	(316,611)	401,436	(76,449)	(2,751,473)
SBITA - Right to use asset	<u>(4,579)</u>	<u>(6,868)</u>	<u>-</u>	<u>-</u>	<u>(11,447)</u>
Total accumulated depreciation	<u>(8,694,010)</u>	<u>(856,291)</u>	<u>457,832</u>	<u>-</u>	<u>(9,092,469)</u>
Total capital assets being depreciated, net	<u>12,000,188</u>	<u>(674,636)</u>	<u>(723,706)</u>	<u>-</u>	<u>10,601,846</u>
Business-type activities capital assets, net	<u>\$ 12,083,404</u>	<u>\$ (434,303)</u>	<u>\$ (723,706)</u>	<u>\$ -</u>	<u>\$ 10,925,395</u>

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

Business-type activities:	
Water	\$ 673,514
Ambulance/Fire	<u>182,777</u>
Total	<u>\$ 856,291</u>

**NOTE 7 – SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAS) AS A LESSEE**

In fiscal year 2023, the City’s General Fund entered into a three-year SBITA as lessee for management software. An initial SBITA liability was recorded in the amount of \$32,934 during fiscal year 2023. As of June 30, 2024, the value of the SBITA liability was \$18,824. The City is required to make annual principal and interest payments of \$16,000 and \$20,000, respectively. The SBITA has an interest rate of 6.25%. The software has a three-year subscription term. The historical value of the right-to-use software as of the end of the current fiscal year was \$87,274 and had accumulated amortization of \$28,736. In accordance with GASB 96, certain variable and other payments are not included in the measurement of the subscription liability. There were no outflows of resources recognized in the reporting period for variable and other payments.

In fiscal year 2023, the City entered into a five-year SBITA as lessee for enterprise content management software, which has been recorded in the General and Water Fund. An initial SBITA liability was recorded in the amount of \$68,681 during fiscal year 2023. As of June 30, 2024, the value of the SBITA liability was \$41,108. The City is required to make annual principal and interest payments of \$15,450. The SBITA has an interest rate of 6.25%. The software has a five-year subscription term. The historical value of the right-to-use software as of the end of the current fiscal year was \$34,340 and had accumulated amortization of \$22,894. In accordance with GASB 96, certain variable and other payments are not included in the measurement of the subscription liability. There were no outflows of resources recognized in the reporting period for variable and other payments.

The future principal and interest SBITA payments as of June 30, 2024, are as follows:

Governmental Activities			
Fiscal Years Ending June 30,	SBITA		
	Principal	Interest	Total
2025	\$ 25,881	\$ 3,745	\$ 29,626
2026	6,843	1,764	8,607
2027	<u>6,653</u>	<u>908</u>	<u>7,561</u>
Total	<u>\$ 39,377</u>	<u>\$ 6,417</u>	<u>\$ 45,794</u>

Business-Type Activities			
Fiscal Years Ending June 30,	SBITA		
	Principal	Interest	Total
2025	\$ 7,057	\$ -	\$ 7,057
2026	6,843	2,569	9,412
2027	<u>6,654</u>	<u>1,764</u>	<u>8,418</u>
Total	<u>\$ 20,554</u>	<u>\$ 4,333</u>	<u>\$ 24,887</u>

**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 July 1, 2023	Additions	Deletions	Balances June 30, 2024	Amounts Due Within One Year
<b>Governmental Activities Long-Term Debt:</b>					
<i><b>Direct Placement:</b></i>					
2023 Equipment Lease Purchase Agreement Loan	\$ -	\$ 3,274,000	\$ -	\$ 3,274,000	\$ -
Total Direct Placements:	<u>-</u>	<u>3,274,000</u>	<u>-</u>	<u>3,274,000</u>	<u>-</u>
<i><b>Direct Borrowings:</b></i>					
Bonds Payable:					
PFA 2015 Lease Revenue Refunding Bonds	\$ 1,715,000	\$ -	\$ (135,000)	\$ 1,580,000	\$ 140,000
Unamortized bond discounts	<u>(11,990)</u>	<u>-</u>	<u>1,010</u>	<u>(10,980)</u>	<u>-</u>
Total Direct Borrowings:	<u>1,703,010</u>	<u>-</u>	<u>(133,990)</u>	<u>1,569,020</u>	<u>140,000</u>
<i><b>Other Long-term obligations:</b></i>					
Compensated absences	677,242	485,265	(428,745)	733,762	346,434
SBITA payable	<u>59,549</u>	<u>-</u>	<u>(20,172)</u>	<u>39,377</u>	<u>25,881</u>
Total other long-term obligations:	<u>736,791</u>	<u>485,265</u>	<u>(448,917)</u>	<u>773,139</u>	<u>372,315</u>
Total governmental activities debt	<u>2,439,801</u>	<u>3,759,265</u>	<u>(582,907)</u>	<u>5,616,159</u>	<u>512,315</u>
<b>Business-Type Activities Long-Term Debt:</b>					
<i><b>Direct Borrowings:</b></i>					
CIEDB water loan	<u>1,567,891</u>	<u>-</u>	<u>(110,602)</u>	<u>1,457,289</u>	<u>113,898</u>
<i><b>Other Long-term obligations:</b></i>					
Compensated absences	280,214	169,035	(172,778)	276,471	141,785
SBITA payable	<u>26,615</u>	<u>-</u>	<u>(6,061)</u>	<u>20,554</u>	<u>7,057</u>
Total other long-term obligations:	<u>306,829</u>	<u>169,035</u>	<u>(178,839)</u>	<u>297,025</u>	<u>148,842</u>
Total business-type activities debt	<u>1,874,720</u>	<u>169,035</u>	<u>(289,441)</u>	<u>1,754,314</u>	<u>262,740</u>
Total long-term debt	<u>\$ 4,314,521</u>	<u>\$ 3,928,300</u>	<u>\$ (872,348)</u>	<u>\$ 7,370,473</u>	<u>\$ 775,055</u>

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.

**NOTE 8 – LONG-TERM DEBT** (Continued)

Long-term debt at June 30, 2024 was comprised of the following individual issues:

**A. Governmental Activities**

***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.

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.

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
2025	\$ 140,000	\$ 52,413	\$ 192,413
2026	140,000	48,638	188,638
2027	150,000	44,963	194,963
2028	150,000	40,788	190,788
2029	150,000	36,288	186,288
2030-2034	850,000	104,469	954,469
Subtotal	1,580,000	327,559	1,907,559
Unamortized Bonds Discount	(10,980)	-	(10,980)
Total	<u>\$ 1,569,020</u>	<u>\$ 327,559</u>	<u>\$ 1,896,579</u>

***2023 Equipment Lease Purchase Agreement Loan***

On October 12, 2023, the City entered into a lease-purchase financing agreement through a direct placement with Flagstar Bank to fund various solar improvements. The total amount of the financing is \$3,274,000 with an interest rate of 4.77% and a 20-year amortization period. The debt is secured by the related property—solar improvements to be constructed with the proceeds of the financing. Per the terms of the agreement, the City is required to pay off the outstanding balance in full or refinance the remaining balance at year 15. The agreement includes provisions that certain events of default, including nonpayment, may result in the outstanding principal becoming immediately due and payable.

**NOTE 8 – LONG-TERM DEBT** (Continued)

**A. Governmental Activities** (Continued)

Annual debt service requirements to maturity for 2023 Equipment Lease Purchase Agreement Loan are as follows:

Fiscal Year Ending,	Principal	Interest	Total
2025	\$ -	\$ 156,170	\$ 156,170
2026	56,000	154,834	210,834
2027	116,000	149,373	265,373
2028	122,000	143,625	265,625
2029	128,000	137,591	265,591
2030-2034	737,000	586,972	1,323,972
2035-2039	934,000	386,203	1,320,203
2040-2044	1,181,000	132,177	1,313,177
Total	\$ 3,274,000	\$ 1,846,945	\$ 5,120,945

**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.

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:

Fiscal Year Ending,	Principal	Interest	Total
2025	\$ 113,898	\$ 41,730	\$ 155,628
2026	117,293	38,286	155,579
2027	120,788	34,738	155,526
2028	124,387	31,085	155,472
2029	128,094	27,323	155,417
2030-2034	700,055	76,142	776,197
2035	152,774	2,276	155,050
Total	\$ 1,457,289	\$ 251,580	\$ 1,708,869

**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 assets that applies to future periods and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. Accordingly, deferred inflows of resources represent an acquisition of net assets that applies to future periods. 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 \$39,897.

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 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.

**NOTE 10 – PENSION PLAN** (Continued)

**A. General Information about the Pension Plans** (Continued)

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

The Plan’s provisions and benefits in effect at June 30, 2024 are summarized as follows:

	<b>Miscellaneous 1st Tier</b>	<b>Miscellaneous PEPRA</b>
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%	7.750%
Required employer contribution rates	11.840%	7.680%
	<b>Safety - Police 1st Tier</b>	<b>Safety - Police PEPRA</b>
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%	13.750%
Required employer contribution rates	22.830%	13.540%
	<b>Safety - Fire 1st Tier</b>	<b>Safety - Fire PEPRA</b>
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%	13.750%
Required employer contribution rates	22.830%	13.540%

**NOTE 10 – PENSION PLAN** (Continued)

**A. General Information about the Pension Plans** (Continued)

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 \$608,823 for the fiscal year ended June 30, 2024.

**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, 2024 were \$1,337,741.

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

As of June 30, 2024, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$8,309,483.

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, 2023, 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, 2022, rolled forward to June 30, 2023, 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, 2022 and 2023 was as follows:

Proportion - June 30, 2022	0.0664%
Proportion - June 30, 2023	0.0666%
Change - Increase (Decrease)	0.0002%

For the year ended June 30, 2024, the City recognized pension expense of \$1,799,684. At June 30, 2024, 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	\$ 1,376,425	\$ -
Changes in assumptions	490,932	-
Differences between actual and expected experience	543,738	57,097
Net differences between project and actual earnings on plan investments	1,211,577	-
Change in employer's proportion	21,571	320,729
Differences between the employer's actual contributions and the employer's proportionate share of contributions	458,541	30,679
	<u>458,541</u>	<u>30,679</u>
Total	<u>\$ 4,102,784</u>	<u>\$ 408,505</u>

**NOTE 10 – PENSION PLAN** (Continued)

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

\$1,376,425 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, 2025. 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,		
2025	\$	750,532
2026		523,559
2027		1,009,572
2028		34,191
2029		-
Thereafter		-

**C. Actuarial Assumptions**

The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry- Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.80%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	6.90%(1)
Mortality	Derived using CalPERS <sup>1</sup> Membership Data for all Funds(2)

Depending on age, service and type of employment

<sup>(1)</sup> Net of pension plan investment expenses, including inflation

<sup>(2)</sup> The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries

**NOTE 10 – PENSION PLAN** (Continued)

**D. Discount Rate**

The discount rate used to measure the total pension liability was 6.90%. 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 <sup>(a)</sup>	New Strategic Allocation	Real Return Years 1-10 <sup>(b)</sup>
Global equity - cap-weighted	30.0%	4.54%
Global equity non-cap weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100%	

<sup>(a)</sup> An expected inflation of 2.30% used for this period

<sup>(b)</sup> Figures are based on the 2021-22 Asset Liability Management study.

**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:

<u>Discount Rate -1% 5.90%</u>	<u>Current Discount Rate 6.90%</u>	<u>Discount Rate +1% 7.90%</u>
\$13,045,771	\$8,309,483	\$4,427,209

**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 no outstanding amount of contributions payable to the pension plan for the year ended June 30, 2024.

**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.

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 the liability program. If a claim exceeds a member’s retained limit, the amount exceeding the retained limit is distributed to the pooled layers above the city’s retained limit, and that cost is shared amongst the members with the various pooled layers.

**NOTE 12 – RISK MANAGEMENT** (Continued)

For the Liability Program, the CSJVRMA’s risk sharing pool covers the first \$1,000,000 of each claim. The CSJVRMA participates in an excess pool, the California Affiliated Risk Management Authorities (CARMA) that provides excess liability coverage 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 Allied World National Assurance Company for a total of \$34,500,000 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 PRISM (previously CSAC-EIA) with statutory limits.

The Central San Joaquin Valley Risk Management Authority is a consortium of fifty-four (54) cities in the San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500 et. Seq. The Central San Joaquin Valley Risk Management Authority is governed by a Board of Directors, which meets three times per year, and consists of one member appointed by each member city and an alternate member. A management group, Sedgwick, employed by CSJVRMA, handles the day-to-day business.

The summary financial position and results of operations for CSJVRMA, as of June 30, 2024, is presented as follows:

Total assets	\$ 179,635,612
Total liabilities	<u>144,400,470</u>
Total net position	<u>\$ 35,235,142</u>
Revenues	\$ 89,306,501
Expenses	<u>94,324,180</u>
Change in net position	<u>\$ (5,017,679)</u>

At the termination of the joint venture agreement and after all claims have been settled, any excess or deficit will be divided among the cities in proportion to the aggregate amount of contribution made by each.

**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.

The City is subject to litigation arising in the normal course of business. In the opinion of the City attorney, there is no pending litigation which is likely to have a material adverse effect on the financial position of the City.

**NOTE 14 – PRIOR PERIOD ADJUSTMENT**

During the year ended June 30, 2024, the City identified and corrected prior period misstatements in the opening fund balance and net position of the governmental activities, various governmental funds, business-type activities and enterprise funds. These adjustments include corrections to previously reported activity to ensure compliance with generally accepted accounting principles (GAAP). A detailed summary of these changes to the opening balances is provided in the tables below:

	Government Wide	Governmental Funds		
	Governmental Activities	General	Nonmajor Governmental Funds	Fiduciary
Fund balance/net position, June 30, 2023, as previously reported	\$ 45,553,537	\$ 11,047,989	\$ 5,769,317	\$ 71,722
Error correction:				
Overstatement of cash and investments	296,620	296,620	-	-
Overstatement of land held for resale	(574,389)	-	(574,389)	-
Understatement of capital assets	626,079	-	-	-
Overstatement of prepaid asset	-	-	-	(17,266)
Total error correction	<u>348,310</u>	<u>296,620</u>	<u>(574,389)</u>	<u>(17,266)</u>
Change within financial reporting entity (major to nonmajor)	-	-	1,746,779	-
Fund balance/net position, July 1, 2023, as restated	<u>\$ 45,901,847</u>	<u>\$ 11,344,609</u>	<u>\$ 6,941,707</u>	<u>\$ 54,456</u>

	Government- Wide Business-Type Activities	Enterprise Funds Water
Net position, June 30, 2023, as previously reported	\$ 7,464,774	\$ 7,853,844
Error correction:		
Overstatement of cash and investments	(20,236)	(20,236)
Total error correction	<u>(20,236)</u>	<u>(20,236)</u>
Net position, July 1, 2023, as restated	<u>\$ 7,444,538</u>	<u>\$ 7,833,608</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

## BUDGETARY COMPARISON SCHEDULES

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule

General Fund

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>REVENUES</b>				
Taxes	\$ 4,514,230	\$ 4,894,222	\$ 4,986,871	\$ 92,649
Licenses and permits	535,078	614,941	642,364	27,423
Intergovernmental	1,319,625	1,566,896	1,577,955	11,059
Charges for services	239,730	211,661	252,708	41,047
Fines and penalties	5,000	5,000	12,920	7,920
Development fees	159,300	159,300	190,634	31,334
Use of money and property	-	222,065	337,679	115,614
Other revenue	121,500	76,218	116,931	40,713
<b>Total revenues</b>	<b>6,894,463</b>	<b>7,750,303</b>	<b>8,118,062</b>	<b>367,759</b>
<b>EXPENDITURES</b>				
Current:				
General government:				
City council	52,774	49,682	39,577	10,105
City attorney	91,000	114,396	114,396	-
Non-departmental	851,279	730,917	637,038	93,879
City manager	297,271	321,823	316,165	5,658
City clerk	193,383	195,916	158,005	37,911
Finance	289,973	301,733	309,511	(7,778)
Human resources/management assistant	223,109	225,617	227,331	(2,714)
Total general government	1,998,789	1,940,084	1,802,023	138,061
Parks and community services:				
Community services	226,440	197,373	172,242	25,131
Pool	225,045	256,205	250,624	5,581
Total parks and community services	451,485	453,578	422,866	30,712
Public safety				
Total public safety	3,260,862	3,005,962	2,621,956	384,006
Public works:				
Public works - administration	84,725	78,881	80,975	(2,094)
Landscape maintenance	390,649	273,795	257,796	15,999
Facility maintenance	85,824	98,771	102,670	(3,899)
Vehicle maintenance	144,874	169,547	176,749	(7,202)
Total public works	706,072	620,994	618,190	2,804
Planning and community development				
Total planning and community development	638,455	705,280	676,475	28,805
Capital outlay				
Total capital outlay	476,200	458,583	1,544,715	(1,086,132)
Debt service:				
Principal	-	-	20,172	(20,172)
Interest and fiscal charges	-	-	91,543	(91,543)
Issuance costs	-	-	58,269	(58,269)
Total debt service	-	-	111,715	(169,984)
<b>Total expenditures</b>	<b>7,531,863</b>	<b>7,184,481</b>	<b>7,856,209</b>	<b>(671,728)</b>
Excess (deficiency) of revenues over (under) expenditures	(637,400)	565,822	261,853	(303,969)
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of debt	-	-	3,274,000	3,274,000
Transfers in	(866,652)	(1,296,868)	150,000	1,446,868
Transfers out	(1,236,855)	(1,340,743)	(995,216)	345,527
<b>Total other financing sources (uses)</b>	<b>(2,103,507)</b>	<b>(2,637,611)</b>	<b>2,428,784</b>	<b>5,066,395</b>
Change in fund balance	\$ (2,740,907)	\$ (2,071,789)	2,690,637	\$ 4,762,426
Fund balances - beginning, restated			11,344,609	
Fund balance - ending			\$ 14,035,246	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule

Measure E Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 2,796,000	\$ 2,796,000	\$ 2,637,704	\$ (158,296)
Use of money and property	12,000	12,000	21,285	9,285
Other revenues	-	-	68,699	68,699
Total revenues	<u>2,808,000</u>	<u>2,808,000</u>	<u>2,727,688</u>	<u>(80,312)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	2,702,438	2,967,920	2,805,130	162,790
Capital outlay	<u>590,500</u>	<u>735,500</u>	<u>590,613</u>	<u>144,887</u>
Total expenditures	<u>3,292,938</u>	<u>3,703,420</u>	<u>3,395,743</u>	<u>307,677</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(484,938)</u>	<u>(895,420)</u>	<u>(668,055)</u>	<u>227,365</u>
<b>OTHER FINANCING SOURCES/(USES)</b>				
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	-	<u>(100,000)</u>
Total other financing sources (uses)	<u>(100,000)</u>	<u>(100,000)</u>	-	<u>(100,000)</u>
Net change in fund balances	<u>\$ (584,938)</u>	<u>\$ (995,420)</u>	(668,055)	<u>\$ 327,365</u>
Fund balance - beginning			<u>1,088,855</u>	
Fund balance - ending			<u>\$ 420,800</u>	

## PENSION PLANS

**CITY OF KINGSBURG | LAST 10 FISCAL YEARS**

**Pension Plans – Cost-Sharing Multiple-Employer Defined Benefit Plan**

**Schedule of Proportionate Share of Net Pension Liability**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Proportion of the net pension liability	0.0890%	0.0811%	0.0756%	0.0743%	0.0753%	0.0752%	0.0677%	0.0761%	0.0664%	0.0666%
Proportionate share of the net pension liability	\$5,591,747	\$5,568,697	\$6,544,355	\$7,365,797	\$7,256,087	\$7,706,149	\$7,363,577	\$4,113,815	\$7,672,923	\$8,309,483
Covered payroll	\$2,539,694	\$2,746,794	\$2,823,084	\$2,997,055	\$3,175,012	\$3,358,370	\$3,784,976	\$4,006,934	\$4,764,307	\$5,594,168
Proportionate share of the net pension liability as percentage of covered payroll	220.17%	202.73%	231.82%	245.77%	228.54%	229.46%	194.55%	102.67%	161.05%	148.54%
Plan fiduciary net position as a percentage of the total pension liability	79.48%	80.20%	75.41%	73.93%	75.45%	74.98%	77.03%	88.75%	78.17%	77.90%

**NOTES TO THE SCHEDULE**

**Changes in Benefit Terms** - In 2022, SB 1168 increased the standard retiree lump sum death benefit from \$500 to \$2,000 for any death occurring on or after July 1, 2023. For pooled plans this is a Class 3 benefit and there is no normal cost surcharge. The impact on the unfunded liability is included in the pool's differences between expected and actual experience.

**Changes of Assumptions** - None

**CITY OF KINGSBURG | LAST TEN YEARS**

Pension Plans – Cost-Sharing Multiple-Employer Defined Benefit Plan  
 Schedule of Contributions

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially required contribution (actuarially determined)	\$574,035	\$658,448	\$732,726	\$795,513	\$886,480	\$1,902,272	\$1,124,362	\$1,283,178	\$1,337,741	\$1,376,425
Contributions in relation to the actuarially determined contributions	<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>	<u>1,124,362</u>	<u>2,033,178</u>	<u>1,337,741</u>	<u>1,376,425</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (750,000)	\$ -	\$ -
Covered payroll	\$2,746,794	\$2,823,084	\$2,997,055	\$3,175,012	\$3,358,370	\$3,784,976	\$4,006,934	\$4,764,307	\$5,594,168	\$5,872,109
Contributions as a percentage of covered-employee payroll	20.90%	23.32%	24.45%	25.06%	26.40%	50.26%	28.06%	26.93%	23.91%	23.44%

**NOTE 1 – BUDGETARY DATA**

The appropriated budget is prepared by fund, department, and account. The City of Kingsburg, California’s (the City) 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 requires 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.

The budget is reported on the same basis as the fund types and on a basis consistent with accounting principles generally accepted in the United States of America. Additional appropriations or other changes during the fiscal year may be submitted by the department for Council review and approval.

**NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

The City incurred expenditures in excess of appropriations in the following amounts for the year ended June 30, 2024:

General Fund:

General government:

Finance	\$	7,778
Human resources/management assistant		1,714

Public works:

Public works - administration		2,094
Facility maintenance		3,899
Vehicle maintenance		7,202

Capital outlay		1,086,132
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Debt service:

Principal		20,172
Interest and fiscal charges		91,543
Issuance costs		58,269

**COMBINING AND INDIVIDUAL NONMAJOR FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

## 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.

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

**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 Asset 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** – to be used to account for resources received from the State’s housing related park grant program and the State Prop 68 Park Grants.

**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.

**Forgivable Loan Program Fund (RTTPF)** – to account for the city’s incentive fund utilizing residual property taxes, which provides financing to eligible businesses/property owners on projects that provide long-term benefits to the City.

## NONMAJOR GOVERNMENTAL FUNDS (Continued)

### 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.

**Kingsburg Public Joint Powers Authority Fund** - 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.

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

### 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.

**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.

**Linnea Villas Public Project Fund** – to account for revenues and expenditures as a result of a development agreement with the Housing Authority of Fresno County for the development of a multi-family senior apartment project of up to sixty (60) units for low-income person ages sixty-two (62) years and older.

**CITY OF KINGSBURG | JUNE 30, 2024**

Nonmajor Governmental Funds

Combining Balance Sheet

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 2,919,422	\$ 12,161	\$ 2,761,389	\$ 5,692,972
Receivables	529,419	-	6,933	536,352
Advances to other funds	-	1,580,000	-	1,580,000
<b>Total assets</b>	<u>\$ 3,448,841</u>	<u>\$ 1,592,161</u>	<u>\$ 2,768,322</u>	<u>\$ 7,809,324</u>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 433,871	\$ -	\$ -	\$ 433,871
Due to other funds	776,797	99,044	-	875,841
Deposits	609	-	-	609
Retention Payable	26,648	-	-	26,648
<b>Total liabilities</b>	<u>1,237,925</u>	<u>99,044</u>	<u>-</u>	<u>1,336,969</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	280,189	-	-	280,189
<b>Total deferred inflows of resources</b>	<u>280,189</u>	<u>-</u>	<u>-</u>	<u>280,189</u>
<b>FUND BALANCES</b>				
Restricted:				
Capital improvements	-	-	2,768,322	2,768,322
Circulation improvements	2,228,098	12,161	-	2,240,259
Debt service	-	1,480,956	-	1,480,956
Public safety	119,853	-	-	119,853
Committed to:				
Economic development	385,993	-	-	385,993
Unassigned	(803,217)	-	-	(803,217)
<b>Total fund balances</b>	<u>1,930,727</u>	<u>1,493,117</u>	<u>2,768,322</u>	<u>6,192,166</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 3,448,841</u>	<u>\$ 1,592,161</u>	<u>\$ 2,768,322</u>	<u>\$ 7,809,324</u>

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 144,109	\$ -	\$ -	\$ 144,109
Intergovernmental	2,495,599	-	-	2,495,599
Development fees	-	-	93,015	93,015
Use of money and property	103,992	52,413	116,464	272,869
Other revenues	<u>8,861</u>	<u>-</u>	<u>-</u>	<u>8,861</u>
Total revenues	<u>2,752,561</u>	<u>52,413</u>	<u>209,479</u>	<u>3,014,453</u>
<b>EXPENDITURES</b>				
Current:				
Parks and community services	284,749	-	-	284,749
Public safety	440,879	-	-	440,879
Highway and streets	710,793	-	-	710,793
Planning and community development	14,259	-	-	14,259
Capital outlay	2,502,170	-	-	2,502,170
Debt service:				
Principal	-	135,000	-	135,000
Interest and fiscal charges	<u>-</u>	<u>54,723</u>	<u>-</u>	<u>54,723</u>
Total expenditures	<u>3,952,850</u>	<u>189,723</u>	<u>-</u>	<u>4,142,573</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,200,289)</u>	<u>(137,310)</u>	<u>209,479</u>	<u>(1,128,120)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	528,579	-	-	528,579
Transfers out	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>
Total other financing sources (uses)	<u>378,579</u>	<u>-</u>	<u>-</u>	<u>378,579</u>
Net change in fund balances	<u>(821,710)</u>	<u>(137,310)</u>	<u>209,479</u>	<u>(749,541)</u>
Fund balances - beginning, as previously reported	1,580,047	1,630,427	2,558,843	5,769,317
Error correction (see footnote 14)	(574,389)	-	-	(574,389)
Change within financial reporting entity (major to nonmajor fund)	<u>1,746,779</u>	<u>-</u>	<u>-</u>	<u>1,746,779</u>
Fund balances - beginning, restated	<u>2,752,437</u>	<u>1,630,427</u>	<u>2,558,843</u>	<u>6,941,707</u>
Fund balances - ending	<u>\$ 1,930,727</u>	<u>\$ 1,493,117</u>	<u>\$ 2,768,322</u>	<u>\$ 6,192,166</u>

**CITY OF KINGSBURG | JUNE 30, 2024**

**Nonmajor Special Revenue Funds**

**Combining Balance Sheet**

	Measure C	(Formerly major fund) Local Transportation	Gas Tax	Senior Center	COPS Grant	San Joaquin Valley Air Grant	Low and Moderate Income Housing Asset
<b>ASSETS</b>							
Cash and investments	\$ 410,342	\$ 1,515,643	\$ 518,819	\$ -	\$ 70,602	\$ 21	\$ -
Receivables	54,190	4,124	58,120	4,591	94,889	-	-
Total assets	<u>\$ 464,532</u>	<u>\$ 1,519,767</u>	<u>\$ 576,939</u>	<u>\$ 4,591</u>	<u>\$ 165,491</u>	<u>\$ 21</u>	<u>\$ -</u>
<b>LIABILITIES</b>							
Accounts payable and accrued expenses	\$ 52,064	\$ 253,437	\$ 4,415	\$ 88,761	\$ -	\$ -	\$ -
Due to other funds	-	-	-	265,577	-	-	-
Deposits	-	-	-	609	-	-	-
Retention payable	-	23,224	-	3,424	-	-	-
Total liabilities	<u>52,064</u>	<u>276,661</u>	<u>4,415</u>	<u>358,371</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue	-	-	-	-	94,663	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,663</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>							
Restricted:							
Circulation improvements	412,468	1,243,106	572,524	-	-	-	-
Public safety	-	-	-	-	70,828	21	-
Committed:							
Economic development	-	-	-	-	-	-	-
Unassigned	-	-	-	(353,780)	-	-	-
Total fund balances	<u>412,468</u>	<u>1,243,106</u>	<u>572,524</u>	<u>(353,780)</u>	<u>70,828</u>	<u>21</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 464,532</u>	<u>\$ 1,519,767</u>	<u>\$ 576,939</u>	<u>\$ 4,591</u>	<u>\$ 165,491</u>	<u>\$ 21</u>	<u>\$ -</u>

**CITY OF KINGSBURG | JUNE 30, 2024**

Nonmajor Special Revenue Funds

Combining Balance Sheet

(Continued)

	Vehicle Abandonment	ACT Task Force Grant	Park Improvements	School Resource Officer	Forgivable Loan Program (RTTPF)	Total
<b>ASSETS</b>						
Cash and investments	\$ 18,002	\$ -	\$ -	\$ -	\$ 385,993	\$ 2,919,422
Receivables	<u>47</u>	<u>46,233</u>	<u>185,526</u>	<u>81,699</u>	<u>-</u>	<u>529,419</u>
Total assets	<u>\$ 18,049</u>	<u>\$ 46,233</u>	<u>\$ 185,526</u>	<u>\$ 81,699</u>	<u>\$ 385,993</u>	<u>\$ 3,448,841</u>
<b>LIABILITIES</b>						
Accounts payable and accrued expenses	\$ -	\$ 2,613	\$ 27,125	\$ 5,456	\$ -	\$ 433,871
Due to other funds	-	12,665	270,456	228,099	-	776,797
Deposits	-	-	-	-	-	609
Retention payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,648</u>
Total liabilities	<u>-</u>	<u>15,278</u>	<u>297,581</u>	<u>233,555</u>	<u>-</u>	<u>1,237,925</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	<u>-</u>	<u>-</u>	<u>185,526</u>	<u>-</u>	<u>-</u>	<u>280,189</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>185,526</u>	<u>-</u>	<u>-</u>	<u>280,189</u>
<b>FUND BALANCES</b>						
Restricted:						
Circulation improvements	-	-	-	-	-	2,228,098
Public safety	18,049	30,955	-	-	-	119,853
Committed:						
Economic development	-	-	-	-	385,993	385,993
Unassigned	<u>-</u>	<u>-</u>	<u>(297,581)</u>	<u>(151,856)</u>	<u>-</u>	<u>(803,217)</u>
Total fund balances	<u>18,049</u>	<u>30,955</u>	<u>(297,581)</u>	<u>(151,856)</u>	<u>385,993</u>	<u>1,930,727</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 18,049</u>	<u>\$ 46,233</u>	<u>\$ 185,526</u>	<u>\$ 81,699</u>	<u>\$ 385,993</u>	<u>\$ 3,448,841</u>

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

	Measure C	(Formerly major fund) Local Transportation	Gas Tax	Senior Center	COPS Grant	San Joaquin Valley Air Grant	Low and Moderate Income Housing Asset
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	532,503	622,107	674,182	24,737	100,000	-	-
Use of money and property	14,764	64,317	19,507	-	4,179	-	-
Other revenues	-	-	-	8,861	-	-	-
<b>Total revenues</b>	<b>547,267</b>	<b>686,424</b>	<b>693,689</b>	<b>33,598</b>	<b>104,179</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>							
Current:							
Parks and community services	-	-	-	284,749	-	-	-
Public safety	-	-	-	-	-	-	-
Highway and streets	220,958	175,052	314,783	-	-	-	-
Planning and community development	14,259	-	-	-	-	-	-
Capital outlay	393,579	1,015,045	460,724	-	-	-	-
<b>Total expenditures</b>	<b>628,796</b>	<b>1,190,097</b>	<b>775,507</b>	<b>284,749</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of revenues over (under) expenditures	(81,529)	(503,673)	(81,818)	(251,151)	104,179	-	-
<b>OTHER FINANCING SOURCES/(USES)</b>							
Transfers in	-	-	-	100,000	-	-	-
Transfers out	-	-	-	-	(150,000)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,000</b>	<b>(150,000)</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(81,529)</b>	<b>(503,673)</b>	<b>(81,818)</b>	<b>(151,151)</b>	<b>(45,821)</b>	<b>-</b>	<b>-</b>
Fund balances - beginning, as previously reported	493,997	-	654,342	(202,629)	116,649	21	574,389
Error correction (see footnote 14) Change within financial reporting entity (major to nonmajor fund)	-	-	-	-	-	-	(574,389)
	-	1,746,779	-	-	-	-	-
<b>Fund balances - beginning, restated</b>	<b>493,997</b>	<b>1,746,779</b>	<b>654,342</b>	<b>(202,629)</b>	<b>116,649</b>	<b>21</b>	<b>-</b>
<b>Fund balances - ending</b>	<b>\$ 412,468</b>	<b>\$ 1,243,106</b>	<b>\$ 572,524</b>	<b>\$ (353,780)</b>	<b>\$ 70,828</b>	<b>\$ 21</b>	<b>\$ -</b>

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

(Continued)

	Vehicle Abandonment	ACT Task Force Grant	Park Improvements	School Resource Officer	Forgivable Loan Program (RTTPF)	Total
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 144,109	\$ 144,109
Intergovernmental	-	168,948	50,300	322,822	-	2,495,599
Use of money and property	804	421	-	-	-	103,992
Other revenues	-	-	-	-	-	8,861
Total revenues	<u>804</u>	<u>169,369</u>	<u>50,300</u>	<u>322,822</u>	<u>144,109</u>	<u>2,752,561</u>
<b>EXPENDITURES</b>						
Current:						
Parks and community services	-	-	-	-	-	284,749
Public safety	-	169,156	-	271,723	-	440,879
Highway and streets	-	-	-	-	-	710,793
Planning and community development	-	-	-	-	-	14,259
Capital outlay	-	17,480	290,342	-	325,000	2,502,170
Total expenditures	<u>-</u>	<u>186,636</u>	<u>290,342</u>	<u>271,723</u>	<u>325,000</u>	<u>3,952,850</u>
Excess (deficiency) of revenues over (under) expenditures	<u>804</u>	<u>(17,267)</u>	<u>(240,042)</u>	<u>51,099</u>	<u>(180,891)</u>	<u>(1,200,289)</u>
<b>OTHER FINANCING SOURCES/(USES)</b>						
Transfers in	-	-	-	-	428,579	528,579
Transfers out	-	-	-	-	-	(150,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>428,579</u>	<u>378,579</u>
Net change in fund balances	804	(17,267)	(240,042)	51,099	247,688	(821,710)
Fund balances - beginning, as previously reported	<u>17,245</u>	<u>48,222</u>	<u>(57,539)</u>	<u>(202,955)</u>	<u>138,305</u>	<u>1,580,047</u>
Error correction (see footnote 14) Change within financial reporting entity (major to nonmajor fund)	-	-	-	-	-	(574,389)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,746,779</u>
Fund balances - beginning, restated	<u>17,245</u>	<u>48,222</u>	<u>(57,539)</u>	<u>(202,955)</u>	<u>138,305</u>	<u>2,752,437</u>
Fund balances - ending	<u>\$ 18,049</u>	<u>\$ 30,955</u>	<u>\$ (297,581)</u>	<u>\$ (151,856)</u>	<u>\$ 385,993</u>	<u>\$ 1,930,727</u>

**CITY OF KINGSBURG | JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Special Revenue Fund – Measure C Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 972,485	\$ 527,485	\$ 532,503	\$ 5,018
Use of money and property	<u>5,000</u>	<u>5,000</u>	<u>14,764</u>	<u>9,764</u>
Total revenues	<u>977,485</u>	<u>532,485</u>	<u>547,267</u>	<u>14,782</u>
<b>EXPENDITURES</b>				
Current:				
Highway and streets	207,916	245,804	220,958	24,846
Planning and community development	445,000	14,259	14,259	-
Capital outlay	<u>310,000</u>	<u>383,445</u>	<u>393,579</u>	<u>(10,134)</u>
Total expenditures	<u>962,916</u>	<u>643,508</u>	<u>628,796</u>	<u>14,712</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 14,569</u>	<u>\$ (111,023)</u>	(81,529)	<u>\$ 29,494</u>
Fund balances - beginning			<u>493,997</u>	
Fund balances - ending			<u>\$ 412,468</u>	

**CITY OF KINGSBURG | JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Special Revenue Fund – Local Transportation Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 667,649	\$ 622,107	\$ 622,107	\$ -
Use of money and property	<u>10,500</u>	<u>59,544</u>	<u>64,317</u>	<u>4,773</u>
Total revenues	<u>678,149</u>	<u>681,651</u>	<u>686,424</u>	<u>4,773</u>
<b>EXPENDITURES</b>				
Current:				
Highway and streets	198,514	218,245	175,052	43,193
Capital outlay	<u>915,838</u>	<u>1,037,673</u>	<u>1,015,045</u>	<u>22,628</u>
Total expenditures	<u>1,114,352</u>	<u>1,255,918</u>	<u>1,190,097</u>	<u>65,821</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (436,203)</u>	<u>\$ (574,267)</u>	(503,673)	<u>\$ 70,594</u>
Fund balance - beginning			<u>1,746,779</u>	
Fund balance - ending			<u>\$ 1,243,106</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule

Nonmajor Special Revenue Fund – Gas Tax Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 662,513	\$ 662,513	\$ 674,182	\$ 11,669
Use of money and property	2,000	19,506	19,507	1
Total revenues	<u>664,513</u>	<u>682,019</u>	<u>693,689</u>	<u>11,670</u>
<b>EXPENDITURES</b>				
Current:				
Highway and streets	334,865	322,747	314,783	7,964
Capital outlay	<u>460,724</u>	<u>460,724</u>	<u>460,724</u>	-
Total expenditures	<u>795,589</u>	<u>783,471</u>	<u>775,507</u>	<u>7,964</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (131,076)</u>	<u>\$ (101,452)</u>	(81,818)	<u>\$ 19,634</u>
Fund balances - beginning			<u>654,342</u>	
Fund balances - ending			<u>\$ 572,524</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule

Nonmajor Special Revenue Fund – Senior Center Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 267,000	\$ 24,000	\$ 24,737	\$ 737
Other revenues	4,000	4,000	8,861	4,861
Total revenues	<u>271,000</u>	<u>28,000</u>	<u>33,598</u>	<u>5,598</u>
<b>EXPENDITURES</b>				
Current:				
Parks and community services	<u>370,497</u>	<u>281,304</u>	<u>284,749</u>	<u>(3,445)</u>
Total expenditures	<u>370,497</u>	<u>281,304</u>	<u>284,749</u>	<u>(3,445)</u>
Excess (deficiency) of revenues over (under) expenditures	(99,497)	(253,304)	(251,151)	2,153
<b>OTHER FINANCING SOURCES/(USES)</b>				
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net change in fund balances	<u>\$ 503</u>	<u>\$ (153,304)</u>	<u>(151,151)</u>	<u>\$ 2,153</u>
Fund balances (deficits) - beginning			<u>(202,629)</u>	
Fund balances (deficits) - ending			<u>\$ (353,780)</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule

Nonmajor Special Revenue Fund – COPS Grant Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 100,000	\$ (50,000)
Use of money and property	-	-	4,179	4,179
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>104,179</u>	<u>(45,821)</u>
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	150,000	150,000	104,179	(45,821)
<b>OTHER FINANCING SOURCES/(USES)</b>				
Transfers out	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	-
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(45,821)	<u>\$ (45,821)</u>
Fund balances - beginning			<u>116,649</u>	
Fund balances - ending			<u>\$ 70,828</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Special Revenue Fund – San Joaquin Valley Air Grant

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b>EXPENDITURES</b>	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances - beginning			<u>21</u>	
Fund balances - ending			<u>\$ 21</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Special Revenue Fund – Low and Moderate Housing Asset Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances - beginning			<u>574,389</u>	
Prior period adjustments			<u>(574,389)</u>	
Fund balances - ending			<u>\$ -</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Special Revenue Fund – Vehicle Abandonment Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 804	\$ 804
Total revenues	-	-	804	804
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	804	\$ 804
Fund balances - beginning			17,245	
Fund balances - ending			\$ 18,049	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Special Revenue Fund – ACT Task Force Grant Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 192,248	\$ 168,947	\$ 168,948	\$ 1
Use of money and property	-	-	421	421
Total revenues	<u>192,248</u>	<u>168,947</u>	<u>169,369</u>	<u>422</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	172,248	185,748	169,156	16,592
Capital outlay	<u>20,000</u>	<u>20,000</u>	<u>17,480</u>	<u>2,520</u>
Total expenditures	<u>192,248</u>	<u>205,748</u>	<u>186,636</u>	<u>19,112</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (36,801)</u>	(17,267)	<u>\$ 19,534</u>
Fund balances - beginning			<u>48,222</u>	
Fund balances - ending			<u>\$ 30,955</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule

Nonmajor Special Revenue Fund – Park Improvements Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 1,244,000	\$ 235,826	\$ 50,300	\$ (185,526)
Total revenues	<u>1,244,000</u>	<u>235,826</u>	<u>50,300</u>	<u>(185,526)</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>1,244,000</u>	<u>290,341</u>	<u>290,342</u>	<u>(1)</u>
Total expenditures	<u>1,244,000</u>	<u>290,341</u>	<u>290,342</u>	<u>(1)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (54,515)</u>	(240,042)	<u>\$ (185,527)</u>
Fund balances (deficits) - beginning			<u>(57,539)</u>	
Fund balances (deficits) - ending			<u>\$ (297,581)</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Special Revenue Fund – School Resource Officer Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 265,330	\$ 265,330	\$ 322,822	\$ 57,492
Total revenues	<u>265,330</u>	<u>265,330</u>	<u>322,822</u>	<u>57,492</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>265,330</u>	<u>265,330</u>	<u>271,723</u>	<u>(6,393)</u>
Total expenditures	<u>265,330</u>	<u>265,330</u>	<u>271,723</u>	<u>(6,393)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	51,099	<u>\$ 51,099</u>
Fund balances (deficits) - beginning			<u>(202,955)</u>	
Fund balances (deficits) - ending			<u>\$ (151,856)</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Special Revenue Fund – Forgivable Loan Program Fund (RTTPF)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 130,000	\$ 130,000	\$ 144,109	\$ 14,109
Total revenues	130,000	130,000	144,109	14,109
<b>EXPENDITURES</b>				
Capital outlay	375,000	375,000	325,000	50,000
Total expenditures	375,000	375,000	325,000	50,000
Excess (deficiency) of revenues over (under) expenditures	\$ (245,000)	\$ (245,000)	(180,891)	\$ 64,109
<b>OTHER FINANCING SOURCES/(USES)</b>				
Transfers in			428,579	
Net change in fund balances			247,688	
Fund balances - beginning			138,305	
Fund balances - ending			\$ 385,993	

**CITY OF KINGSBURG | JUNE 30, 2024**

Combining Balance Sheet  
 Nonmajor Debt Service Funds

	Kingsburg Joint Powers Authority	Assessment District	Total
<b>ASSETS</b>			
Cash and investments	\$ -	\$ 12,161	\$ 12,161
Advances to other funds	<u>1,580,000</u>	<u>-</u>	<u>1,580,000</u>
Total assets	<u>\$ 1,580,000</u>	<u>\$ 12,161</u>	<u>\$ 1,592,161</u>
<b>LIABILITIES</b>			
Due to other funds	<u>\$ 99,044</u>	<u>\$ -</u>	<u>\$ 99,044</u>
Total liabilities	<u>99,044</u>	<u>-</u>	<u>99,044</u>
<b>FUND BALANCES</b>			
Restricted:			
Circulation improvements	-	12,161	12,161
Debt service	<u>1,480,956</u>	<u>-</u>	<u>1,480,956</u>
Total fund balances	<u>1,480,956</u>	<u>12,161</u>	<u>1,493,117</u>
Total liabilities and fund balances	<u>\$ 1,580,000</u>	<u>\$ 12,161</u>	<u>\$ 1,592,161</u>

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Debt Service Funds

	Kingsburg Joint Powers Authority	Assessment District	Total
<b>REVENUES</b>			
Use of money and property	\$ 52,413	\$ -	\$ 52,413
Total revenues	<u>52,413</u>	<u>-</u>	<u>52,413</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	135,000	-	135,000
Interest and fiscal charges	<u>54,723</u>	<u>-</u>	<u>54,723</u>
Total expenditures	<u>189,723</u>	<u>-</u>	<u>189,723</u>
Excess (deficiency) of revenues over (under) expenditures	(137,310)	-	(137,310)
Fund balances - beginning	<u>1,618,266</u>	<u>12,161</u>	<u>1,630,427</u>
Fund balances - ending	<u>\$ 1,480,956</u>	<u>\$ 12,161</u>	<u>\$ 1,493,117</u>

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Budgetary Comparison Schedule – Kingsburg Joint Powers Authority Fund  
 Nonmajor Debt Service Funds

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ -	\$ 52,413	\$ 52,413	\$ -
Total revenues	-	52,413	52,413	-
<b>EXPENDITURES</b>				
Debt service:				
Principal	-	135,000	135,000	-
Interest and fiscal charges	-	52,412	54,723	(2,311)
Total expenditures	-	187,412	189,723	(2,311)
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (134,999)</u>	(137,310)	<u>\$ (2,311)</u>
Fund balances - beginning			<u>1,618,266</u>	
Fund balances - ending			<u>\$ 1,480,956</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule – Assessment District Fund

Nonmajor Debt Service Funds

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances - beginning			<u>12,161</u>	
Fund balances - ending			<u>\$ 12,161</u>	

**CITY OF KINGSBURG | JUNE 30, 2024**

Combining Balance Sheet  
 Nonmajor Capital Projects Funds

	Sewer Connection	Storm Drain	Parks and Recreation	Equipment Replacement	Linnea Villas Public Project	Total
<b>ASSETS</b>						
Cash and investments	\$ 1,712,276	\$ 212,673	\$ 710,364	\$ 26,532	\$ 99,544	\$ 2,761,389
Receivables	4,464	556	1,844	69	-	6,933
<b>Total assets</b>	<u>\$ 1,716,740</u>	<u>\$ 213,229</u>	<u>\$ 712,208</u>	<u>\$ 26,601</u>	<u>\$ 99,544</u>	<u>\$ 2,768,322</u>
<b>LIABILITIES</b>						
Total liabilities	-	-	-	-	-	-
<b>FUND BALANCES</b>						
Restricted:						
Capital improvements	1,716,740	213,229	712,208	26,601	99,544	2,768,322
<b>Total fund balances</b>	<u>1,716,740</u>	<u>213,229</u>	<u>712,208</u>	<u>26,601</u>	<u>99,544</u>	<u>2,768,322</u>
<b>Total liabilities and fund balances</b>	<u>\$ 1,716,740</u>	<u>\$ 213,229</u>	<u>\$ 712,208</u>	<u>\$ 26,601</u>	<u>\$ 99,544</u>	<u>\$ 2,768,322</u>

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Capital Projects Funds

	Sewer Connection	Storm Drain	Parks and Recreation	Equipment Replacement	Linnea Villas Public Project	Total
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Development fees	39,935	3,865	49,215	-	-	93,015
Use of money and property	<u>75,371</u>	<u>9,389</u>	<u>30,533</u>	<u>1,171</u>	-	<u>116,464</u>
Total revenues	<u>115,306</u>	<u>13,254</u>	<u>79,748</u>	<u>1,171</u>	-	<u>209,479</u>
<b>EXPENDITURES</b>						
Current:						
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	115,306	13,254	79,748	1,171	-	209,479
Fund balances - beginning	<u>1,601,434</u>	<u>199,975</u>	<u>632,460</u>	<u>25,430</u>	<u>99,544</u>	<u>2,558,843</u>
Fund balances - ending	<u>\$ 1,716,740</u>	<u>\$ 213,229</u>	<u>\$ 712,208</u>	<u>\$ 26,601</u>	<u>\$ 99,544</u>	<u>\$ 2,768,322</u>

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule

Nonmajor Capital Projects Funds – Sewer Connection Fund

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Development fees	\$ 50,000	\$ 50,000	\$ 39,935	\$ (10,065)
Use of money and property	-	75,371	75,371	-
Total revenues	50,000	125,371	115,306	(10,065)
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	\$ 50,000	\$ 125,371	115,306	\$ (10,065)
Fund balances - beginning			1,601,434	
Fund balances - ending			\$ 1,716,740	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule

Nonmajor Capital Projects Funds – Storm Drain Fund

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Development fees	\$ 18,000	\$ 3,865	\$ 3,865	\$ -
Use of money and property	-	9,389	9,389	-
Total revenues	<u>18,000</u>	<u>13,254</u>	<u>13,254</u>	<u>-</u>
<b>EXPENDITURES</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 18,000</u>	<u>\$ 13,254</u>	13,254	<u>\$ -</u>
Fund balances - beginning			<u>199,975</u>	
Fund balances - ending			<u>\$ 213,229</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Capital Projects Funds – Parks and Recreation Fund

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Development fees	\$ 60,000	\$ 60,000	\$ 49,215	\$ (10,785)
Use of money and property	-	30,532	30,533	1
Total revenues	<u>60,000</u>	<u>90,532</u>	<u>79,748</u>	<u>(10,784)</u>
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 60,000</u>	<u>\$ 90,532</u>	79,748	<u>\$ (10,784)</u>
Fund balances - beginning			<u>632,460</u>	
Fund balances - ending			<u>\$ 712,208</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Capital Projects Funds – Equipment Replacement Fund

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 1,171	\$ 1,171
Total revenues	-	-	1,171	1,171
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	1,171	\$ 1,171
Fund balances - beginning			25,430	
Fund balances - ending			\$ 26,601	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**  
 Budgetary Comparison Schedule  
 Nonmajor Capital Projects Funds – Linnea Villas Public Project Fund

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances - beginning			<u>99,544</u>	
Fund balances - ending			<u>\$ 99,544</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule

Major Capital Projects Funds – Capital Facilities Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Development fees	\$ 290,500	\$ 567,420	\$ 591,720	\$ 24,300
Use of money and property	<u>24,000</u>	<u>257,506</u>	<u>257,507</u>	<u>1</u>
Total revenues	<u>314,500</u>	<u>824,926</u>	<u>849,227</u>	<u>24,301</u>
<b>EXPENDITURES</b>				
Current:				
Planning and community development	10,000	-	-	-
Capital outlay	<u>285,000</u>	<u>134,222</u>	<u>111,871</u>	<u>22,351</u>
Total expenditures	<u>295,000</u>	<u>134,222</u>	<u>111,871</u>	<u>22,351</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 19,500</u>	<u>\$ 690,704</u>	737,356	<u>\$ 46,652</u>
Fund balances - beginning			<u>5,227,414</u>	
Fund balances - ending			<u>\$ 5,964,770</u>	

**CITY OF KINGSBURG | FOR THE YEAR ENDED JUNE 30, 2024**

Budgetary Comparison Schedule

Major Capital Projects Funds – Streets Project Fund

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 348,700	\$ 413,897	\$ 1,184,590	\$ 770,693
Development fees	-	-	618	618
Total revenues	<u>348,700</u>	<u>413,897</u>	<u>1,185,208</u>	<u>771,311</u>
<b>EXPENDITURES</b>				
Capital outlay	-	<u>1,273,628</u>	<u>1,356,125</u>	<u>(82,497)</u>
Total expenditures	-	<u>1,273,628</u>	<u>1,356,125</u>	<u>(82,497)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 348,700</u>	<u>\$ (859,731)</u>	(170,917)	<u>\$ 688,814</u>
Fund balances (deficit) - beginning			<u>(86,381)</u>	
Fund balances (deficit) - ending			<u>\$ (257,298)</u>	

## **STATISTICAL SECTION**

## **STATISTICAL SECTION – OVERVIEW**

This part of the City of Kingsburg’s Annual Comprehensive 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 Trends*** – 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 are derived from the Annual Comprehensive Financial Report for the relevant year.

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**  
 Net Position by Component (Accrual Basis of Accounting)

	FISCAL YEARS									
	<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>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>
<b><u>Governmental Activities</u></b>										
Net investment in										
capital assets	\$ 11,010,739	\$ 11,917,893	\$ 13,726,605	\$ 13,580,330	\$ 14,634,885	\$ 16,971,072	\$ 19,058,680	\$ 21,610,067	\$ 24,377,392	\$ 27,818,069
Restricted	8,593,486	8,917,767	8,540,239	9,169,130	4,314,137	11,157,339	12,661,892	14,632,157	14,157,183	15,039,704
Unrestricted	<u>(2,336,196)</u>	<u>(1,786,896)</u>	<u>(314,962)</u>	<u>356,161</u>	<u>5,732,794</u>	<u>254,445</u>	<u>907,166</u>	<u>4,914,001</u>	<u>7,018,962</u>	<u>5,613,923</u>
Total Net Position	<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>\$ 32,627,738</u>	<u>\$ 41,156,225</u>	<u>\$ 45,553,537</u>	<u>\$ 48,471,696</u>
<b><u>Business-type Activities</u></b>										
Net investment in										
capital assets	\$ 6,998,393	\$ 6,432,895	\$ 6,330,963	\$ 3,774,918	\$ 4,300,883	\$ 6,482,788	\$ 11,355,099	\$ 10,993,329	\$ 10,488,898	\$ 9,447,552
Unrestricted	<u>(4,436,064)</u>	<u>(3,228,171)</u>	<u>(2,841,875)</u>	<u>4,604,156</u>	<u>4,554,673</u>	<u>3,499,631</u>	<u>(1,114,807)</u>	<u>(656,482)</u>	<u>(656,482)</u>	<u>(2,843,972)</u>
Total Net Position	<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>\$ 10,240,292</u>	<u>\$ 10,336,847</u>	<u>\$ 9,832,416</u>	<u>\$ 6,603,580</u>
<b><u>Total Primary Government</u></b>										
Net investment in										
capital assets	\$ 18,009,132	\$ 18,350,788	\$ 20,057,568	\$ 17,355,248	\$ 18,935,768	\$ 23,453,860	\$ 30,413,779	\$ 32,603,396	\$ 32,603,396	\$ 37,265,621
Restricted	8,593,486	8,917,767	8,540,239	9,169,130	4,314,137	11,157,339	12,661,892	14,632,157	14,632,157	15,039,704
Unrestricted	<u>(6,772,260)</u>	<u>(5,015,067)</u>	<u>(3,156,837)</u>	<u>4,960,317</u>	<u>10,287,467</u>	<u>3,754,076</u>	<u>(207,641)</u>	<u>4,257,519</u>	<u>4,257,519</u>	<u>2,769,951</u>
Total Net Position	<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>	<u>\$ 42,868,030</u>	<u>\$ 51,493,072</u>	<u>\$ 51,493,072</u>	<u>\$ 55,075,276</u>

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**  
**Changes in Net Position (Accrual Basis of Accounting)**

EXPENSES:	FISCAL YEARS									
	<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>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>
<b>Governmental activities:</b>										
General government	\$ 933,367	\$ 810,747	\$ 1,005,379	\$ 965,020	\$ 1,008,560	\$ 2,054,881	\$ 715,354	\$ 1,456,027	\$ 2,524,957	\$ 2,699,908
Parks and recreation	430,240	408,729	481,177	530,429	555,326	494,862	767,773	550,782	930,517	901,887
Public safety	1,785,462	1,542,352	1,797,401	2,787,216	3,660,296	4,665,132	4,472,718	4,841,942	5,678,130	6,565,174
Highway and streets	380,773	766,093	893,071	878,158	1,166,319	950,088	723,805	580,540	683,806	756,263
Public works	814,979	557,321	599,999	717,507	673,068	535,748	1,254,211	1,006,648	1,363,268	1,239,528
Planning and community development	189,723	286,768	356,258	367,442	477,762	426,503	650,586	1,434,479	1,191,530	860,918
Interest	<u>300,066</u>	<u>199,851</u>	<u>187,158</u>	<u>173,912</u>	<u>158,427</u>	<u>141,335</u>	<u>124,188</u>	<u>99,255</u>	<u>69,661</u>	<u>-</u>
Total governmental activities	<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>	<u>8,708,635</u>	<u>9,969,673</u>	<u>12,441,869</u>	<u>13,023,678</u>
<b>Business-type activities:</b>										
Water	1,716,307	1,536,034	1,924,632	1,961,341	2,112,020	1,939,622	2,349,264	2,406,245	3,150,628	3,713,756
Disposal	1,810,815	1,854,083	1,940,311	1,924,253	1,986,773	1,967,168	2,161,473	2,052,251	2,643,750	3,190,123
Ambulance/Fire	1,705,874	2,437,389	2,296,617	4,730,318	4,322,083	4,113,733	5,301,596	6,135,956	7,923,895	4,773,930
Building fee	<u>113,451</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities	<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>	<u>9,812,333</u>	<u>10,594,452</u>	<u>13,718,273</u>	<u>11,677,809</u>
Total primary government expenses	<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>	<u>\$ 18,520,968</u>	<u>\$ 20,564,125</u>	<u>\$ 26,160,142</u>	<u>\$ 24,701,487</u>
<b>PROGRAM REVENUES:</b>										
<b>Governmental activities:</b>										
Charges for services	\$ 562,899	\$ 703,733	\$ 1,742,760	\$ 1,223,069	\$ 1,059,138	\$ 3,493,622	\$ 2,612,979	\$ 3,272,677	\$ 1,667,353	\$ 1,765,976
Operating grants	1,191,204	1,104,208	1,271,688	1,391,409	1,473,950	1,763,066	2,592,719	2,561,100	2,473,952	2,428,127
Capital grants	<u>1,189,281</u>	<u>876,625</u>	<u>1,086,239</u>	<u>92,955</u>	<u>364,811</u>	<u>439,572</u>	<u>307,350</u>	<u>1,541,304</u>	<u>1,490,462</u>	<u>1,481,502</u>
Total governmental activities	<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>	<u>5,513,048</u>	<u>7,375,081</u>	<u>5,631,767</u>	<u>5,675,605</u>
<b>Business-type activities:</b>										
Charges for services	6,663,662	4,783,627	4,664,727	6,589,431	6,644,726	7,114,028	7,450,737	8,982,299	10,570,131	8,009,940
Operating grants	199,462	899,983	1,391,447	1,712,967	1,231,609	1,324,235	2,362,855	1,114,407	2,130,047	2,295,127
Capital grants	<u>199,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>591,320</u>	<u>102,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities	<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>	<u>9,813,592</u>	<u>10,096,706</u>	<u>12,700,178</u>	<u>10,305,067</u>
Total primary government program revenues	<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>	<u>\$ 15,326,640</u>	<u>\$ 17,471,787</u>	<u>\$ 18,331,945</u>	<u>\$ 15,980,672</u>

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**  
**Changes in Net Position (Accrual Basis of Accounting)**  
**(Continued)**

	FISCAL YEARS									
	<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>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>
Net (expense)/revenue:										
Governmental activities	\$ (1,891,226)	\$ (1,887,295)	\$ (1,219,756)	\$ (3,712,251)	\$ (4,801,859)	\$ (3,572,289)	\$ (3,195,587)	\$ (2,594,592)	\$ (6,810,102)	\$ (7,348,073)
Business-type activities	<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>	<u>1,259</u>	<u>(497,746)</u>	<u>(1,018,095)</u>	<u>(1,372,742)</u>
Total primary government (expenses) revenue, net	<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>	<u>\$ (3,194,328)</u>	<u>\$ (3,092,338)</u>	<u>\$ (7,828,197)</u>	<u>\$ (8,720,815)</u>
<b>GENERAL REVENUES:</b>										
<b>Governmental activities:</b>										
Taxes:										
Property taxes	\$ 891,467	\$ 1,128,016	\$ 1,072,835	\$ 1,422,746	\$ 1,472,558	\$ 1,665,338	\$ 1,780,984	\$ 1,910,997	\$ 2,113,382	\$ 2,491,557
Sales and use taxes	1,195,203	953,113	1,051,840	982,698	2,460,290	3,092,695	3,590,893	4,331,303	4,281,190	4,274,956
Franchise taxes	227,745	371,609	375,520	483,749	433,177	476,016	519,474	539,719	610,913	623,693
Special assessments	227,861	243,108	249,630	243,785	239,557	-	-	-	-	-
Transient occupancy taxes	421,535	471,331	515,696	539,949	538,169	320,034	295,857	435,977	419,730	400,932
Motor vehicle in-lieu	890,591	959,489	1,051,648	1,081,176	1,105,422	1,164,984	1,185,675	1,265,202	1,359,674	1,508,971
Investment earnings	281,981	190,689	205,053	227,180	211,383	210,807	124,720	117,787	485,955	853,055
Miscellaneous	160,211	133,675	90,403	63,707	267,498	843,455	242,866	193,372	39,655	194,491
American Rescue Plan Act (ARPA)	-	-	-	-	-	-	-	2,896,491	-	-
Gain/Loss on sale of capital assets	1,113,000	-	-	-	-	-	-	7,231	-	36,903
Transfers	<u>(1,126,357)</u>	<u>(783,000)</u>	<u>(383,000)</u>	<u>(179,000)</u>	<u>(350,000)</u>	<u>(500,000)</u>	<u>(300,000)</u>	<u>(575,000)</u>	<u>1,896,915</u>	<u>(466,636)</u>
Total governmental activities	<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>	<u>7,440,469</u>	<u>11,123,079</u>	<u>11,207,414</u>	<u>9,917,922</u>
<b>Business-type activities:</b>										
Investment earnings	1,321	3,291	6,750	24,500	79,703	107,045	20,983	11,186	38,488	65,148
Transfers	1,126,357	783,000	383,000	179,000	350,000	500,000	300,000	575,000	(1,896,915)	466,636
Gain on sale of assets	-	-	-	-	-	-	-	-	4,449	-
Extraordinary item-settlement revenue	-	-	-	5,000,000	-	-	-	-	-	-
Total business-type activities	<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>	<u>320,983</u>	<u>586,186</u>	<u>(1,853,978)</u>	<u>531,784</u>
<b>Changes in net position:</b>										
Governmental activities	2,392,011	1,780,735	3,009,869	1,153,739	1,576,195	3,701,040	4,244,882	8,528,487	4,397,312	2,569,849
Business-type activities	<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>	<u>322,242</u>	<u>88,440</u>	<u>(2,872,073)</u>	<u>(840,958)</u>
Total primary government changes in net position	<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>	<u>\$ 4,567,124</u>	<u>\$ 8,616,927</u>	<u>\$ 1,525,239</u>	<u>\$ 1,728,891</u>

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**

Fund Balances of Governmental Funds (Modified Basis of Accounting)

	<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>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>
General Fund:										
Nonspendable	\$ 162,769	\$ 130,397	\$ 96,706	\$ 61,652	\$ 25,180	\$ -	\$ -	\$ -	\$ 1,833,036	\$ 2,082,196
Committed	-	-	-	-	3,360,441	2,507,499	3,213,399	3,842,744	2,585,613	1,983,771
Assigned	-	-	-	-	-	-	-	-	5,469	-
Unassigned	<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>	<u>2,878,456</u>	<u>5,089,253</u>	<u>6,623,871</u>	<u>7,924,535</u>
Total General Fund	<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>	<u>\$ 6,091,855</u>	<u>\$ 8,931,997</u>	<u>\$ 11,047,989</u>	<u>\$ 14,035,246</u>
All Other Governmental Funds:										
Restricted	8,593,486	4,621,378	8,540,239	9,169,130	4,314,137	11,157,339	11,157,339	14,702,157	14,157,183	12,994,960
Committed	-	-	-	-	-	-	-	-	138,305	385,993
Unassigned	<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>	<u>(172,877)</u>	<u>(471,118)</u>	<u>(549,504)</u>	<u>(1,060,515)</u>
Total all other governmental funds	<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>	<u>\$ 10,984,462</u>	<u>\$ 14,231,039</u>	<u>\$ 13,745,984</u>	<u>\$ 12,320,438</u>

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**

**Changes in Fund Balances of Governmental Funds (Modified Basis of Accounting)**

	<b>FISCAL YEARS</b>									
	<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>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>
<b>REVENUES</b>										
Taxes	\$ 2,806,079	\$ 2,978,556	\$ 3,079,961	\$ 3,494,437	\$ 4,955,546	\$ 5,500,950	\$ 6,241,264	\$ 7,218,456	\$ 7,425,460	\$ 7,768,684
Licenses and permits	1,050,552	334,854	636,645	372,683	308,666	619,929	564,818	843,068	638,982	642,364
Intergovernmental revenue	2,685,956	2,965,168	3,298,906	2,438,320	3,070,976	3,450,740	4,161,013	8,295,217	5,474,668	5,258,144
Charges for services	358,346	326,563	384,310	451,115	391,458	375,013	321,432	404,743	420,569	252,708
Fines and penalties	14,854	18,693	12,677	15,464	20,424	11,679	5,023	17,327	6,696	12,920
Development fees	206,034	229,372	1,005,356	689,517	541,125	2,557,760	1,778,943	2,142,817	656,603	875,987
Interest	281,982	190,689	205,053	227,180	211,383	210,808	124,720	125,017	485,955	889,340
Other revenue	<u>170,895</u>	<u>133,675</u>	<u>90,403</u>	<u>63,707</u>	<u>267,498</u>	<u>843,455</u>	<u>242,866</u>	<u>193,372</u>	<u>39,655</u>	<u>194,491</u>
Total revenues	<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>	<u>13,440,079</u>	<u>19,240,017</u>	<u>15,148,588</u>	<u>15,894,638</u>
<b>EXPENDITURES</b>										
Current:										
General Government	630,146	726,070	972,276	893,467	923,719	1,172,306	1,147,009	1,544,628	2,537,928	1,802,023
Parks and community services	374,605	351,214	380,758	448,594	490,816	442,329	587,292	735,923	743,015	707,615
Public Safety	1,805,649	1,919,580	2,055,197	2,305,276	2,718,914	3,959,415	4,054,682	5,268,102	5,554,283	5,867,965
Public Works	461,645	438,132	397,214	408,377	708,016	571,131	564,783	631,783	541,756	618,190
Tax pass-through	-	-	-	-	-	-	-	-	-	-
Highway and streets	372,677	574,122	613,152	542,592	561,280	564,402	548,923	609,796	833,371	710,793
Planning and community development	189,215	315,118	311,654	355,537	395,608	547,095	641,648	836,341	646,197	690,734
Capital outlay	1,633,605	1,297,259	2,080,185	493,628	2,404,518	3,334,931	3,176,074	3,643,598	4,171,774	6,105,494
Debt service:										
Principal	5,190,000	317,349	292,914	314,516	314,697	304,370	290,633	289,100	388,225	155,172
Interest and fiscal charges	478,100	163,665	179,620	166,549	151,061	133,879	116,723	91,945	65,292	146,266
Bond issuance costs	<u>268,580</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,269</u>
Total expenditures	<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>	<u>11,127,767</u>	<u>13,651,216</u>	<u>15,481,841</u>	<u>16,862,521</u>
Excess of revenues Over (under) Expenditures	<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>	<u>2,312,312</u>	<u>5,588,801</u>	<u>(333,253)</u>	<u>(967,883)</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from debt	-	-	-	-	-	-	-	-	67,275	3,274,000
Transfers in	230,168	499,805	294,677	585,473	153,715	155,000	205,000	205,000	2,895,162	678,579
Transfers out	(1,356,525)	(1,282,805)	(677,677)	(764,473)	(503,715)	(655,000)	(505,000)	(780,000)	(998,247)	(1,145,216)
Finance purchase	<u>-</u>	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<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>	<u>(300,000)</u>	<u>(575,000)</u>	<u>1,964,190</u>	<u>2,807,363</u>
Net changes in fund balances	<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>	<u>\$ 2,012,312</u>	<u>\$ 5,013,801</u>	<u>\$ 1,630,937</u>	<u>\$ 1,839,480</u>
Debt service as a percentage of noncapital expenditures	58.01%	10.01%	9.08%	8.85%	7.44%	5.70%	5.12%	3.48%	3.79%	3.15%

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**

Assessed Value and Estimated Actual Value of Taxable Property

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
2012	701,662,334	701,662,334	29,990,240	29,990,240	12,499,900	719,152,674	731,652,574
2013	877,189,470	877,189,470	50,748,640	50,748,640	12,285,700	915,652,410	927,938,110
2014	947,962,408	947,962,408	68,868,920	68,868,920	11,904,300	1,004,927,028	1,016,831,328
2015	981,408,294	947,962,408	65,683,876	65,683,876	11,530,500	1,035,561,670	1,013,646,284
2016	1,019,962,455	981,408,294	51,286,384	51,286,384	11,203,500	1,060,045,339	1,032,694,678
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
2021	1,108,598,397	1,108,598,397	44,135,237	44,135,237	10,865,700	1,141,867,934	1,152,733,634
2022	1,162,133,535	1,162,133,535	66,161,169	66,161,169	10,490,000	1,217,804,704	1,228,294,704
2023	1,246,969,189	1,246,969,189	76,456,615	76,456,615	10,208,600	1,313,217,204	1,323,425,804
2024	1,384,117,980	1,384,117,980	83,181,891	83,181,891	10,149,800	1,457,150,071	1,467,299,871

Source: Fresno County Auditor/Controller

**CITY OF KINGSBURG | LAST FIVE FISCAL YEARS**

Assessed Value of Taxable Property

Fiscal Year End	Residential Property	Commercial			Unsecured Property	Less Tax-Exempt Property	Taxable Assessed Value	Total Direct Tax Rate <sup>(1)</sup>	Estimated Actual Taxable Value <sup>(2)</sup>	Factor of Taxable Assessed Value <sup>(2)</sup>
		Property	Industrial Property	Other Property						
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
2020-21	794,587,439	136,342,357	146,092,510	67,359,507	44,404,487	47,075,116	1,141,711,184	1.151188	1,316,087,978	1.15273
2021-22	847,333,980	144,503,345	139,542,777	67,155,388	66,585,469	47,316,255	1,217,804,704	1.139680	1,521,945,005	1.24974
2022-23	918,315,373	151,782,785	136,309,584	87,696,321	76,786,985	57,343,474	1,313,547,574	1.143926	1,638,464,624	1.24735
2023-24	1,044,464,607	159,143,908	157,294,248	78,785,300	84,920,391	67,416,803	1,457,191,651	1.096770	1,848,441,393	1.26850

Source: Avenu Insights & Analytics

Notes:

FY2015-16 is the City's first ACFR publication, therefore, prior year data availability is limited.

Other property includes state unitary in the amount of \$41,580.

(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 | LAST TEN FISCAL YEARS**

Governmental Activities

Tax Revenues by Source

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<b>Fiscal Year</b>	<b>Property</b>	<b>Sales</b>	<b>Franchise</b>	<b>Motor Vehicle</b>	<b>Other Taxes</b>	<b>Total</b>
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
2020-2021	1,780,984	3,590,893	519,474	1,185,675	295,857	7,372,883
2021-2022	1,910,997	4,331,303	539,719	1,265,202	435,977	8,483,198
2022-2023	2,113,382	4,281,190	610,913	1,359,674	419,730	8,784,889
2023-2024	2,491,557	4,274,956	623,693	1,508,971	400,932	9,300,109

Source: City of Kingsburg Finance Department

# CITY OF KINGSBURG | LAST SEVEN FISCAL YEARS

## Direct and Overlapping Property Tax Rates

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Basic City and County Levy</b>							
FRESNO CO LIBRARY	0.017500	0.017500	0.017500	0.017500	0.017500	0.017500	0.017500
KINGSBURG CEMETARY	0.013880	0.013880	0.013880	0.013880	0.013880	0.013880	0.013880
KINGSBURG HOSPITAL	0.043010	0.043010	0.043010	0.043010	0.043010	0.043010	0.043010
CONSOLIDATED MOSQ	0.008160	0.008160	0.008160	0.008160	0.008160	0.008160	0.008160
KINGSBURG ELEM	0.168810	0.168810	0.168810	0.168810	0.168810	0.168810	0.168810
KINGSBURG HIGH	0.166870	0.166870	0.166870	0.166870	0.166870	0.166870	0.166870
STATE CENTER COMM	0.051700	0.051700	0.051700	0.051700	0.051700	0.051700	0.051700
SCH EQUALIZATION	0.029850	0.029850	0.029850	0.029850	0.029850	0.029850	0.029850
CITY OF KINGSBURG	0.167150	0.167150	0.167150	0.167150	0.167150	0.167150	0.167150
FRESNO COUNTY	0.333070	0.333070	0.333070	0.333070	0.333070	0.333070	0.333070
<b>TOTAL</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>
<b>Override Assessments</b>							
KINGSBURG HI 98	0.029258	0.027426	0.025948	0.028058	0.027076	0.023484	0.000000
KINGSBURG HI 16REF	0.028416	0.028298	0.026658	0.027164	0.026310	0.023764	0.023384
KINGSBURG HI 14B	0.017210	0.014906	0.013522	0.015026	0.014492	0.000000	0.000000
KINGSBURG HI 22ARE	0.000000	0.000000	0.000000	0.000000	0.000000	0.009088	0.003242
KINGSBURG HI 22BRE	0.000000	0.000000	0.000000	0.000000	0.000000	0.016492	0.008364
STATE CCC 16 A	0.000000	0.000000	0.000000	0.000000	0.000096	0.001250	0.001342
STATE CCC 16 B	0.000000	0.000000	0.000000	0.016702	0.008596	0.018762	0.001874
STATE CCC 16 C	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.009956
KINGSBURG HI 14A	0.007664	0.007552	0.007180	0.007272	0.007252	0.000000	0.000000
STATE CCC 15 REFI	0.004056	0.004286	0.004614	0.004272	0.004288	0.003716	0.003696
STATE CCC 02 S 18A	0.000000	0.000000	0.003958	0.002750	0.003564	0.002454	0.002324
STATE CCC 12 REFI	0.002580	0.002284	0.002044	0.001944	0.001086	0.000000	0.000000
STATE CCC 17 REFI	0.000000	0.000000	0.000440	0.000002	0.000002	0.000200	0.000266
STATE CCC 20 REFI	0.000000	0.000000	0.000000	0.000000	0.000456	0.002088	0.001462
KINGS JUES 2016 B	0.000000	0.000000	0.000000	0.011338	0.000000	0.000000	0.000000
KINGSBURG 2006	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
KINGSBURG JUES 16 REF	0.002584	0.006122	0.005328	0.030188	0.000000	0.000000	0.000000
ST COLL 2016 GO A	0.018332	0.015440	0.014730	0.000002	0.000000	0.000000	0.000000
KINGS JUES 2016 A	0.025260	0.018664	0.018432	0.006470	0.000000	0.000000	0.000000
KINGSBURG 2004 BD	0.001456	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
KINGSBURG 2006 REF	0.017282	0.019682	0.018148	0.000000	0.000000	0.000000	0.000000
KINGSBURG 2013 REF	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
KINGSBURG EL 16REF	0.000000	0.000000	0.000000	0.000000	0.026064	0.024306	0.023062
KINGSBURG EL 16 A	0.000000	0.000000	0.000000	0.000000	0.007162	0.006644	0.006124
KINGSBURG EL 16 B	0.000000	0.000000	0.000000	0.000000	0.013236	0.011678	0.011674
KNGBG HS 06 S08	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
ST COL 2002 2007A	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
ST COLL 02 S 09A	0.000452	0.000452	0.000000	0.000000	0.000000	0.000000	0.000000
ST COLL 02 S 09B	0.000514	0.000504	0.000000	0.000000	0.000000	0.000000	0.000000
<b>TOTAL</b>	<b>0.155064</b>	<b>0.145616</b>	<b>0.141002</b>	<b>0.151188</b>	<b>0.139680</b>	<b>0.143926</b>	<b>0.096770</b>
<b>TOTAL TAX RATE</b>	<b>1.155064</b>	<b>1.145616</b>	<b>1.141002</b>	<b>1.151188</b>	<b>1.139680</b>	<b>1.143926</b>	<b>1.096770</b>

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

Notes:

FY2015-16 is the City's first ACFR publication, therefore, prior year data availability is limited.

TRA 6-000 is represented for this report .

**CITY OF KINGSBURG | CURRENT YEAR AND NINE YEARS AGO**

Principal Property Taxpayers

Taxpayer	2023-24		2014-15	
	Taxable Value (\$)	Percent of Total	Taxable Value (\$)	Percent of Total
		City Taxable Value (%)		City Taxable Value (%)
Sun-Maid Raisin Growers of California	80,390,400	5.52%		
Guardian Industries Corporation	67,653,723	4.64%		
PCA Central California Corrugated LLC	37,937,900	2.60%		
Kingsburg Villas LLC	23,272,600	1.60%		
Alves George J & Louise N L Trustees	11,876,673	0.82%		
JBBBS LLC	10,272,412	0.70%		
Superb Hospitality LLC	7,254,300	0.50%	7,599,564	1.06%
Save Mart Portfolio Owner NLP CA LLC	7,074,720	0.49%		
Cencal CNC Inc.	6,751,200	0.46%		
Crestwood Behavioral Health	6,619,000	0.45%		
Calico-Kingsburg LLC	6,160,373	0.42%		
Wiebe Abe	6,039,410	0.41%	2,591,160	0.36%
K Prop LLC	5,683,012	0.39%		
DFA of California	5,158,132	0.35%		
Darren Hiyama Kings Court LLC	5,156,700	0.35%		
Vie-Del Company	5,127,103	0.35%		
Public Properties Inc.	5,006,785	0.34%	2,466,235	0.34%
Bosley Investments Ltd	4,539,000	0.31%		
Alkably LLC	4,513,255	0.31%		
K A T Prop LLC	3,954,810	0.27%		
Foster Poultry Farms	3,851,951	0.26%	1,837,208	0.26%
Shahbazian John & Linda Trustees	3,846,930	0.26%	2,299,379	0.32%
Msys LLC	3,722,393	0.26%		
Gong Billy Kwock Trustee	3,308,079	0.23%	3,115,006	0.43%
Sai Hospitality LLC	2,881,248	0.20%		
Sacramento Container Corp			14,387,600	2.00%
Del Monte Corp			7,315,863	1.02%
Emster XII LLC			5,500,000	0.76%
Kings View LP			5,240,900	0.73%
PLT Kingsburg LLC			5,156,700	0.72%
RMP Properties LLC			3,552,043	0.49%
Satterberg Estates LLC			3,394,560	0.47%
Kingsburg Investments LLC			3,314,641	0.46%
Park Kingsburg			2,578,200	0.36%
Kingsburg Court LLC			2,316,582	0.32%
Canzoneri Richard M Norma G Trust			2,269,073	0.32%
Comast of Fresno Inc.			2,122,400	0.29%
Henderson EZ Storage L P			2,072,412	0.29%
VBW Investments			1,957,300	0.27%
Gianulias Vasio			1,809,800	0.25%
Model Drug Inc.			1,788,500	0.25%
Schuil Richard E Necia L			1,765,857	0.25%
Swedish Inn LLC			1,730,202	0.24%
Moro of California LLC			1,530,938	0.21%
<b>Total Top 25 Taxpayers</b>	<b>328,052,109</b>	<b>22.51%</b>	<b>89,712,123</b>	<b>12.46%</b>
<b>Total Taxable Value</b>	<b>1,457,191,651</b>	<b>100.00%</b>	<b>720,022,083</b>	<b>100.00%</b>

Source: Avenu Insights & Analytics

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**

## Property Tax Levies and Collections

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<b>Fiscal Year</b>	<b>Current Tax Levies</b>	<b>Current Tax Collections</b>	<b>Percent of Current Taxes Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>
2014-2015	2,105,664	1,847,084	100%	-	2,105,664
2015-2016	1,916,057	2,105,664	100%	-	1,916,057
2016-2017	2,198,316	1,153,055	100%	-	2,198,316
2017-2018	2,270,184	1,509,786	100%	-	2,270,184
2018-2019	2,342,997	1,557,869	100%	-	2,342,997
2019-2020	2,377,674	1,496,597	100%	-	2,377,674
2020-2021	2,420,200	1,626,481	100%	-	2,420,200
2021-2022	2,555,981	1,815,126	100%	-	2,555,981
2022-2023	2,755,493	1,964,729	100%	-	2,755,493
2023-2024	3,068,943	3,068,943	100%	-	3,068,943

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 | LAST TEN FISCAL YEARS**

**Ratios of Outstanding Debt by Type**

Fiscal Year	Governmental Activities						Business Type Activities			Total Primary Government
	Tax Allocation	Lease Purchase	CIEDB Police Bldg	Finance	Lease Revenue	SBITAs <sup>(2)</sup>	Water Meter	CIEDB	SBITAs <sup>(2)</sup>	
	Bonds	Agreement	Loan	Purchases	Bonds		Finance Purchase	Water Loan		
2015	1,439,100	-	-	-	2,679,930	-	987,674	2,344,942	-	7,451,646
2016	1,262,900	-	-	68,853	2,570,000	-	878,011	2,257,496	-	7,037,260
2017	1,095,300	-	-	53,539	2,441,950	-	764,664	2,167,443	-	6,522,896
2018	911,600	-	-	37,693	2,327,960	-	647,510	2,074,708	-	5,999,471
2019	733,300	-	-	20,697	2,208,970	-	526,420	1,979,208	-	5,468,595
2020	570,900	-	-	3,732	2,084,980	-	401,264	1,880,863	-	4,941,739
2021	409,600	-	-	-	1,960,990	-	271,903	1,779,587	-	4,422,080
2022	250,500	-	-	-	1,832,000	-	138,197	1,675,293	-	3,895,990
2023	-	-	-	-	1,703,010	59,550	-	1,567,891	26,616	3,357,067
2024	-	3,274,000	-	-	1,569,020	39,377	-	1,457,289	20,554	6,360,240

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

Source: City of Kingsburg Financial Report

<sup>(1)</sup> See the schedule of Assessed and Actual Value of Property.

<sup>(2)</sup> GASB Statement No. 96 was implemented for SBITAs in FY2022-23. As a result, data for previous fiscal years is not available.

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**

Ratios of General Bonded Debt Outstanding

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				
	2012	4,119,030	306,200				
2013	3,901,753	277,600	3,624,153	915,652,410	12,101	0.40%	299
2014	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
2021	2,370,590	277,418	2,093,172	1,141,867,934	12,883	0.18%	162
2022	2,082,500	333,508	1,748,992	1,217,804,704	13,084	0.14%	190
2023	1,703,010	-	1,703,010	1,313,217,204	12,506	0.13%	136
2024	4,843,020	-	4,843,020	1,313,217,204	12,506	0.37%	387

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG | AS OF JUNE 30, 2024**  
 Direct and Overlapping Governmental Activities Debt

	Total Debt 6/30/2024	% Applicable	City's Share of Debt 6/30/2024
<b>OVERLAPPING TAX AND ASSESSMENT DEBT:</b>			
State Center Community College District	\$ 370,425,000	1.264%	\$ 4,682,172
Selma Unified School District	53,769,000	4.005%	2,153,448
Kingsburg Joint Union High School District	16,858,619	50.165%	8,457,126
Kingsburg Elementary Charter School District	17,002,316	64.233%	10,921,098
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>26,213,844</b> <sup>(1)</sup>
<b>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</b>			
Fresno County General Fund Obligations	\$ 18,740,000	1.389%	260,299
Fresno County Pension Obligation Bonds	179,254,274	1.389%	2,489,842
Selma Unified School District Certificates of Participation	5,962,475	4.005%	238,797
Kingsburg Elementary Charter School District Certificates of Participation	2,664,177	64.233%	1,711,281
<b>City of Kingsburg General Fund Obligations</b>	<b>1,569,020</b>	<b>100.000%</b>	<b>1,569,020</b> <sup>(3)</sup>
<b>TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>			<b>6,269,239</b>
<b>TOTAL DIRECT DEBT</b>			<b>4,854,000</b>
<b>TOTAL OVERLAPPING DEBT</b>			<b>30,914,063</b>
<b>COMBINED TOTAL DEBT</b>			<b>\$ 35,768,063</b> <sup>(2)</sup>

<sup>(1)</sup> 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.

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded finance purchase obligations.

City of Kingsburg includes all long-term debt instruments of the government activities including Tax Allocation Bonds, CIEDB Police

<sup>(3)</sup> Building Loan, Finance Purchases, Lease Revenue Bonds, and SBITAs.

Ratios to 2023-24 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.79%
<b>Total Direct Debt (\$4,854,000)</b>	<b>0.33%</b>
Combined Total Debt	2.44%

Source: Avenu Insights & Analytics  
 California Municipal Statistics, Inc.

**CITY OF KINGSBURG | AS OF JUNE 30, 2024**

Legal Bonded Debt Margin Information

ASSESSSED VALUATION	
Assessed Value	\$ 1,313,217,204
Add back exempt property	<u>10,208,600</u>
Total Assessed Value	<u>1,323,425,804</u>
LEGAL BONDED DEBT LIMIT	
(15% OF ASSESSED VALUE)	198,513,871
AMOUNT OF DEBT SUBJECT TO LIMIT:	
Total Bonded debt	4,843,020
Less Tax Allocation Bonds not subject to limit	<u>-</u>
Amount Subject to limit	<u>4,843,020</u>
LEGAL BONDED DEBT MARGIN	<u>\$ 193,670,851</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
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%
2021	172,910,045	2,370,590	170,539,455	1.39%
2022	184,244,206	2,082,500	182,161,706	1.14%
2023	198,513,871	1,703,010	196,810,861	0.87%
2024	198,513,871	4,843,020	193,670,851	2.50%

Source: Fresno County Auditor/Controller

**CITY OF KINGSBURG | LAST SEVEN FISCAL YEARS**

Demographic and Economic Statistics

Fiscal Year	Population <sup>(1)</sup>	Personal Income <sup>(2)</sup>	Per Capita	Median Age <sup>(4)</sup>	**Public	County	City Unemployment <sup>(3)</sup>	County <sup>(1)</sup>
			Personal Income <sup>(2)</sup>		School Enrollment	Unemployment Rate (%) <sup>(3)</sup>		
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
2020-2021	13,084	445,686,311	34,063	34.8	3,307	11.3%	7.6%	1,026,681
2021-2022	12,506	489,303,378	39,125	34.5	3,408	5.2%	3.1%	1,011,273
2022-2023	12,865	587,098,906	45,635	37.1	3,367	7.5%	4.7%	1,011,499
2023-2024	13,042	665,860,353	51,055	37.6	3,378	7.2%	4.5%	1,017,431

Source: Avenu Insights & Analytics

FY2015-16 is the City's first ACFR 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.

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 | CURRENT YEAR AND SEVEN YEARS AGO**

Principal Employers

Business Name	2024		2016	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Sun-Maid Raisin Growers of California	550	9.82%		
Kingsburg Elementary Charter School District *	314	5.61%		
Guardian Industries Corporation	240	4.29%	298	5.14%
Kingsburg Joint Union High School District	140	2.50%		
Kingsburg Care Center	104	1.86%		
HMC Fresh	85	1.52%	100	1.72%
City of Kingsburg	83	1.48%	46	0.79%
Save Mart	75	1.34%	70	1.21%
Cencal CNC Inc.	72	1.29%		
Cornerstone Cold Storage	55	0.98%		
Kmart			70	1.21%
Kings River Union School District			51	0.88%
Nutrius			45	0.78%
Waste Connection			36	0.62%
Denny's			32	0.55%
Fairfield Inn & Suites			19	0.33%
<b>Total Top 10 Employers</b>	<b>1,718</b>	<b>30.67%</b>	<b>767</b>	<b>13.22%</b>
<b>Total City Labor Force (1)</b>	<b>5,600</b>		<b>5,800</b>	

Source: Avenu Insights & Analytics

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

Notes:

FY2015-16 is the City's first ACFR publication, therefore, prior year data availability is limited. Results based on direct correspondence with City's local businesses.

\*Includes FTE, Substitutes & Coaches.

HMC Farms resides right outside City limits.

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**

Full-Time Equivalent Employees by Function

Function/Programs	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Governmental Activities</b>										
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	1.44	1.42	1.50	1.35	1.34	1.30	1.33	1.33
City Clerk	1.00	1.00	1.00	1.00	1.00	1.20	1.00	1.00	1.00	1.00
Finance	1.00	1.00	1.00	0.95	1.00	5.00	0.95	0.95	1.28	1.28
Community Services	3.85	3.85	7.27	8.41	6.00	6.00	5.54	6.10	8.37	8.37
Human Resource	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.40	1.66	1.66
Police Department	18.00	18.00	18.07	20.36	21.50	19.72	20.50	29.00	23.79	28.00
Planning & Development	0.55	1.35	2.00	2.00	2.00	2.00	2.00	3.20	3.79	3.00
Public Works	3.03	3.03	3.00	5.34	7.00	7.00	2.34	2.71	2.71	5.31
<b>Total Governmental Activities</b>	<b>34.43</b>	<b>35.23</b>	<b>39.78</b>	<b>45.48</b>	<b>46.00</b>	<b>48.27</b>	<b>39.67</b>	<b>50.66</b>	<b>48.93</b>	<b>54.95</b>
<b>Business-Type-Activities</b>										
Water	5.83	5.83	4.00	4.08	4.00	3.00	2.58	8.34	8.34	8.34
Solid Waste	2.05	2.05	2.00	2.13	-	-	2.58	2.63	2.63	2.63
Ambulance/Fire	12.50	12.50	11.70	11.27	14.50	15.00	14.50	24.00	24.00	20.67
Building Permit	1.35	-	-	-	-	-	-	-	-	-
<b>Total Business Type Activities</b>	<b>21.73</b>	<b>20.38</b>	<b>17.70</b>	<b>17.48</b>	<b>18.50</b>	<b>18.00</b>	<b>19.66</b>	<b>34.97</b>	<b>34.97</b>	<b>31.64</b>
<b>Full Time Employees</b>	<b>56.16</b>	<b>55.61</b>	<b>57.48</b>	<b>62.96</b>	<b>64.50</b>	<b>66.27</b>	<b>59.33</b>	<b>85.63</b>	<b>83.90</b>	<b>86.59</b>

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**

Operating Indicators by Function

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Police</b>										
# of calls for service	12,736	8,125	9,840	9,635	9,003	8,599	9,153	10,773	13,099	13,764
# of arrests	369	276	383	388	309	165	286	310	414	353
# of traffic citations	293	302	657	815	715	229	586	312	676	590
<b>Fire</b>										
# of fire calls	598	441	622	495	560	536	653	592	480	576
# of EMS calls	1,651	1,285	1,768	1,657	1,894	2,084	2,157	2,369	2,490	2,432
# of inspections	8	6	10	6	24	150	225	414	300	76
<b>Parks and Recreation</b>										
# of recreation classes	5	5	5	6	6	2	6	8	8	9
# of facility rentals	341	303	251	292	309	103	230	302	400	412
<b>Public Works</b>										
# of street miles maintained	47.50	47.50	50.00	72.00	72.00	72.00	72.00	75.32	75.32	75.32
# 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
<b>Utilities:</b>										
# of utility accounts	3,607	3,614	3,666	3,701	3,732	3,818	3,894	3,992	4,094	4,141
Water Production volume (in millions)	837.50	805.24	980.18	878.10	844.01	930.01	1,072.97	1,062.49	840.00	936.46
<b>Planning and Building</b>										
# of building permits	388	310	416	379	426	684	889	869	590	529
# of planning applications	27	14	40	25	32	27	20	19	26	40
# of code complaints	30	50	14	61	321	162	231	260	679	1,006

Source: City of Kingsburg Finance Department

**CITY OF KINGSBURG | LAST TEN FISCAL YEARS**

Capital Assets Statistics by Function

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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	50.00	72.00	72.00	72.00	72.00	75.21	75.32	75.32
Community Services:										
Parks	9	9	9	9	9	9	9	11	12	12
Utilities:										
Water Wells	8	8	8	8	8	8	8	8	8	8

Source: City of Kingsburg Finance Department