

5/03/16
City Council Meeting

**Handouts received after
agenda posted**



CENTRAL SAN JOAQUIN VALLEY
RISK MANAGEMENT AUTHORITY
(CSJVRMA)

City of Lemoore

City Council Presentation

May 3, 2016

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Katie O'Brien, Finance Manager/Assistant Treasurer

Who is the Central San Joaquin Valley Risk Management Authority (CSJVRMA)?

- ▶ Public entity
- ▶ Joint Powers Authority (JPA) of 54 cities located in Central San Joaquin Valley
- ▶ Provides self-insured & group purchased coverage
- ▶ Contract w/Bickmore for staff to handle day-to-day operations
- ▶ Providing successful, cost-effective coverage and service to members for over 30 years

What is a JPA?

- ▶ In the 1970–1980s, public agencies were faced with rising insurance costs and little coverage
- ▶ In the mid–1970s, the California Legislature amended the Government Code
- ▶ Ability for two or more public agencies to join together, under a joint powers authority (JPA), to provide more effective or efficient government services

The language of “insurance” does not always apply to JPAs.

Major Advantages of JPAs

- ▶ Member controlled – governance, coverage, return of excess contributions
- ▶ Improved risk control services tailored to members' needs
- ▶ Better claims management services
- ▶ Rates based on actual claims experience of members
- ▶ Investment income retained by JPA
- ▶ Lower operating expense ratios: usually 15–20% compared to 30–40% for insurance companies
- ▶ NO CIGA* assessment (2% of premium)

*The California Insurance Guarantee Association (CIGA) operates under Sections §1063–1063.77 of the California Insurance Code. CIGA provides a mechanism for the payment of covered (as defined by the Insurance Code and specific case law) property, casualty, and workers' compensation insurance claims of insolvent insurance companies.

Disadvantages of JPAs

- ▶ Ultimate cost is not guaranteed
- ▶ Members subject to assessments if contributions & interest income are insufficient to cover costs
- ▶ Members jointly & severally liable
- ▶ Governing Board with fiduciary responsibilities



CSJVRMA Mission Statement

Central San Joaquin Valley Risk
Management Authority,
an innovative, member-driven JPA,
provides quality, cost-effective
risk financing and risk control services to
meet the needs of its members.

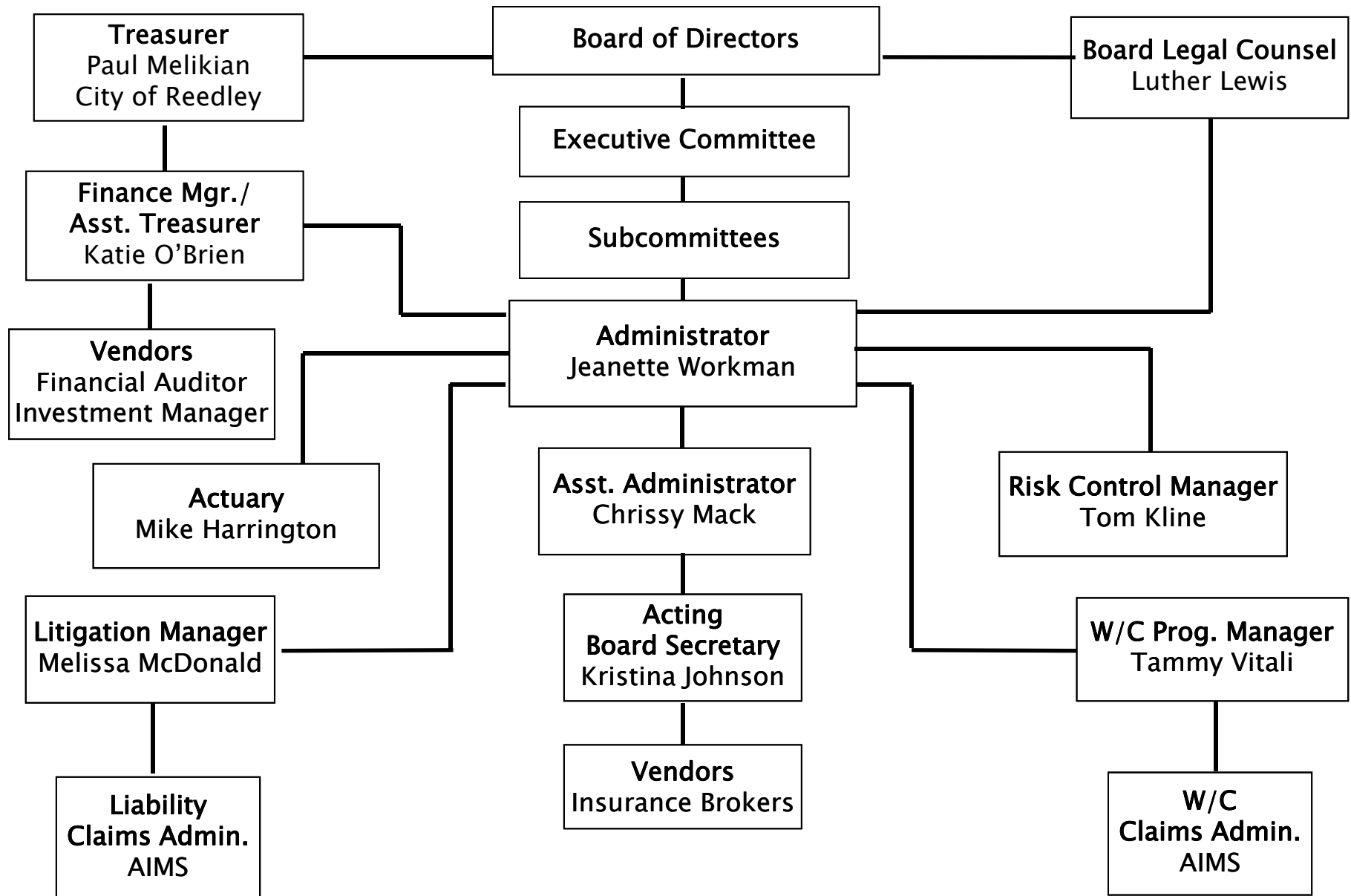


ACCREDITED WITH EXCELLENCE

- ▶ By California Association of Joint Powers Authorities (CAJPA)
- ▶ Requires reviews by independent consultants in 6 areas every 3 years:
 - Governance, Finance, Claims Control, Safety & Loss Prevention, Excess Coverage, and Risk Management
- ▶ CSJVRMA has highest designation possible: “Accredited with Excellence”



CSJVRMA Organizational Chart



CSJVRMA Membership Criteria

To join, must be an incorporated municipality with:

- ▶ population of 75,000 or less
- ▶ professional management (council, city manager/administrator form of government)
- ▶ located within the State of California
- ▶ average five-year loss experience per \$100 of payroll equal to or better than the average loss experience of the Authority as a whole

Cities by Region

NORTHERN REGION

1. Angels
2. Atwater
3. Ceres
4. Escalon
5. Gustine
6. Hughson
7. Lathrop
8. Livingston
9. Newman
10. Oakdale
11. Patterson
12. Ripon
13. Riverbank
14. Sonora
15. Sutter Creek
16. Tracy
17. Turlock
18. Waterford

CENTRAL REGION

1. Chowchilla
2. Clovis
3. Dinuba
4. Dos Palos
5. Firebaugh
6. Fowler
7. Huron
8. Kerman
9. Kingsburg
10. Los Banos
11. Madera
12. Mendota
13. Merced
14. Orange Cove
15. Parlier
16. Reedley
17. San Joaquin
18. Sanger
19. Selma

SOUTHERN REGION

1. Arvin
2. Avenal
3. Corcoran
4. Delano
5. Exeter
6. Farmersville
7. Lemoore
8. Lindsay
9. Maricopa
10. McFarland
11. Porterville
12. Shafter
13. Taft
14. Tehachapi
15. Tulare
16. Wasco
17. Woodlake

Board of Directors

- ▶ Each city appoints 1 representative & 1 alternate
- ▶ Alternate only votes in absence of Board representative
- ▶ Representative/alternate should be individual w/authority to act/vote on behalf of city
- ▶ Meet 3 times per fiscal year: October, March, & June
- ▶ Calendar approved at May EC meeting for following fiscal year

Duties of the Board of Directors

- ▶ 8 items reserved to the Board:
 - Amendments to Bylaws (2/3rds vote)
 - Creating a new program
 - Terminating a program
 - Expelling a Member City
 - Adopting operating budget
 - Revising Conflict of Interest Code
 - Authorizing issuance/modification/ defeasance of bonds (2/3rds vote)
 - Reviewing/approving Investment Policy

Executive Committee

- ▶ Comprised of:
 - President
 - 2 Vice Presidents
 - Past President
 - 3 Representatives & 1 Alternate elected by each of the 3 regions (Northern, Central, & Southern)
 - Alternate votes in absence of representative
- ▶ Meet 7 times/year

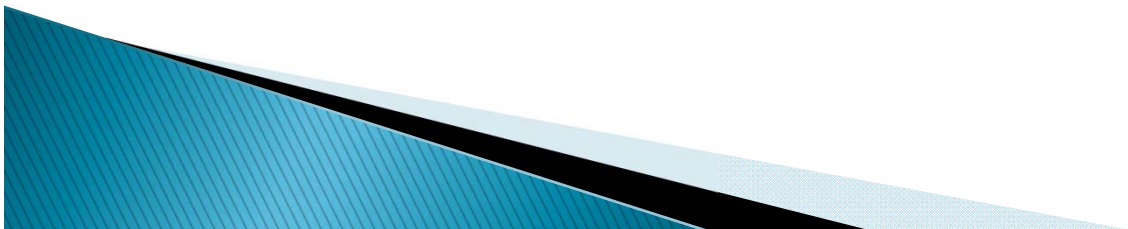
Executive Committee Eligibility

- ▶ Any Board member or alternate who:
 - Has represented their city for a minimum of 1 year on Board of Directors;
 - Has attended 2 of the 3 Board meetings in past 12 months
 - Has attended at least 1 Executive Committee meeting in past 12 months
- ▶ If no members meet criteria at time of election, vacant position can be filled by individual who fills risk management function at city



Duties of the Executive Committee

- ▶ Responsible for administration & operation of CSJVRMA
- ▶ Have all powers & functions except those reserved to the Board



CSJVRMA Pooled Programs

▶ Liability (Mandatory)

- General, auto, & public officials liability (E&O)
- First dollar coverage
- CSJVRMA retains \$1 million of coverage; Excess coverage to \$29 million through California Affiliated Risk Management Authorities (CARMA)
- Lemoore self-insured retention: \$50k

▶ Workers' Compensation & Employer's Liability

- First dollar coverage
- CSJVRMA retains \$500k of coverage; Excess coverage to statutory through Local Agency Workers' Compensation Excess JPA (LAWCX)
- Lemoore self-insured retention: \$50k



Liability Coverage – Transfer of Risk and Special Events

- ▶ Required to transfer risk with vendors/
contractors
 - Bickmore has issued Contractual Risk Transfer Manual for Public Entities as a guide
 - Failure to comply = doubling of retained limit in the event of a claim
- ▶ Required to transfer risk for special events not sponsored or co-sponsored by city
 - Failure to comply = tripling of retained limit up to \$50k above retention in the event of a claim
 - Special events coverage available through HUB International (www.eventinsure.us)

Liability and Workers' Compensation Claims Management Services

- ▶ Contract with third party administrator (Acclamation Insurance Management Services (AIMS)) for claims administration
- ▶ Early claims intervention through each city immediately reporting claims
- ▶ Workers' compensation claims management oversight by Bickmore
- ▶ Litigation management oversight by Bickmore



CSJVRMA Pooled Programs

▶ Property

- Repair/replacement cost coverage for city-owned real property, personal property, and contractor's type equipment or property in city's care, custody, or control
- Limit of coverage: \$1 billion/occurrence
- Lemoore deductible: \$25k
- Lemoore total insured values: \$72,622,066

▶ Auto Physical Damage

- Repair/replacement cost coverage for city-owned vehicles valued over \$25k
- Limit of coverage: \$1 billion/occurrence
- *Lemoore does not currently participate in program*

▶ Low Value Vehicle Coverage

- Actual cash value coverage for vehicles valued at/under \$25k (based on Kelley Blue Book values)
- After participating for 4 years, no additional deposit premium charged
- Limit of coverage: \$25k
- Lemoore deductible: \$500
- Lemoore total insured values: \$1,954,861

CSJVRMA Pooled Programs

► Employment Practices Liability

- Coverage provided through Employment Risk Management Authority (ERMA)
- Training
 - AB 1825 Compliant (sexual harassment/discrimination)
 - AB 1234 Compliant (ethics)
 - Specialized training from attorney firms
 - Personnel related training
- Lemoore self-insured retention: \$25k
- ERMA retains first \$1M of coverage
- Excess coverage group purchased with limits of \$1M each claim/member; \$2M per member aggregate, & \$10M policy aggregate

CSJVRMA Group Purchased Programs

▶ Business Travel Accident Program

- Life & Accidental Death & Dismemberment coverage for *business related travel*
- Limits of coverage available: \$100k to \$500k
- No deductible
- *Lemoore does not currently participate in program*

▶ Crime Shield

- Deductibles available: \$2,500 or \$25k
- Limits of coverage available: \$1M to \$10M
- Covers loss of money, securities, or other property due to dishonest acts of employee or failure of coverage employee to perform duties prescribed by law
- Includes coverage for elected/appointed officials, treasurer/tax collector & other employees/volunteers required to be bonded
- *Lemoore does not currently participate in program*

CSJVRMA Group Purchased Programs

- ▶ Difference in Conditions (DIC) (Earthquake & Flood)
 - Each city has own policy with various limits of coverage & deductibles
 - *Lemoore does not currently participate in program*
- ▶ Employee Assistance Program (Mandatory)
 - Provided by Managed Health Network (MHN)
 - Clinical short-term counseling – up to 8 sessions & 8 sessions for household members/incident/year
 - Various online services – self-help programs; online coaching, etc.
 - Critical incident debriefing



Governing Documents & Hierarchy

▶ JOINT EXERCISE OF POWERS AGREEMENT

- Contract made & entered into by, between, & among member cities
- By signing, member city agrees to participate in CSJVRMA under terms & conditions including joint & several liability
- Amendments require 2/3rds vote from city councils

▶ BYLAWS

- Sets forth rules, regulations, & procedures for operation
- Amendments approved by 2/3rds vote of Board

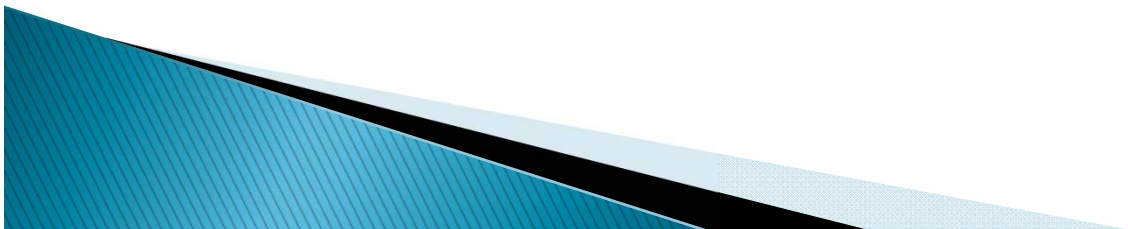
Governing Documents & Hierarchy

▶ MEMORANDUM OF COVERAGE

- Coverage document for each pooled program
- Sets forth coverage & members of program
- Approved by Executive Committee & ratified by Board each program year

▶ MASTER PLAN DOCUMENT

- Provides rules, regulations, operations, & conduct particular for each program
- Amendments approved by Executive Committee



SAFETY & RISK CONTROL SERVICES

- ▶ Risk Management Consulting (e.g., assistance with Cal/OSHA matters, IIPP, workplace violence, playground safety)
- ▶ Workshops – Up to 8 per year per region
- ▶ Police Liability Forums – 3 per year
- ▶ Public Works Forums – 3 per year
- ▶ Visit csjvrma.org and the “members only”, “safety & risk control” page for:

Workshop Schedule	Webinars
Safety Communications	Streaming Videos
Safety Blogs	Customizable Templates
Can You Risk It?	

UNDERSTANDING PREMIUMS (BUDGET PROCESS)



ANNUAL BUDGET

- ▶ Adopted by Board each March for next program year
- ▶ Establishes each member's deposit premium (city coverage expense) for:
 - General Liability (GL)
 - Workers' Compensation (WC)
 - Property
 - Auto Physical Damage (APD)
 - Low Value Vehicle Coverage Program (LVVCP)
 - Employee Assistance Program (EAP)
 - ERMA (employment practices liability)
- ▶ Premium for BTA, DIC, or Crime Shield billed separately



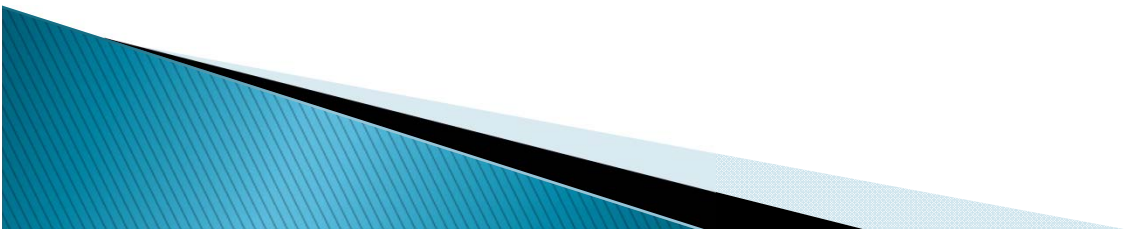
POOLED LIABILITY PROGRAM

- ▶ Premium includes pooled and excess coverage, claims servicing, and indirect expenses.
- ▶ Premium is allocated based on a composite distribution of payroll, population, and employee census.
- ▶ Premiums are adjusted by an experience modification factor based on an average of 5 years of payroll and 5 years of liability loss experience.



POOLED WORKERS' COMPENSATION PROGRAM

- ▶ Premium includes pooled and excess coverage, claims servicing, and indirect expenses.
- ▶ Premium is allocated based on payroll.
- ▶ Premiums are adjusted by an experience modification factor based on an average of 5 years of payroll and 5 years of workers' compensation loss experience.



EMPLOYMENT PRACTICES LIABILITY (ERMA)

- ▶ Premium includes pooled and excess coverage, claims servicing, training, and indirect expenses.
- ▶ Premium is allocated based on payroll.
- ▶ Premiums are adjusted by an experience modification factor based on an average of 4 years of payroll and 4 years of loss experience within the ERMA program.



PROPERTY PROGRAM

- ▶ Premium includes pooled and excess coverage and administrative fees.
- ▶ Premium is allocated based on values of scheduled property.



AUTO PHYSICAL DAMAGE PROGRAM

- ▶ Premium includes pooled (if applicable) and excess coverage plus \$25/vehicle administrative fee.
- ▶ Premium is allocated based on values of scheduled autos.



LOW VALUE VEHICLE COVERAGE PROGRAM

- ▶ Premium includes pooled coverage plus administrative fees.
- ▶ Premium is charged based on \$300 per vehicle plus a \$5 per vehicle administration charge.



GROUP PURCHASED

- ▶ **Business Travel Accident**
 - Premium based on number of days traveled per year and benefit amount
- ▶ **Crime Shield and Difference in Conditions**
 - Premium provided by insurance broker
- ▶ **Employee Assistance Program**
 - Premium is charged based on a monthly rate per eligible employee.



ANNUAL BUDGET

- ▶ Experience Modification Factor (Ex-Mod)
 - Each member's share of the claim costs are adjusted up or down based on the member's individual loss experience and size.
- ▶ Why is it used?
 - Some members historically have better than average loss experience and bring fewer losses into the pool. Their premium is adjusted down for this good experience.
 - Members with poor loss experience pay a bigger share of the premium since they historically bring more costs to the pool.



ANNUAL BUDGET

▶ How is it Done?

- Calculate the CSJVRMA's loss ratio
 - $\text{Loss Ratio} = 5 \text{ yrs. avg. losses} / 5 \text{ yrs. avg. payroll}$
- Calculate each city's loss ratio
- Compare the two:
 - If the city's is higher, the Ex-Mod will be greater than 1 and their premium is increased
 - If the city's ratio is lower, the Ex-Mod will be less than 1 and their premium is reduced
- But not all cities are alike and the ex-mod is adjusted using a **credibility factor**



ANNUAL BUDGET

► Credibility Factor:

- Loss experience is more credible for large city than with a small one
- A small city that experiences no losses, or a large loss, will have a loss ratio with a high deviation from the overall pool
- This would cause an ex-mod that is either too high or too low
- A large city with lots of employees and payroll will produce more predictable losses and is deemed more credible
- Therefore, the ex-mod is normalized using the credibility factor



ANNUAL BUDGET

▶ Off-Balance:

- Everything is balanced after applying the ex-mod:
 - *So* if the actuary says collect \$100
 - *But* after applying the ex-mod we end up with \$90 (because everyone has an ex-mod below 1.0)
 - \$10 gets added back and shared by all members



ANNUAL BUDGET – PREMIUMS

- ▶ Factors that Effect the Budget:
 - The pool's historical claim costs
 - The actuary looks to the past to predict the future
 - The insurance market
 - Costs can go up in hard markets or when there are natural disasters
 - The investment markets
 - Claims costs are discounted for future investment income
 - When rates are low more premium is collected
 - Your City's:
 - Loss experience
 - Payroll
 - Insured values

RETROSPECTIVE ADJUSTMENT PROCESS



POOLED LIABILITY & W/C PROGRAMS

- ▶ 5 years after the end of a program year
- ▶ Compare:
 - What was collected in premium through the budget for that program year
 - To the actual results 5 years later
- ▶ The retrospective adjustment captures:
 - Premium collected through the budget
 - Interest earned during the 6 years
 - Losses below the member's selected retained limit
 - Incurred losses for the pool as of 6/30
 - Remaining actuarial liability for unpaid losses
 - Allocated administrative costs for the 6 years
- ▶ Equity returned/deficit amounts collected each year

Aggregate Limits

- ▶ Limits total claim payments to a maximum amount of loss per year
- ▶ Current aggregate limit is two times a member's actual deposit premium



POOLED LIABILITY & W/C PROGRAMS

- ▶ The retrospective adjustment formula:

ACTIVITY	METHOD OF ALLOCATION TO MEMBER
+ DEPOSIT PREMIUM	ACTUAL AMOUNT PAID
+ INTEREST	DEPOSIT PREMIUM
– LOSSES UNDER RETAINED LIMIT (PAID + CASE RESERVES)	MEMBER SPECIFIC
– POOLED LOSSES INCURRED (PAID + CASE RESERVES)	DEPOSIT PREMIUM
– EXCESS INSURANCE COST (ACTUAL)*	DEPOSIT PREMIUM
– AGGREGATE STOP LOSS	DEPOSIT PREMIUM
– IBNR (ACTUARIALLY DETERMINED LIABILITY)	DEPOSIT PREMIUM
– ADMINISTRATIVE COSTS (ACTUAL)	DEPOSIT PREMIUM
– CLAIMS ADJUSTING COSTS (ACTUAL)	DEPOSIT PREMIUM
= MEMBER EQUITY	

* Unless adjusted for dividends or assessments from LAWCX or CARMA

Ten-Year Deposit History



10-Year Deposit History

- ▶ Calculates the total cost of coverage for each program year, including:
 - Original deposit premium from the budget
 - Additional contributions made by the city
 - Annual retrospective refunds or assessments
 - Other assessments
- Compares the total cost to payroll for each program to determine the rate paid per \$100 of payroll
- Allows cities to benchmark against peers and identify trends in historical deposit premiums

10-Year Deposit History

WC

Central San Joaquin Valley Risk Management Authority
 Deposit History
 Analysis of Net Program Cost to Member
 City of Lemoore
 As of June 30, 2015

Workers' Compensation Program

Description	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Original Deposit Premium	189,316	161,699	174,429	186,960	218,331	256,674	261,086	283,661	317,347	353,204
Additional Contributions	-	35,256	59,563	13,336	-	-	-	-	-	-
2011 Retrospective Adjustment	(97,803)									
2012 Retrospective Adjustment	(533)	(99,026)								
2013 Retrospective Adjustment	1,989	110	10,191							
2014 Retrospective Adjustment	9,427	5,429	20,406	22,200						
2015 Retrospective Adjustment	(7,559)	(2,285)	57	(14,912)	180,790					
Contingency Fund	10,515	-	-	-	10,793	10,726	10,726	9,157	9,157	9,157
Net Program Cost	105,351	101,183	264,636	207,584	409,914	275,400	279,812	292,818	326,504	362,361
Payroll	4,496,226	4,777,335	5,266,662	6,228,579	5,997,682	5,563,210	5,442,641	5,445,129	5,202,017	5,683,924
Rate per \$100/Payroll	2.34	2.12	5.02	3.33	6.83	4.95	5.14	5.38	6.28	6.38

10-Year Deposit History Liab & Other

Central San Joaquin Valley Risk Management Authority

Deposit History

Analysis of Net Program Cost to Member

City of Lemoore

As of June 30, 2015

Liability Program

Description	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Original Deposit Premium	128,163	148,486	133,108	144,808	143,179	139,828	133,310	139,138	168,643	161,195
Additional Contributions	-	46,843	-	-	-	-	-	-	-	-
2011 Retrospective Adjustment	(42,786)									
2012 Retrospective Adjustment	2,897	(87,177)								
2013 Retrospective Adjustment	(249)	2,176	(16,808)							
2014 Retrospective Adjustment	2,801	689	878	16,384						
2015 Retrospective Adjustment	226	8,868	(683)	622	1,464					
Net Program Cost	68,842	117,634	117,796	160,614	144,633	139,828	133,310	139,138	168,643	161,195
Payroll	4,495,226	4,777,336	5,288,652	6,228,679	6,897,682	6,683,210	6,442,841	6,446,129	6,202,017	6,683,924
Rate per \$100/Payroll	1.97	2.46	2.24	2.60	2.41	2.61	2.46	2.66	3.06	2.64

Other Programs

Description	2006/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
General Fund Deposit	10,973	12,575	12,607	12,113	11,522	12,944	13,898	18,582	14,375	12,312
Property Program	26,868	24,490	28,487	36,374	40,909	38,232	44,288	39,369	41,302	62,160
Auto Physical Damage Program	-	-	-	-	-	-	-	-	-	-
Low Value Vehicles Program	-	-	-	-	-	-	-	620	620	3,381
Employee Assistance Program	2,244	3,120	3,975	4,212	4,212	4,502	3,975	4,015	2,822	2,429
Employment Practices Liability	-	-	-	-	-	-	-	-	43,697	34,746
Business Travel Accident	-	-	-	-	-	-	-	-	-	-

Notes:

1. The above schedules do not reflect any projected future refunds from CSJVRMA.
2. Be aware that due to the lack of maturity, the net program cost of the more recent program years (i.e. 2010/11, 2011/12, 2012/13, 2013/14 and 2014/15) could fluctuate substantially.

How Does Your City Measure Up?



2015/16 EXPERIENCE MODIFICATION FACTOR

Workers' Compensation				Liability			
ANGELS	1.003	MARICOPA	1.052	ANGELS	0.977	MARICOPA	1.002
ARVIN	0.991	MCFARLAND	0.986	ARVIN	0.986	MCFARLAND	1.023
ATWATER	0.996	MENDOTA	1.014	ATWATER	1.029	MENDOTA	1.001
AVENAL	0.981	NEWMAN	0.996	AVENAL	0.976	MERCED	1.261
CERES	0.977	OAKDALE	1.045	CERES	0.968	NEWMAN	0.996
CHOWCHILLA	1.038	ORANGE COVE	0.997	CHOWCHILLA	0.988	OAKDALE	0.928
CORCORAN	0.992	PARLIER	1.015	CLOVIS	0.785	ORANGE COVE	0.981
DELANO	1.030	PATTERSON	0.971	CORCORAN	0.958	PARLIER	1.055
DINUBA	0.996	PORTERVILLE	0.991	DELANO	1.050	PATTERSON	1.118
DOS PALOS	0.989	REEDLEY	1.057	DINUBA	0.894	PORTERVILLE	1.275
ESCALON	1.001	RIPON	1.003	DOS PALOS	0.986	REEDLEY	1.003
EXETER	1.036	RIVERBANK	0.962	ESCALON	1.065	RIPON	0.937
FARMERSVILLE	1.005	SAN JOAQUIN	0.995	EXETER	1.041	RIVERBANK	0.991
FIREBAUGH	0.996	SANGER	1.026	FARMERSVILLE	0.997	SAN JOAQUIN	0.992
FOWLER	1.012	SELMA	1.047	FIREBAUGH	0.978	SANGER	0.982
GUSTINE	1.031	SHAFTER	0.972	FOWLER	0.986	SELMA	1.122
HUGHSON	1.012	SONORA	0.991	GUSTINE	0.990	SHAFTER	1.138
HURON	1.000	SUTTER CREEK	1.010	HUGHSON	1.001	SONORA	0.962
KERMAN	0.976	TAFT	0.989	HURON	1.015	SUTTER CREEK	1.114
KINGSBURG	1.011	TEHACHAPI	0.993	KERMAN	0.972	TAFT	0.979
LATHROP	0.950	TRACY	0.737	KINGSBURG	1.006	TEHACHAPI	1.061
LEMOORE	0.991	TULARE	0.961	LATHROP	0.969	TRACY	0.650
LINDSAY	1.020	WASCO	0.970	LEMOORE	0.989	TULARE	0.921
LIVINGSTON	0.997	WATERFORD	0.989	LINDSAY	1.016	TURLOCK	0.869
LOS BANOS	1.013	WOODLAKE	1.010	LIVINGSTON	0.987	WASCO	0.977
MADERA	1.177			LOS BANOS	1.075	WATERFORD	1.065
				MADERA	0.919	WOODLAKE	0.996

5-YEAR LOSS RATE PER \$100 OF PAYROLL

Workers' Compensation				Liability			
ANGELS	3.76	MARICOPA	73.59	ANGELS	0.24	MARICOPA	1.75
ARVIN	2.57	MCFARLAND	1.32	ARVIN	0.67	MCFARLAND	2.13
ATWATER	3.26	MENDOTA	5.68	ATWATER	1.43	MENDOTA	1.13
AVENAL	1.27	NEWMAN	2.92	AVENAL	0.23	MERCED	1.75
CERES	2.99	OAKDALE	4.83	CERES	0.89	NEWMAN	0.92
CHOWCHILLA	6.31	ORANGE COVE	3.04	CHOWCHILLA	0.78	OAKDALE	0.36
CORCORAN	2.87	PARLIER	5.09	CLOVIS	0.59	ORANGE COVE	0.28
DELANO	4.00	PATTERSON	1.87	CORCORAN	0.16	PARLIER	2.95
DINUBA	3.31	PORTERVILLE	3.29	DELANO	1.38	PATTERSON	3.04
DOS PALOS	0.78	REEDLEY	5.67	DINUBA	0.08	PORTERVILLE	2.38
ESCALON	3.55	RIPON	3.56	DOS PALOS	0.05	REEDLEY	1.11
EXETER	7.29	RIVERBANK	0.51	ESCALON	3.90	RIPON	0.14
FARMERSVILLE	4.14	SAN JOAQUIN	1.48	EXETER	2.46	RIVERBANK	0.85
FIREBAUGH	2.91	SANGER	4.42	FARMERSVILLE	0.93	SAN JOAQUIN	0.14
FOWLER	5.14	SELMA	5.69	FIREBAUGH	0.14	SANGER	0.86
GUSTINE	9.24	SHAFTER	2.55	FOWLER	0.42	SELMA	2.92
HUGHSON	6.68	SONORA	2.64	GUSTINE	0.46	SHAFTER	2.42
HURON	3.37	SUTTER CREEK	6.25	HUGHSON	1.20	SONORA	0.03
KERMAN	1.54	TAFT	2.93	HURON	2.21	SUTTER CREEK	10.90
KINGSBURG	4.34	TEHACHAPI	2.91	KERMAN	0.37	TAFT	0.78
LATHROP	0.69	TRACY	1.63	KINGSBURG	1.22	TEHACHAPI	2.53
LEMOORE	3.01	TULARE	2.93	LATHROP	0.53	TRACY	0.32
LINDSAY	4.71	WASCO	0.75	LEMOORE	0.90	TULARE	0.75
LIVINGSTON	3.16	WATERFORD	0.12	LINDSAY	1.39	TURLOCK	0.62
LOS BANOS	3.81	WOODLAKE	5.16	LIVINGSTON	0.75	WASCO	0.43
MADERA	6.54			LOS BANOS	1.77	WATERFORD	7.29
				MADERA	0.63	WOODLAKE	0.87
AVERAGE 3.42				AVERAGE 1.08			

QUESTIONS



CITY OF LEMOORE

Comprehensive Annual Financial Report

Fiscal Year Ending June 30, 2015

With Independent Auditor's Report

- ▶ Provides an overview of the audited financial statements for the fiscal year ending June 30, 2015.
- ▶ First-ever CAFR prepared for the City of Lemoore.
 - ▶ Submitted to Government Finance Officers Association (GFOA)
- ▶ First-ever CAFR prepared by any City in Kings County.
 - ▶ **Note:** *Price, Page & Company, LLP key help in CAFR preparation.*

PURPOSE OF THE CAFR

- ▶ City's "basic" financial statements upgraded to "CAFR" status with the addition of financial components as follows:
 - ▶ **Introductory** – Makes financial statements useful to average reader
 - ▶ **Financial** – Basic financial statements with auditor's opinion letter
 - ▶ **Statistical** – Expanded 10-year historical financial & statistics

OVERVIEW OF THE CAFR

- ▶ The City received a “clean” (unmodified) opinion letter from the City’s independent audit firm Price, Page & Company, LLP

CLEAN (UNMODIFIED) OPINION

- ▶ Two perspectives to the financial presentation in the CAFR:
 - ▶ **Government-Wide** Financial Statements
 - ▶ **Fund** Financial Statements

TWO PERSPECTIVES IN THE CAFR

- ▶ **Net Position** increased \$1,056,657, or 0.8%, from \$126,797,655 to \$127,854,312 (as “restated”) at 06/30/15.
- ▶ Total **Assets** were \$148,873,541 at 06/30/15.
- ▶ Total **Liabilities** were \$19,700,897 at 06/30/15.
- ▶ Pensions (per GASB 68) resulted in the following:
 - ▶ Deferred Inflows \$1,136,028
 - ▶ Deferred Outflows \$2,454,360

GOVERNMENT-WIDE HIGHLIGHTS

- ▶ **Cash** +\$1,847,246: \$37,243,598 (2015) vs \$35,396,352 (2014)
- ▶ **Accounts Receivable** +\$575,408: \$1,682,988 (2015) vs \$1,107,580(2014)
- ▶ **Assets** -\$456,103: \$148,873,541 (2015) vs \$149,329,644 (2014)
- ▶ **Accounts Payable** +489,092: \$2,709,728 (2015) vs \$2,220,636 (2014)
- ▶ **Liabilities** +\$3,996,137: \$19,700,897 (2015) vs \$15,704,760 (2014)
- ▶ **Infrastructure** +\$9,598,281: \$95,547,830 (2015) vs \$85,949,549 (2014)
- ▶ **Unrestricted Net Position** -\$22,061,483: \$19,713,494 (2015) vs \$41,774,977 (2014)

GOVERNMENT-WIDE HIGHLIGHTS

- ▶ **Cash** +\$492,344: \$11,413,441 (2015) vs \$10,921,097(2014)
- ▶ **Assets** +\$224,130: \$13,445,204 (2015) vs \$13,221,074 (2014)
- ▶ **Accounts Payable** +167,499: \$781,192 (2015) vs \$613,693 (2014)
- ▶ **Liabilities** +\$245,607: \$942,208 (2015) vs \$696,601 (2014)
- ▶ **Fund Balance** +41,106: \$12,492,778 (2015) vs \$12,451,672 (2014)
 - ▶ Fiscal Policies to be proposed in 2016 will change the components of fund balance (i.e., Restricted, Assigned, etc.)

GENERAL FUND HIGHLIGHTS

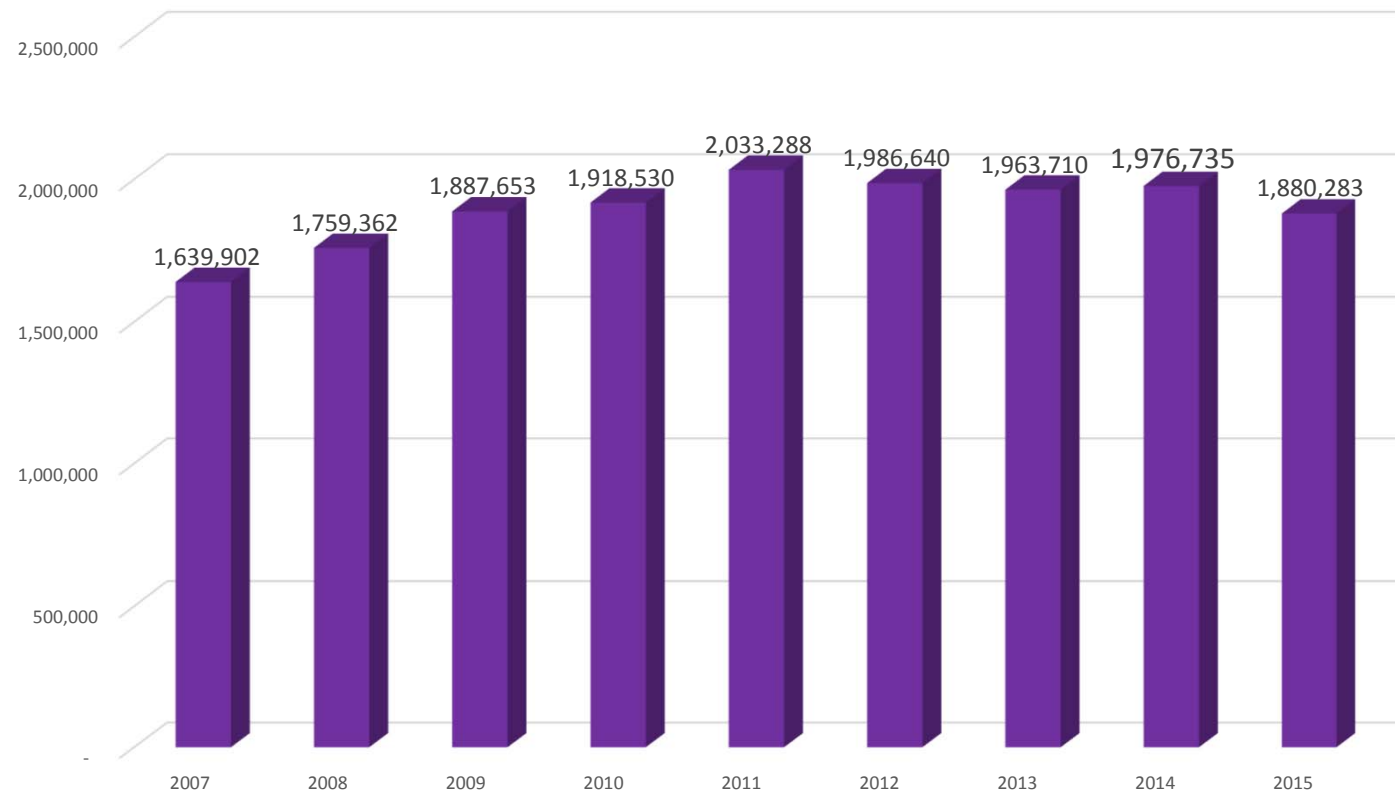
- ▶ Sales Tax
- ▶ Motor Vehicle In Lieu (VLF)
- ▶ Property Tax
- ▶ Inter-Fund Reimbursements
- ▶ Transient Occupancy Tax (TOT)

TOP 5 REVENUES = 76% OF TOTAL

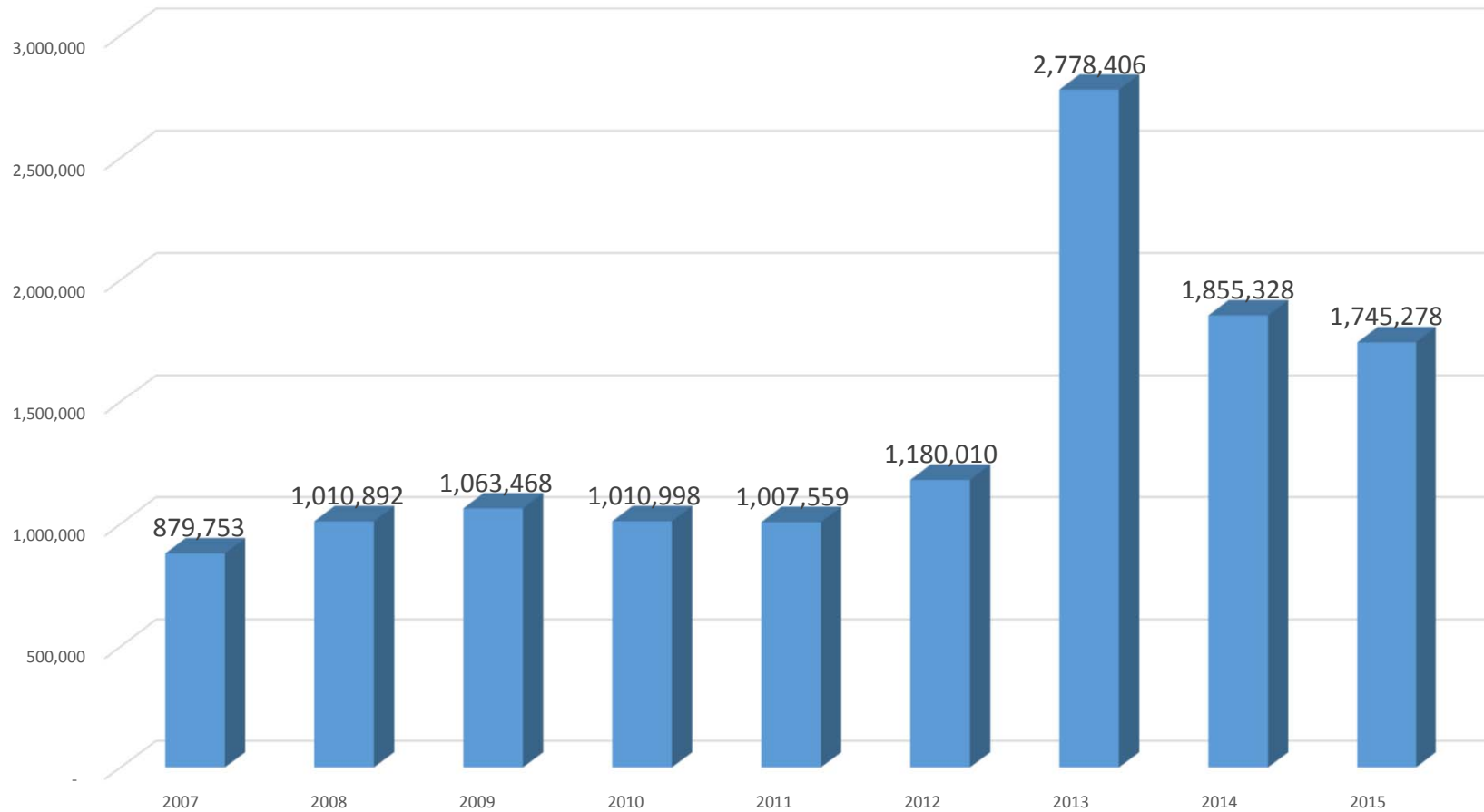
SALES TAX



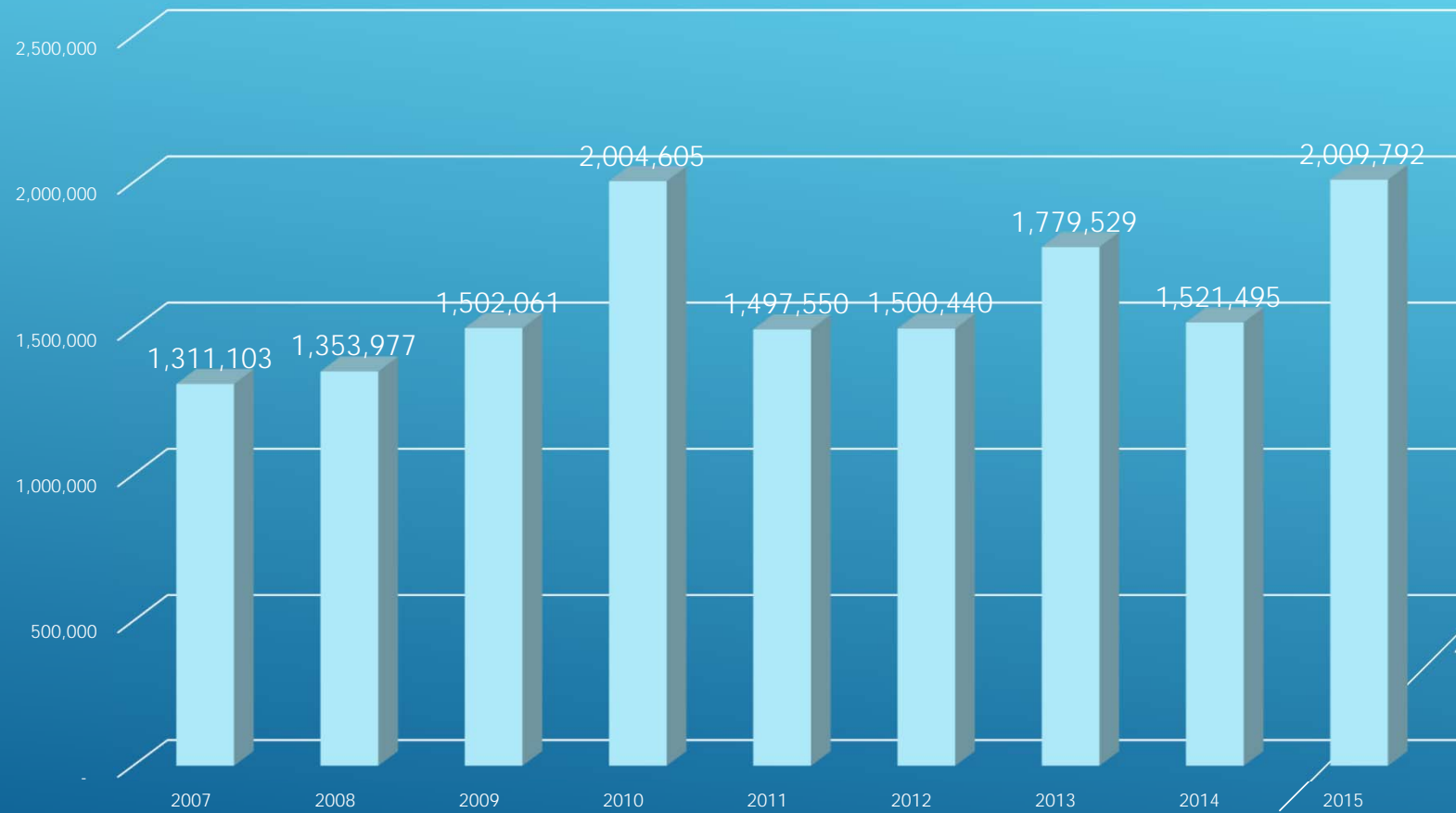
Vehicle License Fee



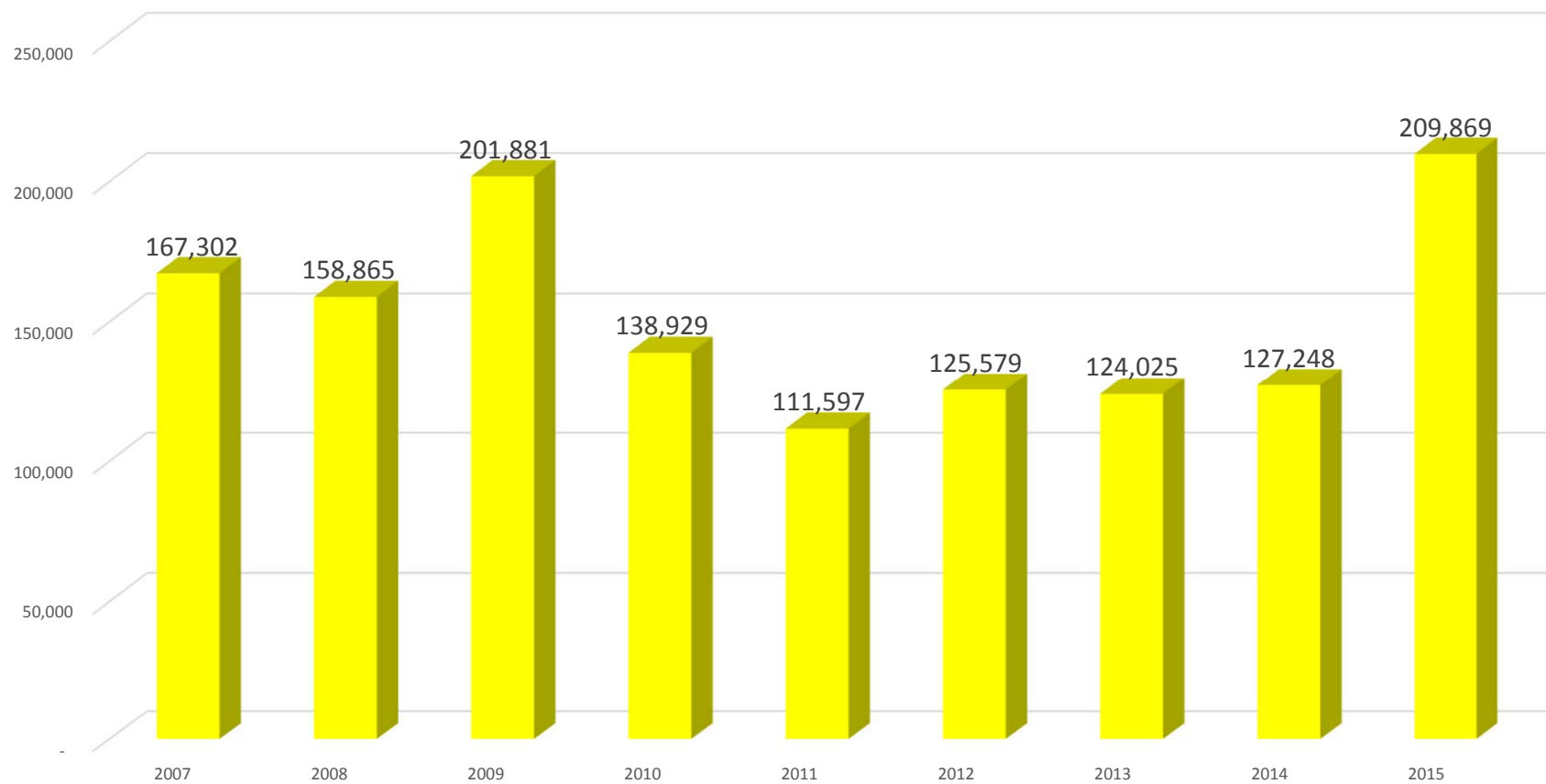
Property Tax



Inter-Fund Reimbursement



TOT



WHAT'S NEXT...

This is a first-year CAFR which will expand and improve next year.

City expects GFOA CAFR review in 60 days.

Quarterly Financial Reports (QFR) will enhance the utility of the CAFR. Watch for **Q4** QFR.

Lemoore On-Line Payments Proposal

Getting to speed in the 21st Century
to improve customer service and
City staff efficiencies



Details of On-Line Payments Implementation

- Dozens of customers stand in line at City Hall to pay their bills.
 - 75% say they would pay on-line or at a kiosk.
- Estimated cost is \$7 per customer to accept payment manually.
- The \$2 per customer fee is “absorbed” into service delivery fees.
- Paymentus solution is Payment Card Industry (PCI) compliant.
 - PCI **Data Security Standard** includes **Level 1 bank security**.
- Implementation will be in *phases*, starting with City Hall.
- \$9,000 total cost of kiosks plus \$29,000 absorption of user fees.

Pros: Paymentus On-Line Payments:

- Greatly improves level of service within utility billing operations.
- Allows for the permanent reduction of a ½ full-time equivalent (currently a vacant position).
- Allows for the use of technology by residents and businesses, an in-demand service, for quicker payment processing.
- Adds an additional payment method option.
- Integrates with the City's current technology.
- May well help reduce delinquent utility bills.

Cons: to On-Line Paymentus Solution

- Absorbing the credit card fees would be an additional cost to the City. There could be customers who question why credit card users get a benefit. However, staff will remind those customers that *they have the option* to receive the same benefit *if they opt in* to take advantage of the efficiencies of paying their bills online.

Implementation of On-Line Payments Citywide

- City Hall – Implementation within 60 days
- All other Departments will follow City Hall implementation:
 - Parks & Recreation – Cinnamon Municipal Complex (CMC)
 - Public Works / Development Services at CMC
 - Police Department
 - Municipal Golf Course (upon evaluation with operator)



Paymentus On-Line Payments Solution (City of Lemoore, CA)



Make One-Time Payment

Pay your bill in 3 easy steps without registering. All you need is your account number from your paper bill.

Register to use the Customer Portal and get access to more information and features than ever before.

- Set-up paperless billing
- Manage your eBill notifications
- View past bills
- Set-up and manage monthly AutoPay
- Manage and pay multiple accounts

Pay Now



Login

Email

someone@example.com

Password

Password

☐ Remember me

Don't have an account? [Register now](#)

Login

[Forgot your password?](#)

Paymentus Kiosks Around the City...

- Upon full implementation, residents can pay bills at five locations.
- There is a \$250 limit per “total” transaction (policy to be provided).
 - Staff will re-evaluate this amount as part of Master Fee Schedule project.
- Each of five kiosks will allow payment of various services:
 - Utility bills.
 - Parks & Recreation Fees
 - Building Permits (*maximum \$250*)
- Thus, a golfer can pay tee fees, food, and his water bill at the kiosk at same location. The same is true for other locations.

Paymentus Integration...

- Utility bill payment will be posted to customer accounts directly.
- Other database applications will be integrated with Paymentus.
- Credit cards will be accepted even if not integrated to a database.
 - DUI fees
 - Miscellaneous fees
- City Hall online in 60 days.
- Other Departments will follow after City Hall.
- Cancellation notice to be given to other credit card companies.

Next steps...

- Gantt chart prepared for City Hall kiosk implementation.
- City Manager execute contract with Paymentus.
- Schedule installation with our IT consultant for network cabling.
- Work with Paymentus to schedule delivery of first kiosk.
- Integration of utility accounts data with Paymentus.
- Send out invitations to 6,500 utility customers to participate.
- Evaluate conversion of other Departments (i.e., Parks & Rec, Police, etc.) to be ready after City Hall is live with Paymentus.

Questions?



JOINT LEMOORE CITY COUNCIL /
★ LEMOORE REDEVELOPMENT
SUCCESSOR AGENCY
COUNCIL CHAMBER
429 C STREET
May 3, 2016

AGENDA

Please silence all electronic devices as a courtesy to those in attendance. Thank you.

5:30 pm STUDY SESSION

PUBLIC COMMENT

This time is reserved for members of the audience to address the City Council/Agency Board on items of interest that are not on the Agenda and are within the subject matter jurisdiction of the Council/Agency Board. It is recommended that speakers limit their comments to between 3 to 5 minutes each and it is requested that no comments be made during this period on items on the Agenda. Members of the public wishing to address the Council/Agency Board on items on the Agenda should notify the Mayor/Chairman when that Agenda item is called. The Council/Agency Board is prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the Council/Agency Board does not respond to public comment at this time. Speakers are asked to please use the microphone, and provide their name and address. Prior to addressing the Council/Agency Board, any handouts to be provided to City Clerk/Board Clerk who will distribute to Council/Agency Board and appropriate staff.

SS-1 Central San Joaquin Valley Risk Management Authority Presentation (Venegas)

CLOSED SESSION

This time has been set aside for the City Council to meet in a closed session to discuss matters pursuant to Government Code Section 54956.9(d) (4). Based on the advice of the City Attorney, discussion in open session concerning these matters would prejudice the position of the City in this litigation. The Mayor will give an additional oral report regarding the Closed Session at the beginning of the next regular City Council meeting.

- 1. Conference with Legal Counsel – Anticipated Litigation**
Government Code Section 54956.9
Significant Exposure to Litigation Pursuant to Paragraph (2) or (3) of
Subdivision (d) of Section 54956.9
One Case
- 2. Conference with Real Property Negotiators, Government Code 54956.9**
Property: 40 Acres in Industrial Park
City Negotiators: City Manager and City Attorney
Negotiating Party: William J. Stone
Under Negotiation: Price and Terms of Payment

Please silence all electronic devices as a courtesy to those in attendance. Thank you.

7:30 pm REGULAR SESSION

- a. CALL TO ORDER**
- b. PLEDGE OF ALLEGIANCE**
- c. INVOCATION**
- d. CLOSED SESSION REPORT(S)**
- e. AGENDA APPROVAL, ADDITIONS, AND/OR DELETIONS**

PUBLIC COMMENT

This time is reserved for members of the audience to address the City Council/Agency Board on items of interest that are not on the Agenda and are within the subject matter jurisdiction of the Council/Agency Board. It is recommended that speakers limit their comments to between 3 to 5 minutes each and it is requested that no comments be made during this period on items on the Agenda. Members of the public wishing to address the Council/Agency Board on items on the Agenda should notify the Mayor/Chairman when that Agenda item is called. The Council/Agency Board is prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the Council/Agency Board does not respond to public comment at this time. Speakers are asked to please use the microphone, and provide their name. Prior to addressing the Council/Agency Board, any handouts to be provided to City Clerk/Board Clerk who will distribute to Council/Agency Board and appropriate staff.

DEPARTMENT AND CITY MANAGER REPORTS – Section 1

1-1 Department & City Manager Reports

Items denoted with a ★ are Redevelopment Successor Agency items and will be acted upon by the Redevelopment Successor Agency Board. Agendas for all City Council/Redevelopment Successor Agency meetings are posted at least 72 hours prior to the meeting at the City Hall, 119 Fox St., Written communications from the public for the agenda must be received by Administrative Services no less than seven (7) days prior to the meeting date. The City of Lemoore complies with the Americans with Disabilities Act (ADA of 1990). The Council Chamber is accessible to the physically disabled. If you need special assistance, please call (559) 924-6705, at least 4 days prior to the meeting.

All items listed under Consent Calendar are considered to be routine and will be enacted by one motion. For discussion of any Consent Item, it will be made a part of the Regular Agenda at the request of any member of the City Council or any person in the audience.

CONSENT CALENDAR – Section 2

Items considered routine in nature are placed on the Consent Calendar. They will all be considered and voted upon in one vote as one item unless a Council member requests individual consideration. A Council member's vote in favor of the Consent Calendar is considered and recorded as a separate affirmative vote in favor of each action listed. Motions in favor of adoption of the Consent Calendar are deemed to include a motion to waive a reading of any ordinance or resolution on the Consent Calendar.

- 2-1 Approval – Minutes – Regular Meeting – April 19, 2016**
- 2-2 Approval – Agreement with Kings County Fire for Automatic Aid Response**
- 2-3 Approval – Agreement with Del Rio Advisors, LLC Municipal Advisor Services for Water and Wastewater Projects Debt Financing Analyses**

CEREMONIAL / PRESENTATIONS – Section 3

No Ceremonial / Presentations

PUBLIC HEARINGS – Section 4

No Public Hearings

NEW BUSINESS – Section 5

- 5-1 Report and Recommendation – Comprehensive Annual Finance Report for Year Ended June 30, 2015 (Herrera)
5-2 Report and Recommendation – Implementation of Online Bill Pay and Acceptance of Credit Cards – Agreement with Paymentus Corporation (Herrera)

CITY COUNCIL REPORTS AND REQUESTS – Section 6

6-1 City Council Reports / Requests

ADJOURNMENT

NOTICE: Pursuant to Government Code §54954.3(a), public comments may be directed to the legislative body concerning any item contained on the agenda for this meeting before or during consideration of the item. Those wishing to address Council on an item shall be limited to between 3-5 minutes and if a large group, the Mayor may request that individuals provide only new information not presented by another person.

Any writing or documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 119 Fox Street, Lemoore, CA during normal business hours. In addition, most documents will be posted on the City's website at www.lemoore.com.

Tentative Future Agenda Items

May 17th

SS – CrisCom Update (Welsh)
SS – Regional Dispatch (Smith)
SS – Sidewalk Ordinance(s) (Van Bindsbergen)
SS – Golf Course Access by Residential Neighbors (Olson)
CC – New Collection Co. for Delinquent UB Accounts (Herrera)
CC – Armored Transport (Herrera)
NB – Treasurer's Report (Herrera)
NB – Quarterly Financial Report (Herrera)
NB – Fiscal Policies (Herrera)
NB – Purchasing Ordinance (Herrera)

June 7th

CC – Issuance of Prop 218 Notice (Olson)

June 21st - CANCELLED

July 5th - CANCELLED

July 19th

PH - Water Rate Hearing (Olson)

Date to be Determined

SS - Transient Occupancy Tax (Welsh)
SS – Commissions & Boards Policies (Venegas)
CC – Delinquent Utility Billing Penalties (Herrera)
CC – Volunteers & Liability – Resolution (Venegas)
CC – Senior Center Thanksgiving Dinner (Olson)
CC – Drought Resolution (Van Bindsbergen)

PUBLIC NOTIFICATION

I, Mary J. Venegas, City Clerk for the City of Lemoore, declare under penalty of perjury that I posted the above City Council / Redevelopment Successor Agency Agenda for the meeting of May 3, 2016 at City Hall, 119 Fox Street, Lemoore, CA on April 27, 2016.

//s//

Mary J. Venegas
City Clerk

Mayor
Lois Wynne
Mayor Pro Tem
Jeff Chedester
Council Members
Ray Madrigal
Eddie Neal
William Siegel



**Office of the
City Manager**

119 Fox Street
Lemoore, CA 93245
Phone (559) 924-6700
Fax (559) 924-9003

Staff Report

ITEM NO. SS-1

To: Lemoore City Council
From: Janie Venegas, City Clerk
Date: April 25, 2016 Meeting Date: May 3, 2016
Subject: Central San Joaquin Valley Risk Management Authority Presentation

Proposed Motion:

Information and discussion only. No motion.

Subject/Discussion:

This agenda provides an opportunity for representatives from the Central San Joaquin Valley Risk Management Authority (RMA) to present background information on the RMA's coverage programs and services to the City. The RMA is comprised of 54 cities throughout the Central Valley.

The City receives the following coverages/services through its membership in the RMA:

- Liability Coverage (general, vehicle, and public officials' liability);
- Worker's Compensation Coverage (includes volunteers);
- Property Coverage (repair/replacement cost for real property, personal property, and contractor's equipment);
- Employee Assistance Program (clinical short-term counseling for employees).
- Low Value Vehicle Coverage (Provides actual cash value coverage for vehicles valued below \$25,000)
- Employment Risk Management Authority (provides employment practices liability coverage and training).

Staff is currently obtaining additional information to receive coverage for:

- Business and travel accident coverage (life and accidental death & dismemberment coverage for business related travel);
- Crime Insurance (covers loss of money, securities, or other property resulting from dishonest acts of an employee, including elected officials);
- Auto Physical Damage (optional program for repair/replacement cost coverage for vehicles over \$25,000).

Financial Consideration(s):

For Fiscal Year 2016, the City's contribution to the RMA was approximately \$687,000.

For 2016, the City had \$72.6 million total insured values in property coverage.

Alternatives or Pros/Cons:**Pros:**

- The City has been a member of the RMA since its inception.
- The RMA offers a number of programs that benefit the City or are required by state law.

Cons:

- None noted.

Commission/Board Recommendation:

Not Applicable.

Staff Recommendation:

Information only.

Attachments:

- ☐ Resolution
- ☐ Ordinance
- ☐ Map
- ☐ Other _____

Review:

- | | |
|---|---------|
| <input type="checkbox"/> Finance | |
| <input checked="" type="checkbox"/> City Attorney | 4/26/16 |
| <input checked="" type="checkbox"/> City Manager | 4/25/16 |
| <input checked="" type="checkbox"/> City Clerk | 4/27/16 |

Date:

April 19, 2016 Minutes
Study Session
Joint City Council /
★ Lemoore Redevelopment Successor Agency Meeting

CALL TO ORDER:

At 5:30 p.m. the meeting was called to order.

ROLL CALL: Mayor/Chair: WYNNE
Mayor Pro Tem/Vice Chair: CHEDESTER
Council/Board Members: MADRIGAL, NEAL, SIEGEL

City Staff and contract employees present: City Manager Welsh; City Attorney Van Bindsbergen; Interim Planning Director Holwell; Police Chief Smith; Public Works Director Olson; City Clerk Venegas; Deputy City Clerk Lourenco.

PUBLIC COMMENT

There was no public comment.

STUDY SESSION – Section SS

SS-1 Redevelopment Finance Update – Senate Bill 107

Theresa Ho-Urano, from Richards, Watson & Gershon, provided a time line of background information regarding RDA Dissolution Legislation and potential use of 2011 tax allocation bonds proceeds in light of SB 107 enacted in September 2015.

Successor Agency has two different options to consider. First option is to use 100% of the proceeds for defeasance and second is 35% for projects and 65% for defeasance.

SS-2 Water Rate Study Workshop

Dan Bergmann with IGService presented the water rate study. Mr. Bergmann explained the following:

- ❖ *Cost of Service Study*
- ❖ *Work involved*
- ❖ *How water currently billed*
- ❖ *Existing rates for single family, apartments, mobile home parks and other customers*
- ❖ *Existing debt and available cash*
- ❖ *Major projects and repairs*
- ❖ *Annualized cost for improvements is approximately \$4.2 million a year*
- ❖ *Proposed schedule*
- ❖ *Next steps*
- ❖ *Allocate operating costs to each customer class*
- ❖ *Gradual rate increases over several years*

Public Works Director Olson explained the water supply projects that would be completed with the recently approved Community Improvement Projects Budget.

Marshall Wallace inquired about rate increases regarding the drought.

Ray Arcino questioned if the City has tested the age of the water and the age of the water system.

Joe Rapozo requested if green waste can be dumped every week.

Doug Davis asked how the process was approached for a proposal of the projects.

CLOSED SESSION PUBLIC COMMENT

There was no public comment.

At 6:49 p.m. Council adjourned to Closed Session.

CLOSED SESSION

1. Conference with Legal Counsel – Anticipated Litigation
Government Code Section 54956.9
Significant Exposure to Litigation Pursuant to Paragraph (2) or (3) of
Subdivision (d) of Section 54956.9
Two Cases
2. Conference with Legal Counsel – Existing Litigation
Government Code Section 54956.9(d)(1)
Case No. 16-C0003
Kings Community Development Corporation v. City of Lemoore
3. Conference with Legal Counsel – Existing Litigation
Government Code Section 54956.9(d)(1)
Case No. 14-C0082
Martin v. City of Lemoore, et al.
4. Public Employee Evaluation – City Manager
Pursuant to Government Code Section 54957

ADJOURNMENT

At 7:36 p.m. Council adjourned.

**April 19, 2016 Minutes
Regular Meeting
Joint City Council /
★ Lemoore Redevelopment Successor Agency**

CALL TO ORDER:

At 7:40 p.m. the meeting was called to order.

ROLL CALL: Mayor/Chair: WYNNE
Mayor Pro Tem/Vice Chair: CHEDESTER
Council/Board Members: MADRIGAL, NEAL, SIEGEL

City Staff and contract employees present: City Manager Welsh; City Attorney Van Bindsbergen; Interim Planning Director Holwell; Police Chief Smith; Public Works Director Olson; Interim Finance Manager Sadeghian; City Clerk Venegas; Deputy City Clerk Lourenco.

ANNOUNCEMENT FROM CLOSED SESSION

There was no announcement.

PUBLIC COMMENT

Derek Weiser, Chairman of Framework Racing, provided an update on the BMX track and invited all to attend the State Race being held on May 7th, 2016.

DEPARTMENT AND CITY MANAGER REPORTS – Section 1

1-1 Department & City Manager Reports

City Manager Welsh recognized the Chamber of Commerce for an amazing Pizza Festival. City staff did an amazing job picking up trash and supporting the Chamber event. Also, Finance Budget Subcommittee is scheduled for Thursday, April 21, 2016.

Items denoted with a ★ are Redevelopment Successor Agency items and will be acted upon by the Redevelopment Successor Agency Board. Items denoted with a ● are Lemoore Housing Authority items and will be acted upon by the Lemoore Housing Authority. Agendas for all City Council/Redevelopment Successor Agency/Lemoore Housing Authority meetings are posted at least 72 hours prior to the meeting at the City Hall, 119 Fox St., Written communications from the public for the agenda must be received by Administrative Services no less than seven (7) days prior to the meeting date. The City of Lemoore complies with the Americans with Disabilities Act (ADA of 1990). The Council Chamber is accessible to the physically disabled. If you need special assistance, please call (559) 924-6705, at least 4 days prior to the meeting.

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CONSENT CALENDAR – Section 2

- 2-1 Approval – Minutes – Regular Meeting – April 5, 2016
- 2-2 Approval – Modification of Downtown Merchants Advisory Committee Term Appointments
- 2-3 Approval – Appointment of Commissioner to the Lemoore Planning Commission
- 2-4 Approval – Denial of Claim for Damon Bagley
- 2-5 Approval – Memorandum of Understanding between the Department of State Hospitals-Coalinga Department of Police Services and the City of Lemoore for use of the Lemoore Police Department Firing Range
- 2-6 Approval – Budget Adjustment – Award Bid – Idaho Water Line Improvement Project
- 2-7 Approval – Required Testing of Water Treatment Options
- 2-8 Approval – Second Reading - Zoning Text Amendment No. 2016-01 – Amendments to portions of the following articles within the Lemoore Municipal Code related to

Zoning: Article A of Chapter 4 of Title 9 (Land use Classification System); Article B of Chapter 4 of Title 9 (Allowed Uses and Required Entitlements); Article C of Chapter 4 of Title 9 (Temporary Uses); Article B of Chapter 5 of Title 9 (Development Standards by Zone District); and Article F of Chapter 5 of Title 9 (Signage) – Ordinance 2016-04

2-9 Approval – Amendment to City Manager Employment Agreement

Council Member Siegel requested Items 2-7 and 2-9 be pulled from the Consent Calendar for separate consideration.

Motion by Council Member Siegel, seconded by Council Member Chedester, to approve the Consent Calendar as presented, excluding Items 2-7 and Item 2-9.

Ayes: Siegel, Chedester, Madrigal, Neal, Wynne

2-7 Approval – Required Testing of Water Treatment Options

Motion by Council Member Siegel, seconded by Council Member Madrigal, to approve Item 2-7.

Ayes: Siegel, Madrigal, Neal, Chedester, Wynne

2-9 Approval – Amendment to City Manager Employment Agreement

Motion by Council Member Madrigal, seconded by Council Member Neal, to approve Item 2-9.

Ayes: Madrigal, Neal, Chedester, Wynne

Noes: Siegel

CEREMONIAL / PRESENTATIONS – Section 3

There was no ceremonial / presentations.

PUBLIC HEARINGS – Section 4

There were no Public Hearings.

NEW BUSINESS – Section 5

5-1 Report and Recommendation – Property Acquisition – Two Parcels (.68 acres) Located on the Southwest Corner of Cinnamon and Hill Streets – APNs 020-011-001-000 and 020-012-009-000 (Smith)

Motion by Council Member Chedester, seconded by Council Member Neal, to authorize the purchase of two parcels APN 020-011-001-000 and 020-012-009-000 from Philip and Irene Chinn in the amount of \$105,000, and authorize the City Manager to execute a purchase and sale agreement or other documents necessary to complete the purchase and sale of the parcels. Accept the Grant Deed from Philip and Irene Chinn and authorize the City Manager to execute and the City Clerk to attest and record said deed at close of escrow.

Ayes: Chedester, Neal, Madrigal, Siegel, Wynne

CITY COUNCIL REPORTS AND REQUESTS – Section 6

6-1 City Council Reports / Requests

Council Member Madrigal stated the Pizza Festival was a great event and impressive how many people were in attendance.

Council Member Neal attended Fresno League of Cities and will be attending Legislative meeting in Sacramento next month.

Council Member Siegel discussed his concerns of losing property in Lemoore. Christ Anglican Church on Cinnamon and 19th Avenues lost a property decision and will be going through an appeal process.

Mayor Wynne attended the Pizza Festival, announced Kiwanis club received 3^d place, and six ribbon cuttings took place at the festival. Invited the public to attend the City County Coordinating meeting on Wednesday, April 20, to discuss Measure K.

ADJOURNMENT

At 8:13 p.m. the meeting adjourned.

ATTEST:

APPROVED:

Marisa Lourenco
Deputy City Clerk

Lois Wynne
Mayor

Mayor
Lois Wynne
Mayor Pro Tem
Jeff Chedester
Council Members
Ray Madrigal
Eddie Neal
William Siegel



**Office of the
City Manager**

119 Fox Street
Lemoore, CA 93245
Phone (559) 924-6700
Fax (559) 924-9003

Staff Report

ITEM NO. 2-2

To: Lemoore City Council
From: Andi Welsh, City Manager
Date: April 25, 2016 **Meeting Date:** May 3, 2016
Subject: Agreement with Kings County Fire for Automatic Aid Response

Proposed Motion:

Approve an Automatic Aid Agreement between the County of Kings and City of Lemoore for fire-related incidents within the defined boundary of the agreement.

Subject/Discussion:

Since 1997 the City and County of Kings (hereafter referred to as County) have had a mutual agreement in place to allow for the joint response to a medical or fire related emergency within a defined boundary around Lemoore.

Recently, City and County staff agreed it was time to review and update the agreement and transition the agreement from mutual aid to an automatic aid agreement. Under the agreement, the City and County have agreed to combine their effective response forces and respond utilizing a combination that promotes the best use of those resources. The agreement is specifically for fire or fire-related incidents and for traffic accidents on State Routes 41 and 198 within the established boundaries. The automatic aid agreement encompasses the area within 23rd Avenue on the west, Jackson Avenue on the south, 16th Avenue on the east, and Grangeville Boulevard on the north.

In addition to the public health and safety benefits of an automatic aid agreement, the City benefits from additional fire protection coverage as classified by the Insurance Services Office (ISO). ISO is an agency that helps to determine risk factors for properties that insurance companies provide coverage for and gives the properties a risk value from 1 to 10, with 1 being the lowest risk and 10 the highest. ISO considers many factors when determining the risk value, such as available water source (municipal vs. private), number of fire personnel and apparatus, estimated response time and distance from the closest responding fire station. The City currently has an ISO rating of 3.

Financial Consideration(s):

There is no financial impact to the General Fund. Each party shall pay its own costs for responding to any incidents.

Alternatives or Pros/Cons:

Pros:

- Strengthens the City and County fire-related emergency response.

"In God We Trust"

- Demonstrates the City and County commitment to agency partnerships.
- An automatic aid agreement is a best management practice.

Cons:

- None noted.

Commission/Board Recommendation:

Not Applicable.

Staff Recommendation:

Approve the Automatic Aid Agreement between the City and the County of Kings and authorize the City Manager to execute the agreement.

Attachments:

- ☐ Resolution
- ☐ Ordinance
- ☐ Map
- ☐ Other _____

Review:

- | | |
|---|---------|
| <input type="checkbox"/> Finance | |
| <input checked="" type="checkbox"/> City Attorney | 4/26/16 |
| <input checked="" type="checkbox"/> City Manager | 4/26/16 |
| <input checked="" type="checkbox"/> City Clerk | 4/27/16 |

Date:

**AUTOMATIC AID
AGREEMENT FOR FIRE-RELATED INCIDENTS
BETWEEN COUNTY OF KINGS AND CITY OF LEMOORE**

THIS AGREEMENT is made and entered into this 10th day of May, 2016, by and between the COUNTY OF KINGS, hereafter referred to as the "County," and the CITY OF LEMOORE, hereafter referred to as the "City."

WITNESSETH:

WHEREAS, the County and City both staff and maintain fire stations for the safety and protection of the lives and property within their respective jurisdictions; and

WHEREAS, the County and City, in order to provide the maximum protection by providing the fastest service response to its residents, desire to enter into an agreement whereby each agency may render automatic mutual aid to each other for certain defined incidents; and

WHEREAS, the governing bodies of the County and City believe that the protection of life and property will be enhanced by the utilization of firefighting equipment and personnel outside of the responsibility areas of the County and City as set forth below; and

WHEREAS, each agency is required to have a minimum of four (4) safety equipped firefighters on the scene of an incident prior to making an interior attack or entering into an environment that is immediately dangerous to health and life (IDHL); and

WHEREAS, the parties do not intend by this agreement that either party is holding itself out to be the fire service provider for the other agency; and

WHEREAS, each agency has the ability to provide automatic aid when not committed to another emergency.

NOW, THEREFORE, pursuant to the authority granted by California Government Code sections 6502 and 55632 and Health and Safety Code section 13050 and in consideration of the mutual promises, covenants and conditions herein contained, the parties hereto agree as follows:

1. **DEFINITIONS**

For purposes of this agreement, the following terms shall have those meanings as set forth herein:

- a.) Automatic aid shall mean the automatic response of the identified available resources via emergency dispatch center request to an incident in an adjacent fire jurisdiction regardless of jurisdictional boundaries, as identified in Section 5 of this agreement.
- b.) Incident(s) are limited to an incident specifically identified and set forth in Sections 3 and 4 below.

2. AUTOMATIC AID AREA

The County and City agree to provide automatic aid for the fire-related incidents identified in section 3 below to each other within that geographical area (hereafter referred to as “Area”) identified in Exhibit “A,” attached hereto, and incorporated herein by this reference.

Agreement boundary – as outlined in Exhibit “A” of this agreement is a defined boundary that has been agreed upon by both agencies. This boundary encompasses the area within 23rd Avenue on the west, Jackson Avenue on the south, 16th Avenue on the east, and Grangeville Boulevard on the north.

3. FIRE RELATED INCIDENTS

The types of fire-related incidents that require an automatic aid response are as follows:

- a. Any structure fire (e.g., residential, commercial, apartment);
- b. Any fire threatening a structure;
- c. Smell of smoke or gas inside a structure; or
- d. Water flow alarm.

4. ADDITIONAL SERVICES

Both City and County shall respond automatically to traffic collisions within the Highway 198 and Highway 41 corridors delineated on the map attached hereto as Appendix A.

Nothing in this agreement shall limit the ability of either party from agreeing to participate in more specific contracts for services, mutual assistance or automatic response; nor shall this prohibit any party from providing emergency assistance to another jurisdiction which is not a participant in this agreement.

5. RESOURCE RESPONSE

Listed below are the defined areas and resources that will require an automatic response from the outside agency if an incident identified in Section 3 occurs:

- a. If the incident occurs within the County’s jurisdiction, the City will respond with Lemoore Engine 12.
- b. If the incident occurs within the City’s jurisdiction the County will respond with Kings County Engine 7.
- c. All volunteer companies for each agency or respective station(s) will be alerted for all incidents identified in Section 3 of this agreement.
- d. If a resource identified in this section is not available, the assisting agency will send the next closest available like resource.

6. TYPICAL RESOURCES

Each agency maintains appropriate fire suppression apparatus capable of delivering a minimum of 1,250 gallons per minute to aid in the extinguishment of structural fires. These resources will be the typical type of resource utilized to meet the terms of this agreement. However, if specific types of apparatus are required, agency command personnel may request a change in the normal responding apparatus.

Each party shall retain ownership of any equipment or property it brings to the performance of this agreement and shall retain ultimate control of its employees or volunteers. If at any time it is determined that communications infrastructure is necessary to meet the operational requirements of the automatic aid response system, either or both parties, will facilitate all necessary steps to implement sufficient communications infrastructure, including the authorizations, agreements, access, etc.

To ensure compatibility of equipment, both agencies shall maintain a mutually agreed upon inventory of equipment (based upon minimum National Fire Protection Association standards), including hoses, couplings, pump capacity, communications equipment, and will maintain the minimum standard amount of equipment on each type of apparatus (as recommended by related National Fire Protection Association Standards).

7. RESPONSE REQUIREMENTS

Upon receipt of an emergency call, the County and City, if available, shall respond with the minimum required resources, identified in Section 5 of this agreement. When responding, each agency shall insure that:

- a. All personal protective clothing and equipment shall be used by all participating firefighters on the scene of a fire or emergency incident.
- b. Each assisting agency will respond utilizing the primary radio channel of the jurisdiction in need. Prior to initiating communications on the jurisdiction-of-need's channel, all resources shall notify their home agency of their response to the incident and that they are switching channels. All radio communications shall be conducted in clear text. Agency designation will be used prior to the unit number in all communications. The designation of command or tactical channels will be determined by the incident commander.
- c. All responding resources shall use the incident command system during an incident. The unit first arriving at the scene shall initiate command of the incident. If command of an incident is initiated by the assisting agency, transfer of command will take place as soon as practical or safe. All responding resources will eventually end up under the command of the jurisdictional agency during the incident.
- d. The agency first arriving may cancel any further response to the incident if that agency is capable of handling the incident and the responsible jurisdiction officer is so notified.
- e. Both agencies will use standard command procedures. A standardized Incident Management System (IMS) provides for efficient management of the emergency and for the safety of firefighters through the use of standard terminology, reporting relationships,

and support structures. The Incident Management System and associated standard operating procedures adopted for use by both agencies.

8. RESOURCE COMMITMENT

Each agency will respond automatically with the resources as defined within this agreement and to the extent of availability. If the defined resources are not immediately available, each agency will do so as soon as they become available. The County will commit one (1) engine company and the City will commit one (1) engine company as defined in Section 5 of this agreement. Each agency will be mindful to not over commit the assisting agency's resources, and will attempt to release them from the incident in a timely manner.

If at any time while this agreement is in effect, if an agency closes a fire station, or reduces the level of fire, medical or emergency services provided within its municipal or jurisdictional boundaries, the agency closing said fire station or reducing services will provide a minimum of 120 days' notice to the other agency.

9. DISPATCH CENTER RESPONSIBILITIES

Each agency's Dispatch Center will be required to notify the assisting agency's Dispatch Center of the needed aid. This notification will be completed by use of the established electronic notification method or by telephone if the electronic means is not available. For purposes of this agreement, all incidents within the automatic aid area require an immediate notification by the respective dispatch center to the assisting dispatch center.

10. RESPONSIBILITY FOR FIRE INVESTIGATIONS

Fire investigations shall be the responsibility of the agency with jurisdictional authority over the incident.

11. TRAINING

The County and City shall train together quarterly, at a minimum, on Standard Operating Procedures, Incident Command System, and any other topic that is deemed appropriate by both agencies, which would enhance the safety of personnel and quality of service provided. Standard Operating Procedures and the Incident Command System shall be utilized on all incidents.

12. HOLD HARMLESS

The County agrees to indemnify, defend, and hold the City, its officers, employees, volunteers, and agents free and harmless from any and all claims, liability, loss, damage or expenses from liability for acts or omissions of the County, its officers, employees, and agents in connection with the performance of this agreement.

The City agrees to indemnify, defend, and hold the County, its officers, employees, and agents free and harmless from any and all claims, liability, loss, damage or expenses from liability for acts or omissions of the City, its officers, employees, volunteers, and agents in connection with the performance of this agreement.

The parties also recognize that it is the responsibility of each participating party to ensure that their employees are notified in accordance with the provisions of California Workers Compensation Laws.

13. DURATION/ TERMINATION

This agreement shall remain in force and effect for a period of five (5) years from the date first written above. Either party may terminate this agreement provided the other party is given thirty (30) days' notice in writing of such termination. This agreement shall be reviewed by both parties at the end of the five (5) year period and, if both parties are in agreement as to the terms, this agreement may be extended for one (1) additional five (5) year term through a writing signed by both parties.

This agreement may be subject to further negotiations in the event either party adds or deletes a fire station or resources.

14. NO REIMBURSEMENT FOR COSTS

No party in this agreement shall be required to reimburse any other party for the cost of providing the services set forth in this agreement. Each party shall pay its own costs for responding to the incident. In the event of Declared Disasters, both parties may apply for reimbursements from County, State and Federal agencies.

15. AGREEMENT MODIFICATIONS

Any necessary future modifications to this agreement may be implemented by the respective Fire Chiefs with the concurrence of the County Administrative Officer and City Manager. No part of this agreement may be modified, waived or repealed without the prior written consent of both parties.

The parties further understand that this agreement supersedes any previous Automatic Aid Agreement between any of the parties hereto.

16. NOTICES

All written notices or correspondence provided for within this agreement shall be made by personal delivery or by mailing to the attention of the following individuals:

For the County: William K. Lynch, Fire Chief
280 N. Campus Drive
Hanford, CA 93230

For the City: John Gibson, Fire Chief
City of Lemoore
210 Fox Street
Lemoore, CA 93245

Andrea Welsh, City Manager
City of Lemoore
119 Fox Street
Lemoore, CA 93245

17. NO THIRD PARTY BENEFICIARIES

The County and the City are the only parties to this agreement and are the only parties entitled to enforce its terms. Nothing in this agreement gives, is intended to give, or shall be construed to give or provide any right or benefit, whether directly or indirectly or otherwise, to third persons.

18. ENTIRE AGREEMENT

This agreement and its exhibits represent the entire agreement between the County and the City as to its subject matter and no prior oral or written understanding shall be of any force or effect. The recitals and exhibits to this agreement are fully incorporated into and are integral parts of this agreement.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed the day and year first above written.

COUNTY

CITY

Chairman, Board of Supervisors

Mayor, City of Lemoore

William Lynch, Fire Chief

Andrea Welsh, City Manager

ATTEST

APPROVED AS TO FORM

Catherine Venturella, Clerk to the Board

City Attorney

APPROVED AS TO FORM

County Counsel

Exhibit “A”

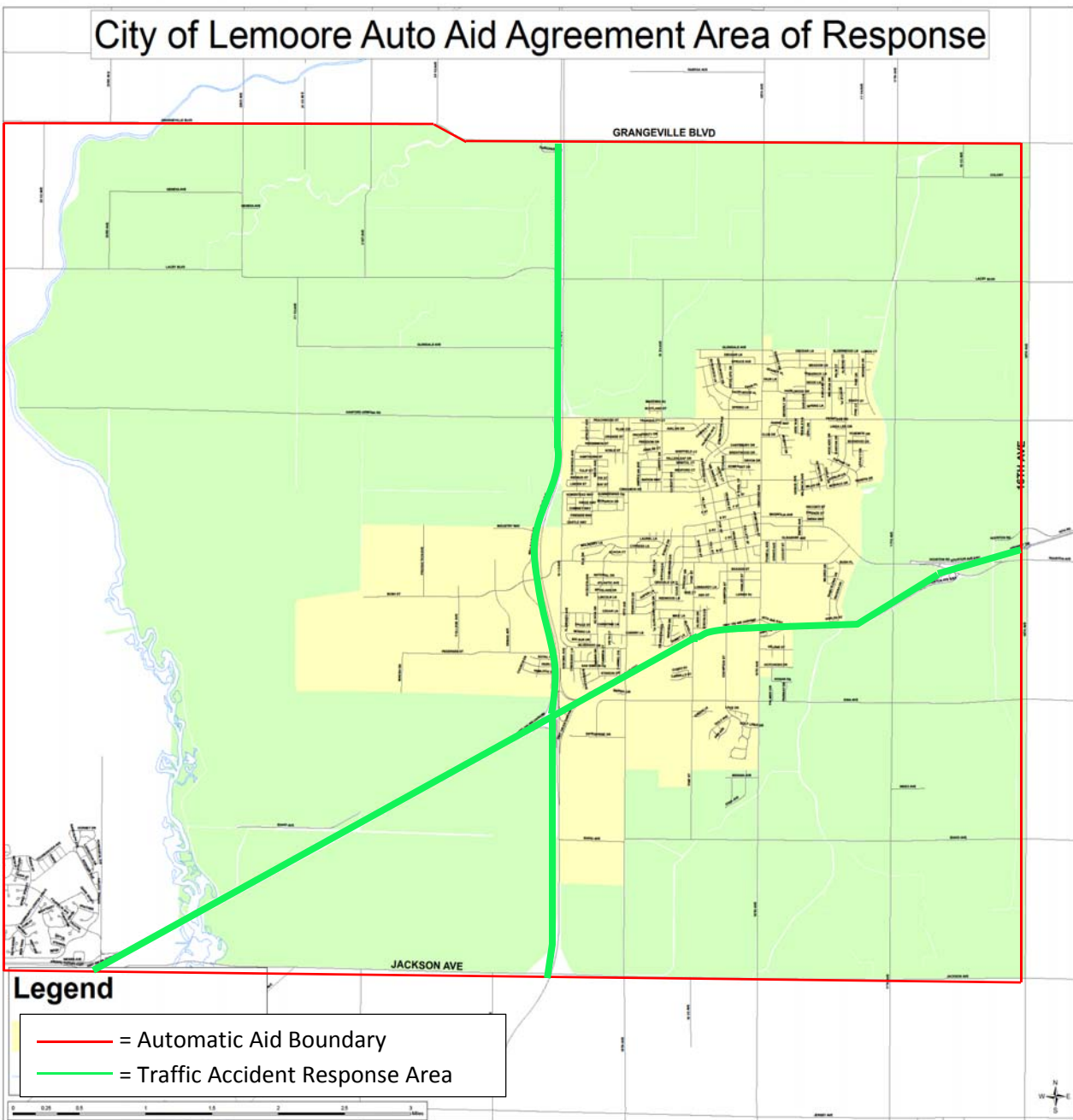


Exhibit “B”

Lemoore/ Kings County Automatic Aid Agreement

1. Agreement Boundary – As outlined in Exhibit “A” of this agreement, a defined boundary has been agreed upon by both agencies. This boundary encompasses the area within 23rd Avenue on the west, Jackson Avenue on the south, 16th Avenue on the east, and Grangeville Boulevard on the north.
2. Resource Commitment – Each agency will respond automatically with the resources as defined within this exhibit and to the extent of availability. If the defined resources are not immediately available, each agency will do so as soon as they become available. Kings County will commit one engine company and Lemoore City will commit Engine Company as defined in Section 4 of this exhibit.
3. Typical Resources – each agency maintains appropriate fire suppression apparatus capable of delivering a minimum of 1250 gallons per minute to aid in the extinguishment of structural fires. These resources will be typical type utilized to meet the terms of this agreement. However, if specific types of apparatus are required, agency command personnel may request a change in the normal responding apparatus.
4. Resource Response – Listed below are the defined areas and resources that will require an automatic response if a structural type fire incident occurs:
 - a. If the incident occurs within Kings County’s jurisdiction, the City of Lemoore will respond with Lemoore Engine 12?
 - b. If the incident occurs within the City of Lemoore’s, the County of Kings will respond with Kings County Engine 7.
 - c. All volunteer companies for each agency or respective station(s) will be alerted for all structure fire incidents.
5. Dispatch Center Responsibility – Each agency Dispatch Center will be required to notify the assisting agencies Dispatch Center of the needed aid. This notification will be completed by use of the established electronic notification method or by telephone if the electronic means is not available. For the purpose of this agreement, all incidents within the boundary require an immediate notification by the respective Dispatch Center to the assisting Dispatch Center.
6. Radio Communications – Each assisting agency will respond utilizing the jurisdiction of needs primary radio channel. Prior to initiating communications on the jurisdiction of needs channel, all resources shall notify their home agency of their response to the incident and that they are switching channels.
7. Incident Command – All responding resources will be under the command of the jurisdictional agency during the incident. If command of an incident is initiated by the assisting agency, transfer of command will take place as soon as practical or safe.
8. Changes In Response Resources – As additions to available resources occur; each agency shall maintain the ability to make adjustments to the responding resources. This change typically will be initiated by addition or increase in capability, change in location, of numbers of resources available. In this case, both agencies shall meet to establish the required change or addition of committed resources.

Mayor
Lois Wynne
Mayor Pro Tem
Jeff Chedester
Council Members
Ray Madrigal
Eddie Neal
William Siegel



**Finance
Department**

119 Fox Street
Lemoore, CA 93245
Phone (559) 924-6700
Fax (559) 924-9003

Staff Report

ITEM NO. 2-3

To: City of Lemoore
From: John Herrera, Finance Director Consultant
Date: April 14, 2016 **Meeting Date:** May 3, 2016
Subject: Agreement with Del Rio Advisors, LLC Municipal Advisor Services for Water and Wastewater Projects Debt Financing Analyses

Proposed Motion:

Authorize the City Manager to negotiate and execute an agreement with Del Rio Advisors, LLC to perform financing analyses for possible debt financing options for Water and Wastewater projects.

Subject/Discussion:

The City of Lemoore will need to consider debt financing alternatives for some or all of the \$38.8 million of Water projects and \$52.7 million of Wastewater projects approved for construction in the Citywide Fiscal Years 2015-2020 Community Investment Program (CIP) Budget.

Del Rio Advisors, LLC is currently under a fixed fee contract (not to exceed \$4,900) to perform specialized financial analysis related to the Redevelopment Finance matters being considered under the Senate Bill 107 (SB107). This staff report is for a separate "contingent" contract proposed for approval, outside of the \$4,900 fixed fee contract, and would only require payment if a Water or Wastewater enterprise fund bond issue were sold. If a bond or other debt financing instrument is subsequently authorized by the City Council, Del Rio Advisors, LLC would only be paid from the "proceeds" of said bond issue.

Approval by Council of the Del Rio Advisors, LLC contract would allow their representative (Ken Dieker) to perform bond sizing analysis, as well as advise the City on the various options available for funding the large list of Water and Wastewater CIP projects.

Financial Consideration(s):

Should the City decide to pursue the issuance of bonds for Water or Wastewater (or any other CIP project), all work performed by Del Rio Advisors would be performed on a contingency basis (plus standard reimbursable expenses), depending on which of the two options the City chooses and on the "amount" of bonds sold. These costs are paid out of the proceeds of the transaction. If the City does not continue with a bond issue, there is no financial obligation by the City to Del Rio Advisors.

The contingent fee charged by Del Rio Advisors would range from \$32,500 to \$72,500 under Option I (Public Offering or Private Placement to Institutional Investors) and

\$17,500 to \$57,500 under Option II (Direct Placement to Commercial Banks or to Other Direct Lenders), depending on amount of the bonds sold.

Staff will provide an expanded discussion of the two Options when a bond or debt issue is brought forward to the City Council for consideration next fiscal year.

The reimbursable expenses are up to \$1,500 for reimburseable expenses, and are paid, again, if a bond deal is closed, from the proceeds of the bond transaction.

Alternatives or Pros/Cons:

Pros:

- Authorizes a Municipal Advisor to advise the City on possible funding options through debt issues that meet the financing needs of the Water and Wastewater enterprise.
- Allows City staff and its consultants to work with the Municipal Advisor as necessary on bond and other debt issue questions.
- Complies with the new Federal Dodd Frank rules for Municipal Advisors who provide City organizations with financial advice on securing debt financing (for CIP projects).

Cons:

- None noted.

Staff Recommendation:

Staff recommends that the City Council authorize the City Manager to negotiate and execute an agreement with Del Rio Advisors, LLC to perform financing analyses for possible debt financing options for Water and Wastewater projects.

Attachments:

- ☐ Resolution
- ☐ Ordinance
- ☐ Map
- ☐ Other Contingency agreement

Review:

- ☒ Finance
- ☒ City Attorney 4/26/16
- ☒ City Manager 4/26/16
- ☒ City Clerk 4/27/16

Date:



Del Rio Advisors, LLC

"Independent Municipal Advisor"

March 16, 2016

**City of Lemoore
John Herrera, CPA
Finance Director (Contract)
119 Fox Street
Lemoore, CA 93245**

RE: Engagement Agreement / Disclosures

Dear Mr. Herrera:

This letter specifies a proposed engagement agreement between Del Rio Advisors, LLC ("MA") and the City of Lemoore including the Successor Agency and any Joint Exercise of Powers Authority ("JPA") related to the City and used to issue bonds ("Issuer"). This letter also provides certain written policies and disclosures to be provided by the Municipal Advisor to the Municipal Entity effective July 1, 2014 and now required by both the Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB").

Scope of Municipal Advisory Activities to be Performed

Under the new regulations, Municipal Advisors are now required to provide a specific list of services to be performed while acting as Municipal Advisor. This list can be amended at any time upon written agreement between the parties.

- Review all underwriter and placement agent proposals for specific transactions and make recommendations
- Either create or actively participate in the development of a sound financial plan
- Determine the most cost effective way to carry out the plan that is being considered including recommending innovative alternatives
- If requested, take primary responsibility for all quantitative analysis related to the project including: sources and uses of funds, debt service schedules, yield calculations, savings calculations, etc.
- Develop a detailed financing schedule and interested parties list

Del Rio Advisors, LLC

1325 Country Club Drive

Modesto, CA 95356

Phone: (209) 543-8704

Fax: (209) 554-0427

Mobile: (209) 480-1862

Email: kdieker@delrioadvisors.com



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- Coordinate the efforts of bond counsel, disclosure counsel, underwriter(s), placement agent(s), trustee and consultants with respect to the preparation and approval of the financing documents
- Review and comment on all documents ⁽¹⁾
- Attend all meetings and present materials as needed
- If needed, prepare and coordinate comprehensive presentations to the rating agencies and bond insurers
- Prepare detailed costs of issuance and, if public sale, recommend a gross spread level
- Undertake pre-pricing analysis prior to sale; advise the issuer and help in the negotiation with respect to pricing on the day of sale
- Coordinate the approval, delivery and printing of all legal documents, closing certificates and the final official statement ⁽¹⁾
- Perform any other tasks or projects, as required, and amend this list as necessary to describe any new projects or tasks.
- If acting in the capacity of an Independent Registered Municipal Advisor ("IRMA") with regard to the IRMA exemption of the SEC Rule, MA will review all third party recommendations submitted to the MA in writing by the Issuer.

Note:

⁽¹⁾ MA will review and comment on all documents and assist in preparing any documents necessary for the sale of a new issue or reoffering of municipal securities, including the official statement, offering memorandum or similar disclosure documents. However, besides tables or charts specifically prepared by MA and footnoted as such, MA takes no responsibility for the accuracy or completeness of any of the data provided by others including the Issuer and contained therein. MA may rely upon data provided by others in the preparation of tables and charts and takes no responsibility for the accuracy or completeness of the data provided.

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Term of Engagement Agreement

The commencement date of the agreement is the execution date as indicated on the signature page of this agreement and the end date is the earlier of completion of any contemplated project, termination by either party or December 31, 2020.

Termination of Engagement Agreement

This engagement may be terminated by either party with 30-days written notice delivered by registered mail to the other party. If terminated, Issuer will pay any standard reimbursable expenses accrued to date on any project still underway.

Compensation and Out-of-Pocket Expenses

MA proposes a fixed contingent fee for each transaction as listed in the tables on the next page. MA would also seek reimbursement for standard expenses such as travel, lodging, conference calls, reproduction and any other items spent on behalf of the project. As listed in the table on the next page, the "not-to-exceed" expense amount is capped by transaction. Both the proposed fees and expenses under both Option One and Option Two are contingent upon the successful sale and closing of the bonds.

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Option One - Public Offering or Private Placement to Institutional Investors

Public Offering or Private Placement

Low	High	Fee ^(1, 2)
0	5,000,000	32,500
5,000,001	10,000,000	42,500
10,000,001	20,000,000	52,500
20,000,001	50,000,000	62,500
>50,000,000		72,500

- (1) Add to this figure up to a "not-to-exceed" \$1,500 for normal reimbursable expenses.
- (2) All fees assume negotiated bond sale; add \$5,000.00 for

Option Two – Direct Placement to Commercial Banks or to Other Direct Lenders

Direct Placement

Low	High	Fee ⁽¹⁾
0	5,000,000	17,500
5,000,001	10,000,000	27,500
10,000,001	20,000,000	37,500
20,000,001	20,000,000	47,500
>50,000,000		57,500

- (1) Add to this figure up to a "not-to-exceed" \$1,500 for normal reimbursable expenses.

In addition, the Issuer may wish to engage the MA on other projects that will be defined further as amendments to this agreement and the MA will be compensated on a time and materials basis at the following hourly rate:

Team Member	Hourly Rate
Kenneth L. Dieker	\$175.00

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The total dollars available for a particular project may be capped at some fixed total amount as further defined in future amendments to this agreement. In addition, the MA would seek reimbursement for standard expenses such as travel, lodging, conference calls, reproduction and any other items spent on behalf of the project. This would be billed and payable on a monthly basis.

Amendment No. 1 (March 16, 2016):

The Issuer wishes to engage the MA on an hourly basis at \$175.00/hr in an amount that does not exceed \$4,900, including expenses, for purposes of determining the viability of refunding the following outstanding bonds:

Successor Agency to the Lemoore Redevelopment Agency
Lemoore Redevelopment Project
2011 Tax Allocation Bonds

Fiduciary Duty

MA is registered as a Municipal Advisor with the SEC and Municipal Securities Rulemaking Board (MSRB). As such, MA has a Fiduciary duty to the Issuer and must provide both a Duty of Care and Loyalty that entail the following:

Duty of Care

- a) exercise due care in performing its municipal advisory activities;
- b) possess the degree of knowledge and expertise needed to provide the Issuer with informed advice;
- c) make a reasonable inquiry as to the facts that are relevant to the City's / Authority's determination as to whether to proceed with a course of action or that form the basis for any advice provided to the Issuer; and
- d) undertake a reasonable investigation to determine that MA is not forming any recommendation on materially inaccurate or incomplete information; MA must have a reasonable basis for:

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- i. any advice provided to or on behalf of the Issuer;
- ii. any representations made in a certificate that it signs that will be reasonably foreseeably relied upon by the Issuer, any other party involved in the municipal securities transaction or municipal financial product, or investors in the Issuer securities; and
- iii. any information provided to the Issuer or other parties involved in the municipal securities transaction when participating in the preparation of an official statement.

Duty of Loyalty

MA must deal honestly and with the utmost good faith with Issuer and act in Issuer's best interests without regard to the financial or other interests of MA. MA will eliminate or provide full and fair disclosure (included herein) to Issuer about each material conflict of interest (as applicable). MA will not engage in municipal advisory activities with Issuer as a municipal entity, if it cannot manage or mitigate its conflicts in a manner that will permit it to act in Issuer's best interests.

Conflicts of Interest and Other Matters Requiring Disclosures:

- As of the date of the Agreement, there are no actual or potential conflicts of interest that MA is aware of that might impair its ability to render unbiased and competent advice or to fulfill its fiduciary duty. If MA becomes aware of any potential conflict of interest that arises after this disclosure, MA will disclose the detailed information in writing to Issuer in a timely manner.
- The fee paid to MA increases the cost of investment to Issuer. The increased cost occurs from compensating MA for municipal advisory services provided.
- MA does not act as principal in any of the transaction(s) related to this Agreement.
- During the term of the municipal advisory relationship, this agreement will be promptly amended or supplemented to reflect any material changes in or additions

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to the terms or information within this agreement and the revised writing will be promptly delivered to Issuer.

- MA does not have any affiliate that provides any advice, service, or product to or on behalf of the client that is directly or indirectly related to the municipal advisory activities to be performed by MA;
- MA has not made any payments directly or indirectly to obtain or retain the Issuer's municipal advisory business;
- MA has not received any payments from third parties to enlist MA's recommendation to Issuer of its services, any municipal securities transaction or any municipal finance product;
- MA has not engaged in any fee-splitting arrangements involving MA and any provider of investments or services to Issuer;
- MA has a conflict of interest from compensation for municipal advisory activities to be performed, that is contingent on the size or closing of any transactions as to which MA is providing advice;
- MA does not have any other engagements or relationships that might impair MA's ability either to render unbiased and competent advice to or on behalf of Issuer or to fulfill its fiduciary duty to the Issuer, as applicable; and
- MA does not have any legal or disciplinary events that are material to Issuer's evaluation of the municipal advisory or the integrity of its management or advisory personnel.

Legal Events and Disciplinary History

MA does not have any legal events and disciplinary history on their Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. Issuer may electronically access MA's most recent Forms MA and each most recent Forms MA-I filed with the Commission at the following website: www.sec.gov/edgar/searchedgar/companysearch.html.

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Del Rio Advisors, LLC

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There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC.

Recommendations

If MA makes a recommendation of a municipal securities transaction or municipal financial product or if the review of a recommendation of another party is requested in writing by Issuer and is within the scope of the engagement, MA will determine, based on the information obtained through reasonable diligence of MA whether a municipal securities transaction or municipal financial product is suitable for Issuer. In addition, MA will inform Issuer of:

- the evaluation of the material risks, potential benefits, structure, and other characteristics of the recommendation;
- the basis upon which MA reasonably believes that the recommended municipal securities transaction or municipal financial product is, or is not, suitable for Issuer; and
- whether MA has investigated or considered other reasonably feasible alternatives to the recommendation that might also or alternatively serve the Issuer's objectives.

If Issuer elects a course of action that is independent of or contrary to the advice provided by MA, MA is not required on that basis to disengage from Issuer.

Record Retention

Effective July 1, 2014, pursuant to the Securities and Exchange Commission (SEC) record retention regulations, MA is required to maintain in writing, all communication and created documents between MA and Issuer for five (5) years.

Del Rio Advisors, LLC

1325 Country Club Drive

Modesto, CA 95356

Phone: (209) 543-8704

Fax: (209) 554-0427

Mobile: (209) 480-1862

Email: kdieker@delrioadvisors.com



Del Rio Advisors, LLC

"Independent Municipal Advisor"

Various Matters

Based upon the date of execution below, MA may begin work immediately on the understanding that the Issuer will make every effort to formalize the agreement with an action of the respective governing board.

Once approval of this engagement agreement is granted by the governing board, this engagement letter can serve as either an exhibit to any standard form of Issuer contract or if one is not available can become the agreement between the parties.

If there are any questions regarding the above, please do not hesitate to contact Kenneth L. Dieker of Del Rio Advisors, LLC. If the foregoing terms meet with your approval, please **acknowledge receipt** by executing this letter, scan and email a copy.

Sincerely,

Del Rio Advisors, LLC

By: 

Kenneth L. Dieker, Principal

Issuer

By: _____

John Herrera, Finance Director (Contract)

Dated as of: _____, 2016

Del Rio Advisors, LLC

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Modesto, CA 95356

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Email: kdieker@delrioadvisors.com

Mayor
Lois Wynne
Mayor Pro Tem
Jeff Chedester
Council Members
Ray Madrigal
Eddie Neal
William Siegel



**Finance
Department**

119 Fox Street
Lemoore, CA 93245
Phone (559) 924-6700
Fax (559) 924-9003

Staff Report

ITEM NO. 5-1

To: Lemoore City Council
From: John Herrera, Finance Director Consultant
Date: April 24, 2016 **Meeting Date:** May 3, 2016
Subject: Comprehensive Annual Finance Report for Year Ended June 30, 2015

Proposed Motion:

Council moves to receive and file the Comprehensive Annual Finance Report for fiscal year ending June 30, 2015.

Subject/Discussion:

Staff is proud to present the City's first-ever Comprehensive Annual Finance Report (CAFR) for fiscal year ending June 30, 2015. Preparation of the Lemoore CAFR is noteworthy because this is also the first-ever CAFR for any City in the County - **No other City in Kings County prepares a CAFR.** The CAFR is much more comprehensive than basic financial statements prepared by a City under an annual audit and meets the highest standards of financial reporting.

The Lemoore City Council has set a precedent and standard for other Cities in the County of Kings to follow, making the *City a leader in financial reporting standards* within the County, consistent with reporting standards promulgated by the Government Finance Officers Association of the United States and Canada.

The CAFR represents the City's annual financial statements, expanded to include the following three report components:

- Introductory
- Financial
- Statistical.

The CAFR is a financial document prepared to comply with annual audit requirements. The financial results and analysis related to the financial statements of June 30, 2015 were reviewed and discussed with Price, Page and Company to ensure accuracy of reporting before submittal to the Government Finance Officers Association (GFOA).

The CAFR for June 30, 2015 represents a financial statement prepared in accordance with Generally Accepted Accounting Principles (GAAP). The GAAP presentation requires greater effort to explain to the general public due to the format of the "Government-wide"

and “Fund” financial statements presented in the CAFR, and the required “reconciliation between the Government-wide and Fund” financial statements.

The June 30, 2015 CAFR was completed and audited and has been submitted to the GFOA for review and consideration of the Certificate of Achievement for Excellence in Financial Reporting. Staff believes the 2015 CAFR will achieve the GFOA award. It should be duly noted that this is not only the first CAFR to be submitted to GFOA for consideration by the City of Lemoore, but that it similarly would be the first submission for any City within the County of Kings, California.

The City received a “clean” (unmodified) audit opinion, which means that the City’s financial statements are fairly presented.

In 2014, the auditors cited several issues with internal controls. Staff focused on addressing most of these issues, and continue to address some internal control issues. Staff will complete final resolution of all identified internal control issues as a part of the 2016 audit. Attachments 1 and 2 review the auditor’s report on Internal Controls and Audit Findings, respectively.

Staff and the Auditors will present an overview of the significant information related to the audit results and the CAFR.

Lastly, it is important to note that the CAFR was prepared with the professional assistance of the City’s independent audit firm of Price, Page & Company, which rendered an unmodified (“clean”) audit opinion letter to the City for fiscal year ending June 30, 2015. The City’s auditor was an integral part of bringing forward the attached CAFR, which staff expects will comply with the standards of the GFOA stated above.

Financial Consideration(s):

Not applicable.

Alternatives or Pros/Cons:

Pros:

- Preparation of the CAFR provides residents, business partners, and other stakeholders, a more comprehensive presentation of the City’s financial stability, credit rating, and economic development opportunities.
- The CAFR may improve credit rating as bond rating agencies obtain a clearer picture of the City’s financial position and future growth opportunities.
- Allows the City Council to institutionalize its fiscal policies, plan growth initiatives, and fund future economic development programs.
- Makes the City Council a leader in financial reporting standards among other City organizations in the County of Kings, including other Cities in the valley.

Cons:

- None noted.

Staff Recommendation:

Recommendation that the City Council receive and file the Comprehensive Annual Financial Report (CAFR) for fiscal year ending June 30, 2015.

Attachments:

- ☐ Resolution
- ☐ Ordinance
- ☐ Map
- ☒ Other

1. CAFR Document
 2. Internal Control letter
from Auditors
 3. Significant Audit
Findings
-

Review:

- ☐ Finance
- ☒ City Attorney
- ☒ City Manager
- ☒ City Clerk

Date:

4/26/16
4/26/16
4/27/16

The background of the cover is a photograph of a two-story brick building with white architectural accents, likely a city hall or government building. The building has multiple windows and a central entrance with steps. In the foreground, there is a green lawn, a sidewalk, and a young tree. A street lamp is visible on the left side. The sky is clear and blue.

City of Lemoore

California

Comprehensive Annual Financial Report

Fiscal Year Ending June 30, 2015

**City of Lemoore
119 Fox Street
Lemoore, CA 93245**

**CITY OF LEMOORE
CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2015**

**Prepared by
FINANCE DEPARTMENT**

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

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INTRODUCTORY SECTION

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119 Fox Street • Lemoore, California 93245 • (559) 924-6700 • Fax (559) 924-9003

April 14, 2016

Honorable Mayor and Members of the City Council,

The City is pleased to submit the first-ever Comprehensive Annual Financial Report (CAFR) for the City of Lemoore ("City") for the fiscal year ("FY") July 1, 2014 through June 30, 2015. It is noteworthy to mention that this CAFR is actually the first for the County of Kings as a whole, as no other City in the County has ever prepared a CAFR. Other Cities in the County of Kings issue only audited general purpose financial statements. The CAFR is much more comprehensive as discussed below and meets the highest standards of financial reporting for municipal organizations.

The City requires that a licensed certified public accountant conduct an annual audit at the end of each fiscal year and issue a complete set of financial statements for City Council and public review. The CAFR represents the audited financial statements of the City, with expanded statistical information and narratives to provide relevant financial information to the residents of Lemoore, taxpayers, creditors, investors, and other stakeholders.

This letter of transmittal provides a non-technical summary of City finances, services, achievements, and economic prospects. The readers who wish a more detailed discussion of the City's financial results should refer to Management's Discussion & Analysis ("MD&A") contained in the Financial Section of the CAFR.

The Lemoore Finance Department is responsible for the accuracy of the information contained in this report, including the adequacy of its disclosures, and the fairness of its presentation. Staff believes this CAFR to be complete and reliable in all material respects. To provide a reasonable basis for making this representation, staff has established a comprehensive system of internal controls designed to protect City assets from loss, to identify and record transactions accurately, and to compile the information necessary to produce financial statements in conformity with generally accepted accounting principles (GAAP).

The City contracted with Price, Page & Company Accountancy Corporation, a firm of Certified Public Accountants licensed to practice in the State of California, to perform the annual independent audit. The auditors expressed an opinion that the City's financial statements for fiscal year 2014-15 are fairly stated in conformity with generally accepted accounting principles (GAAP).

This is the most favorable conclusion and is commonly known as an "unmodified" or "clean" opinion. The independent auditor's report is included in front of the Financial Section of this report.

This CAFR is organized into four sections:

- The **Introductory Section** provides this transmittal letter which includes information about the governmental structure, economic activities of the community, and notable financial activities.
- The **Financial Section** includes the financial statements, notes, and supplemental information. The MD&A immediately follows the independent auditor's report, and provides a narrative introduction, overview, and analysis of the Basic Financial Statements including notes and the Required Supplementary Information.
- The **Statistical Section** includes tables containing historical financial data, debt statistics, and miscellaneous social and economic data of potential interest to readers of financial documents. The data also includes ten-year revenue and expenditure data.

CITY PROFILE

Basic Information

Lemoore encompasses a land area of approximately 8.5 square miles and is located in the heart of Central California's San Joaquin Valley, equidistant from both the Los Angeles and San Francisco metropolitan areas. Lemoore is positioned at the crossroads of State Highways 198 and 41 about 7.5 miles (12 km) west-southwest of Hanford, at an elevation of 230 feet. The California Department of Finance estimated that Lemoore's population was 25,325 on January 1, 2015.

Lemoore was incorporated in 1900 as a general law city with a council-manager government. The City Council ("Council") is made up of five members. The five Council members are elected at large to serve four-year, overlapping terms. Municipal elections are held in November of even number years. Council selects two of its members to serve as the Mayor and the Mayor Pro-tem. The Council is responsible for making policy, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager and the City Attorney.

The City Manager is responsible for carrying out the ordinances and policies of the Council, overseeing operations, and appointing the City's department heads.

Management

The City continues to maintain a strong and effective workforce with 98 full-time equivalent, 50 part-time positions, and 35 volunteer firefighters. The retirement of the previous City Manager tasked Council with identifying a new Chief of Staff. Working independent of any executive search firms, Council was able to conduct their own recruitment. Their efforts were rewarded with the selection of Andi Welsh, who at the time was serving as Assistant to the Town Manager in Gilbert, AZ (pop. 230,000). She began her service with Lemoore just days after the end of this fiscal year.

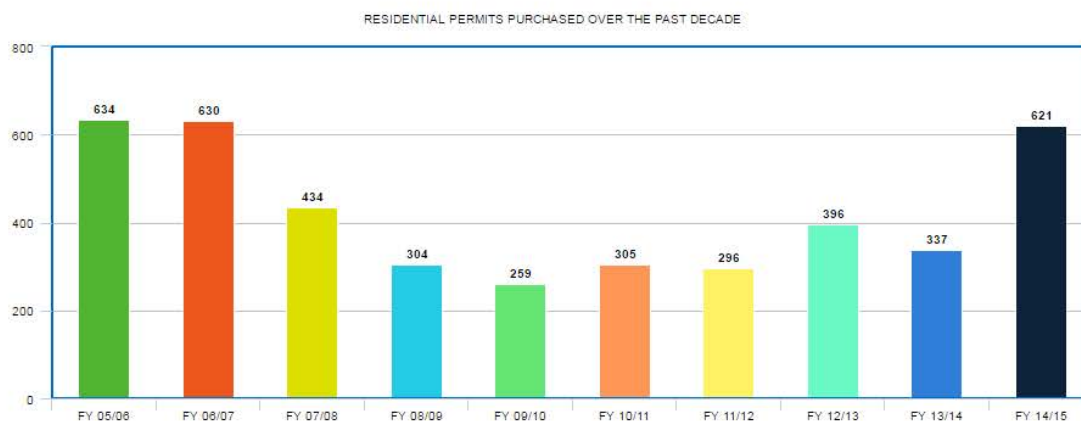
Having the desire to best illustrate the values of the community, Council approved and adopted a Mission and Vision statement for the City to serve as a guidepost for City staff. The City's Mission is "To provide high quality services and establish the conditions for economic vitality and high quality of life" and Vision "Lemoore will be an economically vital community, marked by educational, cultural, recreational and business opportunities" statements were drafted this fiscal year, and were approved and adopted shortly thereafter.

COMMUNITY DEVELOPMENT

In 2013, due to the economy, the Planning Department was eliminated and technical planning services were contracted to Quad Knopf, Inc. Parks & Recreation served through the end of FY 2014-2015 as the representative department for the City that addressed community concerns.

After several years' lull due to the downturn in the national economy from the housing crisis, FY 2014-2015 saw a marked improvement in homeowner's interest in home improvements.

The number of residential permits almost doubled from the previous year as shown below:



Due to the expansion at Naval Air Station Lemoore (NASL) and the changing economy, growth in the community is occurring and is expected to continue over the next decade. To support the expected growth, full-time onsite support is essential. Planning services performed by Quad Knopf will continue into FY 2015-2016.

Lemoore's community benefitted from several capital improvement programs, including: creation of the full service community kitchen at the Cinnamon Municipal Complex, addition of the CrossFit and Weight Room at the same location, as well as the redesign of the 19th Avenue Park space (Kings Lions Park). Specific amenities added to the park included: addition of softball field backstops as well as illumination posts for evening use, dog park renovation, and water improvements to the grounds installed to grow grass on the fields.

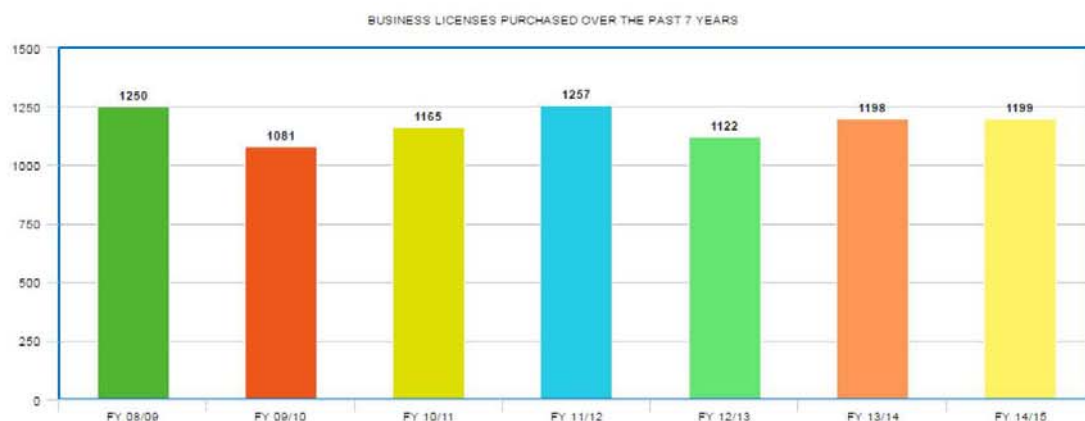
ECONOMIC CONDITIONS

Lemoore has enjoyed a steady population increase of four and five percent over the past few years. Site location consultants are impressed with the advantages that the City offers, including a hardworking labor force, large tracts of affordable land, enterprise zone incentives, foreign trade zone #266 designation (<http://www.lemoore.com/ed/ftzone.htm>) and a pro-business environment. Lemoore retains the charm and beauty of small rural town with its turn-of-the-century buildings and residences.

The available labor force in Lemoore has the benefit of being very diverse. Because of heavy agricultural ties, there is an abundance of unskilled and semi-skilled general labor, along with a significant amount of skilled workers who possess a variety of educational and technical training backgrounds. Many residents are related to Navy personnel stationed at NASL or were former military personnel and have chosen to reside permanently in Lemoore.

Demand for new business services has been steadily maintained over the past several years. As shown in the bar chart below, the number of business licenses has remained relatively flat, with the most significant decline occurring in fiscal year 2009-2010. Fiscal year 2009-2010 was the year where the Great Recession hit businesses the hardest at the City of Lemoore. The average annual number of business licenses was 1,182 during the last seven years of history.

The chart below shows the history of business licenses during the past seven years:



Residents benefitted from the establishment of several new organizations this year, enhancing the community with an array of important services.

Valley Animal Haven: This non-profit organization is a 'no kill' sanctuary that not only shelters pets but also emancipates animals from euthanizing facilities.

Deli Delicious: Voted "People's Choice – Best Sandwich" from 2009-2015, this franchise has found purchase in Lemoore as well as many other surrounding Cities in the Central Valley.

Etiquette School of Central Valley: Youths and adults can elevate their identities by learning valuable personal presence, communication and social/soft skills that are no longer taught in schools, nor in many homes.

NASL is the Navy's newest, largest and only West Coast master jet base. Approximately 7,200 enlisted and 1,300 civilians work at NASL, making it the third-largest industry in Kings County. In addition, it supports about 10,900 dependents, 12,825 retirees/dependents, 500 students and 825 reservists.

NASL contributes more than \$1 billion to the regional economy. Military men and women may be seen in uniform throughout the community and even at City Hall, paying their utility bills. The men and women who live and work here continue to enjoy an atmosphere of mutual respect, cooperation, strong teamwork and common interest with the local communities while supporting the mightiest Navy in the world. Also, with the most expensive military aircraft (F-35 fighter jets) serviced in Lemoore, there is a lot of activity within sphere of influence of the City from NASL.

(source: http://www.mybaseguide.com/navy/93-2064/nas_lemoore_welcome_ aboard)

Types of Services

The City provides a full range of municipal services including those required by statute or Council policy. These services include Police, Volunteer Fire, Community Development, Building & Safety, Successor Agencies to Redevelopment, Housing and Economic Development, Wastewater Treatment and Collection, Storm Water Collection, Solid Waste, Streets, Traffic Safety, Parks & Recreation, including a municipal Golf Course, and General Administration that ensure the efficient delivery of all the aforementioned municipal services.

Public Safety

The citizens of Lemoore enjoy protection from the Lemoore Police Department (LPD). The Department is comprised of 23 Officers, 2 Commanders, and further bolstered by 23 Volunteer Officers. The entire department is led by the Police Chief.

Felony crimes remained mostly unchanged from the previous year and were in line with the average crime rate throughout California. Notable among all statistics is there were no reported homicides during FY 2014-2015. It has been 13 years running since a uniformed officer has needed discharge their weapon. The Detective Bureau was

assigned 341 cases for investigation or follow up, of which 333 were cleared, resulting in an impressive solution rate of 97%.

Youth development programs continue to be enthusiastically received by Lemoore High School and Elementary School Districts. A full-time campus police officer is assigned to West Hills College. The LPD established the Police Activities League (PAL), which is aimed to reach out to at-risk youth through the sports activities and helps the youth make quality choices which in turn provides better ability for them to become responsible citizens. The LPD VIPs (Volunteers in Policing) donated 6,497 hours of service to the department and the community in FY 2014-2015.

Residents of Lemoore are also cared for by the highly skilled Volunteer Fire Department. Many hours are committed each year by their staff, which currently is comprised of 35 on-call Volunteer Firefighters; 10 of which are Certified Emergency Medical Technicians. Nearly 20,000 hours were dedicated by the Firefighters last year, ensuring that incidents within the City and within aid boundaries, were quickly addressed as well as mitigating loss of property. The City currently has an impressive Insurance Service Office (ISO) fire rating of 3 (on a scale of 1 to 10, with 1 being the highest possible rating)

The Fire Department fleet consists of nine in-service vehicles, one of which is a 2013 Ferrara 77' ladder truck, with and the newest addition being a 2015 Ferrara Intruder Midship Rescue Pumper placed on order, with an expected delivery during FY 2015-2016.

Further support is provided by the Public Works Director, who plays a dual role as the City Fire Marshall. Under the supervision of the Fire Marshall, the City Building Inspectors perform annual fire/building safety inspections on behalf of the Fire Department. One full time Community Service Officer, under the supervision of the Police Chief, assists the Fire Department with weed abatement cases that become hazardous to the community.

MAJOR INITIATIVES

The City of Lemoore is involved in a number of initiatives to improve City services and enhance the lives of its citizens. The City is a good steward of its environment with projects designed to improve air quality and lessen energy dependence. Aging infrastructure needs are being addressed or planned for with strategic capital improvements and targeted set asides. Safety of our citizens is of paramount importance as evidenced by policing policies designed to identify and address problems and doing so by working more closely with the community.

Environmental Stewardship

- Solar project
- Arsenic mitigation
- Natural gas fleet

Improving Our Neighborhoods

- Homebuyer Program
- Street repairs

Quality of Life Enhancements

- Golf Course

- Kings Lion Complex / 19th Avenue Park

Community Investment Program Projects

- Wastewater Treatment Plant
- Cinnamon Drive

Community Investment Program Completed Project:

Opterra Solar Project - Green energy established itself within City limits in 2014 with the Opterra Solar Project breaking ground that summer. Work was completed during this fiscal year, after \$12.8 million dollars was invested to facilitate a cleaner and more affordable source of energy. Expectation is that 3.1 megawatts of electricity will be generated and save the City about \$44 million dollars over the next 30 years.

Solar arrays were placed at 13 locations through the City, such as water well sites, wastewater treatment facility, the police station as well as two massive parking canopies at the Cinnamon Municipal Complex.

(source: http://hanfordsentinel.com/news/lemoore/lemoore-solar-project-nears-finish-line/article_03473cb8-e5f5-11e3-be83-0019bb2963f4.html)

FINANCIAL CONDITION

The City of Lemoore is guided by a conservative philosophy that has required the City to take broad measures to survive the Great Recession of 2008-2009 and preserve service levels required to maintain the quality of life for residents of the Lemoore. Broad cost recovery allocations have enhanced fund balances for the past 10 years. The City will need to work to diversify its tax base through economic development, as well as improve its cost accounting and efficiency analyses to ensure service delivery, at the most efficient cost possible.

The City's revenues have been relatively flat for the last ten years, with little growth in funding for new programs or services in the General Fund budget. There is an opportunity for the City to be more aggressive in cost-recovery for user fees and development impact fees, to ensure that cost-recovery is maintained at full cost. However, there will continue to be programs where the City may choose to use taxes to subsidize policy priorities of the City Council. However, as the service level demands increase, the City will have to continue to explore options to recover the full cost of user fee services.

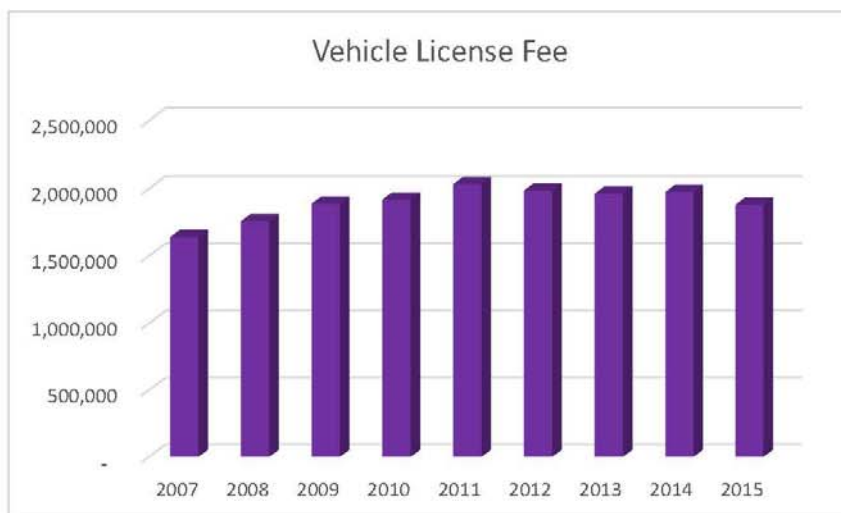
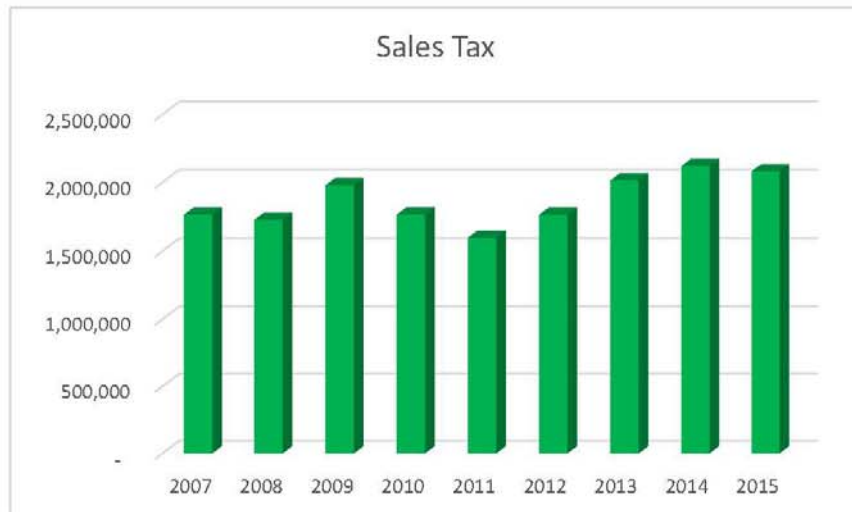
The City Manager's Office has programmed in the next fiscal year an initiative to perform a comprehensive analysis of its revenue structure, tax base, cost allocation plans, and economic development plans and seeks to implement a revenue enhancement strategy to maximize the fiscal capacity of the City, with the goal of achieving long term fiscal sustainability for the City.

The deliverables of this comprehensive analysis is a business plan and long term financial plan that can guide the City's budget decisions and fiscal policy decisions going forward.

The top five revenues in the City's General Fund generate over 76% or more of the funding for the budget. By focusing on these, the City can maximize the return on cash flows when making decisions that affect these revenue streams.

The City's *primary* revenue source is **Sales Tax** revenue from retail sales generated from the 1% City share of the total 7.50% rate.

As shown here, the sales tax revenues average about \$2 million per year, and although it has relatively stable patterns, there was a small increase in 2013, with a flattening in the last couple years. The drop in fuel prices at the pump is the largest impact on sales tax revenues in Lemoore, due to the relative importance of gas stations to the City's retail sales.



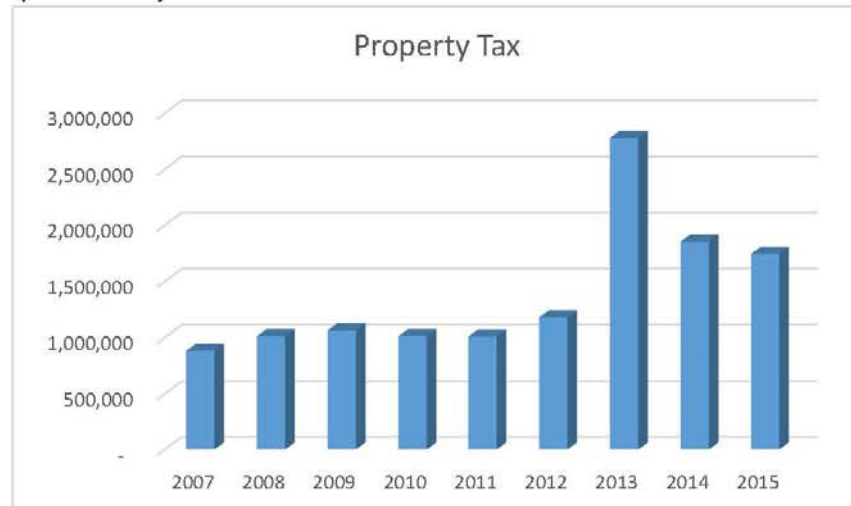
The *second* revenue source in Lemoore is the state **Vehicle License Fee** (VLF), which generates just under \$2 million per year as shown in the accompanying bar chart.

The VLF revenue has remained relatively flat, with

a small decline in 2015 as shown above.

The *third* revenue source is **Property Tax**, which was flat from 2007 through 2012, with a large increase in property revenues in 2013 related to the growth in residual tax increment property tax revenues generated through the dissolution of the Redevelopment Agency in 2011. The revenue chart below shows a small decrease in property tax revenues in 2015, at \$1,745,278, a decrease of \$110,050 when compared to the \$1,855,328 from the prior fiscal year.

Property taxes have anomalies due to property tax delinquencies and other related assessment issues. The 2016 tax roll will help illuminate more detail about this key revenue source of the City.



The *fourth* revenue, or funding source for the City's General Fund is Inter-Fund Reimbursements for administrative services provided to other funds. The historical

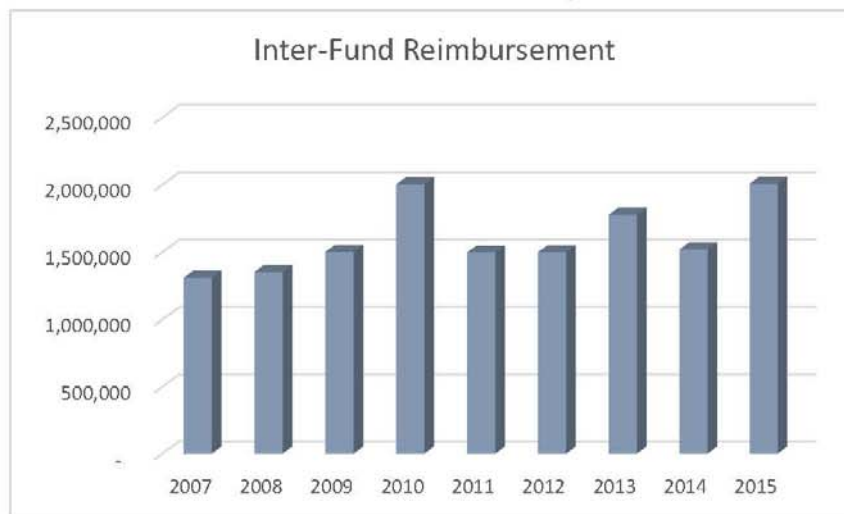
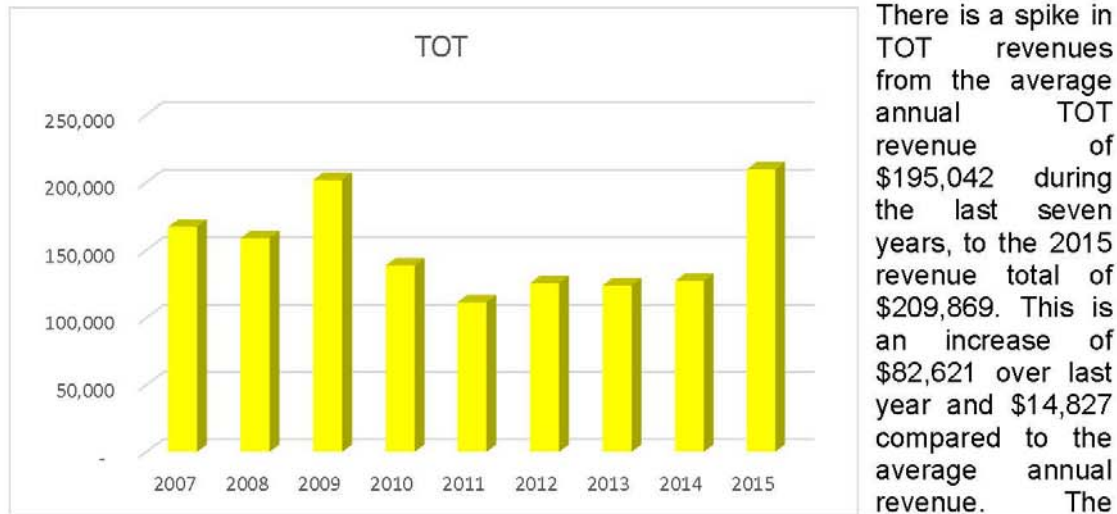


chart below shows the largest increase in 2010, which corresponds to fiscal year 2009/2010 when there was a need to expand the level of cost recovery to mitigate the revenue losses to the General Fund from the Great Recession.

Next fiscal year, the new City Manager has directed that a new cost allocation plan be developed to validate the inter-fund cost reimbursement levels in 2016 to ensure an accurate and sustainable General Fund budget going forward.

Transient Occupancy Tax (TOT) revenues, also known as a hotel lodging tax, are a smaller revenue; however, it is one of the top five revenue sources for the General Fund budget. The TOT revenue bar chart provides a visual of the last seven years of history with this revenue source as follows:



reason for the spike in TOT revenues is likely due to construction at NAS Lemoore and the surrounding region.

CREDIT RATING

The City maintains a credit rating of **A-** from **Standard & Poor's** Rating Services, which represents a **stable financial outlook**. The City expects to maintain this credit rating into next fiscal year, which will assist the City with reasonably low borrowing costs when the \$128 million 5-Year Community Investment Program (CIP) budget is implemented, with \$97 million of that total requiring a consideration of debt financing to construct Water and Wastewater CIP projects. As of this writing, the City has initiated Proposition 218 procedures to increase Water rates to begin the funding process to finance the enterprise fund CIP project budget.

BUDGET

The City Council is required to adopt a budget for the next fiscal year by no later than June 30. This budget is prepared on an annual basis and serves as the foundation for the City's fiscal planning and financial control. The budget is prepared by departments (e.g., Administration, Police, etc.), by funds (i.e., General Fund, Traffic Safety Fund, etc.), and by divisions (i.e., City Manager, City Clerk, etc.). The City Manager may transfer appropriations within a department, provided that the total appropriation is not increased. The budgets are then managed and controlled by department heads under the supervision of the City Manager and the Finance Director.

Budgets are adopted annually for the General Fund, some of the special revenue funds, enterprise funds, and one internal service fund. A capital improvement program (CIP) projects budget is prepared for approval by the City Council, and updated as necessary.

CIP projects are funded by capital projects funds, impact fees, operating accounts, grant proceeds or debt proceeds. Next fiscal year, the City will bring forward a comprehensive Five-Year CIP Budget, with a new definition for the CIP: **Community Investment Program**.

SINGLE AUDIT

There was *no requirement for a Single Audit this fiscal year* because total federal grant award expenditures did not reach the \$500,000 threshold. However, as a recipient of federal (and state and county) grant funding, the City continues to be responsible for providing assurance that adequate internal controls are in place to ensure compliance with applicable laws and regulations relating to these award programs. Internal controls are subject to periodic evaluation by management, the Office of the City Auditor, and the City's independent auditors.

AWARDS

The City will be making its first submittal to the Government Finance Officers Association for its annual Award for Excellence in Financial Reporting. The City believes that its first comprehensive Annual Financial Report will meet the requirements for this award.

ACKNOWLEDGEMENTS

Staff would like to acknowledge the efforts of staff from all City Departments. Special mention goes to Finance Department staff for their hard work in assisting with preparation of this first-ever Comprehensive Annual Financial Report. And most importantly, to the Mayor and members of the City Council for their wise fiscal stewardship and strong leadership which has inspired staff to embrace best management practices and improve financial reporting.

This Comprehensive Annual Financial Report was made possible by the City Council's appropriation of resources and their commitment to transparency and accountability in financial reporting to the citizens and stakeholders of Lemoore.

The City Council has set a precedent for other Cities in the County of Kings, making the City of Lemoore a leader in financial reporting standards in accordance with the Government Finance Officers Association and best management practices followed by City organizations today.



Andi Welsh
City Manager



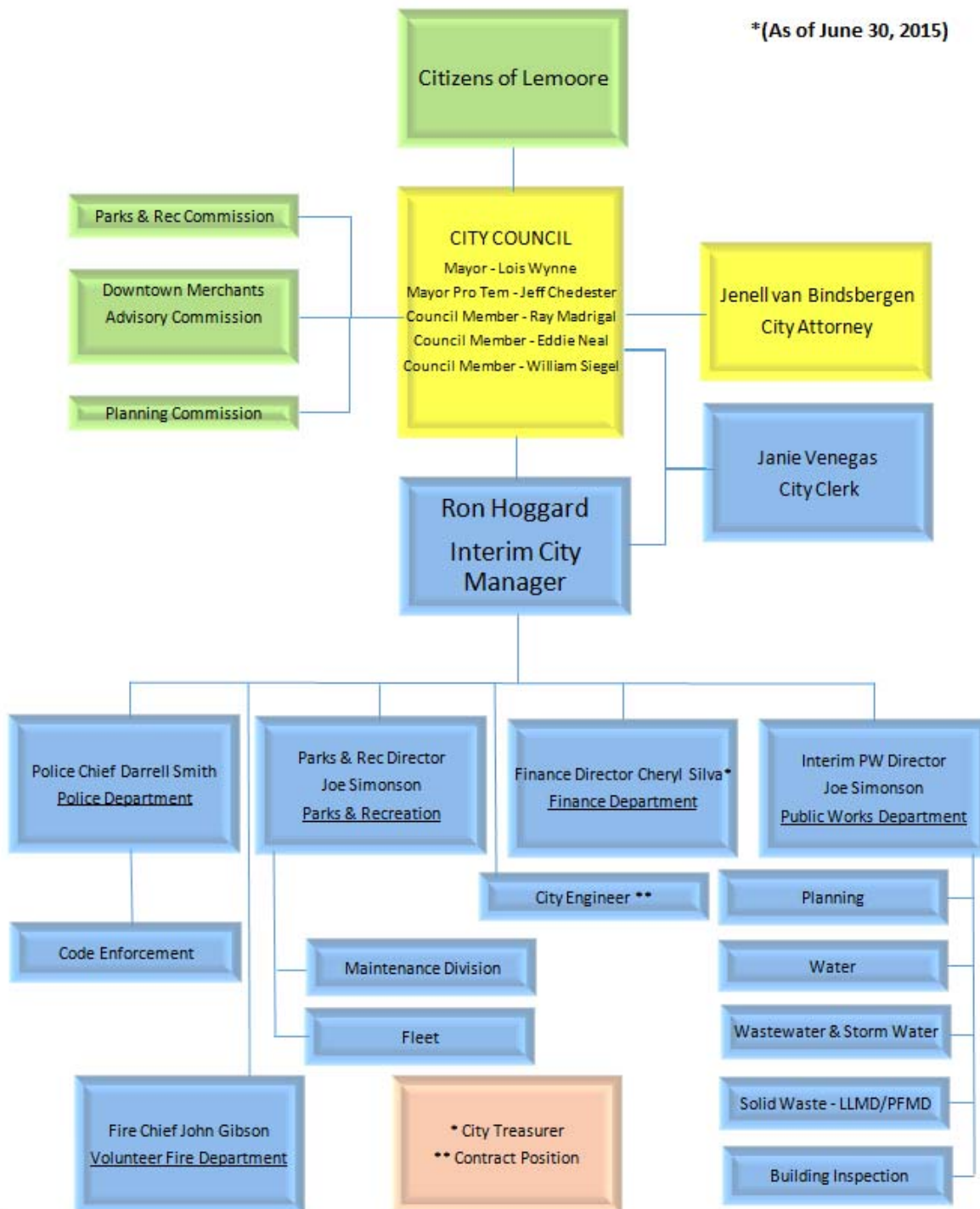
John Herrera, CPA
Finance Director (Contract)

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CITY OF LEMOORE

ORGANIZATION CHART

*(As of June 30, 2015)



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City of Lemoore, California

June 30, 2015

CITY COUNCIL

Mayor – Lois Wynne

Mayor Pro Tem – Jeff Chedester

Council Member – Ray Madrigal

Council Member – Eddie Neal

Council Member – William Siegel

DIRECTORY OF CITY OFFICIALS

Ron Hoggard – Interim City Manager

Janie Venegas – City Clerk

Cheryl Silva – Finance Director

Joe Simonson – Parks & Rec Director / Interim PW Director

Darrell Smith – Police Chief

John Gibson – Fire Chief

Jenell Van Bindsbergern – City Attorney

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lemoore, California (the City) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lemoore, California, as of June 30, 2015, and, the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Gasoline Tax Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

677 Scott Avenue
Clovis, CA 93612

tel 559.299.9540
fax 559.299.2344

Emphasis of Matter

Changes in Accounting Principle

As discussed in Note 1, *New Pronouncements Adopted*, the City adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment to GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Change in Accounting Policy

As discussed in Note 1, *Capital Assets*, the City changed its method of recording and depreciating certain allowed infrastructure from the modified approach to the depreciation approach. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-11, the Schedule of the City's Proportionate Share of the Net Pension Liability on page 72, and the Schedule of Contributions on page 73 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 introductory section, combining and individual nonmajor fund financial statements, statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 12, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Price Pange & Company

Clovis, California
April 12, 2016

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**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

CITY OF LEMOORE MD&A – JUNE 30, 2015

This discussion and analysis of the City of Lemoore's (City) financial performance is for the fiscal year ended June 30, 2015. This Management's Discussion and Analysis (MD&A) provides a comparison of current year to prior year ending results based on the government-wide and major fund financial statements, and an analysis on the City's overall finances and results of operations to assist users in evaluating the City's financial position as of June 30, 2015. Please read this MD&A in conjunction with the City's financial statements, notes, supplementary schedules, and statistical tables.

FINANCIAL HIGHLIGHTS

- The City's governmental total assets exceeded liabilities (net assets) by \$90,390,263, a decrease of \$4,991,632, compared to the prior fiscal year, due in large part to the Net Pension Liability adjustments to comply with Governmental Accounting Standards Board (GASB) 68. The decrease is made up of pension adjustments from Outflows of \$860,207 and Inflows of \$1,771,348 and Long-Term Debt adjustment of \$5,621,275. There were also Capital Assets adjustments of \$1,824,867 which materially affected the decrease in net assets.
- General Fund revenues exceeded General Fund expenditures by \$169,347. City General Fund revenue totaled \$8,970,941 and General Fund expenditures totaled \$8,801,594 for fiscal year 2015. Public safety (police and fire protection) costs comprised \$5,189,952 (58.97%) of General Fund expenditures.
- The City's General Fund ended the year with a fund balance of \$12,492,778, an increase of \$30,486 from the previous fiscal year. Revenues were \$570,464 more than budgeted. Expenditures were \$1,278,773 under budget due largely to the reclassification of inter-fund reimbursement costs. There was \$1,818,653 in transfer in financing source to the General Fund reclassified as reduction of expenditures to conform to the Government Finance Officers Association (GFOA) Blue Book for municipal finance practitioners.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. These statements include all activities of the City of Lemoore for the period July 1, 2014 through June 30, 2015 consistent with Governmental Accounting Standards Board (GASB) Statement No. 34. The Statement of Net Assets and Statement of Activities provide information about the activities of the City as a whole and present a more comprehensive analysis of the City's finances, with an economic resources measurement focus. Fund financial statements show how City services are financed, with a measurement focus on spendable resources. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's major funds.

REPORTING THE CITY AS A WHOLE

Government-wide financial statements. The government-wide financial statements report information about the City as a whole, providing readers with a broad overview of the City's finances. These statements include all assets and liabilities of the City using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. All the current year's revenues and expenses are taken into account in the statement of activities regardless of when cash is received or paid.

The *statement of net assets* presents information on all the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as one indicator of whether the City's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the City's net assets changed in the most recent fiscal year. All changes of net assets are reported as soon as the underlying event giving rise to the change occurs. Therefore, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal years' reporting periods.

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

CITY OF LEMOORE MD&A – JUNE 30, 2015

The City's governmental activities are reported in the government-wide financial statements. Governmental activities include General Government, Public Safety (Police & Fire), Public Works, and Parks & Recreation. Revenues. The City's top 5 revenues in the General Fund account for 75% of total revenues, with sales tax, motor vehicle license fees, property tax and transient occupancy tax comprising the largest revenues. Other governmental fund revenues include development impact fees, grants, state subventions, and other governmental revenues financing these activities.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements. The fund financial statements provide 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 or federal 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 funding resources. The City's three types of funds are; 1) governmental 2) proprietary, and, 3) fiduciary.

Governmental funds—Most of the City's basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial resources that can readily be converted to cash. The governmental fund statements provide a detailed, short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether more or fewer financial resources that can be spent in the near future to finance City programs.

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. The differences of results in the governmental funds financial statements to those in the government-wide financial statements are shown in reconciliations following the governmental funds financial statements.

Proprietary funds – Proprietary funds include enterprise and internal service funds, which are self-supporting and follow similar basis of accounting and measure focus as the government-wide financial statements in this report. The City has four enterprise funds which include Golf Course, Water, Wastewater, and Solid Waste. There is one internal service fund that provides fleet maintenance services and is funded through allocations.

Fiduciary funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the City. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Fiduciary funds are not reflected in the City's government-wide financial statements because the City cannot use these assets to finance its operations.

Notes to the Financial Statements: The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34-70 of this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net position. Net position as noted earlier may serve over time as a useful indicator of the City's financial position.

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

CITY OF LEMOORE MD&A – JUNE 30, 2015

Below is a table showing the City's net position as of June 30, 2015 compared to June 30, 2014.

CITY OF LEMOORE
NET POSITION
JUNE 30, 2015 AND 2014

	Governmental Activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$33,160,650	\$32,283,931	\$13,499,124	\$16,787,656	\$46,659,774	\$49,071,587
Capital assets, net of depreciation	65,532,375	64,415,727	36,681,392	35,842,330	102,213,767	\$100,258,057
Total assets	\$98,693,025	\$96,699,658	\$50,180,516	\$52,629,986	\$148,873,541	\$149,329,644
Deferred outflows of resources (Pensions)	\$860,207		\$275,821		\$1,136,028	
Long-term liabilities outstanding	5,974,277	319,581	\$8,253,431	10,397,068	14,227,708	10,716,649
Other liabilities	1,417,344	998,182	4,055,845	3,989,929	5,473,189	4,988,111
Total liabilities	\$7,391,621	\$1,317,763	\$12,309,276	\$14,386,997	\$19,700,897	\$15,704,760
Deferred inflows of resources	\$1,771,348		\$683,012		\$2,454,360	
Net position:						
Net Invested in capital assets	65,532,375	64,415,727	30,015,455	21,533,822	95,547,830	85,949,549
Restricted	12,592,988	5,900,358		0	12,592,988	5,900,358
Unrestricted	12,264,900	25,065,810	7,448,594	16,709,167	19,713,494	41,774,977
Total net position	\$90,390,263	\$95,381,895	\$37,464,049	\$38,242,989	\$127,854,312	\$133,624,884

Compared to the prior year, total net position of the City's governmental activities decreased by \$4,991,632 or 5.23% due to GASB 68 pension liability and capital asset adjustments plus prior period adjustments as stated under Financial Highlights.

The City's total net position include three components: 1) invested in capital assets (net of related debt), 2) restricted net assets, and 3) unrestricted net assets.

Of total net position, \$95,547,830 or 75% is the City's investment in capital assets (e.g. land, buildings and improvements, vehicles and equipment, infrastructure) less any related debt used to acquire those assets that is still outstanding. This is an increase of \$9,598,281 from the previous fiscal year.

Restricted net position of \$12,592,998 represent 10% of total net position, an increase of \$6,692,630 from prior fiscal year. Restricted net position are resources that are subject to external restrictions on how they may be used. These restrictions are established by bond covenants or restrictions on the use of funds by state or federal regulations.

Unrestricted net positions are those resources that may be used to meet the City's ongoing commitments to citizens and creditors. Government-wide unrestricted net position is \$19,713,494. As stated above, the reduction of net position was due to in large part to the Net Pension Liability adjustments to comply with Governmental Accounting Standards Board (GASB) 68. The decrease is made up of pension adjustments from Outflows of \$860,207 and Inflows of \$1,771,348 and Long-Term Debt adjustment of \$5,621,275.

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

CITY OF LEMOORE MD&A – JUNE 30, 2015

Below is a table showing the government-wide changes in net position for fiscal year June 30, 2015 and 2014.

CITY OF LEMOORE
CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	Governmental Activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services, Miscellaneous	\$1,808,245	\$1,832,300	\$11,398,154	\$11,870,436	\$13,206,399	\$13,702,736
Operating grants and Contributions	482,547	338,027			482,547	338,027
Capital Grants and Contributions	337,260	1,194,454	149,610	1,028,513	486,870	2,222,967
General Revenues:						
Property Taxes	1,990,281	2,156,929			1,990,281	2,156,929
Other taxes	6,771,668	6,463,917			6,771,668	6,463,917
Use of money and Property	8,810	(57,342)	(39,811)	(14,381)	(31,001)	(71,723)
Unrestricted investment earnings	173,184	207,775	87,024	37,239	260,208	245,014
Capital Contributions		812,613		357,036		1,169,649
Other Revenue	753,415	465,649	125,879	0	879,294	465,649
Total revenues and transfers	\$12,325,410	\$13,414,322	\$11,720,856	\$13,278,843	\$24,046,266	\$26,693,165
Expenditures						
General government	\$1,246,579	\$1,632,438			\$1,246,579	\$1,632,438
Public safety	5,421,986	5,058,509			\$5,421,986	5,058,509
Public works	5,172,165	1,802,463			\$5,172,165	1,802,463
Community development	158,908	2,258,286			\$158,908	2,258,286
Parks and Recreation	556,303	586,826			\$556,303	586,826
Unallocated depreciation		301,683				301,683
Water			4,256,397	3,663,339	4,256,397	3,663,339
Sewer			2,286,071	1,744,294	2,286,071	1,744,294
Refuse			2,774,668	2,042,944	2,774,668	2,042,944
Golf Course			1,116,532	1,291,826	1,116,532	1,291,826
Total expenses	\$12,555,941	\$11,640,205	\$10,433,668	\$8,742,403	\$22,989,609	\$20,382,608
Change in net Position	(230,531)	\$1,774,117	\$1,287,188	\$4,536,440	\$1,056,657	\$6,310,557
Other financing sources						
Operating transfers in	\$0	\$1,348,085	\$0	(\$1,348,085)	\$0	\$0
Prior period adjustment	0				0	0
Net position - beginning	\$90,620,794	\$92,259,693	\$36,176,861	\$35,054,634	\$126,797,655	\$127,314,327
Net position - ending	\$90,390,263	\$95,381,895	\$37,464,049	\$38,242,989	\$127,854,312	\$133,624,884

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

CITY OF LEMOORE MD&A – JUNE 30, 2015

Total **government-wide** revenues for this fiscal year totaled \$24,046,266, a decrease of \$2,646,899 or 10% when compared to last fiscal year revenue of \$26,693,165.

Total **government-wide** expenses for this fiscal year total \$22,989,609, a decrease of \$2,607,001 or 13% when compared to last fiscal year expenses of \$20,382,608.

Total **governmental** revenues for this fiscal year totaled \$12,325,410, a decrease of \$1,088,912 or 8% when compared to last fiscal year revenue of \$13,414,322.

Total **governmental** expenses for this fiscal year total \$12,555,941, a decrease of \$915,736 or 7.9% when compared to last fiscal year expenses of \$11,640,205.

Total **Business-type** revenues for this fiscal year totaled \$11,720,856, a decrease of \$1,557,987 or 11.7% when compared to last fiscal year revenue of \$13,278,843.

Total **Business-type** expenses for this fiscal year total \$10,433,668, an increase of \$1,691,265, or 19% when compared to last fiscal year expenses of \$8,742,403.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds ended the year with a combined fund balance of \$30,932,639. This is an increase of \$434,795 over the prior fiscal year.

Major fund balance changes are noted below:

- General Fund revenues exceeded expenditures by \$169,347, with net financing sources and uses of negative \$138,861, for a change in fund balance of \$30,486. Total fund balance in the General Fund totals \$12,492,778 at June 30, 2015.
- Grants Fund revenues of \$6,561 were under expenditures of \$156,411 by \$149,850. Total fund balance in the Grants Fund totals negative \$72,447 at June 30, 2015.
- Gas Tax Fund ended the year with \$711,171 in fund balance after \$1,015,456 excess of expenditures over revenues in the current fiscal year.
- Lemoore Housing Authority Fund ended the year with \$7,199,391 in fund balance due to the \$171,902 excess of revenues over expenditures.
- Other Governmental Funds combined ended the year with \$10,601,746 in fund balances due to \$1,391,713 excess of revenues over expenditures.
- Proprietary Funds combined ended the year with \$37,464,049 in fund net position, which is a decrease of \$778,940, or 2% decline over last year.

Total revenue in all governmental funds was decreased by \$243,728 in 2015 compared to previous year due mostly to intergovernmental revenue (Contributions) for various projects from other agencies in the amount of \$494,474.

Total expenditures in all governmental funds was also decreased by \$2,101,668 in the current fiscal year when compared to the previous fiscal year, largely due to changes in construction spending.

General Fund Budgetary Highlights. During the fiscal year, there were several amendments to the adopted budget for fiscal year 2014/15. The original expenditure budget was \$9,477,236 but was increased by \$603,131, for a total expenditure budget of \$10,080,367. Actual expenditures were \$1,278,773 below the expenditure budget, however, this was due to the reclassification of inter-fund reimbursements. The original

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

CITY OF LEMOORE MD&A – JUNE 30, 2015

revenue budget of \$7,862,627 was increased by \$537,850 for a total revenue budget of \$8,400,477. Actual revenues exceeded the revenue budget by \$570,464.

General Government expenditures were \$620,460 under budget. However, Public Safety expenditures were right at the \$5,181,903 budget, with a nominal \$8,049 overspent this fiscal year, due to expenditures in the Volunteer Fire Department budget.

Public Works and Parks & Recreation were well under budget, with \$928,659 and \$29,301, respectively, in budget savings for each Department.

All budget amendments that either increased or decreased appropriations were approved by the City Council.

CAPITAL AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2015, the City had \$102,213,767 invested in a broad range of capital assets, including land, construction in progress, buildings, equipment and infrastructure. This amount represents a net of depreciation increase of \$1,955,710 or 1.95% from the prior year. *The City changed its method of accounting for Road Network assets from the **Modified** to the **Traditional** depreciation method of accounting for capital assets.

The table below sets forth the City's net asset investment as of June 30, 2015 and 2014.

CITY OF LEMOORE
CAPITAL ASSETS (NET OF DEPRECIATION)
JUNE 30, 2015 AND 2014

	Governmental Activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$2,710,713	\$2,710,713	\$2,053,591	\$2,053,591	\$4,764,304	\$4,764,304
Construction in progress	1,508,136	2,092,360	126,323	11,283,983	1,634,459	13,376,343
Buildings and improvements	12,013,388	11,713,494	17,838,557	15,822,986	29,851,945	27,536,480
Equipment and vehicles	2,016,832	1,185,802	16,662,921	6,681,770	18,679,753	7,867,572
Infrastructure	2,975,670	3,299,300			2,975,670	3,299,300
Road Network	44,307,636	43,414,058			44,307,636	43,414,058
Total	\$65,532,375	\$64,415,727	\$36,681,392	\$35,842,330	\$102,213,767	\$100,258,057

Additional information on the City of Lemoore's capital assets can be found in **Note 6** of the footnotes to this financial statements on page 53-55 of this report.

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

CITY OF LEMOORE MD&A – JUNE 30, 2015

The table below sets forth the City's long-term debt as of June 30, 2015 and 2014.

CITY OF LEMOORE
LONG-TERM DEBT
JUNE 30, 2015 AND 2014

	Governmental Activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Net Pension Liability	\$5,621,275	\$7,406,265	\$1,898,477	\$1,797,385	\$7,519,752	\$9,203,650
Series 2013 water loan			6,665,937	7,068,000	6,665,937	7,068,000
Capital Leases			0	4,183	0.	4,183
Total	\$5,621,275	\$7,406,265	\$8,564,414	\$8,869,568	\$14,185,689	\$16,275,833

The City's long-term liabilities primarily relate to CalPERS pension liabilities and enterprise loan. Total long-term debt decreased from \$16,275,833 last fiscal year to \$14,185,689, which represents a decrease of \$2,090,144.

Additional information on the City of Lemoore's long-term liabilities can be found in **Note 7** of the footnotes to this financial statements on page 56 of this report.

NEXT YEAR'S BUDGETS – FISCAL YEAR 2015/16 ECONOMIC FACTORS

This financial report was prepared nine months after the June 30, 2015 closing date of this report due to large turnover in the City's accounting staff. Thus, most of next year's budget for fiscal year 2015/16 is largely reconciled and expended, with nominal positive Net Operating Revenue expected for fiscal year ending June 30, 2016.

For fiscal year 2015/16, the City's General Fund recurring revenues are projected to be \$8,296,576, an increase of \$433,949, or 5.5%, compared to the \$7,862,627 original revenue budget for fiscal year 2014/15. There is also \$2,169,278 in transfers in budgeted next fiscal year, which will likely be adjust to reflect reclassification of inter-fund reimbursements as expenditure reductions to the \$10,365,003 budget, rather than transfer in financing source. This would result in a net expenditure budget of \$8,195,725, which is \$100,851 below budgeted revenues for next fiscal year. The fiscal policy of maintaining a structurally balanced budget will continue to be upheld by the City.

City management continues to take a position of conservative revenue projections and cost containment, resulting in modest increases to General Fund department expenditures. However, the most significant changes to the City's budget will occur in the subsequent fiscal year 2016/17 budget plan that is already underway.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, City Council, investors, creditors, and other stakeholders with a general overview of the City's finances. If any reader of this report has any questions or needs additional information, contact the City's Finance Director at:

City of Lemoore
119 Fox Street
Lemoore, California 93245
(559) 924-6707

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BASIC FINANCIAL STATEMENTS

**CITY OF LEMOORE
STATEMENT OF NET POSITION
JUNE 30, 2015**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 24,112,140	\$ 13,131,458	\$ 37,243,598
Receivables:			
Accounts, net	488,013	1,194,975	1,682,988
Notes	5,232,254	-	5,232,254
Intergovernmental	932,216	44	932,260
Other	1,419	-	1,419
Prepaid expenses	8,816	1,337	10,153
Internal balances	860,228	(860,228)	-
Inventory	-	31,538	31,538
Assets held for resale	1,485,564	-	1,485,564
Other assets	40,000	-	40,000
Capital assets:			
Non-depreciable	4,218,849	2,179,914	6,398,763
Depreciable, net of accumulated depreciation	<u>61,313,526</u>	<u>34,501,478</u>	<u>95,815,004</u>
 Total assets	 <u>98,693,025</u>	 <u>50,180,516</u>	 <u>148,873,541</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources from pensions	<u>860,207</u>	<u>275,821</u>	<u>1,136,028</u>
 Total deferred outflows of resources	 <u>860,207</u>	 <u>275,821</u>	 <u>1,136,028</u>
LIABILITIES			
Accounts payable	1,168,078	1,541,650	2,709,728
Accrued interest payable	-	13,776	13,776
Deposits and other liabilities	78,269	39,861	118,130
Unearned revenue	82,747	-	82,747
Advances from successor agency	-	2,023,147	2,023,147
Noncurrent liabilities:			
Due within one year	88,250	437,411	525,661
Due in more than one year	<u>5,974,277</u>	<u>8,253,431</u>	<u>14,227,708</u>
 Total liabilities	 <u>7,391,621</u>	 <u>12,309,276</u>	 <u>19,700,897</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources from pensions	<u>1,771,348</u>	<u>683,012</u>	<u>2,454,360</u>
 Total deferred inflows of resources	 <u>1,771,348</u>	 <u>683,012</u>	 <u>2,454,360</u>
NET POSITION			
Net investment in capital assets	65,532,375	30,015,455	95,547,830
Restricted for:			
Public safety	494,439	-	494,439
Public works	4,887,180	-	4,887,180
Community development	7,199,391	-	7,199,391
Capital projects and improvements	11,978	-	11,978
Unrestricted	<u>12,264,900</u>	<u>7,448,594</u>	<u>19,713,494</u>
 Total net position	 <u>\$ 90,390,263</u>	 <u>\$ 37,464,049</u>	 <u>\$ 127,854,312</u>

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

**CITY OF LEMOORE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/programs:							
Primary government:							
Governmental activities:							
General government	\$ 1,246,579	\$ 119,061	\$ -	\$ -	\$ (1,127,518)	\$ -	\$ (1,127,518)
Public safety	5,421,986	349,755	433,986	-	(4,638,245)	-	(4,638,245)
Public works	5,172,165	281,221	-	337,260	(4,553,684)	-	(4,553,684)
Community development	158,908	675,228	48,561	-	564,881	-	564,881
Parks and recreation	556,303	382,980	-	-	(173,323)	-	(173,323)
Total governmental activities	12,555,941	1,808,245	482,547	337,260	(9,927,889)	-	(9,927,889)
Business-type activities:							
Water	4,256,397	3,942,183	-	-	-	(314,214)	(314,214)
Sewer	2,286,071	3,402,947	-	-	-	1,116,876	1,116,876
Refuse	2,774,668	2,950,079	-	149,610	-	325,021	325,021
Golf Course	1,116,532	1,102,945	-	-	-	(13,587)	(13,587)
Total business-type activities	10,433,668	11,398,154	-	149,610	-	1,114,096	1,114,096
Total	\$ 22,989,609	\$ 13,206,399	\$ 482,547	\$ 486,870	(9,927,889)	1,114,096	(8,813,793)
General revenues:							
Property taxes					1,990,281	-	1,990,281
Sales taxes					2,081,582	-	2,081,582
Other taxes					4,690,086	-	4,690,086
Unrestricted investment earnings					173,184	87,024	260,208
Other revenue					753,415	125,879	879,294
Gain (loss) on sale of assets					8,810	(39,811)	(31,001)
Total general revenues and transfers					9,697,358	173,092	9,870,450
Changes in net position					(230,531)	1,287,188	1,056,657
Net position - beginning, restated					90,620,794	36,176,861	126,797,655
Net position - ending					\$ 90,390,263	\$ 37,464,049	\$ 127,854,312

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

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FUND FINANCIAL STATEMENTS

The funds described below were determined to be Major Funds by the City in fiscal year 2015. Individual nonmajor funds may be found in the supplemental section.

GENERAL FUND

This fund is the primary operating fund of the City. It accounts for normal recurring activities traditionally associated with government, which are not required to be accounted for in another fund. These activities are funded primarily by property taxes, sales and use taxes, interest and rental income, charges for services, and grants.

GRANTS SPECIAL REVENUE FUND

This fund accounts for the City's receipts and expenditures of the state, federal, and other grants.

GASOLINE TAX SPECIAL REVENUE FUND

This fund accounts for revenues and expenditures apportioned to the City under the Streets and Highway Code, Sections 2103, 2105, 2106, 2107, and 2107.5 of the State of California. Expenditures for administration, maintenance, and construction must be street related.

LEMOORE HOUSING AUTHORITY SPECIAL REVENUE FUND

This fund has taken over the assets and associated functions of the Low/Moderate Income Housing Fund of the former Lemoore Redevelopment Agency and is used to account for current and future low-income households for the acquisition, rehabilitation, or new construction of single family homes.

CITY OF LEMOORE
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2015

	Special Revenue Funds					
	General Fund	Grants Fund	Gasoline Tax Fund	Lemoore Housing Authority Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 11,413,441	\$ -	\$ 876,518	\$ 1,408,543	\$ 10,413,638	\$ 24,112,140
Receivables:						
Accounts	-	-	-	-	488,013	488,013
Notes	75,180	651,200	-	4,505,874	-	5,232,254
Intergovernmental	611,909	-	324	-	319,983	932,216
Other	1,419	-	-	-	-	1,419
Interfund receivables	211,785	-	-	-	-	211,785
Advances to other funds	1,091,470	-	-	-	-	1,091,470
Prepaid items	-	-	-	-	8,816	8,816
Other assets	40,000	-	-	-	-	40,000
Assets held for resale	-	-	-	1,485,564	-	1,485,564
Total assets	\$ 13,445,204	\$ 651,200	\$ 876,842	\$ 7,399,981	\$ 11,230,450	\$ 33,603,677
LIABILITIES						
Accounts payable	\$ 781,192	\$ -	\$ 165,671	\$ 590	\$ 158,784	\$ 1,106,237
Interfund payables	-	72,447	-	-	-	72,447
Deposits and other liabilities	78,269	-	-	-	-	78,269
Unearned revenue	82,747	-	-	-	-	82,747
Total liabilities	942,208	72,447	165,671	590	158,784	1,339,700
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	10,218	651,200	-	200,000	469,920	1,331,338
Total deferred inflows of resources	10,218	651,200	-	200,000	469,920	1,331,338
FUND BALANCES (DEFICIT)						
Nonspendable:						
Prepaid items	-	-	-	-	8,816	8,816
Notes receivable	75,180	-	-	-	-	75,180
Long-term interfund advances	1,091,470	-	-	-	-	1,091,470
Restricted:						
Public safety	80,257	-	-	-	414,182	494,439
Public works	-	-	711,171	-	4,176,009	4,887,180
Community development	-	-	-	7,199,391	-	7,199,391
Capital projects and improvements	-	-	-	-	11,978	11,978
Assigned:						
Public safety	27,089	-	-	-	-	27,089
Capital projects and improvements	-	-	-	-	5,990,761	5,990,761
Subsequent year's budget:						
appropriation of fund balance	68,949	-	-	-	-	68,949
Unassigned	11,149,833	(72,447)	-	-	-	11,077,386
Total fund balances (deficit)	12,492,778	(72,447)	711,171	7,199,391	10,601,746	30,932,639
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 13,445,204	\$ 651,200	\$ 876,842	\$ 7,399,981	\$ 11,230,450	\$ 33,603,677

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

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

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

Total fund balances - governmental funds	\$ 30,932,639
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources; therefore, they are not reported in the governmental funds.	65,473,056
Long-term obligations are not due and payable in the current period and, therefore, are not reported in the funds. Those liabilities consist of:	
Compensated absences	(414,520)
Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. These amounts consist of:	
Net pension liability	(5,403,437)
Deferred outflows of resources	825,515
Deferred inflows of resources	<u>(1,684,088)</u>
	(6,262,010)
Other long-term assets are not available to pay for current period expenditures; therefore, they are unavailable in the governmental funds.	1,331,338
Internal service funds are used by management to charge the costs of fleet maintenance services to individual funds. The assets and liabilities of the internal revenue service funds are included in the governmental activities in the statement of net position.	<u>(670,240)</u>
Net position of governmental activities	<u>\$ 90,390,263</u>

CITY OF LEMOORE
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Special Revenue Funds					
	General Fund	Grants Fund	Gasoline Tax Fund	Lemoore Housing Authority Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 1,978,931	\$ -	\$ -	\$ -	\$ -	\$ 1,978,931
Other taxes	2,881,451	-	-	-	-	2,881,451
Licenses and permits	716,663	-	-	-	9,158	725,821
Charges for services	500,426	-	-	-	-	500,426
Intergovernmental	2,190,999	6,561	618,238	-	1,838,891	4,654,689
Fees and assessments	115,842	-	-	-	448,760	564,602
Use of money and property	(4,260)	-	7,992	116,400	53,052	173,184
Other revenue	<u>590,889</u>	<u>-</u>	<u>-</u>	<u>58,000</u>	<u>229,269</u>	<u>878,158</u>
Total revenues	<u>8,970,941</u>	<u>6,561</u>	<u>626,230</u>	<u>174,400</u>	<u>2,579,130</u>	<u>12,357,262</u>
EXPENDITURES						
Current:						
General government	1,245,332	-	-	-	6,157	1,251,489
Public safety	5,189,952	-	-	-	-	5,189,952
Public works	1,189,868	-	-	-	461,829	1,651,697
Community development	-	156,411	-	2,498	-	158,909
Parks and recreation	524,344	-	-	-	-	524,344
Capital outlay	<u>652,098</u>	<u>-</u>	<u>1,641,686</u>	<u>-</u>	<u>861,102</u>	<u>3,154,886</u>
Total expenditures	<u>8,801,594</u>	<u>156,411</u>	<u>1,641,686</u>	<u>2,498</u>	<u>1,329,088</u>	<u>11,931,277</u>
Excess (deficiency) of revenues over (under) expenditures	<u>169,347</u>	<u>(149,850)</u>	<u>(1,015,456)</u>	<u>171,902</u>	<u>1,250,042</u>	<u>425,985</u>
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	8,810	-	-	-	-	8,810
Operating transfers in	51,397	-	-	-	212,387	263,784
Operating transfers out	<u>(199,068)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(64,716)</u>	<u>(263,784)</u>
Total other financing sources (uses)	<u>(138,861)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,671</u>	<u>8,810</u>
Net changes in fund balances	30,486	(149,850)	(1,015,456)	171,902	1,397,713	434,795
Fund balances, June 30, 2014, restated	<u>12,462,292</u>	<u>77,403</u>	<u>1,726,627</u>	<u>7,027,489</u>	<u>9,204,033</u>	<u>30,497,844</u>
Fund balances (deficit), June 30, 2015	<u>\$ 12,492,778</u>	<u>\$ (72,447)</u>	<u>\$ 711,171</u>	<u>\$ 7,199,391</u>	<u>\$ 10,601,746</u>	<u>\$ 30,932,639</u>

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

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

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

Net change in fund balances - total governmental funds	\$ 434,795
Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is capitalized. This is the amount of capital assets recorded.	1,287,138
Depreciation expense on capital assets is reported on the government-wide statement of activities, but it does not require the use of current financial resources; therefore, depreciation expense is not reported as an expenditure in the governmental funds.	(1,984,584)
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.	(40,841)
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.	530,959
Other long-term assets are not available to pay for current period expenditures; therefore, they are unavailable in the governmental funds.	(410,725)
Internal service funds are used by management to change the costs of fleet maintenance, employee benefits, liability and property insurance and general services to individual funds. The change in net position of certain activities of internal service funds is reported with governmental activities.	<u>(47,273)</u>
Change in net position of governmental activities	<u>\$ (230,531)</u>

**CITY OF LEMOORE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property taxes	\$ 1,483,000	\$ 1,883,000	\$ 1,978,931	\$ 95,931
Other taxes	2,769,000	2,848,000	2,881,451	33,451
Licenses and permits	345,900	641,850	716,663	74,813
Charges for services	503,100	419,750	500,426	80,676
Intergovernmental	2,321,110	2,141,549	2,190,999	49,450
Fees and assessments	14,500	14,500	115,842	101,342
Use of money and property	111,750	50,000	(4,260)	(54,260)
Other revenue	<u>314,267</u>	<u>401,828</u>	<u>590,889</u>	<u>189,061</u>
Total revenues	<u>7,862,627</u>	<u>8,400,477</u>	<u>8,970,941</u>	<u>570,464</u>
EXPENDITURES				
Current:				
General government	1,771,669	1,865,792	1,245,332	620,460
Public safety	4,920,605	5,181,903	5,189,952	(8,049)
Public works	2,158,062	2,118,527	1,189,868	928,659
Parks and recreation	553,645	553,645	524,344	29,301
Capital outlay	<u>73,255</u>	<u>360,500</u>	<u>652,098</u>	<u>(291,598)</u>
Total expenditures	<u>9,477,236</u>	<u>10,080,367</u>	<u>8,801,594</u>	<u>1,278,773</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,614,609)</u>	<u>(1,679,890)</u>	<u>169,347</u>	<u>1,849,237</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	8,810	8,810
Operating transfers in	1,870,050	-	51,397	51,397
Operating transfers out	<u>(199,075)</u>	<u>-</u>	<u>(199,068)</u>	<u>(199,068)</u>
Total other financing sources (uses)	<u>1,670,975</u>	<u>-</u>	<u>(138,861)</u>	<u>(138,861)</u>
Net changes in fund balances	56,366	(1,679,890)	30,486	1,710,376
Fund balances, June 30, 2014, restated	<u>12,462,292</u>	<u>12,462,292</u>	<u>12,462,292</u>	<u>-</u>
Fund balances, June 30, 2015	<u>\$ 12,518,658</u>	<u>\$ 10,782,402</u>	<u>\$ 12,492,778</u>	<u>\$ 1,710,376</u>

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

CITY OF LEMOORE
GASOLINE TAX SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amount</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
From other agencies	66,000	66,000	618,238	552,238
Use of money and property	<u>-</u>	<u>-</u>	<u>7,992</u>	<u>7,992</u>
Total revenues	<u>66,000</u>	<u>66,000</u>	<u>626,230</u>	<u>560,230</u>
EXPENDITURES				
Current:				
Public works	-	551,000	-	551,000
Capital outlay	<u>-</u>	<u>-</u>	<u>1,641,686</u>	<u>(1,641,686)</u>
Total expenditures	<u>-</u>	<u>551,000</u>	<u>1,641,686</u>	<u>(1,090,686)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>66,000</u>	<u>(485,000)</u>	<u>(1,015,456)</u>	<u>(530,456)</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers out	<u>(230,026)</u>	<u>(230,026)</u>	<u>-</u>	<u>230,026</u>
Total other financing sources (uses)	<u>(230,026)</u>	<u>(230,026)</u>	<u>-</u>	<u>230,026</u>
Net change in fund balances	(164,026)	(715,026)	(1,015,456)	(300,430)
Fund balances, June 30, 2014	<u>1,726,627</u>	<u>1,726,627</u>	<u>1,726,627</u>	<u>-</u>
Fund balances, June 30, 2015	<u>\$ 1,562,601</u>	<u>\$ 1,011,601</u>	<u>\$ 711,171</u>	<u>\$ (300,430)</u>

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

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MAJOR PROPRIETARY FUNDS

Proprietary funds account for the City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

The City reported all of its Enterprise Funds and its Internal Service Fund as major funds in fiscal year 2015.

ENTERPRISE FUNDS

WATER FUND

This fund accounts for activities associated with the acquisition or construction of water facilities and the production, distribution, and transmission of potable water to users.

SEWER FUND

This fund accounts for activities associated with the acquisition or construction, and operations and maintenance of the City's sewer system, including drainage, treatment, and disposal of sanitary wastewater.

REFUSE FUND

This fund accounts for activities associated with the acquisition of refuse and disposal equipment and vehicles, and the collection and disposal of refuse throughout the City.

GOLF COURSE FUND

This fund accounts for the resources provided and used in the City's public golf course.

INTERNAL SERVICE FUND

FLEET MAINTENANCE FUND

This fund is used for the maintenance, service, and repair of the City's fleet. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

CITY OF LEMOORE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	Business-type Activities				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Refuse Fund	Golf Course Fund	Total
ASSETS					
Current assets:					
Cash and investments	\$ 3,939,995	\$ 8,136,439	\$ 969,292	\$ 85,732	\$ 13,131,458
Receivables:					
Accounts	713,690	462,825	332,425	10	1,508,950
Less: allowance for doubtful accounts	(136,877)	(94,584)	(82,514)	-	(313,975)
Intergovernmental	-	-	44	-	44
Inventory	-	-	-	31,538	31,538
Prepaid expenses	-	-	-	1,337	1,337
Total current assets	<u>4,516,808</u>	<u>8,504,680</u>	<u>1,219,247</u>	<u>118,617</u>	<u>14,359,352</u>
Noncurrent assets:					
Advances to other funds	-	1,921,883	-	-	1,921,883
Capital assets:					
Nondepreciable	530,351	768,886	252,505	628,172	2,179,914
Depreciable, net of accumulated depreciation	<u>22,858,122</u>	<u>8,638,539</u>	<u>1,195,442</u>	<u>1,809,375</u>	<u>34,501,478</u>
Total noncurrent assets	<u>23,388,473</u>	<u>11,329,308</u>	<u>1,447,947</u>	<u>2,437,547</u>	<u>38,603,275</u>
Total assets	<u>27,905,281</u>	<u>19,833,988</u>	<u>2,667,194</u>	<u>2,556,164</u>	<u>52,962,627</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows from pensions	<u>113,549</u>	<u>93,977</u>	<u>68,295</u>	<u>-</u>	<u>275,821</u>
Total deferred outflows of resources	<u>113,549</u>	<u>93,977</u>	<u>68,295</u>	<u>-</u>	<u>275,821</u>
LIABILITIES					
Current liabilities:					
Accounts payable	1,116,471	249,922	78,829	96,428	1,541,650
Deposits and other liabilities	26,277	-	-	13,584	39,861
Compensated absences	8,980	9,588	6,717	-	25,285
Interfund payables	-	-	-	-	-
Accrued interest payable	13,776	-	-	-	13,776
Current portion of long-term liabilities	<u>412,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>412,126</u>
Total current liabilities	<u>1,577,630</u>	<u>259,510</u>	<u>85,546</u>	<u>110,012</u>	<u>2,032,698</u>
Noncurrent liabilities:					
Long-term liabilities	6,253,811	-	-	-	6,253,811
Advances from other funds	1,921,883	-	-	1,091,470	3,013,353
Advances from Successor Agency	-	148,380	-	1,874,767	2,023,147
Compensated absences	35,922	38,351	26,870	-	101,143
Net pension liability	<u>789,164</u>	<u>628,845</u>	<u>480,468</u>	<u>-</u>	<u>1,898,477</u>
Total noncurrent liabilities	<u>9,000,780</u>	<u>815,576</u>	<u>507,338</u>	<u>2,966,237</u>	<u>13,289,931</u>
Total liabilities	<u>10,578,410</u>	<u>1,075,086</u>	<u>592,884</u>	<u>3,076,249</u>	<u>15,322,629</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows from pensions	<u>280,815</u>	<u>233,720</u>	<u>168,477</u>	<u>-</u>	<u>683,012</u>
Total deferred inflows of resources	<u>280,815</u>	<u>233,720</u>	<u>168,477</u>	<u>-</u>	<u>683,012</u>
NET POSITION					
Net investment in capital assets	16,722,536	9,407,425	1,447,947	2,437,547	30,015,455
Unrestricted	<u>437,069</u>	<u>9,211,734</u>	<u>526,181</u>	<u>(2,957,632)</u>	<u>7,217,352</u>
Total net position	<u>\$ 17,159,605</u>	<u>\$ 18,619,159</u>	<u>\$ 1,974,128</u>	<u>\$ (520,085)</u>	<u>\$ 37,232,807</u>
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds					<u>231,242</u>
Net position of business-type activities					<u>\$ 37,464,049</u>

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

CITY OF LEMOORE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET POSITION – PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Business-type Activities					Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Refuse Fund	Golf Course Fund	Total	
Operating revenues:						
Charges for services	\$ 3,842,595	\$ 3,307,825	\$ 2,887,910	\$ 1,102,971	\$ 11,141,301	\$ 866,021
Fines and forfeitures	71,666	45,092	40,779	-	157,537	-
Other revenues	27,923	145,813	21,390	36,336	231,462	-
Total operating revenues	3,942,184	3,498,730	2,950,079	1,139,307	11,530,300	866,021
Operating expenses:						
Salaries and benefits	1,434,467	1,082,382	1,073,657	236,437	3,826,943	340,474
Materials and supplies	526,227	205,959	141,929	260,728	1,134,843	322,406
Utilities	720,754	192,256	1,221	99,063	1,013,294	1,135
Contractual services	214,603	212,679	988,156	163,891	1,579,329	5,354
Repairs and maintenance	214,005	29,845	4,473	89,358	337,681	299,147
Other expenses	109,651	127,702	326,374	74,818	638,545	-
Depreciation and amortization	855,106	394,413	224,548	158,275	1,632,342	10,772
Total operating expenses	4,074,813	2,245,236	2,760,358	1,082,570	10,162,977	979,288
Operating income (loss)	(132,629)	1,253,494	189,721	56,737	1,367,323	(113,267)
Nonoperating revenues (expenses):						
Intergovernmental	-	-	149,610	-	149,610	-
Interest income	26,965	45,320	8,185	287	80,757	-
Interest expense	(170,735)	-	-	(33,962)	(204,697)	-
Gain (loss) on asset disposal	(39,811)	-	-	-	(39,811)	-
Total nonoperating revenues (expenses)	(183,581)	45,320	157,795	(33,675)	(14,141)	-
Income (loss) before transfers	(316,210)	1,298,814	347,516	23,062	1,353,182	(113,267)
Transfers in	217,544	30,000	-	-	247,544	-
Transfers out	(30,000)	(108,772)	(108,772)	-	(247,544)	-
Total transfers	187,544	(78,772)	(108,772)	-	-	-
Changes in net position	(128,666)	1,220,042	238,744	23,062	1,353,182	(113,267)
Net position, June 30, 2014, restated	17,288,271	17,399,117	1,735,384	(543,147)		(325,731)
Net position, June 30, 2015	\$ 17,159,605	\$ 18,619,159	\$ 1,974,128	\$ (520,085)		\$ (438,998)
Adjustments to reflect consolidation of internal service fund activities related to enterprise funds					(65,994)	
Change in net position of business-type activities					\$ 1,287,188	

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

**CITY OF LEMOORE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	Business-type Activities				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Refuse Fund	Golf Course Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipt from customers and users	\$ 3,989,090	\$ 3,380,251	\$ 2,958,261	\$ 1,107,411	\$ 11,435,013
Payments to suppliers and service providers	(1,667,519)	(805,894)	(1,453,899)	(604,789)	(4,532,101)
Payments to employees for salaries and benefits	(1,443,090)	(1,085,162)	(1,074,310)	(236,437)	(3,838,999)
Other receipts	<u>27,923</u>	<u>145,813</u>	<u>21,390</u>	<u>36,336</u>	<u>231,462</u>
Net cash provided (used) by operating activities	<u>906,404</u>	<u>1,635,008</u>	<u>451,442</u>	<u>302,521</u>	<u>3,295,375</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating grants	-	-	149,610	-	149,610
Advance from (to) other funds	(450,000)	485,868	-	(271,251)	(235,383)
Transfers from other funds	217,544	-	-	-	217,544
Transfers to other funds	<u>-</u>	<u>(108,772)</u>	<u>(108,772)</u>	<u>-</u>	<u>(217,544)</u>
Net cash provided (used) by noncapital financing activities	<u>(232,456)</u>	<u>377,096</u>	<u>40,838</u>	<u>(271,251)</u>	<u>(85,773)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital grants	20,000	-	563,963	-	583,963
Principal paid on capital debt	(402,063)	-	-	(4,183)	(406,246)
Interest paid on capital debt	(171,567)	-	-	(33,962)	(205,529)
Acquisition and construction of capital assets	(1,775,908)	(374,600)	(299,472)	(63,878)	(2,513,858)
Proceeds from the sale of capital assets	<u>2,645</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,645</u>
Net cash provided (used) by capital and related financing activities	<u>(2,326,893)</u>	<u>(374,600)</u>	<u>264,491</u>	<u>(102,023)</u>	<u>(2,539,025)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	<u>26,965</u>	<u>45,320</u>	<u>8,185</u>	<u>287</u>	<u>80,757</u>
Net cash provided (used) by investing activities	<u>26,965</u>	<u>45,320</u>	<u>8,185</u>	<u>287</u>	<u>80,757</u>
Increase (decrease) in cash and cash equivalents	(1,625,980)	1,682,824	764,956	(70,466)	751,334
Cash and cash investments, June 30, 2014	<u>5,565,975</u>	<u>6,453,615</u>	<u>204,336</u>	<u>156,198</u>	<u>12,380,124</u>
Cash and cash investments, June 30, 2015	<u>\$ 3,939,995</u>	<u>\$ 8,136,439</u>	<u>\$ 969,292</u>	<u>\$ 85,732</u>	<u>\$ 13,131,458</u>

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

CITY OF LEMOORE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Continued)

Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities

	Business-type Activities					Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Refuse Fund	Golf Course Fund	Total	
Operating income (loss)	\$ (132,629)	\$ 1,253,494	\$ 189,721	\$ 56,737	\$ 1,367,323	\$ (113,267)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	855,106	394,413	224,548	158,275	1,632,342	10,772
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	70,924	27,334	29,572	9,696	137,526	-
(Increase) decrease in inventory	-	-	-	16,537	16,537	-
(Increase) decrease in prepaid expenses	-	-	-	(1,337)	(1,337)	-
(Increase) decrease in deferred outflows of resources	(18,672)	(17,628)	(10,709)	-	(47,009)	(7,787)
Increase (decrease) in accounts payable	117,721	(37,453)	8,254	67,869	156,391	1,441
Increase (decrease) in deposits and other liabilities	3,905	-	-	(5,256)	(1,351)	-
Increase (decrease) in compensated absences	325	5,490	4,627	-	10,442	935
Increase (decrease) in deferred inflows of resources	280,815	233,720	168,477	-	683,012	87,260
Increase (decrease) in net pension liability	(271,091)	(224,362)	(163,048)	-	(658,501)	(82,824)
Net cash provided (used) by operating activities	<u>\$ 906,404</u>	<u>\$ 1,635,008</u>	<u>\$ 451,442</u>	<u>\$ 302,521</u>	<u>\$ 3,295,375</u>	<u>\$ (103,470)</u>

Schedule of Non-Cash Capital and Related Financing Activities

	Business-type Activities					Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Refuse Fund	Golf Course Fund	Total	
Contributions of capital assets	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ -</u>

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

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FIDUCIARY FUNDS

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City administers the activity of a private purpose trust fund. The City uses an agency fund to account for assets which are custodial in nature and does not involve measurement of results of the operations. Fiduciary funds are not reflected in the government-wide statements because the resources of those funds are not available to support the City's own programs.

LEMOORE REDEVELOPMENT SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FUND

This fund is used to account 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.

AGENCY FUNDS

These funds are used to account for assets held by the City as an agent for the Irrigation District, individuals, private organizations, other governments and/or other funds. The funds are custodial in nature and do not involve measurement of results in operations.

**CITY OF LEMOORE
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015**

	Lemoore Redevelopment Successor Agency Private Purpose Trust Fund	Agency Funds
ASSETS		
Cash and investments	\$ 3,312,192	\$ 367,204
Restricted cash with fiscal agent	19,495,795	-
Intergovernmental receivables	2	33,643
Advances to City of Lemoore	2,023,147	-
Notes receivable	1,290,240	-
Land held for resale	784,600	-
Other assets	-	28,800
	<u> </u>	<u> </u>
Total assets	<u>\$ 26,905,976</u>	<u>\$ 429,647</u>
LIABILITIES		
Accounts payable	\$ 13,500	\$ 73,332
Payable to State Department of Finance	18,050	-
Interest payable	819,662	-
Deposits and other liabilities	-	356,315
Long-term liabilities:		
Due within one year	1,367,669	-
Due in more than one year	36,894,428	-
	<u> </u>	<u> </u>
Total liabilities	<u>\$ 39,113,309</u>	<u>\$ 429,647</u>
NET POSITION		
Net position held in trust for the retirement of obligations of the Lemoore Successor Agency to the former Lemoore Redevelopment Agency	<u>\$ (12,207,333)</u>	

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

**CITY OF LEMOORE
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	Lemoore Redevelopment Successor Agency Private Purpose Trust Fund
	<u>Trust Fund</u>
ADDITIONS	
Taxes	\$ 1,456,912
Investment earnings	332,672
Reimbursement of debt overpayment	356,346
Miscellaneous	<u>5,000</u>
Total additions	<u>2,150,930</u>
DEDUCTIONS	
Community development	428,061
Loss on asset disposal	361,670
Interest expense	<u>2,065,384</u>
Total deductions	<u>2,855,115</u>
Change in net position	(704,185)
Net position , June 30, 2014, restated	<u>(11,503,148)</u>
Net position , June 30, 2015	<u><u>\$ (12,207,333)</u></u>

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

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Lemoore, California (the “City”) is a charter city operating under a Council-Member form of government. During the year ended June 30, 2000, the voters of the City approved a Charter which gives the City Council greater self-rule, and the Charter was accepted by the California Secretary of State.

The accompanying basic financial statements include the financial activities of the City, the primary government and its component units, the Lemoore Financing Authority (Financing Authority) and the Lemoore Housing Authority (Housing Authority). Financial information for the City and its component units are accounted for in the accompanying financial statements in accordance with principles defining the governmental reporting entity adopted by the Governmental Accounting Standards Board. The City Council members, in separate sessions, serve as the governing board of the component units. These entities are presented on a blended basis.

The **Lemoore Financing Authority** (Financing Authority) was formed in August 1989 for the purpose of assisting the financing or refinancing of certain public capital facilities within the City. The Financing Authority is governed by a five-member board of directors, which consists of the members of the City Council with the City Manager as the Executive Director. The financial transactions for the Financing Authority are recorded in the Water, Sewer, and Golf Course enterprise funds. The Financing Authority does not issue separate financial statements.

The **Lemoore Housing Authority** (Housing Authority) was formed in February 2011 for the purpose of providing sanitary and safe housing for people of very low, low, or moderate income within the City's territorial jurisdiction. The Housing Authority is governed by a five-member board of directors, which consists of the members of the City Council with the City Manager as the Executive Director. The financial transactions for the Lemoore Housing Authority are recorded in the Lemoore Housing Authority special revenue fund. The Lemoore Housing Authority does not issue separate financial statements.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental audits. The Governmental Accounting Standards Board is the accepted standard setting body for governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Basis of Presentation

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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 unit. 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.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

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 function. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Program revenues include, 1) fines, fees, and charges paid by the recipients of goods and services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the statement of activities those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated: due to/due from other funds, interfund note receivable/interfund long-term debt, and transfers in/transfers out.

Fund Financial Statements – The fund financial statements provide information about the City's funds. 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 nonmajor funds. An accompanying schedule is presented to reconcile and explain the differences in funds and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

Major funds are defined as funds that have either assets, liabilities, revenues or expenditures/expenses equal to ten percent fund type total and five percent of the City's funds. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds. The City reports the following major governmental funds:

The **General Fund** is the primary operating fund of the City. It accounts for normal recurring activities traditionally associated with government, which are not required to be accounted for in another fund. These activities are funded primarily by property taxes, sales and use taxes, interest and rental income, charges for services, and grants.

The **Grant Fund** accounts for the City's receipts and expenditures of the state, federal, and other grants.

The **Gasoline Tax Fund** accounts for revenues and expenditures apportioned to the City under the Streets and Highway Code, Sections 2103, 2105, 2106, 2107, and 2107.5 of the State of California. Expenditures for administration, maintenance, and construction must be street related.

The **Lemoore Housing Authority Fund** has taken over the assets and associated functions of the Low/Moderate Income Housing Fund of the former Lemoore Redevelopment Agency and is used to account for current and future low-income households for the acquisition, rehabilitation, or new construction of single family homes.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

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

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

The City reports the following major enterprise funds:

The **Water Fund** accounts for the activities of the City's water production and distribution operations.

The **Sewer Fund** accounts for the activities of the City's sanitary sewer system operations.

The **Refuse Fund** accounts for the activities of the City's refuse collection and disposal operations.

The **Golf Course Fund** accounts for the resources provided and used in the golf course.

The City's fiduciary funds are used to account for resources held for the benefit of parties outside the government. The fund's activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The City uses an agency fund to account for assets which are custodial in nature and does not involve measurement of results of operations. Accordingly, it presents only a statement of fiduciary net position and does not present a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide statements because the resources of those funds are not available to support the City's own programs. Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements.

The City reports the following fiduciary funds:

Lemoore Redevelopment Successor Agency Private Purpose Trust Fund is used to account 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.

Agency Funds are used to account for assets held by the City as an agent for the Irrigation District, individuals, private organizations, other governments and/or other funds. The funds are custodial in nature and do not involve measurement of results of operations.

Additionally, the City reports the following fund type:

Internal Service Funds are used to account for fleet management services and insurance provided to other departments or agencies of the City on a cost reimbursement basis.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting

Government-Wide, Proprietary and Fiduciary Fund Financial Statements – The government-wide, proprietary, and fiduciary fund 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 at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales taxes are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements – Governmental funds are reported using current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants, and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments and compensated absences, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

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*.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the City considered all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. This pool utilizes investments authorized by the Government Code and is further defined by the City's investment policy that is approved by the City Council.

Highly liquid market investments with maturities of one year or less at the time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for the securities for which market quotations are readily available.

Authorized investments include deposits in the State of California administered Local Agency Investment Fund (LAIF), insured certificates of deposits, collateralized certificates of deposits, commercial paper, money market mutual funds, federally sponsored credit agency securities, and securities backed by the U.S. Government. All investments are stated at fair value.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Deposits and Investments (Continued)

Interest income earned as a result of pooling is distributed to the appropriate funds based on month end cash balances in each fund. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

Restricted Assets

Certain proceeds of general obligation debt and enterprise debt are classified as restricted assets on the balance sheet because their use is limited by applicable debt covenants. "Cash with fiscal agent" is used to report resources set aside for potential deficiencies in the repayment ability of the enterprise funds, and for payment of construction projects undertaken by the City.

Interfund Transactions

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

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

Receivables

Enterprise fund statements report an allowance for uncollectible accounts against the account receivables. All customers are billed monthly. The estimated value of services provided, but unbilled at year-end, has been included in the accompanying financial statements.

Property Tax Calendar

Property taxes are assessed, collected and allocated by Kings County throughout the fiscal year according to the following property tax calendar:

Lien Date	January 1
Levy Date	July 1 to June 30
Due Dates	November 1, 1 st installment; February 1, 2 nd installment
Delinquent Dates	December 10, 1 st installment; April 10, 2 nd installment

Revenues from taxpayer-assessed taxes (sales and use, business license, transient occupancy, utility users, gas, and franchise fees) are accrued in the governmental funds when they are both measurable and available. The City considers these revenues available if they are received during the period when settlement of prior fiscal year accounts payable occurs. Historically, the majority of these taxes are received within 60 days of the fiscal year-end.

**CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property Tax Calendar (Continued)

Grant and entitlement revenues are recorded as receivables in the funds when all eligibility requirements have been met. The corresponding governmental fund revenues are recorded in governmental funds when they become available, with the differences recorded as unavailable revenue. Enterprise fund revenues are recorded as nonoperating revenues when the receivables are recorded. Some grant and entitlement revenues are not susceptible to accrual, in which case the corresponding revenues are recorded when received.

The City accrues as receivable all property taxes received during the first (60) days of the new fiscal year.

Inventory of Supplies and Prepaid Items

Inventory is valued at the lower of cost, determined by the first-in, first-out method, or market and consists primarily of golf merchandise and food and beverage items sold at the golf course. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Assets Held for Resale

Land and improvements held by the City for the purpose of improving and reselling are accounted for in the account. Property is valued at the lower of cost or net realizable value.

Capital Assets

The City's assets are categorized at historical cost or estimated historical cost. City policy has set the capitalization threshold for reporting capital assets at \$2,500. Gifts or contributions of capital assets are recorded at fair value when received. Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Buildings and improvements	40 years
Machinery and equipment	5-15 years
Road network.....	25-50 years
Infrastructure.....	10-15 years

In accordance with GASB Statement No. 34, the City is required to account for and report infrastructure capital assets. The City's road network consists of seven subsystems which include sidewalk, curb and gutter, pavement, landscape zones, streetlights, railroad crossings, and traffic signals. Subsystem detail is not presented in these basic financial statements; however, the City maintains detailed information on these subsystems. The assets in these subsystems are depreciated using the straight-line method.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Capital Assets (Continued)

For the year ended June 30, 2015, the City converted from the “modified approach” to depreciation accounting for its road network system. The City is depreciating the full cost of the network or subsystem over its estimated remaining service life. The change was applied prospectively, beginning July 1, 2014. The effect of this change in the current period is an increase of \$904,237 in governmental activities public works expenses and a corresponding decrease in changes in net position for governmental activities.

Risk Management

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.

Interest Payable

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

In the fund financial statements, proprietary fund-types recognize the interest payable when the liability is incurred.

Compensated Absences Payable

City employees are granted vacation and sick leave in varying amounts depending on the number of years of service. City employees also accumulate hours of overtime as compensated time off. For governmental funds, earned but unused, vested leave (vacation, compensated time off, holiday) is expensed and established as a liability and is reported in the government-wide statement of net position in the governmental activities column. Vested leave for enterprise funds is recorded as an expense and liability of those funds as the benefits accrue. No liability is recorded for non-vesting leave such as sick leave.

Unearned Revenue

Unearned revenue is that for which asset recognition criteria have been met, but for which asset 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. Typical transactions for which unavailable revenue is recorded are grants when funding requirements have been met, but the related funding is not yet available.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Long-Term Debt

In the government-wide financial statements and enterprise fund type statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premiums or discount.

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

Pensions

In government-wide financial statements, pensions are recognized and disclosed using the accrual basis of accounting (see Note 12 and the RSI section immediately following the notes to financial statements), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The City recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, measured as of the City's fiscal year-end or the City's proportionate share thereof in the case of a cost-sharing multiple-employer plan. Changes in the net pension liability during the period are recorded as pension expense, or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants including retirees, in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they arose. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63 and GASB Statement No. 65, the City recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period. Refer to Note 10 and Note 12 for a detailed listing of the deferred outflows and deferred inflows of resources the City has recognized.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Budgetary Information

Budgetary and Budgetary Accounting

Budgets are established by department and approved by the City Council. The budgets are then managed and controlled by department heads under the supervision of the City Manager. Budgets are adopted annually for the general funds, some of the special revenue funds, enterprise funds, and internal service funds. Formal budgetary integration is employed as a management control device during the year for these funds. The annual budgets are prepared on the basis of accounting utilized by the fund.

A two-year capital projects budget is prepared in even years for approval by the City Council, and updated in odd years. Capital projects are funded by capital projects funds, impact fees, operating accounts, grant proceeds or loan proceeds.

Expenditures may not legally exceed budgeted appropriations at the fund level. The City Manager is authorized to make budget transfers between accounts within any fund. The City Council may transfer funds from reserves to departments or enterprise activities as deemed appropriate during the fiscal year.

Excess of Expenditures Over Appropriations

Under GASB No. 34, budgetary comparison information is required to be presented for the general fund and each major special revenue fund with a legally adopted budget. The City only adopts annual operating budgets for the General Fund, Gasoline Tax Fund, Traffic Safety Fund, Maintenance Assessment District Fund, Downtown Improvement Fund, and Facility Infrastructure Fund. Therefore, budget comparison information for all other special revenue and capital projects funds is not included in the City's financial statements.

The following funds incurred expenditures in excess of appropriations in the following amounts for the year ended June 30, 2015:

Major Funds:

General Fund:

Current:

General government	(620,460)
Public safety	8,049
Capital outlay	291,598

Gasoline Tax Fund:

Capital outlay	1,641,686
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Nonmajor Funds:

Maintenance Assessment District Fund:

Current:

Public works	189,048
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The excess expenditures were covered by available fund balance in the funds.

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.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Classification of 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 represents the net position of the City, which is not restricted for any project or other purpose.

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

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 (ordinance or 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 City manager 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 includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the City.

The City would typically use restricted fund balances 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.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements

New Pronouncements Adopted

Governmental Accounting Standards Board Statement No. 68

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this statement. This statement was adopted by the City during the current fiscal year.

As of July 1, 2014, the City adopted the provisions of GASB Statement No. 68 and restated the beginning net position of the City's governmental activities, business-type activities, enterprise funds, internal service funds, and the private purpose trust fund to record the net pension liability (see Note 17). The implementation of GASB Statement No. 68 enhanced the City's pension disclosures as described in Note 12 and required supplementary information.

Governmental Accounting Standards Board Statement No. 69

In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. The objective of this statement is to establish accounting and financial reporting standards related to government combinations and disposals of government operations. The statement requires disclosure to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions. The requirements of this statement were considered but had no effect on the City for the current fiscal year.

Governmental Accounting Standards Board Statement No. 71

In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—An Amendment of GASB Statement No. 68*. The objective of this statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This statement was adopted by the City during the current fiscal year.

As of July 1, 2014, the City adopted the provisions of GASB Statement No. 71 and restated the beginning net position of the City's governmental activities, business-type activities, enterprise funds, internal service funds, and the private purpose trust fund to record the beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability (see Note 17).

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements (Continued)

New Pronouncements Not Yet Adopted

Governmental Accounting Standards Board Statement No. 72

In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements. This statement provides guidance for determining a fair value measurement for financial reporting purposes and also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements for this provision are effective for the City's fiscal year ending June 30, 2016.

Governmental Accounting Standards Board Statement No. 73

In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement No. 68 and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and accessing accountability. This statement results from comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The requirements of this statement are effective for the City's fiscal year ending June 30, 2017.

Governmental Accounting Standards Board Statement No. 74

In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This statement replaces Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement No. 43, and Statement No. 50, *Pension Disclosures*. The requirements of this statement are effective for the City's fiscal year ending June 30, 2017.

Governmental Accounting Standards Board Statement No. 75

In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. The requirements of this statement are effective for the City's fiscal year ending June 30, 2018.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pronouncements (Continued)

New Pronouncements Not Yet Adopted (Continued)

Governmental Accounting Standards Board Statement No. 76

In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this statement is to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements for this statement are effective for the City’s fiscal year ending June 30, 2016.

Governmental Accounting Standards Board Statement No. 77

In August 2015, the GASB issued Statement No. 77, *Tax Abatement Disclosures*. This statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients.
- The gross dollar amount of taxes abated during the period.
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

The requirements for this statement are effective for the City’s fiscal year ending June 30, 2017.

Stewardship, Compliance and Accountability

Deficit Fund Balance

The Grant Fund has a net fund deficit of \$72,447. The deficit is due primarily to expenditures in excess of grant revenues. The deficit will be eliminated through future revenues or transfers from other funds.

The Golf Course Fund has a net fund deficit of \$520,085. The deficit is due primarily to current operating income that is insufficient to cover outstanding long-term debt obligations. It is anticipated that the deficit in this fund will be eliminated through future revenues or transfers from other funds.

The Fleet Maintenance Fund has a net fund deficit of \$438,998. The deficit is due primarily to an underestimation of current fleet maintenance expenditures. The deficit will be eliminated through future revenues or transfers from other funds.

**CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 – CASH AND INVESTMENTS

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

Statement of Net Position:	
Cash and investments	\$ 37,243,598
Fiduciary funds:	
Cash and investments	3,679,396
Restricted cash with fiscal agents	<u>19,495,795</u>
 Total cash and investments	 <u><u>\$ 60,418,789</u></u>

Cash and investments as of June 30, 2015 consist of the following:

Cash on hand	\$ 4,650
Deposits with financial institutions	12,917,775
Investments	<u>47,496,364</u>
 Total cash and investments	 <u><u>\$ 60,418,789</u></u>

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

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investments policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. The City's investment policy does not contain any specific provisions intended to limit the City's exposure to interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debts proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio or Amount	Maximum Investment of One Issuer or Amount
U.S. Treasury obligations	5 years	None	None
U.S. Agency securities	5 years	None	None
Bankers acceptances	180 days	40%	30%
Commerical paper	270 days	25%	10%
National certificates of deposit	5 years	30%	Legal Limit
Repurchase agreements	1 year	None	None
Medium-term notes	5 years	30%	None
Mutual accounts	N/A	20%	10%
Money market accounts	N/A	20%	10%
Local agency investment fund (LAIF)	N/A	None	None

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 – CASH AND INVESTMENTS (Continued)

Investments Authorized by Debt Agreements

Investments of debt proceeds held by the 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 risks, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio or Amount	Maximum Investment of One Issuer or Amount
U.S. Treasury obligations	None	None	None
U.S. Agency securities	None	None	None
Bankers acceptances	180 days	None	None
Commerical paper	270 days	None	None
Money market mutual funds	N/A	None	None
Investment contracts	30 years	None	None

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. One of the ways that the City manages its exposure to interest rate risk is by maintaining 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 (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Fair Value	Remaining Maturity (in months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
State Investment Pool	\$ 15,947,435	\$ 15,947,435	\$ -	\$ -	\$ -
Federal agency securities:					
Federal Home Loan Mortgage Corporation	4,932,693	-	-	4,932,693	-
Certificates of Deposits	7,120,441	1,863,441	897,000	4,360,000	-
Held by Bond Trustee:					
Money Market Funds	4,103,734	4,103,734	-	-	-
Federal National Mortgage Association	3,986,489	-	-	3,986,489	-
Federal Home Loan Mortgage Corporation	11,405,572	-	-	11,405,572	-
Total	<u>\$ 47,496,364</u>	<u>\$ 21,914,610</u>	<u>\$ 897,000</u>	<u>\$ 24,684,754</u>	<u>\$ -</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 – CASH AND INVESTMENTS (Continued)

Disclosures Relating to Credit Risk

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

Investment Type	Amount	Minimum Legal Rating	Ratings as of Year-End			
			AAAm	AA+	A	Not Rated
State Investment Pool	\$ 15,947,435	N/A	\$ -	\$ -	\$ -	\$ 15,947,435
Federal agency securities:						
Federal Home Loan Mortgage Corporation	4,932,693	N/A	-	4,932,693	-	-
Certificates of Deposits	7,120,441	N/A	-	-	-	7,120,441
Held by Bond Trustee:						
Money Market Funds	4,103,734	A	335,500	1,043,701	1,507,422	1,217,111
Federal National Mortgage Association	3,986,489	N/A	-	3,986,489	-	-
Federal Home Loan Mortgage Corporation	<u>11,405,572</u>	N/A	<u>-</u>	<u>11,405,572</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 47,496,364</u>		<u>\$ 335,500</u>	<u>\$ 21,368,455</u>	<u>\$ 1,507,422</u>	<u>\$ 24,284,987</u>

Concentration of Credit Risk

Concentration of credit risk is the risk that the failure of any one issuer would place an undue financial burden on the City. The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated in the California Government Code. As of June 30, 2015, investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represents 5% or more of the total pooled investment in the following:

Issuer	Investment Type	Reported Amount
Federal Home Loan Mortgage Corporation	Federal agency securities	\$ 4,932,693

In addition, the Lemoore Redevelopment Successor Agency Private Purpose Trust fund hold the following investments with trustee that represent 5% or more of the funds' investments outside the City Treasury as of June 30, 2015.

Issuer	Investment Type	Reported Amount
Federal Home Loan Mortgage Corporation	Federal agency securities	\$ 11,405,572

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 – CASH AND INVESTMENTS (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a city 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 custodial credit risk for investments is the risk that, in the event of the failure of the counterpart (e.g. broker-dealer) to a transaction, a city will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposits made by the state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under the state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

GASB Statement No. 40 requires the following disclosure be made with respect to custodial credit risk relating to deposits and investments:

As of June 30, 2015, the carrying amount of the City's bank deposits was \$12,917,775, and the respective bank balances totaled \$12,865,568. Of the total bank balance, \$814,520 was insured through the Federal Depository Insurance Company (FDIC). The remaining \$12,051,048 was collateralized with pooled securities held by the financial institution's trust department. These securities are held in the name of the financial institution and not in the name of the City.

In addition, as of June 30, 2015, none of the City's investments with financial institutions were held in uncollateralized accounts.

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Local Agency Investment Fund

The City of Lemoore is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by 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.

NOTE 3 – FORGIVABLE LOANS

The City administers a housing rehabilitation loan program. Under this program, individuals with incomes below certain levels are eligible to receive low interest loans for rehabilitation work on their homes. These performing loans are secured by deeds of trust on the rehabilitation properties.

Deferred payment loans receivable under these forgivable loans are not required to be paid back unless the participating homeowner sells, transfers title to the rehabilitated property, or discontinues residence in the dwelling at which time the full amount of the deferred loan is due. These deferred payment loans are "non-performing loans" and are not recorded as loans receivable in the financial statements. Such loans totaled \$2,212,658 as of June 30, 2015.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 4 – INTERFUND ACTIVITIES

Interfund balances for the purpose of the government-wide statements have been eliminated. The composition of interfund balances in the fund level statements as of June 30, 2015, is as follows:

Current Interfund Receivables/Payables

Current interfund balances are generally short-term loans to cover temporary cash deficits in various funds and are expected to be repaid shortly after the end of the fiscal year. The City's interfund receivables and payables consisted of the following at June 30, 2015.

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental Funds		
Major Funds:		
General fund	\$ 211,785	\$ -
Grant fund	-	72,447
Internal Service Funds		
Fleet Maintenance Fund	-	139,338
 Total	 <u>\$ 211,785</u>	 <u>\$ 211,785</u>

Long-Term Interfund Advances

Long-term interfund advances are advances to other funds that are not expected to be repaid in one year or less. The City's long-term interfund advances consisted of the following at June 30, 2015:

	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
Governmental Funds		
Major Funds:		
General Fund	\$ 1,091,470	\$ -
Enterprise Funds		
Major Funds:		
Water Fund	-	1,921,883
Sewer Fund	1,921,883	148,380
Golf Course Fund	-	2,966,237
Fiduciary Funds		
Successor Agency Private Purpose Trust Fund	2,023,147	-
 Totals	 <u>\$ 5,036,500</u>	 <u>\$ 5,036,500</u>

On August 5, 2013, the City's General Fund loaned \$1,439,128 to the Golf Course enterprise fund to pay off the 1995 Golf Course Bonds and related expenses. The loan bears 1.35% interest, payable quarterly over an eight-year term. The final payment of the loan is scheduled for June 30, 2021. The loan balance is \$1,091,470 as of June 30, 2015.

On May 7, 2013, the City's Sewer Fund loaned \$2,371,883 to the Water Fund for the solar project. The loan is payable annually over a five-year term. The final payment of the loan is scheduled for June 30, 2020. The loan balance is \$1,921,883 as of June 30, 2015.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 4 – INTERFUND ACTIVITIES (Continued)

Long-Term Interfund Advances (Continued)

On June 30, 2005, the City's Golf Course Fund obtained a loan from the Lemoore Redevelopment Successor Agency for \$1,039,850 bearing 2.38% interest. This loan incurred interest beginning July 1, 2005. Payments of approximately \$300,000 per year will begin in fiscal year 2021. The loan was obtained to cover both direct expenses and debt service of the golf course. The final payment of the loan is scheduled for June 30, 2027. The loan balance is \$1,673,823 as of June 30, 2015.

On June 1, 2012, the City's Golf Course Fund obtained a loan from the Lemoore Redevelopment Successor Agency for \$335,994 bearing 5.75% interest, payable monthly over a sixty-month term. The loan was obtained for capital improvements at the golf course. The final payment of the loan is scheduled for June 1, 2017. The loan balance is \$146,587 as of June 30, 2015.

On June 1, 2012, the City's Golf Course Fund obtained a loan from the Lemoore Redevelopment Successor Agency for \$149,727 bearing 5.75% interest, payable monthly over a fifty-four-month term. The loan was obtained for capital improvements at the golf course. The final payment of the loan is scheduled for December 1, 2016. The loan balance is \$54,357 as of June 30, 2015.

On March 21, 2006, the City's Sewer Fund obtained a loan from the Lemoore Redevelopment Successor Agency for \$148,380. The loan was obtained for the installation of the oversized storm sewer improvements along 19½ Avenue. During the ten years immediately following payment of the loan, any new adjoining property development will reimburse the City its prorated share for oversizing; and the City will then reimburse the Successor Agency of the City of Lemoore annually for all funds collected for such oversizing. Any balance remaining on the loan to the Successor Agency, after the ten-year period, will be forgiven to the City, provided the non-payment is due to lack of development. The loan balance is \$148,380 as of June 30, 2015.

Transfers Between Funds

With City Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is for grant-related funds or operating supplies.

	Transfers	
	In	Out
Major Funds:		
General Fund	\$ 51,397	\$ 199,068
Gasoline Tax Fund	-	-
Water Fund	217,544	30,000
Sewer Fund	30,000	108,772
Refuse Fund	-	108,772
Nonmajor Funds:		
Traffic Safety Fund	-	1,025
Local Transportation Fund	-	13,319
Street Grant Fund	23,620	40,372
Recreation Improvement Fund	-	10,000
Facility Infrastructure Fund	188,767	-
Total	<u>\$ 511,328</u>	<u>\$ 511,328</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 – ASSETS HELD FOR RESALE

The following is a summary of changes in the assets held for resale during the 2014-2015 fiscal year:

	Balance June 30, 2014	Additions	Reductions	Balance June 30, 2015
Land held for resale	\$ 1,485,564	\$ -	\$ -	\$ 1,485,564

NOTE 6 – CAPITAL ASSETS

Capital assets activity of the governmental activities for the year ended June 30, 2015 is as follows:

GOVERNMENTAL ACTIVITIES

	Balance June 30, 2014 (Restated)	Additions	Reductions	Transfers	Balance June 30, 2015
Capital assets, not being depreciated:					
Land	\$ 2,710,713	\$ -	\$ -	\$ -	\$ 2,710,713
Construction in progress	2,092,360	305,132	(889,356)	-	1,508,136
Total capital assets, not being depreciated	4,803,073	305,132	(889,356)	-	4,218,849
Capital assets, being depreciated					
Buildings and improvements	15,338,601	766,705	-	-	16,105,306
Machinery and equipment	5,477,451	1,083,291	(251,583)	-	6,309,159
Road network	45,190,505	21,368	-	-	45,211,873
Infrastructure	4,791,535	-	-	-	4,791,535
Total capital assets, being depreciated	70,798,092	1,871,364	(251,583)	-	72,417,873
Less accumulated depreciation for:					
Buildings and improvements	(3,625,107)	(466,811)	-	-	(4,091,918)
Machinery and equipment	(4,243,229)	(300,681)	251,583	-	(4,292,327)
Road network	-	(904,237)	-	-	(904,237)
Infrastructure	(1,492,235)	(323,630)	-	-	(1,815,865)
Total accumulated depreciated, net	(9,360,571)	(1,995,359)	251,583	-	(11,104,347)
Total capital assets, being depreciated, net	61,437,521	(123,995)	-	-	61,313,526
Governmental activities capital assets, net	\$ 66,240,594	\$ 181,137	\$ (889,356)	\$ -	\$ 65,532,375

Depreciation expense was charged to the functions/programs of the governmental activities of the primary government as follows:

Governmental Activities:	
General government	\$ 768
Public safety	175,039
Public works	1,781,094
Parks and recreation	27,686
Capital assets held by the Internal Service Funds were charged to the various functions based on their usage	10,772
Total depreciation expense - governmental activities	<u>\$ 1,995,359</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 6 – CAPITAL ASSETS (Continued)

Capital assets activity of the business-type activities for the year ending June 30, 2015 is as follows:

BUSINESS-TYPE ACTIVITIES

	Balance June 30, 2014	Additions	Reductions	Transfers/ Adjustments	Balance June 30, 2015
Water Fund:					
Capital Assets, not being depreciated:					
Land	\$ 427,232	\$ -	\$ -	\$ -	\$ 427,232
Construction in progress	6,848,645	100,707	(6,846,233)	-	103,119
Total capital assets, not being depreciated	7,275,877	100,707	(6,846,233)	-	530,351
Capital assets, being depreciated:					
Buildings and improvements	16,796,414	-	(170,000)	(30,000)	16,596,414
Machinery and equipment	5,815,954	8,518,061	-	4,088	14,338,103
Total capital assets, being depreciated	22,612,368	8,518,061	(170,000)	(25,912)	30,934,517
Less accumulated depreciation for:					
Buildings and improvements	(6,030,182)	(462,799)	128,334	-	(6,364,647)
Machinery and equipment	(1,317,938)	(392,307)	-	(1,503)	(1,711,748)
Total accumulated depreciation, net	(7,348,120)	(855,106)	128,334	(1,503)	(8,076,395)
Total capital assets, being depreciated, net	15,264,248	7,662,955	(41,666)	(27,415)	22,858,122
Water fund capital assets, net	<u>\$ 22,540,125</u>	<u>\$ 7,763,662</u>	<u>\$ (6,887,899)</u>	<u>\$ (27,415)</u>	<u>\$ 23,388,473</u>
Sewer Fund:					
Capital assets, not being depreciated:					
Land	\$ 749,841	\$ -	\$ -	\$ -	\$ 749,841
Construction in progress	4,435,338	-	(4,416,293)	-	19,045
Total capital assets, not being depreciated	5,185,179	-	(4,416,293)	-	768,886
Capital assets, being depreciated:					
Buildings and improvements	5,259,759	2,864,112	-	-	8,123,871
Machinery and equipment	3,399,013	1,929,425	(3,500)	26,020	5,350,958
Total capital assets, being depreciated	8,658,772	4,793,537	(3,500)	26,020	13,474,829
Less accumulated depreciation for:					
Buildings and improvements	(2,016,820)	(217,538)	-	-	(2,234,358)
Machinery and equipment	(2,429,893)	(176,875)	3,500	1,336	(2,601,932)
Total accumulated depreciation, net	(4,446,713)	(394,413)	3,500	1,336	(4,836,290)
Total capital assets, being depreciated, net	4,212,059	4,399,124	-	27,356	8,638,539
Sewer fund capital assets, net	<u>\$ 9,397,238</u>	<u>\$ 4,399,124</u>	<u>\$ (4,416,293)</u>	<u>\$ 27,356</u>	<u>\$ 9,407,425</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 6 – CAPITAL ASSETS (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

	Balance June 30, 2014	Additions	Reductions	Transfers/ Adjustments	Balance June 30, 2015
Refuse Fund:					
Capital assets, not being depreciated:					
Land	\$ 252,505	\$ -	\$ -	\$ -	\$ 252,505
Total capital assets, not being depreciated	<u>252,505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>252,505</u>
Capital assets, being depreciated					
Machinery and equipment	<u>2,837,218</u>	<u>299,472</u>	<u>-</u>	<u>-</u>	<u>3,136,690</u>
Total capital assets, being depreciated	<u>2,837,218</u>	<u>299,472</u>	<u>-</u>	<u>-</u>	<u>3,136,690</u>
Less accumulated depreciation for:					
Machinery and equipment	<u>(1,716,700)</u>	<u>(224,548)</u>	<u>-</u>	<u>-</u>	<u>(1,941,248)</u>
Total accumulated depreciation, net	<u>(1,716,700)</u>	<u>(224,548)</u>	<u>-</u>	<u>-</u>	<u>(1,941,248)</u>
Total capital assets, being depreciated, net	<u>1,120,518</u>	<u>74,924</u>	<u>-</u>	<u>-</u>	<u>1,195,442</u>
Refuse fund capital assets, net	<u>\$ 1,373,023</u>	<u>\$ 74,924</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,447,947</u>
Golf Course Fund:					
Capital assets, not being depreciated:					
Land	\$ 624,013	\$ -	\$ -	\$ -	\$ 624,013
Construction in progress	<u>-</u>	<u>4,159</u>	<u>-</u>	<u>-</u>	<u>4,159</u>
Total capital assets, not being depreciated	<u>624,013</u>	<u>4,159</u>	<u>-</u>	<u>-</u>	<u>628,172</u>
Capital assets, being depreciated					
Buildings and improvements	<u>4,384,235</u>	<u>38,762</u>	<u>-</u>	<u>-</u>	<u>4,422,997</u>
Machinery and equipment	<u>507,992</u>	<u>20,957</u>	<u>(2,500)</u>	<u>13,868</u>	<u>540,317</u>
Total capital assets, being depreciated	<u>4,892,227</u>	<u>59,719</u>	<u>(2,500)</u>	<u>13,868</u>	<u>4,963,314</u>
Less accumulated depreciation for:					
Buildings and improvements	<u>(2,570,420)</u>	<u>(135,300)</u>	<u>-</u>	<u>-</u>	<u>(2,705,720)</u>
Machinery and equipment	<u>(413,876)</u>	<u>(22,975)</u>	<u>2,500</u>	<u>(13,868)</u>	<u>(448,219)</u>
Total accumulated depreciation, net	<u>(2,984,296)</u>	<u>(158,275)</u>	<u>2,500</u>	<u>(13,868)</u>	<u>(3,153,939)</u>
Total capital assets, being depreciated, net	<u>1,907,931</u>	<u>(98,556)</u>	<u>-</u>	<u>-</u>	<u>1,809,375</u>
Golf course fund capital assets, net	<u>\$ 2,531,944</u>	<u>\$ (94,397)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,437,547</u>
Business-type capital assets, net	<u>\$ 35,842,330</u>	<u>\$ 12,143,313</u>	<u>\$ (11,304,192)</u>	<u>\$ (59)</u>	<u>\$ 36,681,392</u>

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

Business-type Activities:	
Water	\$ 855,106
Sewer	394,413
Refuse	224,548
Golf Course	<u>158,275</u>
Total	<u>\$ 1,632,342</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 7 – DEPOSITS AND OTHER LIABILITIES

Deposits and other liabilities consist of the following at June 30, 2015:

	General Fund	Water Fund	Golf Course Fund	Total
Deposits	\$ 78,269	\$ -	\$ -	\$ 78,269
Other liabilities	<u>-</u>	<u>26,277</u>	<u>13,584</u>	<u>39,861</u>
Total deposits and other liabilities	<u>\$ 78,269</u>	<u>\$ 26,277</u>	<u>\$ 13,584</u>	<u>\$ 118,130</u>

NOTE 8 – COMPENSATED ABSENCES

The City's policy relating to compensated absences is described in Note 1. As shown in long-term liabilities (Note 9), the noncurrent portion of this debt at fiscal year-end was \$353,002 and \$101,143, for governmental activities and business-type activities, respectively. This obligation is expected to be paid in future years from the available resources derived from the respective funds to which the employee services are rendered.

Because of the nature of compensated absences and uncertainty over when vacations will be taken, a statement of debt service requirements to maturity of compensated absences has not been presented. At June 30, 2015, the balance is \$441,252 for governmental activities and \$126,428 for business-type activities.

NOTE 9 – LONG-TERM LIABILITIES

The following is a summary of the long-term liabilities transactions of the City for governmental activities for the year ended June 30, 2015:

	Balance June 30, 2014	Incurred or Issued	Satisfied or Matured	Balance June 30, 2015	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 399,476	\$ 72,172	\$ (30,396)	\$ 441,252	\$ 88,250
Net pension liability	<u>7,406,265</u>	<u>1,530,891</u>	<u>(3,315,881)</u>	<u>5,621,275</u>	<u>-</u>
Governmental activities long-term liabilities	<u>\$ 7,805,741</u>	<u>\$ 1,603,063</u>	<u>\$ (3,346,277)</u>	<u>\$ 6,062,527</u>	<u>\$ 88,250</u>

The following is a summary of the long-term liabilities transactions of the City for business-type activities for the year ended June 30, 2015:

	Balance June 30, 2014	Incurred or Issued	Satisfied or Matured	Balance June 30, 2015	Due Within One Year
Business-Type Activities:					
Capital leases	\$ 4,183	\$ -	\$ (4,183)	\$ -	\$ -
Series 2013 water revenue loan	7,068,000	-	(402,063)	6,665,937	412,126
Compensated absences	115,986	10,706	(265)	126,428	25,285
Net pension liability	<u>1,797,385</u>	<u>594,637</u>	<u>(493,545)</u>	<u>1,898,477</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$ 8,985,554</u>	<u>\$ 605,343</u>	<u>\$ (900,056)</u>	<u>\$ 8,690,842</u>	<u>\$ 437,411</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – LONG-TERM LIABILITIES (Continued)

Series 2013 Water Revenue Loan

In May 2013, the City obtained a water revenue loan from Pinnacle Public Finance, Inc. for \$7,068,000 bearing 2.48% interest, payable quarterly over a fifteen-year term. The loan was obtained to finance the acquisition and construction of various capital improvements, which primarily consists of photovoltaic water wells water systems throughout the City, as well as the expansion of a parking complex. The City irrevocably pledged all of the net revenues of the water fund to the punctual payment of the loan. After September 1, 2018, the City has the option to prepay the unpaid principal of the loan in whole or in part on any loan payment date. The final payment of the loan is scheduled for March 1, 2029.

The following is a schedule of the future estimated minimum payments related to the Series 2013 Water Revenue Loan at June 30, 2015:

Fiscal Years Ending June 30	Series 2013 Water Revenue Loan		
	Principal	Interest	Total
2016	\$ 412,126	\$ 161,502	\$ 573,628
2017	422,443	151,186	573,629
2018	433,017	140,612	573,629
2019	443,856	129,773	573,629
2020	454,967	118,662	573,629
2021-2025	2,451,470	416,673	2,868,143
2026-2029	<u>2,048,058</u>	<u>103,049</u>	<u>2,151,107</u>
Totals	<u>\$ 6,665,937</u>	<u>\$ 1,221,457</u>	<u>\$ 7,887,394</u>

NOTE 10 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The City has pension related items that qualify to be reported in deferred outflows of resources. The pension related deferred outflows of resources are described in detail in Note 12.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category and they are unavailable revenues and pension deferrals.

- Unavailable revenues arise only under a modified accrual basis of accounting and is reported only in the governmental funds balance sheet. Deferred inflows of resources reported in the governmental funds for unavailable revenues are as follows:

	General Fund	Grant Fund	Lemoore Housing Authority	Other Governmental Funds	Total Governmental Funds
Deferred housing loans	\$ -	\$ 651,200	\$ 200,000	\$ -	\$ 851,200
Licenses and permits	-	-	-	469,920	469,920
Intergovernmental revenue	<u>10,218</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,218</u>
Total	<u>\$ 10,218</u>	<u>\$ 651,200</u>	<u>\$ 200,000</u>	<u>\$ 469,920</u>	<u>\$ 1,331,338</u>

- The City has pension related items that qualify to be reported in deferred inflows of resources. The pension related deferred inflows of resources are described in detail in Note 12.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 11 – POST-RETIREMENT BENEFITS

The City allows its retirees who retire under provisions of a regular service retirement to have the opportunity to continue enrollment in the City's health insurance program. The retirees have the same choice of insurance plans as those of current employees. The retirees are pooled together separately from the active employee pool and pay the full cost of the insurance premiums without cost to the City.

NOTE 12 – DEFINED BENEFIT PENSION PLAN

California Public Employees' Retirement Plan (CalPERS)

A. General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police) and Miscellaneous (all other) Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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

The Public Employees' Pension Reform Act of 2013 (PEPRA) requires new benefits and member contributions for new members as defined by PEPRA, that are hired after January 1, 2013. Pursuant to PEPRA, the Miscellaneous and Safety Police "Classic" plans are closed to new entrants as of January 1, 2013.

The Plans' provisions and benefits in effect at June 30, 2015 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
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 eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.00%	6.25%
Required employer contribution rates	12.074%	6.25%
	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 50	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 eligible compensation	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	9.00%	11.50%
Required employer contribution rates	21.47%	11.50%

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

California Public Employees' Retirement Plan (CalPERS) (Continued)

A. General Information about the Pension Plans (Continued)

Contributions – Section 20814c of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. 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.

For the year ended June 30, 2015, the contributions recognized as part of pension expense for each Plan were as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Contributions - employer	\$ 550,036	\$ 361,407
Contributions - employee (paid by employer)	191,210	141,934

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

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

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ 4,493,850
Safety	3,025,902
Total Net Pension Liability	<u>\$ 7,519,752</u>

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

	<u>Miscellaneous</u>	<u>Safety</u>
Proportion - June 30, 2013	0.1831%	0.0829%
Proportion - June 30, 2014	0.1818%	0.0807%
Change - Increase (Decrease)	-0.0013%	-0.0022%

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – DEFINED BENEFIT PENSION PLAN

California Public Employees' Retirement Plan (CalPERS) (Continued)

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

For the year ended June 30, 2015, the City recognized pension expense of \$990,435. At June 30, 2015, 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	\$ 1,067,105	\$ -
Net difference between actual and allocated employer contributions	-	(144,493)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	68,923	(33,084)
Net differences between projected and actual earnings on plan investments	-	(2,276,783)
Total	<u>\$ 1,136,028</u>	<u>\$ (2,454,360)</u>

\$1,067,105 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2016	\$ (608,001)
2017	(608,001)
2018	(600,240)
2019	(569,195)
2020	-
Thereafter	-

C. Actuarial Assumptions

The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2013	June 30, 2013
Measurement Date	June 30, 2014	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.5%	7.5%
Inflation	2.75%	2.75%
Payroll Growth	3.0%	3.0%
Projected Salary Increase	3.3% - 14.2% ⁽¹⁾	3.3% - 14.2% ⁽¹⁾
Investment Rate of Return	7.5% ⁽²⁾	7.5% ⁽²⁾
Mortality	Derived using CalPERS' Membership Data for all Funds ⁽³⁾	

⁽¹⁾ Depending on age, service and type of employment

⁽²⁾ Net of pension plan investment expenses, including inflation

⁽³⁾ The mortality table was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

California Public Employees' Retirement Plan (CalPERS) (Continued)

C. Actuarial Assumptions (Continued)

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experiences Study can be found on the CalPERS website.

D. Discount Rate

The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we change our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

California Public Employees' Retirement Plan (CalPERS) (Continued)

D. Discount Rate (Continued)

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1-10 ^(a)	Real Return Years 11+ ^(b)
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	12.0%	6.83%	6.95%
Real Estate	11.0%	4.50%	5.13%
Infrastructure and Forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	<u>100%</u>		

^(a)An expected inflation of 2.5% used for this period.

^(b)An expected inflation of 3.0% used for this period.

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

The following presents the City's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety
1% Decrease	6.50%	6.50%
Net Pension Liability	\$ 7,788,418	\$ 5,141,124
Current Discount Rate	7.50%	7.50%
Net Pension Liability	\$ 4,493,850	\$ 3,025,902
1% Increase	8.50%	8.50%
Net Pension Liability	\$ 1,759,670	\$ 1,283,051

E. Pension Plan Fiduciary Net Position

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

F. Payable to the Pension Plan

At June 30, 2015, there was no outstanding amount of contributions to the pension plan required for the year ended June 30, 2015.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 13 – DEFERRED COMPENSATION

The City has established a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts deferred under the plan and all income attributable to those amounts are solely the property and rights of the plan participants. The City has no liability for losses under the plan. The assets and related liabilities are not reported on the City's financial statements in accordance with Governmental Accounting Standards Board Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans."

NOTE 14 – RISK MANAGEMENT

The City is a member of the Central San Joaquin Valley Risk Management Authority (CSJVRMA), a public entity risk pool for workers' compensation and general liability insurance. The CSJVRMA is a consortium of 54 cities located in California's San Joaquin Valley. It was established under the provisions of California Government Code Section 6500 et. seq. CSJVRMA is governed by a Board of Directors consisting of one member appointed by each member city. The day-to-day business operations are handled by a management group employed by CSJVRMA. The relationship between the City and CSJVRMA is such that CSJVRMA is not considered a component unit of the City for financial reporting purposes.

For liability insurance, the risk pool covers the City above its self-insurance retention level of \$50,000 up to \$1,000,000. CSJVRMA participates in the excess pool, which provides general liability coverage from \$1,000,000 to \$29,000,000.

The City maintains a self-insured retention level of \$50,000 for workers' compensation insurance. Coverage between \$50,000 and \$500,000 is provided through the risk pool. CSJVRMA participates in an excess pool, which provides workers' compensation coverage from \$500,000 to \$5,000,000 and purchases excess insurance above \$5,000,000 to the statutory limit.

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.

The annual financial report may be obtained from the consortium's executive office at 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833. The following is a summary of financial information of the CSJVRMA as of and for the fiscal year ended June 30, 2015:

Total assets	\$ 86,630,360
Total liabilities	<u>73,673,710</u>
Member's equity	<u>\$ 12,956,650</u>
 Total revenue for year	 \$ 38,130,606
Total expenses for year	<u>40,727,807</u>
 Change in net position	 <u>\$ (2,597,201)</u>

**CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 15 – CONTINGENT LIABILITIES AND COMMITMENTS

General Liability

There are various claims and legal actions pending against the City for which no provision has been made in the financial statements. In the opinion of the City Attorney and City Management, liabilities arising from these claims and legal actions, if any, will not be material to these financial statements.

Federal Awards

The City has received federal awards for specific purposes that are subject to review and audit by the federal government. Although such audits could result in expenditure disallowances under award terms, any required reimbursements are not expected to be material.

Encumbrances

Encumbrance accounting is employed as an extension of formal budgetary integration for the General Fund, special revenue funds, and capital projects funds. At June 30, 2015, certain amounts which were previously restricted, committed, or assigned for specific purposes have been encumbered in the governmental funds. Significant encumbrances included in governmental fund balances are as follows:

	<u>Assigned Fund Balance</u>
General fund	\$ 27,089
Total	<u>\$ 27,089</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 16 – SEGMENT INFORMATION FOR WATER FUND

The Water Fund is an enterprise fund that accounts for the City's water utility operations and collection and administration of water fees. Segment information for the utility operations is as follows:

	<u>Water Fund</u>
CONDENSED STATEMENT OF NET POSITION	
Assets:	
Current assets	\$ 4,516,808
Noncurrent assets	23,388,473
Total assets	<u>27,905,281</u>
Deferred Outflows of Resources	<u>113,549</u>
Liabilities:	
Current liabilities	1,577,630
Noncurrent liabilities	9,000,780
Total liabilities	<u>10,578,410</u>
Deferred Inflows of Resources	<u>280,815</u>
Net Position:	
Net investment in capital assets	16,722,536
Unrestricted	437,069
Total net position	<u><u>\$ 17,159,605</u></u>
CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	
Operating revenues	\$ 3,942,184
Depreciation expenses	(855,106)
Other operating expenses	<u>(3,219,707)</u>
Operating income (loss)	<u>(132,629)</u>
Nonoperating revenues (expenses)	
Other nonoperating revenue	(39,811)
Investing income	26,965
Interest expense	<u>(170,735)</u>
Total nonoperating revenues (expenses)	<u>(183,581)</u>
Transfers	<u>187,544</u>
Changes in net position	(128,666)
Beginning net position, restated	<u>17,288,271</u>
Ending net position	<u><u>\$ 17,159,605</u></u>
CONDENSED STATEMENT OF CASH FLOWS	
Net cash provided (used) by:	
Operating activities	\$ 906,404
Noncapital financing activities	(232,456)
Capital and related financing activities	(2,326,893)
Investing activities	<u>26,965</u>
Net increase (decrease) in cash and investments	(1,625,980)
Beginning cash and investments	<u>5,565,975</u>
Ending cash and investments	<u><u>\$ 3,939,995</u></u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17 – RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE

Prior Period Adjustments

Governmental Activities

Beginning net positions of the Governmental Activities and Business-Type Activities in the Government-Wide Statement of Activities have been restated to record prior period adjustments as presented in the reconciliation below.

Fund Financial Statements

The City has determined that certain transactions were recorded incorrectly in the prior year. The beginning fund balance of the funds has been restated on the fund basis financial statements as presented in the reconciliation below.

Change in Accounting Principle

The City implemented Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, in the fiscal year ending June 30, 2015. The implementation of these statements required the City to record beginning net pension liability and the effects on net position of contributions made by the City during the measurement period (fiscal year ending June 30, 2014).

Reconciliations of the prior period ending net position to the current year beginning net position for the Governmental Activities and Business-Type Activities in the Government-Wide Statement of Activities are as follows:

	Governmental Activities	Business-Type Activities	Total
Beginning net position	\$ 95,381,895	\$ 38,242,989	\$ 133,624,884
Prior Period Adjustments:			
Overstatement of deposit	620	-	620
Understatement of capital assets	1,824,867	-	1,824,867
Understatement of charges for services	-	262,038	262,038
Total prior period adjustments	<u>1,825,487</u>	<u>262,038</u>	<u>2,087,525</u>
Change in Accounting Principle:			
Record the beginning deferred pension contributions and net pension liability	<u>(6,586,588)</u>	<u>(2,328,166)</u>	<u>(8,914,754)</u>
Total change in accounting principle	<u>(6,586,588)</u>	<u>(2,328,166)</u>	<u>(8,914,754)</u>
Beginning net position, as restated	<u>\$ 90,620,794</u>	<u>\$ 36,176,861</u>	<u>\$ 126,797,655</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17 – RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE (Continued)

Change in Accounting Principle (Continued)

A reconciliation of the prior period ending fund balance to the current year beginning fund balance/net position in the fund financial statements is as follows:

Description	General Fund	Nonmajor Governmental Fund Street Grant Fund	Water Fund	Sewer Fund	Refuse Fund	Internal Service Fund
Beginning fund balance/net position	\$ 12,451,672	\$ (244,902)	\$ 18,113,919	\$ 18,079,321	\$ 2,295,660	\$ (100,394)
Prior period adjustments:						
Understatement/overstatement of cash	10,000	(10,000)	-	-	-	-
Overstatement of deposit	620	-	-	-	-	-
Understatement of capital assets	-	-	-	-	-	48,420
Understatement of charges for services	-	-	139,730	96,654	25,654	-
Total prior period adjustments	10,620	(10,000)	139,730	96,654	25,654	48,420
Change in accounting principle:						
Record the beginning deferred pension contributions and net pension liability	-	-	(965,378)	(776,858)	(585,930)	(273,757)
Total change in accounting principle	-	-	(965,378)	(776,858)	(585,930)	(273,757)
Beginning fund balance/net position, as restated	<u>\$ 12,462,292</u>	<u>\$ (254,902)</u>	<u>\$ 17,288,271</u>	<u>\$ 17,399,117</u>	<u>\$ 1,735,384</u>	<u>\$ (325,731)</u>

NOTE 18 – LEMOORE REDEVELOPMENT SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FUND

On January 30, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with Assembly Bill 1X26 (the "Bill") which dissolved all redevelopment agencies in the State of California.

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

Successor agencies are only allocated revenue in the amount that is necessary to pay estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

Cash and Investments

A reconciliation of the Lemoore Redevelopment Successor Agency Private Purpose Trust Fund's cash and investments as of June 30, 2015 is as follows:

Cash on hand	\$ 3,312,192
Cash with fiscal agents	<u>19,495,795</u>
Total cash and investments	<u>\$ 22,807,987</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 18 – LEMOORE REDEVELOPMENT SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FUND
(Continued)

Receivables

A reconciliation of the Lemoore Redevelopment Successor Agency Private Purpose Trust Fund's receivables balances as of June 30, 2015 is as follows:

Intergovernmental receivables	\$ 2
Advances to the City of Lemoore	2,023,147
Note receivable	<u>1,290,240</u>
Total receivables	<u>\$ 3,313,389</u>

Long-term Liabilities

The following is a summary of long-term liabilities transactions for the Lemoore Redevelopment Successor Agency Private Purpose Trust Fund at June 30, 2015:

	Balance June 30, 2014	Incurred or Issued	Satisfied or Matured	Balance June 30, 2015	Amounts Due Within One Year	Amounts Due in More Than One Year
Bonds payable:						
2011 RDA Tax Allocation	\$ 18,820,000	\$ -	\$ 165,000	\$ 18,655,000	\$ 170,000	\$ 18,485,000
Less: bond discount	(683,941)	-	(26,306)	(657,635)	-	(657,635)
2014 RDA Tax Allocation Refunding	<u>15,855,465</u>	<u>-</u>	<u>-</u>	<u>15,855,465</u>	<u>524,878</u>	<u>15,330,587</u>
Total bonds payable	<u>33,991,524</u>	<u>-</u>	<u>138,694</u>	<u>33,852,830</u>	<u>694,878</u>	<u>33,157,952</u>
Leprino Owner Participation Agreement Obligation	<u>4,409,267</u>	<u>-</u>	<u>-</u>	<u>4,409,267</u>	<u>672,791</u>	<u>3,736,476</u>
Business-type activities long-term liabilities	<u>\$ 38,400,791</u>	<u>\$ -</u>	<u>\$ 138,694</u>	<u>\$ 38,262,097</u>	<u>\$ 1,367,669</u>	<u>\$ 36,894,428</u>

Tax Allocation Refunding Bonds

2011 Tax Allocation Bonds

On March 4, 2011, the Agency issued \$19,150,000 of its 2011 Tax Allocation Bonds (the 2011 Bonds) bearing interest of 3.0% to 7.375%, payable semi-annually on February 1 and August 1, commencing August 1, 2011. Beginning August 2, 2012, principal comes due annually in various sums through August 1, 2040, subject to optimal redemption by the Agency, on whole or in part on August 1, 2017. The 2011 Bonds are payable from and secured by incremental property tax revenue (Pledged Tax Revenues).

The following is a schedule of the future estimated minimum payments related to the 2011 Bonds at June 30, 2015:

Fiscal Years Ending June 30	2011 Tax Allocation Refunding Bond		
	Principal	Interest	Total
2016	\$ 170,000	\$ 1,335,700	\$ 1,505,700
2017	170,000	1,328,263	1,498,263
2018	180,000	1,319,938	1,499,938
2019	180,000	1,310,825	1,490,825
2020	195,000	1,300,972	1,495,972
2021-2025	1,060,000	6,322,206	7,382,206
2026-2030	1,555,000	5,879,450	7,434,450
2031-2035	3,390,000	5,161,881	8,551,881
2036-2040	9,690,000	2,543,638	12,233,638
2041	<u>2,065,000</u>	<u>76,147</u>	<u>2,141,147</u>
Totals	<u>\$ 18,655,000</u>	<u>\$ 26,579,020</u>	<u>\$ 45,234,020</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 18 – LEMOORE REDEVELOPMENT SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FUND
(Continued)

Long-term Liabilities (Continued)

2014 RDA Tax Allocation Refunding Bonds

The Agency issued \$15,855,465 of its Tax Allocation Refunding Bonds on June 27, 2014 (the 2014 Bonds) to currently fund \$4,160,427 and \$10,269,654 of the Agency's remaining issuances of the 1998 RDA Tax Allocation Refunding Bond and the 2003 RDA Tax Allocations Refunding Bonds, and to fund issuance costs and a reserve account. Beginning February 1, 2015, interest and principal on the 2014 Bonds is payable semi-annually on February 1 and August 1 of each year at an interest rate of 3.960% per annum. Debt Service payments of the 2014 Bonds are secured by a pledge of the property tax revenue increments collected on properties within the redevelopment project area. The debt agreement requires a reserve account to be held by the trustee. The final payment of the loan is scheduled for August 1, 2033.

The following is a schedule of the future estimated minimum payments related to the 2014 Bonds at June 30, 2015:

Fiscal Years Ending June 30	2014 Tax Allocation Refunding Bond		
	Principal	Interest	Total
2016	\$ 524,878	\$ 617,484	\$ 1,142,362
2017	604,523	595,122	1,199,645
2018	626,612	570,745	1,197,357
2019	653,805	545,393	1,199,198
2020	675,446	519,074	1,194,520
2021-2025	3,828,538	2,161,470	5,990,008
2026-2030	4,583,886	1,330,142	5,914,028
2031-2034	<u>4,357,777</u>	<u>353,478</u>	<u>4,711,255</u>
Totals	<u>\$ 15,855,465</u>	<u>\$ 6,692,908</u>	<u>\$ 22,548,373</u>

Leprino Owner Participation Agreement Obligation

On March 7, 2000, the Agency entered into an owner participation agreement with Leprino Foods Company (Leprino) whereby Leprino was to construct a dairy and related products manufacturing and storage facility within the redevelopment project area. The City was to reimburse Leprino \$3 million for the cost of the infrastructure improvements which contributed to the elimination of blight in the project area. Subsequently, due to an expansion of the project scope requiring Leprino to increase its investment from \$125 million to more the \$250 million, the Agency's reimbursement obligation increased to \$6 million, payable in 10 annual installments of \$600,000 each year, subject to the Leprino facility having an assessed value in excess of \$250 million and verification of actual infrastructure costs incurred by Leprino. During the June 30, 2013 fiscal year, a final payment of \$1,613,666 was made. This payment was adjusted from \$600,000 because the facility's assessed value was \$413 million.

On September 4, 2007, the Agency entered into an amendment to the Owner Participation Agreement with Leprino Foods Company (Leprino). Leprino has decided to expand the production capacity of the plant to permit the increase in the milk received on a daily basis from its current level of 6,000,000 pounds of milk per day, to install additional packaging capacity and make other process improvements. The 2007 Expansion Project includes the completion of the addition work at the Expanded Wastewater Pretreatment System.

It has been acknowledged that the City will incur an additional liability of approximately \$6 million for wastewater improvements at the Leprino plant and this liability will be paid from the additional tax increments that the plant would generate based on this expansion.

The total liability to Leprino Foods Company at June 30, 2015 was \$4,409,267.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 18 – LEMOORE REDEVELOPMENT SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FUND
(Continued)

Prior Period Adjustments

The beginning net position in the Lemoore Redevelopment Successor Agency Private Purpose Trust Fund was overstated by \$518,730 due to a change in the assessed value of Leprino's facilities. As discussed previously in the Leprino Owner Participation Obligation footnote, the yearly payments to Leprino from the Lemoore Redevelopment Successor Agency are dependent on the assessed property value of Leprino's facilities. In fiscal year 2014, Leprino retroactively had their property value reassessed at a lower value, resulting in a lower payment being owed from the Successor Agency in the three years affected. By the end of fiscal year 2015, Leprino had returned the overpayment amounts, a portion of which should have resulted as an increase to long-term debt.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF LEMOORE
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
SCHEDULE OF THE CITY'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 YEARS*
AS OF JUNE 30, 2015**

	<u>2015</u>	
	<u>Miscellaneous</u>	<u>Safety</u>
Proportion of the net pension liability	0.07222%	0.04863%
Proportionate share of the net pension liability	\$ 4,493,850	\$ 3,025,902
Covered-employee payroll	\$ 3,260,911	\$ 1,694,266
Proportionate Share of the net pension liability as percentage of covered-employee payroll	137.81%	178.60%
Plan's fiduciary net position	\$ 20,340,320	\$ 12,765,519
Plan fiduciary net position as a percentage of the total pension liability	81.90%	80.84%

Notes to Schedule:

Benefit changes. There were no changes in benefits.

Change in assumptions. There were no changes in assumptions.

* Schedule is intended to show information for 10 years commencing with the fiscal year ended June 30, 2015. Additional years will be displayed as they occur.

CITY OF LEMOORE
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
LAST 10 YEARS*
AS OF JUNE 30, 2015

	2015	
	<u>Miscellaneous</u>	<u>Safety</u>
Actuarially determined contribution	\$ 357,208	\$ 378,838
Contributions in relation to the actuarially determined contributions	<u>(357,208)</u>	<u>(378,838)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered - employee payroll	\$ 3,260,821	\$ 1,694,266
Contributions as a percentage of covered-employee payroll	10.95%	22.36%

Notes to Schedule:

	<u>Miscellaneous</u>	<u>Safety</u>
	<u>6/30/2013</u>	<u>6/30/2013</u>
Valuation date:		
Methods and assumptions used to determine contribution rates:		
Actuarial Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll	Level percentage of payroll
Remaining amortization period	15 Years	15 Years
Asset Valuation Method	5 year smoothed market	5 year smoothed market
Inflation	2.75%	2.75%
Salary Increases	3.30% to 14.20% Depending on age, service, and type of employment	
Payroll Growth	3.00%	3.00%
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.	
Retirement Age	62 years	57 years
Mortality	Derived using CalPERS' Membership data for all Funds. The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.	

* Schedule is intended to show information for 10 years commencing with the fiscal year ended June 30, 2015. Additional years will be displayed as they occur.

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SUPPLEMENTARY INFORMATION

**CITY OF LEMOORE
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

Nonmajor Special Revenue Funds

The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

The **Traffic Safety Fund** is used to account for proceeds of traffic citations, which may be used for programs promoting traffic safety, such as street improvements, striping, and the like.

The **Local Transportation Fund** is used to account for the maintenance and construction of roadways and for specialized engineering services using transportation development act funds.

The **Streets Grant Fund** is used to account for street improvements using miscellaneous state and federal grants.

The **Maintenance Assessment District Fund** is used to account for City maintenance costs relating to the public improvements within the assessment district area.

The **TE/STP Exchange Fund** is used to account for projects undertaken with federal streets transportation and planning funds received by the City through the State of California.

The **Downtown Improvement Fund** is used to account for economic development and revitalization endeavors by local businesses in the downtown area.

Nonmajor Capital Projects Funds

The **Capital Projects Funds** are established to account for resources used for the acquisition and constructions of capital facilities by the City, except for those financed for enterprise funds.

The **Street Improvement Fund** is used to account for improvements to local streets and roads using developer fees, grant proceeds, and other sources designated by the City Council for this purpose.

The **Recreation Improvement Fund** is used to account for the revenue from developer fees to be used for acquisition and development of parks and recreation facilities.

The **Facility Infrastructure Fund** is used to account for improvements to City buildings and improvements using developer fees, grant proceeds, and other sources designated by the City Council for this purpose.

The **Capital Improvement Fees Fund** is used to account for miscellaneous capital projects using developer fees.

**CITY OF LEMOORE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

	Combined Special Revenue Funds	Combined Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and investments	\$ 4,415,034	\$ 5,998,604	\$ 10,413,638
Receivables:			
Accounts	2,352	485,661	488,013
Intergovernmental	319,983	-	319,983
Prepaid items	<u>8,816</u>	<u>-</u>	<u>8,816</u>
Total assets	<u>\$ 4,746,185</u>	<u>\$ 6,484,265</u>	<u>\$ 11,230,450</u>
LIABILITIES			
Accounts payable	<u>\$ 135,200</u>	<u>\$ 23,584</u>	<u>\$ 158,784</u>
Total liabilities	<u>135,200</u>	<u>23,584</u>	<u>158,784</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	<u>-</u>	<u>469,920</u>	<u>469,920</u>
Total deferred inflows of resources	<u>-</u>	<u>469,920</u>	<u>469,920</u>
FUND BALANCES			
Nonspendable:			
Prepaid items	8,816	-	8,816
Restricted:			
Public safety	414,182	-	414,182
Public works	4,176,009	-	4,176,009
Capital projects and improvements	11,978	-	11,978
Assigned:			
Capital projects and improvements	<u>-</u>	<u>5,990,761</u>	<u>5,990,761</u>
Total fund balances	<u>4,610,985</u>	<u>5,990,761</u>	<u>10,601,746</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,746,185</u>	<u>\$ 6,484,265</u>	<u>\$ 11,230,450</u>

CITY OF LEMOORE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Combined Special Revenue Funds	Combined Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES:			
Licenses and permits	\$ 9,158	\$ -	\$ 9,158
From other agencies	1,838,891	-	1,838,891
Fees and assessments	271,095	177,665	448,760
Use of money and property	21,977	31,075	53,052
Other revenue	<u>13,242</u>	<u>216,027</u>	<u>229,269</u>
Total revenues	<u>2,154,363</u>	<u>424,767</u>	<u>2,579,130</u>
EXPENDITURES:			
Current:			
General government	6,157	-	6,157
Public works	461,829	-	461,829
Capital outlay	<u>507,857</u>	<u>353,245</u>	<u>861,102</u>
Total expenditures	<u>975,843</u>	<u>353,245</u>	<u>1,329,088</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,178,520</u>	<u>71,522</u>	<u>1,250,042</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	23,620	188,767	212,387
Operating transfers out	<u>(54,716)</u>	<u>(10,000)</u>	<u>(64,716)</u>
Total other financing sources (uses)	<u>(31,096)</u>	<u>178,767</u>	<u>147,671</u>
Net changes in fund balances	1,147,424	250,289	1,397,713
Fund balances, June 30, 2014, restated	<u>3,463,561</u>	<u>5,740,472</u>	<u>9,204,033</u>
Fund balances, June 30, 2015	<u>\$ 4,610,985</u>	<u>\$ 5,990,761</u>	<u>\$ 10,601,746</u>

**CITY OF LEMOORE
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015**

	Traffic Safety	Local Transportation	Streets Grant Fund	Maintenance Assessment District	TE/STP Exchange Fund	Downtown Improvement	Totals
ASSETS							
Cash and investments	\$ 412,469	\$ 1,230,309	\$ 123,312	\$ 2,131,008	\$ 505,657	\$ 12,279	\$ 4,415,034
Receivables:							
Accounts	1,309	376	-	663	-	4	2,352
Intergovernmental	404	109,385	26,329	26,474	157,391	-	319,983
Prepaid items	-	-	-	8,816	-	-	8,816
Total assets	<u>\$ 414,182</u>	<u>\$ 1,340,070</u>	<u>\$ 149,641</u>	<u>\$ 2,166,961</u>	<u>\$ 663,048</u>	<u>\$ 12,283</u>	<u>\$ 4,746,185</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 19,761	\$ 115,134	\$ -	\$ 305	\$ 135,200
Total liabilities	<u>-</u>	<u>-</u>	<u>19,761</u>	<u>115,134</u>	<u>-</u>	<u>305</u>	<u>135,200</u>
FUND BALANCES							
Nonspendable:							
Prepaid items	-	-	-	8,816	-	-	8,816
Restricted:							
Public safety	414,182	-	-	-	-	-	414,182
Public works	-	1,340,070	129,880	2,043,011	663,048	-	4,176,009
Capital projects and improvements	-	-	-	-	-	11,978	11,978
Total fund balances	<u>414,182</u>	<u>1,340,070</u>	<u>129,880</u>	<u>2,051,827</u>	<u>663,048</u>	<u>11,978</u>	<u>4,610,985</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 414,182</u>	<u>\$ 1,340,070</u>	<u>\$ 149,641</u>	<u>\$ 2,166,961</u>	<u>\$ 663,048</u>	<u>\$ 12,283</u>	<u>\$ 4,746,185</u>

CITY OF LEMOORE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Traffic Safety	Local Transportation	Streets Grant Fund	Maintenance Assessment District	TE/STP Exchange Fund	Downtown Improvement	Totals
REVENUES							
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,158	\$ 9,158
From other agencies	-	660,150	612,562	408,943	157,236	-	1,838,891
Fees and assessments	13,968	-	-	257,127	-	-	271,095
Use of money and property	2,293	5,046	386	11,281	2,893	78	21,977
Other revenue	-	-	13,242	-	-	-	13,242
Total revenues	<u>16,261</u>	<u>665,196</u>	<u>626,190</u>	<u>677,351</u>	<u>160,129</u>	<u>9,236</u>	<u>2,154,363</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	6,157	6,157
Public works	-	-	-	461,829	-	-	461,829
Capital outlay	-	180,498	224,656	-	102,703	-	507,857
Total expenditures	<u>-</u>	<u>180,498</u>	<u>224,656</u>	<u>461,829</u>	<u>102,703</u>	<u>6,157</u>	<u>975,843</u>
Excess (deficiency) of revenues over (under) expenditures	<u>16,261</u>	<u>484,698</u>	<u>401,534</u>	<u>215,522</u>	<u>57,426</u>	<u>3,079</u>	<u>1,178,520</u>
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	23,620	-	-	-	23,620
Operating transfers out	(1,025)	(13,319)	(40,372)	-	-	-	(54,716)
Total other financing sources (uses)	<u>(1,025)</u>	<u>(13,319)</u>	<u>(16,752)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,096)</u>
Net change in fund balance	15,236	471,379	384,782	215,522	57,426	3,079	1,147,424
Fund balance, June 30, 2014, restated	<u>398,946</u>	<u>868,691</u>	<u>(254,902)</u>	<u>1,836,305</u>	<u>605,622</u>	<u>8,899</u>	<u>3,463,561</u>
Fund balances, June 30, 2015	<u>\$ 414,182</u>	<u>\$ 1,340,070</u>	<u>129,880</u>	<u>\$ 2,051,827</u>	<u>\$ 663,048</u>	<u>\$ 11,978</u>	<u>\$ 4,610,985</u>

**CITY OF LEMOORE
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2015**

	Street Improvement	Recreation Improvement	Facility Infrastructure	Capital Improvement Fees	Totals
ASSETS					
Cash and investments	\$ 120,218	\$ 1,825,686	\$ 604,857	\$ 3,447,843	\$ 5,998,604
Receivables:					
Accounts	<u>37</u>	<u>305,153</u>	<u>127</u>	<u>180,344</u>	<u>485,661</u>
Total assets	<u>\$ 120,255</u>	<u>\$ 2,130,839</u>	<u>\$ 604,984</u>	<u>\$ 3,628,187</u>	<u>\$ 6,484,265</u>
LIABILITIES					
Accounts payable	<u>\$ -</u>	<u>\$ 2,161</u>	<u>\$ 21,423</u>	<u>\$ -</u>	<u>\$ 23,584</u>
Total liabilities	<u>-</u>	<u>2,161</u>	<u>21,423</u>	<u>-</u>	<u>23,584</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	<u>-</u>	<u>298,417</u>	<u>-</u>	<u>171,503</u>	<u>469,920</u>
Total deferred inflows of resources	<u>-</u>	<u>298,417</u>	<u>-</u>	<u>171,503</u>	<u>469,920</u>
FUND BALANCES					
Assigned:					
Capital projects and improvements	<u>120,255</u>	<u>1,830,261</u>	<u>583,561</u>	<u>3,456,684</u>	<u>5,990,761</u>
Total fund balances	<u>120,255</u>	<u>1,830,261</u>	<u>583,561</u>	<u>3,456,684</u>	<u>5,990,761</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 120,255</u>	<u>\$ 2,130,839</u>	<u>\$ 604,984</u>	<u>\$ 3,628,187</u>	<u>\$ 6,484,265</u>

CITY OF LEMOORE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Street Improvement</u>	<u>Recreation Improvement</u>	<u>Facility Infrastructure</u>	<u>Capital Improvement Fees</u>	<u>Totals</u>
REVENUES					
Fees and assessments	\$ -	\$ 72,521	\$ -	\$ 105,144	\$ 177,665
Use of money and property	671	10,353	2,458	17,593	31,075
Other revenue	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>210,027</u>	<u>216,027</u>
Total revenues	<u>671</u>	<u>88,874</u>	<u>2,458</u>	<u>332,764</u>	<u>424,767</u>
EXPENDITURES					
Capital outlay	<u>-</u>	<u>172,336</u>	<u>87,795</u>	<u>93,114</u>	<u>353,245</u>
Total expenditures	<u>-</u>	<u>172,336</u>	<u>87,795</u>	<u>93,114</u>	<u>353,245</u>
Excess (deficiency) of revenues over (under) expenditures	<u>671</u>	<u>(83,462)</u>	<u>(85,337)</u>	<u>239,650</u>	<u>71,522</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	188,767	-	188,767
Operating transfers out	<u>-</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>(10,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>(10,000)</u>	<u>188,767</u>	<u>-</u>	<u>178,767</u>
Net change in fund balances	671	(93,462)	103,430	239,650	250,289
Fund balances, June 30, 2014	<u>119,584</u>	<u>1,923,723</u>	<u>480,131</u>	<u>3,217,034</u>	<u>5,740,472</u>
Fund balances, June 30, 2015	<u>\$ 120,255</u>	<u>\$ 1,830,261</u>	<u>\$ 583,561</u>	<u>\$ 3,456,684</u>	<u>\$ 5,990,761</u>

CITY OF LEMOORE
NONMAJOR SPECIAL REVENUE FUNDS - TRAFFIC SAFETY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Fees and assessments	\$ 29,200	\$ 29,200	\$ 13,968	\$ (15,232)
Use of money and property	-	-	2,293	2,293
Total revenues	29,200	29,200	16,261	(12,939)
EXPENDITURES				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	29,200	29,200	16,261	(12,939)
OTHER FINANCING SOURCES (USES)				
Operating transfers out	(1,025)	(1,025)	(1,025)	-
Total other financing sources (uses)	(1,025)	(1,025)	(1,025)	-
Net change in fund balances	28,175	28,175	15,236	(12,939)
Fund balances, June 30, 2014	398,946	398,946	398,946	-
Fund balances, June 30, 2015	<u>\$ 427,121</u>	<u>\$ 427,121</u>	<u>\$ 414,182</u>	<u>\$ (12,939)</u>

CITY OF LEMOORE
NONMAJOR SPECIAL REVENUE FUNDS – MAINTENANCE ASSESSMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amount</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
From other agencies	\$ -	\$ 550,199	\$ 408,943	\$ (141,256)
Fees and assessments	257,334	257,334	257,127	(207)
Use of money and property	<u>-</u>	<u>-</u>	<u>11,281</u>	<u>11,281</u>
Total revenues	<u>257,334</u>	<u>807,533</u>	<u>677,351</u>	<u>(130,182)</u>
EXPENDITURES				
Current:				
Public works	<u>302,820</u>	<u>272,781</u>	<u>461,829</u>	<u>(189,048)</u>
Total expenditures	<u>302,820</u>	<u>272,781</u>	<u>461,829</u>	<u>(189,048)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(45,486)</u>	<u>534,752</u>	<u>215,522</u>	<u>(319,230)</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers out	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>30,000</u>
Total other financing sources (uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>30,000</u>
Net change in fund balances	(75,486)	504,752	215,522	(289,230)
Fund balances, June 30, 2014	<u>1,836,305</u>	<u>1,836,305</u>	<u>1,836,305</u>	<u>-</u>
Fund balances, June 30, 2015	<u>\$ 1,760,819</u>	<u>\$ 2,341,057</u>	<u>\$ 2,051,827</u>	<u>\$ (289,230)</u>

CITY OF LEMOORE
NONMAJOR SPECIAL REVENUE FUNDS – DOWNTOWN IMPROVEMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Licenses and permits	\$ 9,500	\$ 19,000	\$ 9,158	\$ (9,842)
Use of money and property	-	-	78	78
Total revenues	9,500	19,000	9,236	(9,764)
EXPENDITURES				
Current:				
General government	16,500	16,500	6,157	10,343
Total expenditures	16,500	16,500	6,157	10,343
Net change in fund balances	(7,000)	2,500	3,079	579
Fund balances, June 30, 2014	8,899	8,899	8,899	-
Fund balances, June 30, 2015	\$ 1,899	\$ 11,399	\$ 11,978	\$ 579

CITY OF LEMOORE
NONMAJOR CAPITAL PROJECTS FUNDS – FACILITY INFRASTRUCTURE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 2,458	\$ 2,458
Total revenues	-	-	2,458	2,458
EXPENDITURES				
Capital outlay	-	116,714	87,795	28,919
Total expenditures	-	116,714	87,795	28,919
Excess (deficiency) of revenues over (under) expenditures	-	(116,714)	(85,337)	31,377
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	188,767	188,767
Total other financing sources (uses)	-	-	188,767	188,767
Net change in fund balances	-	(116,714)	103,430	220,144
Fund balances, June 30, 2014	480,131	480,131	480,131	-
Fund balances, June 30, 2015	<u>\$ 480,131</u>	<u>\$ 363,417</u>	<u>\$ 583,561</u>	<u>\$ 220,144</u>

**CITY OF LEMOORE
FIDUCIARY FUNDS
JUNE 30, 2015**

Fiduciary Funds

The **Trust and Agency Funds** are used to account for assets held by a governmental unit in a trustee capacity and/or as an agent for individuals, private organizations, other governmental units, and /or other funds. These include Successor Agency private purpose trust funds and agency funds.

Private Purpose Trust Funds

The **Lemoore Redevelopment Successor Agency Debt Service Fund** is used to retire debt obligations.

The **Lemoore Redevelopment Successor Agency Capital Projects Fund** is used to account for Successor Agency activities approved in the ROPS.

Agency Funds

The **Laguna Irrigation Fund** is used to account for an agreement to benefit water recharge or to purchase water.

The **Other Agency Funds** is used to account for development deposit amounts and a trust account for contributions to be used for special activities.

The **Insurance Fund** is used to account for dental benefits for employees.

**CITY OF LEMOORE
COMBINING STATEMENT OF NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2015**

	Lemoore Redevelopment Successor Agency Debt Service	Lemoore Redevelopment Successor Agency Capital Projects	Total Lemoore Redevelopment Successor Agency Private-Purpose Trust Fund
ASSETS			
Cash and investments	\$ 13,972	\$ 3,298,220	\$ 3,312,192
Restricted cash with fiscal agents	19,495,795	-	19,495,795
Intergovernmental receivables	-	2	2
Advances to City of Lemoore	-	2,023,147	2,023,147
Notes receivable	-	1,290,240	1,290,240
Assets held for resale	-	784,600	784,600
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 19,509,767</u>	<u>\$ 7,396,209</u>	<u>\$ 26,905,976</u>
LIABILITIES			
Accounts payable	\$ -	\$ 13,500	\$ 13,500
Intergovernmental payable	-	18,050	18,050
Interest payable	819,662	-	819,662
Long-term liabilities:			
Due within one year	694,878	672,791	1,367,669
Due in more than one year	33,157,952	3,736,476	36,894,428
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>34,672,492</u>	<u>4,440,817</u>	<u>39,113,309</u>
NET POSITION			
Held in trust for the retirement of obligations of the former Lemoore Redevelopment Agency	<u>(15,162,725)</u>	<u>2,955,392</u>	<u>(12,207,333)</u>
	<u> </u>	<u> </u>	<u> </u>
Total net position	<u>\$ (15,162,725)</u>	<u>\$ 2,955,392</u>	<u>\$ (12,207,333)</u>

CITY OF LEMOORE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION
PRIVATE PURPOSE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Lemoore Redevelopment Successor Agency Debt Service	Lemoore Redevelopment Successor Agency Capital Projects	Total Lemoore Redevelopment Successor Agency Private-Purpose Trust Fund
ADDITIONS			
Taxes	\$ -	\$ 1,456,912	\$ 1,456,912
Investment earnings	242,230	90,442	332,672
Reimbursement of debt overpayment	-	356,346	356,346
Miscellaneous	-	5,000	5,000
Intrafund transfers	<u>1,818,137</u>	<u>23</u>	<u>1,818,160</u>
Total additions	<u>2,060,367</u>	<u>1,908,723</u>	<u>3,969,090</u>
DEDUCTIONS			
Community development	13,671	414,390	428,061
Intrafund transfers	23	1,818,137	1,818,160
Loss on asset disposal	-	361,670	361,670
Interest expense	<u>2,065,384</u>	<u>-</u>	<u>2,065,384</u>
Total deductions	<u>2,079,078</u>	<u>2,594,197</u>	<u>4,673,275</u>
Changes in net position	<u>(18,711)</u>	<u>(685,474)</u>	<u>(704,185)</u>
Net position, June 30, 2014, restated	<u>(15,144,014)</u>	<u>3,640,866</u>	<u>(11,503,148)</u>
Net position, June 30, 2015	<u><u>\$ (15,162,725)</u></u>	<u><u>\$ 2,955,392</u></u>	<u><u>\$ (12,207,333)</u></u>

CITY OF LEMOORE
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2015

	Laguna Irrigation	Other Agency Funds	Insurance	Totals
ASSETS				
Cash and investments	\$ 24,964	\$ 253,328	\$ 88,912	\$ 367,204
Accounts receivable	-	33,643	-	33,643
Other assets	<u>28,800</u>	<u>-</u>	<u>-</u>	<u>28,800</u>
Total assets	<u>\$ 53,764</u>	<u>\$ 286,971</u>	<u>\$ 88,912</u>	<u>\$ 429,647</u>
LIABILITIES				
Accounts payable	\$ -	\$ 73,332	\$ -	\$ 73,332
Due to others	53,764	179,421	88,912	322,097
Deposits	<u>-</u>	<u>34,218</u>	<u>-</u>	<u>34,218</u>
Total liabilities	<u>\$ 53,764</u>	<u>\$ 286,971</u>	<u>\$ 88,912</u>	<u>\$ 429,647</u>

CITY OF LEMOORE
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2015

Laguna Irrigation

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
ASSETS				
Cash and investments	\$ 500,410	\$ -	\$ 475,446	\$ 24,964
Other assets	<u>28,800</u>	<u>-</u>	<u>-</u>	<u>28,800</u>
Total assets	<u>\$ 529,210</u>	<u>\$ -</u>	<u>\$ 475,446</u>	<u>\$ 53,764</u>
LIABILITIES				
Due to others	\$ 529,210	\$ -	\$ 475,446	\$ 53,764
Total liabilities	<u>\$ 529,210</u>	<u>\$ -</u>	<u>\$ 475,446</u>	<u>\$ 53,764</u>

Other Agency Funds

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
ASSETS				
Cash and investments	\$ 433,516	\$ 844,963	\$ 1,025,151	\$ 253,328
Accounts receivable	<u>45,204</u>	<u>78,847</u>	<u>90,408</u>	<u>33,643</u>
Total assets	<u>\$ 478,720</u>	<u>\$ 923,810</u>	<u>\$ 1,115,559</u>	<u>\$ 286,971</u>
LIABILITIES				
Accounts payable	\$ 262,794	\$ 749,843	\$ 939,305	\$ 73,332
Due to others	184,215	-	4,794	179,421
Deposits	<u>31,711</u>	<u>2,507</u>	<u>-</u>	<u>34,218</u>
Total liabilities	<u>\$ 478,720</u>	<u>\$ 752,350</u>	<u>\$ 944,099</u>	<u>\$ 286,971</u>

CITY OF LEMOORE
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
JUNE 30, 2015

Insurance

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
ASSETS				
Cash and investments	\$ 71,625	\$ 74,310	\$ 57,023	\$ 88,912
Total assets	<u>\$ 71,625</u>	<u>\$ 74,310</u>	<u>\$ 57,023</u>	<u>\$ 88,912</u>
LIABILITIES				
Due to others	\$ 71,625	\$ 74,310	\$ 57,023	\$ 88,912
Total liabilities	<u>\$ 71,625</u>	<u>\$ 74,310</u>	<u>\$ 57,023</u>	<u>\$ 88,912</u>

Total

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
ASSETS				
Cash and investments	\$ 1,005,551	\$ 919,273	\$ 1,557,620	\$ 367,204
Accounts receivable	45,204	78,847	90,408	33,643
Other assets	<u>28,800</u>	<u>-</u>	<u>-</u>	<u>28,800</u>
Total assets	<u>\$ 1,079,555</u>	<u>\$ 998,120</u>	<u>\$ 1,648,028</u>	<u>\$ 429,647</u>
LIABILITIES				
Accounts payable	\$ 262,794	\$ 749,843	\$ 939,305	\$ 73,332
Due to others	785,050	74,310	537,263	322,097
Deposits	<u>31,711</u>	<u>2,507</u>	<u>-</u>	<u>34,218</u>
Total liabilities	<u>\$ 1,079,555</u>	<u>\$ 826,660</u>	<u>\$ 1,476,568</u>	<u>\$ 429,647</u>

STATISTICAL SECTION

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STATISTICAL SECTION

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

Contents

Financial 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 is derived from the comprehensive annual financial reports for the relevant year.

**CITY OF LEMOORE
NET POSITION BY COMPONENTS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year					Fiscal Year				
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net investment in capital assets	\$ 46,094,712	\$ 45,033,905	\$ 42,040,440	\$ 45,841,891	\$ 44,904,303	\$ 36,380,777	\$ 61,864,076	\$ 62,852,134	\$ 64,415,727	\$ 65,532,375
Restricted	15,707,378	13,483,363	29,521,460	31,758,572	32,151,791	35,119,950	19,545,949	10,447,890	5,900,358	12,592,988
Unrestricted	12,442,946	16,949,411	9,056,856	9,153,728	9,418,125	9,806,053	9,661,340	19,517,911	25,065,810	12,206,195
Total governmental activities net position	<u>\$ 74,245,036</u>	<u>\$ 75,466,679</u>	<u>\$ 80,618,756</u>	<u>\$ 86,754,191</u>	<u>\$ 86,474,219</u>	<u>\$ 81,306,780</u>	<u>\$ 91,071,365</u>	<u>\$ 92,817,935</u>	<u>\$ 95,381,895</u>	<u>\$ 90,331,558</u>
Business-Type Activities										
Net investment in capital assets	\$ 3,963,442	\$ 8,749,934	\$ 11,418,932	\$ 11,435,322	\$ 16,260,519	\$ 17,266,866	\$ 21,892,596	\$ 23,444,815	\$ 21,533,822	\$ 30,015,455
Restricted	1,641,006	1,428,850	1,488,495	1,417,663	-	-	-	-	-	-
Unrestricted	5,076,542	587,031	(420,159)	1,306,625	4,251,948	6,027,206	10,323,565	11,763,520	16,709,167	7,217,352
Total business-type activities net position	<u>\$ 10,680,990</u>	<u>\$ 10,765,815</u>	<u>\$ 12,487,268</u>	<u>\$ 14,159,610</u>	<u>\$ 20,512,467</u>	<u>\$ 23,294,072</u>	<u>\$ 32,216,161</u>	<u>\$ 35,208,335</u>	<u>\$ 38,242,989</u>	<u>\$ 37,232,807</u>
Primary Government:										
Net investment in capital assets	\$ 50,058,154	\$ 53,783,839	\$ 53,459,372	\$ 57,277,213	\$ 61,164,822	\$ 53,647,643	\$ 83,756,672	\$ 86,296,949	\$ 85,949,549	\$ 95,547,830
Restricted	17,348,384	14,912,213	31,009,955	33,176,235	32,151,791	35,119,950	19,545,949	10,447,890	5,900,358	12,592,988
Unrestricted	17,519,488	17,536,442	8,636,697	10,460,353	13,670,073	15,833,259	19,984,905	31,281,431	41,774,977	19,423,547
Total Primary Governmental activities net position	<u>\$ 84,926,026</u>	<u>\$ 86,232,494</u>	<u>\$ 93,106,024</u>	<u>\$ 100,913,801</u>	<u>\$ 106,986,686</u>	<u>\$ 104,600,852</u>	<u>\$ 123,287,526</u>	<u>\$ 128,026,270</u>	<u>\$ 133,624,884</u>	<u>\$ 127,564,365</u>

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Primary Government										
Governmental Activities:										
Expenses										
General government	\$ 1,505,297	\$ 2,912,602	\$ 3,337,096	\$ 3,193,542	\$ 3,096,277	\$ 6,725,881	\$ 4,487,075	\$ 2,057,530	\$ 1,632,438	\$ 1,246,579
Public safety	3,736,759	4,384,817	4,520,649	4,953,938	4,625,887	4,608,197	4,807,752	4,546,380	5,058,509	5,421,986
Public works	355,394	484,639	403,106	380,679	300,551	350,549	312,893	3,204,362	1,802,463	5,172,165
City Streets	447,769	668,429	525,633	562,662	487,812	-	-	-	-	-
Community development	3,828,804	3,588,232	3,381,788	4,317,676	7,134,297	13,191,774	4,439,747	2,069,524	2,258,286	158,908
Parks and Recreation	699,845	1,183,249	1,001,477	929,905	899,853	405,919	414,746	467,875	586,826	556,303
Interest on long-term debt	1,090,872	1,184,597	1,100,696	1,153,844	1,072,656	1,743,738	1,190,083	-	-	-
Unallocated depreciation	-	-	-	-	-	-	-	187,081	301,683	-
Total Governmental Activities Expenses	11,664,740	14,406,565	14,270,445	15,492,246	17,617,333	27,026,058	15,652,296	12,532,752	11,640,205	12,555,941
Business-Type Activities:										
Water	2,250,250	2,535,119	2,907,098	3,012,344	2,794,055	3,427,536	3,216,132	3,131,361	3,663,339	4,256,397
Sewer	1,340,687	1,590,309	1,794,460	1,755,303	1,729,026	1,792,761	1,895,857	1,654,160	1,744,294	2,286,071
Refuse	2,026,380	2,490,517	2,282,627	2,418,969	2,132,818	2,022,570	1,985,803	2,094,112	2,042,944	2,774,668
Golf Course	1,475,087	1,576,817	1,540,356	1,546,483	1,530,665	1,450,794	1,393,917	1,269,053	1,291,826	1,116,532
Total Business-Type Activities Expenses	7,092,404	8,192,762	8,524,541	8,733,099	8,186,564	8,693,661	8,491,709	8,148,686	8,742,403	10,433,668
Total Primary Government Expenses	\$ 18,757,144	\$ 22,599,327	\$ 22,794,986	\$ 24,225,345	\$ 25,803,897	\$ 35,719,719	\$ 24,144,005	\$ 20,681,438	\$ 20,382,608	\$ 22,989,609

CITY OF LEMOORE
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(CONTINUED)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Program Revenues										
Governmental Activities										
Charges for services:										
General government	\$ 168,277	\$ 293,103	\$ 125,791	\$ 106,515	\$ 131,662	\$ 142,139	\$ 110,700	\$ 112,078	\$ 329,690	\$ 119,061
Public safety	500,975	214,079	273,965	247,139	156,944	174,441	186,374	248,714	204,964	349,755
Public works	954,961	685,367	606,846	637,344	696,710	447,935	669,787	282,882	375,243	281,221
Community development	59,351	10,020	15,846	23,925	11,822	9,780	9,903	514,313	542,068	675,228
Parks and recreation	68,692	82,692	81,751	79,996	126,182	176,923	219,804	325,469	380,335	382,980
Operating contributions and grants:	-	-	-	-	-	-	-	-	-	-
General government	2,600	-	-	3,831	2,689	111,375	-	-	-	-
Public safety	248,218	2,500	261,215	236,716	357,666	432,888	244,082	265,459	307,629	433,986
Public works	-	331,950	-	-	-	-	-	-	-	-
City streets	793,860	159,077	-	207,953	226,042	-	-	-	-	-
Community development	-	-	-	147,800	755,855	63,214	1,177,690	147,661	30,398	48,561
Parks and Recreation	-	-	-	-	-	-	-	-	-	-
Capital contributions and grants:	-	-	-	-	-	-	-	-	-	-
Public safety	140,122	57,267	-	44,658	50,585	-	-	-	-	-
Public works	74,606	-	-	-	108,364	850,513	1,026,752	1,280,749	1,194,454	337,260
City Streets	604,983	854,976	1,066,382	1,225,507	321,957	-	-	-	-	-
Community development	237,975	807,308	5,037	-	-	-	-	-	-	-
Parks and recreation	322,395	333,743	109,649	492,340	-	-	-	-	-	-
Total Governmental Activities program revenues	4,177,015	3,832,082	2,546,482	3,453,724	2,946,478	2,409,208	3,645,092	3,177,325	3,364,781	2,628,052
Business-Type Activities										
Charges for services:										
Water	2,834,737	3,015,783	3,194,438	4,105,646	3,790,398	5,008,749	4,128,405	4,145,592	4,182,222	3,942,183
Sewer	2,065,529	2,314,711	2,833,901	3,776,539	3,500,520	3,541,929	3,694,785	3,577,349	3,482,196	3,402,947
Refuse	2,505,972	2,570,358	2,567,235	2,685,981	2,825,938	2,865,372	2,889,494	2,948,335	2,906,828	2,950,079
Golf Course	1,471,521	1,482,959	1,443,786	1,373,493	1,384,200	1,372,337	1,406,092	1,319,848	1,299,190	1,102,945
Operating contributions and grants:										
Refuse	-	-	126,444	-	-	-	-	-	-	-
Capital contributions and grants:										
Water	-	-	-	-	4,925,785	707,835	24,178	-	38,196	-
Sewer	-	-	1,513,184	85,680	33,600	-	2,195,752	639,590	419,398	-
Refuse	-	-	-	-	5,000	6,952	306,160	290,256	570,919	149,610
Golf Course	-	-	-	-	-	-	-	-	-	-
Total Business-Type program revenues	8,877,759	9,383,811	11,678,988	12,027,339	16,465,441	13,503,174	14,644,866	12,920,970	12,898,949	11,547,764

CITY OF LEMOORE
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(CONTINUED)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net Revenues (Expenses)										
Governmental Activities	\$ (7,487,725)	\$ (10,574,483)	\$ (11,723,963)	\$ (12,038,522)	\$ (14,670,855)	\$ (24,616,850)	\$ (12,007,204)	\$ (9,355,427)	\$ (8,275,424)	\$ (11,432,040)
Business-Type Activities	1,785,355	1,191,049	3,154,447	3,294,240	8,278,877	4,809,513	6,153,157	4,772,284	4,156,546	2,618,247
Total Net Revenues (Expenses)	<u>\$ (5,702,370)</u>	<u>\$ (9,383,434)</u>	<u>\$ (8,569,516)</u>	<u>\$ (8,744,282)</u>	<u>\$ (6,391,978)</u>	<u>\$ (19,807,337)</u>	<u>\$ (5,854,047)</u>	<u>\$ (4,583,143)</u>	<u>\$ (4,118,878)</u>	<u>\$ (8,813,793)</u>
General Revenues and Other Changes in Net Assets										
Governmental Activities										
Property taxes	\$ 8,879,855	\$ 8,280,321	\$ 9,413,719	\$ 10,225,746	\$ 10,147,859	\$ 11,312,419	\$ 6,767,250	\$ 3,069,388	\$ 2,156,929	\$ 1,990,281
Sales taxes	1,269,710	1,768,578	1,730,663	1,979,203	1,768,904	1,597,534	1,768,113	2,014,040	2,122,348	2,081,582
Other taxes	1,346,743	3,038,640	3,166,748	3,385,656	3,621,897	3,786,700	4,303,681	3,888,353	4,341,569	4,690,086
Unrestricted investment earnings	911,403	1,651,813	1,510,852	1,041,178	520,767	388,377	286,623	195,537	207,775	173,184
Sales of property	-	49,358	-	-	-	-	-	-	-	-
Other Revenue	54,478	95,563	74,541	219,723	233,226	256,065	3,136,138	537,498	465,649	753,415
Gain (Loss) on sale of Assets	520,995	-	-	-	-	-	-	(997)	(57,342)	8,810
Loss on sale of assets held for resale	(132,375)	-	-	-	-	-	-	-	-	-
Capital contributions	-	-	-	-	-	-	-	-	812,613	-
Transfers	843,745	1,543,304	1,663,416	1,895,744	2,005,911	2,108,316	1,347,974	1,398,178	1,348,085	-
Total general revenues	<u>13,694,554</u>	<u>16,427,577</u>	<u>17,559,939</u>	<u>18,747,250</u>	<u>18,298,564</u>	<u>19,449,411</u>	<u>17,609,779</u>	<u>11,101,997</u>	<u>11,397,626</u>	<u>9,697,358</u>
Business-Type Activities:										
Unrestricted investment earnings	253,015	312,668	230,422	162,906	79,891	80,428	56,592	31,507	37,239	87,024
Gain (Loss) on sale of Assets	-	-	-	-	-	-	-	-	(14,381)	(39,811)
Capital contributions	-	-	-	-	-	-	-	-	357,036	125,879
Other revenues	41,105	105,597	-	-	-	-	-	-	-	-
Transfers	(843,745)	(1,543,304)	(1,663,416)	(1,895,744)	(2,005,911)	(2,108,316)	(1,347,974)	(1,398,178)	(1,348,085)	-
Total general revenues	<u>\$ (549,625)</u>	<u>\$ (1,125,039)</u>	<u>\$ (1,432,994)</u>	<u>\$ (1,732,838)</u>	<u>\$ (1,926,020)</u>	<u>\$ (2,027,888)</u>	<u>\$ (1,291,382)</u>	<u>\$ (1,366,671)</u>	<u>\$ (968,191)</u>	<u>\$ 173,092</u>
Extraordinary Item:		15,302,538								
Gain on dissolution of Redevelopment Agency	-	-	-	-	-	-	7,268,746	-	-	-
Change in Net Assets	<u>\$ 7,442,559</u>	<u>\$ 5,919,104</u>	<u>\$ 7,557,429</u>	<u>\$ 8,270,130</u>	<u>\$ 9,980,566</u>	<u>\$ (2,385,814)</u>	<u>\$ 17,733,096</u>	<u>\$ 5,152,183</u>	<u>\$ 6,310,557</u>	<u>\$ 1,056,657</u>

CITY OF LEMOORE
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 1,625,914	\$ 1,783,935	\$ 1,769,055	\$ 1,755,299	\$ 1,733,878	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	9,098,140	10,130,693	8,729,139	8,051,020	8,485,175	-	-	-	-	-
Nonspendable	-	-	-	-	-	1,704,244	660,171	97,286	1,360,705	1,166,650
Restricted	-	-	-	-	-	-	-	-	-	80,257
Committed	-	-	-	-	-	2,374,959	2,593,761	1,321,595	-	-
Assigned	-	-	-	-	-	-	-	-	-	96,038
Unassigned	-	-	-	-	-	6,369,941	6,661,552	10,710,575	11,090,967	11,149,833
Total general fund	<u>\$ 10,724,054</u>	<u>\$ 11,914,628</u>	<u>\$ 10,498,194</u>	<u>\$ 9,806,319</u>	<u>\$ 10,219,053</u>	<u>\$ 10,449,144</u>	<u>\$ 9,915,484</u>	<u>\$ 12,129,456</u>	<u>\$ 12,451,672</u>	<u>\$ 12,492,778</u>
All other governmental funds										
Reserved	\$ 6,600,995	\$ 7,935,914	\$ 9,309,943	\$ 10,262,432	\$ 11,611,653	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	3,592,026	3,749,318	4,452,044	5,382,553	5,652,401	-	-	-	-	-
Capital projects funds	12,325,886	14,064,823	15,499,703	15,868,676	14,177,260	-	-	-	-	-
Debt service	(210,534)	606,062	756,605	1,497,969	2,087,046	-	-	-	-	-
Nonspendable	-	-	-	-	-	6,535,121	-	-	4,405,474	8,816
Restricted	-	-	-	-	-	41,546,633	12,421,997	10,447,890	5,900,358	12,512,731
Committed	-	-	-	-	-	7,158,186	7,075,622	7,392,997	7,585,676	-
Assigned	-	-	-	-	-	-	-	369,110	398,946	-
Unassigned	-	-	-	-	-	(219,143)	535,184	-	(244,902)	5,918,314
Total all other governmental funds	<u>\$ 22,308,373</u>	<u>\$ 26,356,117</u>	<u>\$ 30,018,295</u>	<u>\$ 33,011,630</u>	<u>\$ 33,528,360</u>	<u>\$ 55,020,797</u>	<u>\$ 20,032,803</u>	<u>\$ 18,209,997</u>	<u>\$ 18,045,552</u>	<u>\$ 18,439,861</u>

CITY OF LEMOORE
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Property taxes	\$ 9,104,166	\$ 8,249,529	\$ 9,403,666	\$ 10,210,173	\$ 10,144,716	\$ 11,309,161	\$ 6,745,624	\$ 3,053,995	\$ 2,128,660	\$ 1,978,931
Other taxes	1,981,879	2,487,016	2,464,134	2,719,047	2,409,957	2,293,676	2,484,776	2,706,573	2,877,392	2,881,451
Licenses and permits	1,291,060	1,062,618	763,657	749,987	586,583	380,851	601,682	665,896	689,558	725,821
Charges for services	312,064	192,448	193,023	154,741	166,355	236,895	308,408	399,471	458,129	500,426
Intergovernmental	1,872,036	3,782,513	3,342,780	3,948,971	4,977,496	4,402,488	5,644,429	4,729,214	5,149,163	4,654,689
Fees and assessments	1,041,509	1,103,703	670,077	1,424,248	146,596	298,824	653,299	304,094	462,662	564,602
Use of money and property	1,054,575	1,651,813	1,513,388	1,021,490	497,277	393,764	294,163	211,195	216,489	173,184
Loan repayments	174,640	-	-	-	-	-	-	-	-	-
Other revenue	147,239	1,119,262	961,704	936,751	1,091,559	1,294,820	511,698	555,868	618,937	878,158
Total revenues	16,979,168	19,648,902	19,312,429	21,165,408	20,020,539	20,610,479	17,244,079	12,626,306	12,600,990	12,357,262
Expenditures										
Current:										
General government	1,360,043	2,843,794	3,015,382	2,854,211	2,725,266	3,798,765	4,482,387	2,067,528	1,628,021	1,251,489
Public safety	3,616,019	3,890,012	4,356,897	4,906,949	4,602,554	4,503,385	4,755,182	4,639,315	4,979,815	5,189,952
Public works	351,173	441,526	389,709	381,075	300,608	345,426	339,296	354,785	401,503	1,651,697
City streets	393,144	445,322	451,519	517,262	456,177	-	-	-	-	-
Community development	3,828,804	3,588,232	4,190,892	5,264,786	8,041,554	5,533,770	3,128,090	1,609,414	1,775,792	158,909
Parks and recreation	662,291	704,313	828,596	811,872	793,389	408,167	414,165	462,244	578,425	524,344
Capital outlay	1,973,725	3,552,650	3,891,366	4,084,111	2,366,274	1,884,348	1,339,845	4,536,290	4,669,389	3,154,886
Debt service	-	-	-	-	-	-	-	-	-	-
Bond issuance cost	-	-	-	-	-	1,009,397	-	-	-	-
Principal	462,035	395,000	854,439	890,980	922,521	1,401,199	455,000	-	-	-
Interest	1,078,676	1,486,034	1,096,855	1,151,191	1,070,658	1,364,557	960,869	-	-	-
Total expenditures	13,725,910	17,346,883	19,075,655	20,862,437	21,279,001	20,249,014	15,874,834	13,669,576	14,032,945	11,931,277
Excess (deficiency) of revenues over expenditures	3,253,258	2,302,019	236,774	302,971	(1,258,462)	361,465	1,369,245	(1,043,270)	(1,431,955)	425,985
Other financing sources (uses)										
Bond proceeds	-	-	-	-	-	19,150,000	-	-	-	-
Sale of capital assets	1,558,779	-	-	-	79,268	-	-	-	9,201	8,810
Gain (loss) on sale of assets held for resale	(132,375)	-	-	-	-	-	-	-	-	-
Operating transfers in	6,156,106	5,149,767	4,325,823	6,606,909	9,647,742	8,888,692	9,278,355	1,931,121	1,733,248	2,049,390
Operating transfers out	(5,225,617)	(3,520,030)	(2,575,974)	(4,608,418)	(7,539,084)	(6,677,629)	(7,827,634)	(496,685)	(282,416)	(503,186)
Total other financing sources (uses)	2,356,893	1,629,737	1,749,849	1,998,491	2,187,926	21,361,063	1,450,721	1,434,436	1,460,033	1,555,014
Extraordinary Item										
Gain/loss on dissolution of Redevelopment Agency	-	-	-	-	-	-	(35,550,894)	-	-	-
Net change in fund balances	\$ 5,610,151	\$ 3,931,756	\$ 1,986,623	\$ 2,301,462	\$ 929,464	\$ 21,722,528	\$ (32,730,928)	\$ 391,166	\$ 28,078	\$ 1,980,999
Debt service as a percentage of noncapital expenditures	13.11%	13.64%	12.85%	12.17%	10.54%	15.06%	9.74%	0.00%	0.00%	0.00%

**CITY OF LEMOORE
ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year	Local Secured	Utility	Unsecured	Total
2006	\$ 1,200,382,056	\$ 920,677	\$ 26,128,843	\$ 1,227,431,576
2007	1,320,833,198	919,168	34,559,528	1,356,311,894
2008	1,476,908,563	857,527	42,301,715	1,520,067,805
2009	1,618,788,968	828,108	42,411,801	1,662,028,877
2010	1,626,916,526	825,630	39,269,425	1,667,011,581
2011	1,709,130,426	554,384	28,706,275	1,738,391,085
2012	1,758,796,967	574,763	26,393,761	1,785,765,491
2013	1,737,953,522	575,662	28,254,947	1,766,784,131
2014	1,751,569,065	574,057	27,317,455	1,779,460,577
2015	1,665,821,072	684,859	25,689,595	1,692,195,526

Source: California Municipal Statistics, Inc.

Note: In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the Debt Services payment owners are charged taxes as a percentage of assessed property values for the Debt Service payment of Lemoore High School District, West Hills Community College District and Hills Community College District SFID No. 3.

**CITY OF LEMOORE
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 OF ASSESSED VALUE
LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
City Direct Rates:										
City of Lemoore Basic Rate	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Overlapping Rates:										
Lemoore Union High School District						0.045187	0.044631	0.045886	0.046730	0.047924
West Hills Community College District						0.000004	0.002160	0.013878	0.011106	0.011206
West Hills College District SFID No. 3						0.001024	0.025856	0.018342	0.019058	0.016280
Total Direct Rate	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.046215</u>	<u>1.072647</u>	<u>1.078106</u>	<u>1.076894</u>	<u>1.075410</u>

Source: California Municipal Statistics, Inc.

Note: In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the Debt Services payment owners are charged taxes as a percentage of assessed property values for the Debt Service payment of Lemoore High School District, West Hills Community College District and Hills Community College District SFID No. 3.

The City of Lemoore only has 5 years available for this table and has decided to present this statistical table as such.

**CITY OF LEMOORE
PRINCIPAL LOCAL SECURED TAXPAYERS
CURRENT YEAR AND 10 YEARS AGO**

Property Owner	Primary Land Use	2006-07		2014-15	
		Assessed Value	% of Total (1)	Assessed Value	% of Total (1)
Leprino Foods Company	Food Processing	\$ 291,472,873	22.07%	\$ 345,086,533	20.72%
Olam tomato Processors Inc.	Food Processing	-		83,034,166	4.98%
SK food LP	Food Processing	65,193,201	4.94%	-	
Agusa	Food Processing	11,766,949	0.89%	11,747,045	0.71%
Lemoore-Lakeview Apartments Ltd. #511-B	Apartments	11,701,576	0.89%	-	
Lemoore Properties II LP	Apartments	-		11,014,966	0.66%
Lemoore Apartments LLC	Apartments	-		10,653,322	0.64%
Heritage Lemoore Ltd.	Apartments	5,464,492	0.41%	6,090,118	0.37%
Winn California Properties LLC	Apartments	5,213,974	0.39%	5,815,516	0.35%
Benderson-Lemoore Associates LP	Commercial	5,016,077	0.38%	5,591,904	0.34%
Poul and Vickie Daley LP	Residential Properties	4,744,507	0.36%	9,578,674	0.58%
Save Mart Supermarkets	Supermarket	4,650,081	0.35%	-	
Lemoore Center LLC	Shopping Center	4,531,155	0.34%	-	
Tanglewood Lemoore Ltd.	Apartments	4,527,849	0.34%	7,282,311	0.44%
Valley Oak Apartments LLC	Apartments	-		7,212,385	0.43%
Lemoore Rural LLC	Residential Properties	4,052,174	0.31%	-	
Anand Investments LLC	Hotel/Motel	4,014,320	0.30%	4,154,175	0.25%
JB Moses Management Corp.	Hotel/Motel	3,972,205	0.30%	-	
Lemoore Cinemas	Movie Theater	3,868,024	0.29%	6,598,936	0.40%
Lemoore Capital LP	Shopping Center	-		5,727,622	0.34%
Carole D, Delap	Shopping Center	-		5,426,994	0.33%
Lemoore 99 LLC	Commercial	-		5,123,154	0.31%
Seven Mart Supermarkets	Supermarket	-		4,665,312	0.28%
Lemoore Hospitality LLC	Hotel/Motel	3,774,598	0.29%	-	
Lennar Fresno Inc.	Residential Properties	3,565,823	0.27%	-	
Devante liberty LP	Residential land	3,488,400	0.26%	-	
HR LLC	Commercial	3,428,876	0.26%	3,770,882	0.23%
Wal-Mart Stores Inc.	Commercial Land	-		3,667,477	0.22%
Guthrie & Castadio Inc.	Commercial	-		3,656,848	2.20%
Golden Gate Holdings LLC	Commercial	3,194,855	0.24%	-	
Top Ten Totals		<u>\$447,642,009</u>	<u>33.88%</u>	<u>\$ 545,898,340</u>	<u>34.78%</u>

Source: California Municipal Statistics, Inc.

Note: (1) 2014-15 Local Secured Assessed Valuation : \$1,665,821,072

**CITY OF LEMOORE
TAX APPORTIONMENT
LAST TEN FISCAL YEARS**

	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>
Secured	\$ 688,035	\$ 775,359	\$ 795,210	\$ 854,481	\$ 943,748	\$ 930,083
Unsecured	37,138	35,556	36,832	37,360	38,081	38,750
Prior Secured	31,261	34,940	18,051	24,844	(6,229)	9,534
Prior Unsecured	104	623	0	442	106	(1,456)
SB813	17,266	36,616	16,808	9,335	15,582	34,903
Prior SB 813	18,340	15,343	0	8,926	6,252	4,689
Airplane	761	464	548	552	569	266
Transfer Tax	50,104	33,095	39,014	48,190	48,948	51,486
RDA RPTTF Residual (ABX1 26)			160,893	219,158	873,292	928,574
Lemoore RDA 25% Pass-through				168,891	Included in Secured Tax	
Total	843,009	931,996	1,067,355	1,372,180	1,920,347	1,996,830

Source: Kings County

The City of Lemoore only has 5 years available for this table and has decided to present this statistical table as such.

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

Fiscal Year	Governmental Activities			Loans Payable	Total Business-Type	Total Primary Government
	Certificates of Participation	Capital Leases	Total Government			
2006			0		0	0
2007			0		0	0
2008			0		0	0
2009			0		0	0
2010			0		0	0
2011			0		0	0
2012	2,275,000	12,855	2,287,855		0	2,287,855
2013	2,070,000	8,353	2,078,353	7,068,000	7,068,000	9,146,353
2014		4,183	4,183	7,068,000	7,068,000	7,072,183
2015			0	6,665,937	6,665,937	6,665,937

Source: City of Lemoore, Finance Department

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Also, Redevelopment Bonds prior to 2011 are removed for consistency in reporting after dissolution.

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

2014-2015 Assessed Valuations:

2014-2015 Assessed Valuation	\$ 1,692,195,526
Redevelopment Incremental Valuation	<u>-</u>
Adjusted Assessed Valuation	\$ 1,692,195,526

	Total Debt 6/30/2015	% Applicable (1)	District's Share of Debt 6/30/15
<u>Overlapping Debt Tax and Assessment Debt:</u>			
West Hills Community College District	\$ 17,660,000	16.58%	\$ 2,928,381
West Hills Community College District School Facilities Improvements District No. 3	17,650,919	38.94%	6,872,385
Lemoore Union High School District	2,338,619	68.43%	<u>1,600,411</u>
Total Overlapping Tax and Assessment Debt			<u>11,401,177</u>
<u>Direct and Overlapping General Fund Debt:</u>			
Kings County General Fund Obligation	\$ 12,175,000	18.39%	2,238,374
Kings County Pension Obligation Bonds	7,087,885	18.39%	1,303,108
West Hills Community College District General Fund Obligations	70,200,000	16.58%	11,640,564
Lemoore Union High School District Certificates of Participation	1,240,000	68.43%	848,582
City of Lemoore	-	100.00%	<u>-</u>
Total Direct and Overlapping General Fund Debt			<u>16,030,627</u>
Overlapping Tax Increment Debt (Successor Agency):	34,510,465	100.00%	<u>34,510,465</u>
Total Direct Debt			-
Total Overlapping Debt			<u>61,942,270</u>
Combined Total Debt			<u>\$ 61,942,270 (2)</u>

Ratios to 2014-15 Assessed Valuations:

Total Overlapping Tax and Assessment Debt	0.67%
Total Direct Debt	
Combined Total Debt	3.66%

Ratios to Redevelopment Successor Agency Incremental Valuation (895,698,099):

Total Overlapping Tax Increment Debt	3.85%
--------------------------------------	-------

AB:(\$475)

Notes:

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

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

**CITY OF LEMOORE
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Gross Assessed Valuation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,738,391,085	\$ 1,785,765,491	\$ 1,766,784,131	\$ 1,779,460,577	\$ 1,692,195,526
Debt Margin Ratio (1)						0.0375	0.0375	0.0375	0.0375	0.0375
Debt Margin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,189,666	\$ 66,966,206	\$ 66,254,405	\$ 66,729,772	\$ 63,457,332
Less Outstanding General Obligation Bonds						0%	0%	0%	0%	0%
Net Debt Margin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,189,666	\$ 66,966,206	\$ 66,254,405	\$ 66,729,772	\$ 63,457,332

(1) California Government Code, Section 43605 sets debt limit as 15%. The code section was enacted when assessed valuations were based on 25% of full market value. This has since changed to 100% of full market value. Thus, the limit shown is 3.75% (one-fourth the limit of 15%).

The City of Lemoore only has 5 years available for this table and has decided to present this statistical table as such.

**CITY OF LEMOORE
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Calendar Year	Population (1) City of Lemoore	Kings County			
		Population (1)	Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Unemployment Rate (3)
2006	23,388	147,729	3,478,661	23,966	8.40%
2007	24,140	151,607	3,489,648	23,625	8.70%
2008	24,502	154,434	3,968,492	26,383	10.60%
2009	23,859	151,816	3,978,531	26,170	14.20%
2010	24,531	152,982	3,792,920	24,908	16.10%
2011	24,700	152,533	4,051,300	26,580	16.20%
2012	24,559	151,060	4,516,364	29,701	15.30%
2013	24,979	150,537	4,491,688	29,679	13.50%
2014	25,225	149,942	4,533,297	30,049	12.10%
2015	25,325	149,721	4,864,335 (5)	32,371 (5)	10.50%

Sources: 1 California Department of Finance.
2 U.S. Department of Commerce, Bureau of Economic Analysis (Kings County)
3 California Employment Development Department.
5 Current numbers are for prior year.

**CITY OF LEMOORE
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR**

Business Name	2014-15	
	Number of Employees	Percent of Total Employment (%)
Leprino Foods CO (West)	1,015	9.14%
Lemoore Union Elementary School District (2)	318	2.86%
Lemoore Union High School District	224	2.02%
West Hills College-Lemoore	146	1.32%
City of Lemoore (3)	136	1.23%
Kmart	110	0.99%
Save Mart (3)	75	0.68%
Mc Donald's (3)	69	0.62%
Best Buy Market (3)	45	0.41%
Northland Process Piping	26	0.23%
Total Top Employers	2,164	19.50%
Total City Employment (1)	11,100	

Source: MuniServices, LLC

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

(2) Includes classified, certificated, and admin employees

(3) Includes full and part time

Note: Tachi Palace Hotel & Casino and Lemoore Naval Air Station are significant employers in the Lemoore area, however, they are not located within the City limits.

**CITY OF LEMOORE
FULL-TIME AND PART-TIME CITY EMPLOYEES
BY FUNCTION
LAST TEN FISCAL YEARS**

Function	FY 2005-06 Authorized Positions	FY 2006-07 Authorized Positions	FY 2007-08 Authorized Positions	FY 2008-09 Authorized Positions	FY 2009-10 Authorized Positions	FY 2010-11 Authorized Positions	FY 2011-12 Authorized Positions	FY 2012-13 Authorized Positions	FY 2013-14 Authorized Positions	FY 2014-15 Authorized Positions
City Manager	4.02	4.01	4.13	4.50	7.03	7.64	6.67	5.70	5.95	5.94
Finance Department	3.01	3.00	3.07	3.11	3.00	3.34	3.00	3.74	3.00	3.44
Public Works	3.90	2.70	2.70	2.70	2.70	2.70	2.70	2.70	3.75	3.75
Utility Department	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.75
Maintenance Division	4.60	4.60	10.65	9.10	6.90	10.68	7.15	11.76	8.15	12.95
Streets	4.50	4.51	5.25	5.37	4.89	0.22	0.00	0.00	0.00	0.00
Building Inspection	5.14	4.33	3.40	4.63	4.21	2.30	7.08	2.30	6.99	2.37
Police Department	35.00	36.61	39.68	39.67	40.59	37.17	37.34	37.09	38.73	40.73
Fire Department	1.85	1.61	1.68	1.64	1.46	1.40	1.36	1.25	1.25	1.25
Parks and Recreation Department	8.39	8.76	12.05	12.28	9.44	6.94	8.78	6.82	6.04	5.89
Planning Department	3.89	3.06	5.93	4.87	3.81	0.80	1.62	0.55	0.00	0.00
Water Department	19.35	8.76	10.40	13.47	13.30	12.94	16.33	12.79	15.46	11.92
Refuse Department	10.32	9.66	12.90	12.46	10.64	7.53	9.69	10.00	10.27	12.52
Sewer Department	9.89	10.06	10.33	10.60	11.54	9.75	10.65	10.65	11.85	12.68
Fleet Maintenance Department	3.98	3.54	4.66	5.48	4.24	3.33	3.20	3.30	3.53	3.66
Golf Course	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.48
LLMD Department	3.08	6.08	5.49	3.96	0.50	0.12	0.00	0.00	0.00	0.00
Redevelopment Department	4.00	4.04	4.42	4.09	4.00	0.00	0.00	0.00	0.00	0.00
Total	<u>128.90</u>	<u>119.32</u>	<u>140.73</u>	<u>141.92</u>	<u>131.25</u>	<u>109.85</u>	<u>118.57</u>	<u>111.65</u>	<u>117.97</u>	<u>130.33</u>

Source: City of Lemoore, Finance Department

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

Function:	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety:										
Police (1)										
Calls for Service	30,474	30,481	29,621	29,872	28,266	30,984	29,882	32,100	46,897	45,828
Citations	1,292	1,718	1,791	1,206	1,204	1,382	1,393	1,630	1,325	1,592
Cases	560	544	299	292	307	420	305	544	301	341
Arrests	1,174	1,363	1,066	1,218	1,296	1,268	1,453	1,560	1,285	1,793
Fire (2)										
Calls for Service	N/A	N/A	1,403	1,359	1,465	N/A	907	1,854	1,736	1,694
Public Works (3)										
Miles of street resurfacing	0.72	3.58	0.00	1.01	7.55	2.34	18.72	12.41	12.86	1.47

(1) Source: City of Lemoore's Police Department.

(3) Source: City of Lemoore's Fire Department.

(3) Source: City of Lemoore's Public Works Department.

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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
Community Development & Community Services:										
Parks and Open Space- Acreage	117	117	117	117	117	117	117	117	117	117
Community Center	1	1	1	1	1	1	1	1	1	1
Library (County)	1	1	1	1	1	1	1	1	1	1
Historic Stowe House	37	37	37	37	37	37	37	37	37	37
 Elementary Schools (K-8)	 8	 8	 8	 8	 8	 8	 8	 8	 8	 8
Middle Schools (6-8)	1	1	1	1	1	1	1	1	1	1
High Schools (9-12)	3	3	3	3	3	3	3	3	3	3
College	1	1	1	1	1	1	1	1	1	1
Private Schools	2	2	2	2	2	2	2	2	2	2
 Public Works:										
Area of City (square miles)	8.84	8.84	8.84	8.84	8.84	8.84	8.84	8.84	8.84	8.84
Miles of streets										
Number of Street lights (1)	1,433	1,433	1,433	1,433	1,433	1,433	1,433	1,433	1,433	1,433
Number of vehicles (city wide)	57	87	85	110	113	107	111	118	132	108

Source: Various City of Lemoore Departments

**CITY OF LEMOORE
TAXABLE SALES BY CATEGORY
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)**

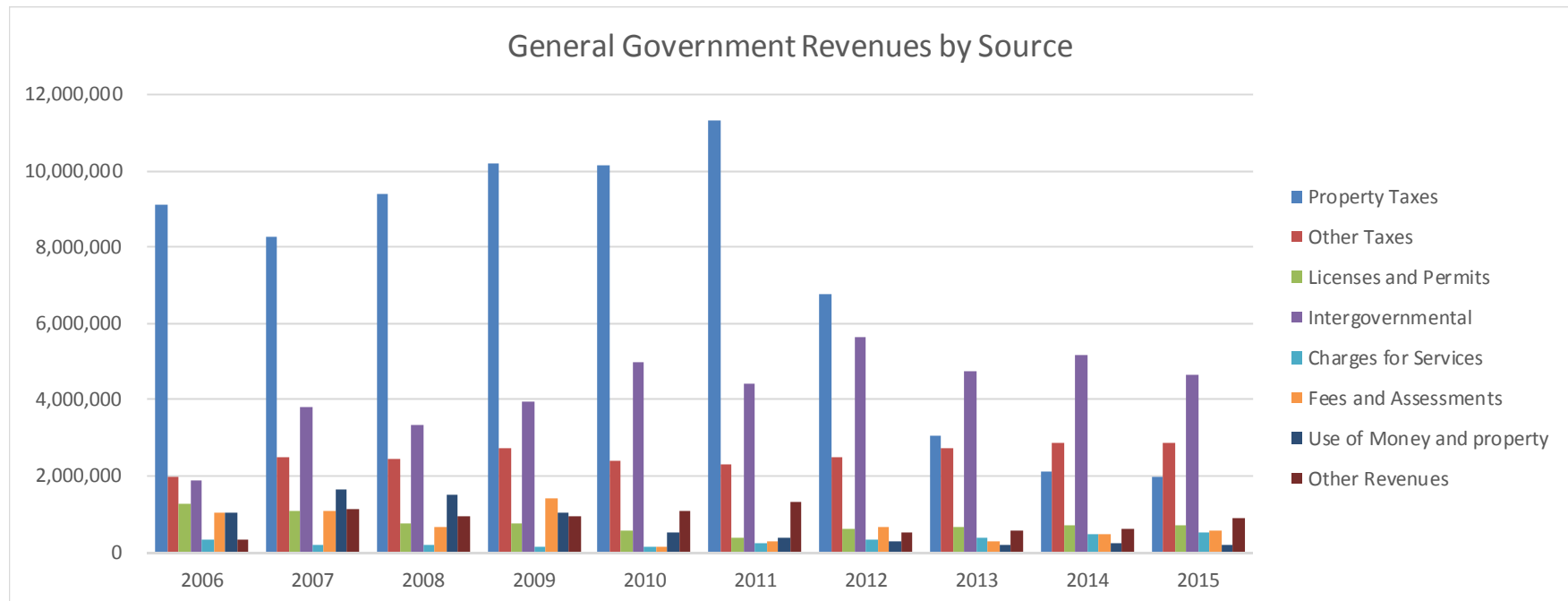
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Apparel Stores	\$ 463	\$ 382	\$ 348	\$ 390	\$ 281	\$ 599	\$ 639	\$ 681	\$ 559	\$ 339
Food Stores	8,877	9,121	9,272	9,482	9,671	9,696	10,782	11,553	11,767	12,441
Eating and Drinking Places	18,609	19,163	19,028	18,679	18,758	21,186	21,750	24,710	26,086	27,754
Building Materials	5,647	5,017	4,702	4,862	5,661	5,238	4,778	5,176	6,699	4,683
Auto Dealers and Supplies	19,483	18,150	12,721	7,860	8,164	9,390	9,916	10,702	10,508	10,798
Service Stations	25,160	28,163	30,450	25,344	29,167	35,073	35,102	37,653	39,520	32,416
Other Retail Stores	37,203	35,752	31,917	30,256	28,044	27,473	28,432	29,108	29,359	29,251
All other Outlets	62,608	66,628	86,852	68,976	62,196	78,171	92,014	92,897	86,970	75,725
Total Direct Rate	<u>\$ 178,050</u>	<u>\$ 182,376</u>	<u>\$ 195,290</u>	<u>\$ 165,849</u>	<u>\$ 161,942</u>	<u>\$ 186,826</u>	<u>\$ 203,413</u>	<u>\$ 212,480</u>	<u>\$ 211,468</u>	<u>\$ 193,406</u>

Source: State of California Board of Equalization and The HdI Companies

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

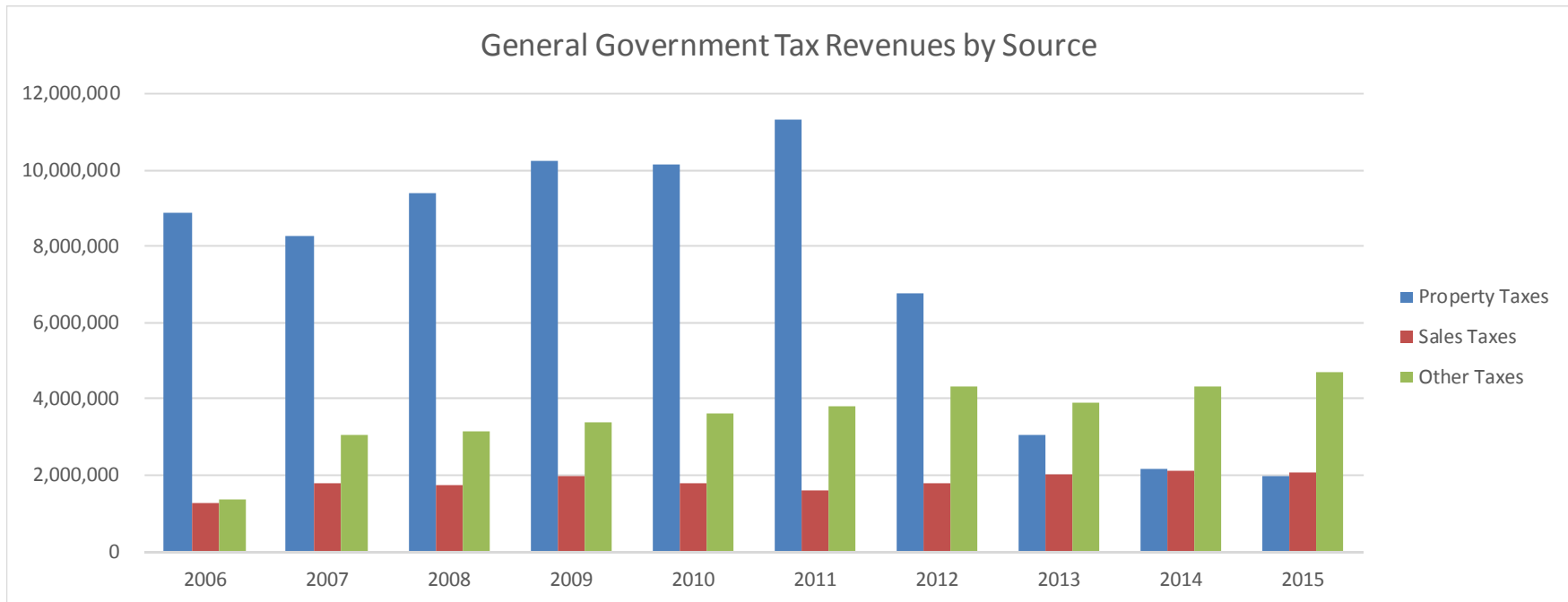
**CITY OF LEMOORE
GENERAL GOVERNMENT REVENUES
BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	Property Taxes	Other Taxes	Licenses and Permits	Intergovernmental	Charges for Services	Fees and Assessments	Use of Money and property	Other Revenues	Total
2006	9,104,166	1,981,879	1,291,060	1,872,036	312,064	1,041,509	1,054,575	321,879	16,979,168
2007	8,249,529	2,487,016	1,062,618	3,782,513	192,448	1,103,703	1,651,813	1,119,262	19,648,902
2008	9,403,666	2,464,134	763,657	3,342,780	193,023	670,077	1,513,388	961,704	19,312,429
2009	10,210,173	2,719,047	749,987	3,948,971	154,741	1,424,248	1,021,490	936,751	21,165,408
2010	10,144,716	2,409,957	586,583	4,977,496	166,355	146,596	497,277	1,091,559	20,020,539
2011	11,309,161	2,293,676	380,851	4,402,488	236,895	298,824	393,764	1,294,820	20,610,479
2012	6,745,624	2,484,776	601,682	5,644,429	308,408	653,299	294,163	511,698	17,244,079
2013	3,053,995	2,706,573	665,896	4,729,214	399,471	304,094	211,195	555,868	12,626,306
2014	2,128,660	2,877,392	689,558	5,149,163	458,129	462,662	216,489	618,937	12,600,990
2015	1,978,931	2,881,451	725,821	4,654,689	500,426	564,602	173,184	878,158	12,357,262



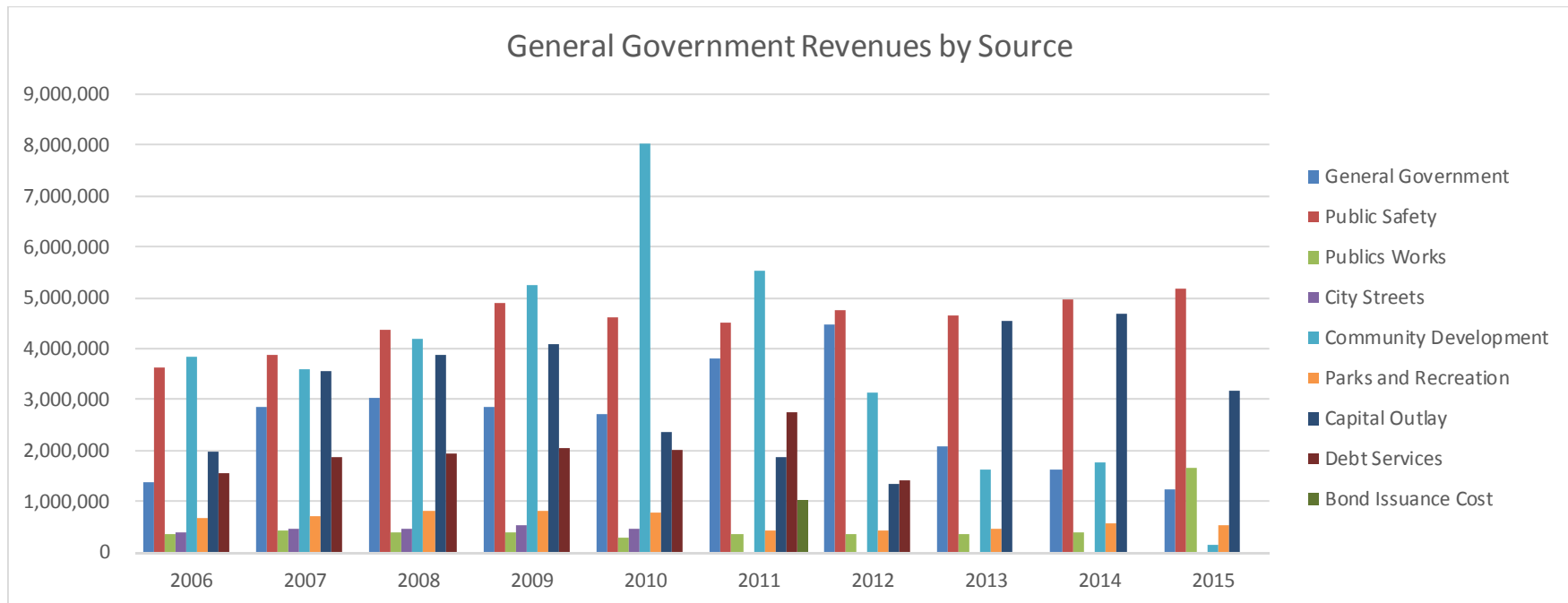
**CITY OF LEMOORE
GENERAL GOVERNMENT TAX REVENUE
BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	Property Taxes	Sales Taxes	Other Taxes	Total
2006	8,879,855	1,269,710	1,346,743	11,496,308
2007	8,280,321	1,768,578	3,038,640	13,087,539
2008	9,413,719	1,730,663	3,166,748	14,311,130
2009	10,225,746	1,979,203	3,385,656	15,590,605
2010	10,147,859	1,768,904	3,621,897	15,538,660
2011	11,312,419	1,597,534	3,786,700	16,696,653
2012	6,767,250	1,768,113	4,303,681	12,839,044
2013	3,069,388	2,014,040	3,888,353	8,971,781
2014	2,156,929	2,122,348	4,341,569	8,620,846
2015	1,990,281	2,081,582	4,690,086	8,761,949



**CITY OF LEMOORE
GENERAL GOVERNMENT EXPENDITURES
BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	General Government	Public Safety	Publics Works	City Streets	Community Development	Parks and Recreation	Capital Outlay	Debt Services	Bond Issuance Cost	Total
2006	1,360,043	3,616,019	351,173	393,144	3,828,804	662,291	1,973,725	1,540,711		13,725,910
2007	2,843,794	3,890,012	441,526	445,322	3,588,232	704,313	3,552,650	1,881,034		17,346,883
2008	3,015,382	4,356,897	389,709	451,519	4,190,892	828,596	3,891,366	1,951,294		19,075,655
2009	2,854,211	4,906,949	381,075	517,262	5,264,786	811,872	4,084,111	2,042,171		20,862,437
2010	2,725,266	4,602,554	300,608	456,177	8,041,554	793,389	2,366,274	1,993,179		21,279,001
2011	3,798,765	4,503,385	345,426		5,533,770	408,167	1,884,348	2,765,756	1,009,397	20,249,014
2012	4,482,387	4,755,182	339,296		3,128,090	414,165	1,339,845	1,415,869		15,874,834
2013	2,067,528	4,639,315	354,785		1,609,414	462,244	4,536,290			13,669,576
2014	1,628,021	4,979,815	401,503		1,775,792	578,425	4,669,389			14,032,945
2015	1,251,489	5,189,952	1,651,697		158,909	524,344	3,154,886			11,931,277



**CITY OF LEMOORE
NAVY ACTIVE DUTY, RESERVISTS,
GUARDS, AND CIVILIANS AT
NAVAL AIR STATION
LEMOORE, CA**

Source: DMDC UICSS

Source: DMDC Self-Service

As of 30 June 2015

BASE NAME	SERVICE / COMPONENT	SERVICE MEMBER COUNT
LEMOORE NAS	NAVY ACTIVE DUTY ENLISTED	3,338
LEMOORE NAS	NAVY ACTIVE DUTY OFFICER	468
LEMOORE NAS	NAVY SELECTED RESERVE ENLISTED	0
LEMOORE NAS	NAVY SELECTED RESERVE OFFICER	518
LEMOORE NAS	NAVY GUARD ENLISTED	44
LEMOORE NAS	NAVY GUARD OFFICER	0
LEMOORE NAS	NAVY APF CIVILIAN	765
LEMOORE NAS	NAVY NAF CIVILIAN	513
	TOTAL	5,646

Disclaimer: Defense Manpower Data Center (DMDC) owns the data provided in this report.
This office claims no ownership of any kind, expressed or implied of the information therein.

Source : NAS Lemoore Offices.

The City decided to only provide on year of dates for this statistic.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lemoore, California (the City), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 12, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2015-001, 2015-002, 2015-005 and 2015-007, to be material weaknesses.

677 Scott Avenue
Clovis, CA 93612

tel 559.299.9540
fax 559.299.2344

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2015-003, 2015-004, and 2015-006, to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Findings

The City's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Price Pange & Company

Clovis, California
April 12, 2016

**CITY OF LEMOORE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2015**

Finding 2015-001

RPTTF Funding (Material Weakness)

- Condition:** The City received Regional Property Tax Trust Fund (RPTTF) distributions from the County prior to the fiscal year-end. The City distribution was derived from the tax levy imposed upon taxpayers for the 2014-15 tax year. The City improperly recorded the distribution as unearned revenue instead of recognizing the revenue for the fiscal year ended June 30, 2015.
- Criteria:** Government Accounting Standards Board Codification No. 50.115 requires that property taxes be recognized as revenues in the fiscal year for which those funds are levied.
- Cause:** The City made their determination based on the time period of the Recognized Obligation Payment Schedule (ROPS) rather than the tax year wherein the tax levy was imposed.
- Effect:** As a result of this condition, unearned revenue was overstated and revenue was understated by \$1,456,911 in the Lemoore Redevelopment Successor Agency Trust Fund. In addition, unearned revenue was overstated and revenue was understated by \$197,384 in the General Fund.
- Recommendation:** We recommend that the City recognize RPTTF funds, distributed to the Successor Agency from the County, in the proper period.

**CITY OF LEMOORE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2015**

Finding 2015-002

Calculation of Unavailable Revenue (Material Weakness)

- Condition:** The City improperly recorded unavailable revenue in the Water, Sewer, and Refuse funds. In addition, the City failed to record an adjustment to unavailable revenues in relation to payments made on loans within the Lemoore Housing Authority fund.
- Criteria:** Governmental Accounting Standards Board Statement requires that proprietary funds should be accounted for on an accrual basis. Also, unavailable revenues should be considered revenues once payments are received.
- Cause:** The City improperly applied unavailable revenue criteria to proprietary funds. In addition, the City did not recognize principal housing loan payments when received.
- Effect:** As a result of these conditions, unavailable revenues were overstated and revenues were understated by \$139,730 in the Water Fund, \$96,654 in the Sewer Fund, and \$25,654 in the Refuse Fund. Unavailable revenues were overstated and revenues were understated by \$58,000 in the Lemoore Housing Authority Fund.
- Recommendation:** We recommend that the City put processes in place to eliminate the recording of unavailable revenue in proprietary funds and also designate an employee to review the housing loan schedules and reconcile both the receivable and unavailable balances at year-end to the trial balance.

Finding 2015-003

Revenues Being Recorded as Deposits (Significant Deficiency)

- Condition:** The City improperly recorded Assembly Bill 109 (AB109) receipts received from the State as a deposit (liability) instead of revenue.
- Criteria:** Governmental Accounting Standards Board Statement No. 33 requires that derived tax revenues should be recognized when the resources are received.
- Cause:** The City maintains certain restricted funding sources as liabilities for internal tracking purposes.
- Effect:** As a result of this condition, deposits were overstated and revenues understated by \$80,257 in the General Fund.
- Recommendation:** We recommend that the City implement a process to prepare a year-end entry to reclassify the activity recorded in the deposit account from liability to revenues and expenses, respectively.

**CITY OF LEMOORE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2015**

Finding 2015-004

Interest Expense Accrual (Significant Deficiency)

Condition: The City did not accrue interest expense at year-end for various long-term debt accounts.

Criteria: Interest expense should be recorded and recognized in the proper period.

Cause: The City's year-end close process did not consider interest accruals for long-term debts.

Effect: As a result of this condition, expenditures and liabilities were understated in the Water fund by \$831, and in the Lemoore Redevelopment Successor Agency Trust Fund by \$261,615.

Recommendation: We recommend that the City implement a process at year-end to identify interest expense accruals for proper financial reporting.

Finding 2015-005

Receivables (Material Weakness)

Condition: During our testing of accounts receivable, we identified a check that was received by the City prior to the fiscal year-end that was not recorded timely.

Criteria: Receipts to the City should be recorded and deposited timely to enhance proper internal controls and financial reporting.

Cause: The City was initially unaware of the reason for the receipt of the check. This caused a significant delay for the proper recording of the receipt and the adjustment to the related accounts receivable balance.

Effect: As a result of this condition, accounts receivable was overstated and cash was understated in the General Fund by \$1,340, and in the Water Fund by \$101,256.

Recommendation: We recommend that the City record payments promptly when received. The City should also enhance their year-end reconciliations of accounts receivable for proper financial recording.

**CITY OF LEMOORE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2015**

Finding 2015-006

Capital Assets Reconciliation (Significant Deficiency)

- Condition:** The City's capital assets reconciliation schedule was not fully prepared and completed prior to the fiscal year-end. Audit testing of these accounts was delayed as a result.
- Criteria:** General ledger account balances should be properly reconciled to a subsidiary ledger or other adequate supporting documentation throughout the year as well as during the financial year-end close.
- Cause:** The City had significant turnover and staffing issues after the fiscal year-end. In addition, the City converted from the modified approach to the depreciation approach for the financial reporting of capital assets.
- Effect:** As a result of this condition, the capital assets schedule had numerous errors, including, but not limited to: depreciation expense counted twice for one department, capital asset additions not being recorded, transfers of assets between departments recorded incorrectly, prior year additions listed as current year additions, an identical capital asset addition being listed in two separate departments, and certain depreciation expense calculation errors.
- Recommendation:** We recommend that the City thoroughly review the capital asset reconciliation schedule as a part of the year-end closing process.

Finding 2015-007

Assets Held for Resale (Material Weakness)

- Condition:** Assets held for resale were sold during the fiscal year. The City recorded revenue for payments received instead of recording a reduction of the asset balance from the accounting records as well as recording the related gain or loss on the sale.
- Criteria:** When assets are sold, the asset balance should decrease and a gain or loss on the sale should be recorded, as applicable.
- Cause:** The City did not update their inventory schedule during fiscal year 2015.
- Effect:** As a result of this condition, assets held for resale were overstated by \$679,777. Revenues on the sales of property were overstated by \$318,107, and loss on sale of asset was understated by \$361,670.
- Recommendation:** We recommend that the City review the assets held for resale inventory schedule as part of the year-end closing process for proper financial reporting.

**CITY OF LEMOORE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015**

Finding 2014-001

Year-End Closing Process (Significant Deficiency)

Condition:

We have determined that the processes utilized for the closing and reporting of the City's financial activity were not concluded in a timely manner. Accordingly, we received various reconciling schedules that were either inaccurate or incomplete.

Criteria:

A strong system of internal controls and management review requires that general ledger account balances be properly reconciled to a subsidiary ledger or other adequate supporting documentation on a periodic basis, as well as during the year-end financial close process, and provided to the City's auditors at the time fieldwork commences. Management is responsible for maintaining its accounting records in accordance with accounting principles generally accepted in the United State of America.

Cause:

Year-end balances, specifically related to long-term debt and capital assets, were incorrectly recorded in the City's financial records and the incorrect balances were not subsequently reviewed. Additionally, various schedules, including the City's depreciation schedules and Schedule of Expenditures of Federal awards were either incomplete or inaccurate when they were requested and/or provided to us by the City.

Effect:

As a result of this condition, long-term debt and the Schedule of Expenditures of Federal Awards were initially materially misstated. Additionally, significant delays in the completion of the audit occurred due to the City providing us incomplete and inaccurate reconciling schedules.

Recommendation:

Although the City's Finance Department has continued to make significant improvements in its overall ability to provide accurate financial information, we recommend that further emphasis be placed on closing accounting records in a more timely manner. This will include creating and implementing specific procedures to ensure that the general ledger and all supporting schedules are complete and have been reviewed by the appropriate personnel prior to the commencement of audit fieldwork. We also recommend that the Finance Department create and implement controls to ensure the proper tracking of all grants the City receives. We believe that this can be achieved through increased communication with all of the City's departments regarding the receipt and progress of grant expenditures. Additionally, the progress of all grants should be consistently maintained on a schedule that reconciles each of its grants to the general ledger.

**CITY OF LEMOORE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015**

Finding 2014-001

Year-End Closing Process (Significant Deficiency) (Continued)

City Response:

The Finance Department had all departments conduct a physical inventory of all assets during fiscal year 2013-2014. The supporting schedules were updated accordingly. However, the year-end process did not proceed as timely as anticipated. Finance staff was tasked with new duties beginning July 2014 that required a tremendous allotment of time. The capital asset schedules were not completed timely due to the time restraints placed on staff. The schedules are currently up to date and the next fiscal year process will proceed in a timely manner.

The Finance Department plans to take a more active role in the grant activities of the City. We now have a clear picture of what information is required for the future audits. The Finance department staff will work closely with the departments to ensure that all schedules are available for the 2014- 2015 audit.

The Finance Department has worked diligently to make improvements in accounting for the financial activities in the past three years. Each year new hurdles are presented and the Finance staff continues to take on the additional tasks while maintaining existing duties. The Finance Department will strive to provide complete and accurate financial information for the next audit in a timely manner.

Status:

Not implemented.



119 Fox Street • Lemoore, California 93245 • (559) 924-6715 • Fax (559) 924-9003
Finance Department

Management response to the auditor's findings

As per auditors recommendation with regard to improve material weaknesses in recognition and reporting Revenue and Expenditure within the correct period, the finance department has taken steps to correct the weaknesses by compiling the Standard Operating Procedures, enhancing the training of the staff, as well as regular cross-training of the staff, establishing periodic internal audit and enhancing the Internal Control Procedures. In addition the finance department has placed additional trained staff on various tasks with regard to Internal control

These procedures, training, and reassigned staff positions will address the following finding:

1. Finding 2015-001 RPTTF Funding and ROPS reporting
2. Finding 2015-002 Calculation of unavailable Revenue
3. Finding 2015-003 Revenue as being recorded as deposit
4. Finding 2015-004 Interest Expense Accrual not recorded on some loans.
5. Finding 2015-005 Receivables nor recorded in some cases.
6. Finding 2015-006 Capital Asset Reconciliation
7. Finding 2015-007 Asset Held for Resale.

Based on this recommendations, the Finance Department as a whole will implement and execute the improved guidelines and updates the Standard Operating Procedures periodically to improve financial statement reporting.



John Herrera CPA
Finance Director (Contract)



April 12, 2016

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lemoore (the City) for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 20, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. The City adopted Statement of Governmental Accounting Standards (GASB Statement) No. 68, *Accounting and Financial Reporting for Pensions-An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB Statement No. 68*, in fiscal year 2015. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Activities of the government-wide financial statements and the Statement of Revenue, Expenditures, and Changes in Net Position of the Proprietary Fund financial statements. In addition, during the current fiscal year the City converted from the modified approach as defined by GASB Statement No. 34 for its road network system to depreciation accounting. The City is depreciating the full cost of the road network system over its estimated remaining service life. The change is being applied prospectively, beginning July 1, 2014. We noted no transactions entered into by City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

- Management's estimate of the allowance for doubtful accounts is based on an average of the past five years of direct account write-offs. We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of capital asset carrying values and depreciation expense is based on estimated useful lives of individual assets. We evaluated the key factors and assumptions used to develop the capital assets carrying value and depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net pension liability and related deferrals is based on actuarial valuations which include significant assumptions regarding discount rate, inflation, payroll growth, projected salary increases and investment rate of return. We evaluated the key factors and assumptions used to develop the liability and related deferrals in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

677 Scott Avenue
Clovis, CA 93612

tel 559.299.9540

fax 559.299.2344

Difficulties Encountered in Performing the Audit

The completion of our audit was delayed due to significant turnover in the City's finance department. This resulted in an increase in the amount of research required on audit inquiries and also caused a delay on receipt of requested documentation for audit testing. These factors impacted the timing and completion of the fieldwork performed and subsequent issuance of the financial reports.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached Schedule A summarizes an uncorrected misstatement of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The material misstatements detected (see attached Schedule B) as a result of audit procedures were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 12, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Schedule of the City's Proportionate Share of the Net Pension Liability – Defined Benefit Pension Plans and the Schedule of Contributions – Defined Benefit Pension Plans, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining statements and individual fund statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of City Council and management of the City of Lemoore and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Prime Page & Company

City of Lemoore
Uncorrected Misstatement
6/30/2015
Schedule A

Account Number	Description	Debit	Credit
Uncorrected Misstatement No. 1			
1-0010-42210-4220000	Police: Oper. Supplies	49,704	
1-0010-42420-4220000	Recreation: Oper. Supplies	49,574	
1-0010-00000-2295000	Teen Center: Liability	7,805	
1-0010-00000-2290000	Asset Forfeit: Liability	18,885	
1-0010-00000-3815000	Abandoned Vehicle abatement revenue		43,320
1-0010-00000-3868000	Asset Forfeit: Revenues		47,262
1-0010-00000-3875000	Gifts & Donations: Revenue		14,059
1-0010-00000-2302000	Evidence Holdings: Liability		21,327

The City is recording certain revenue and expense transactions as deposits (current liability). It has been determined that the City records these transactions in this manner so they can track the funds available relating to these sources of revenue, versus restricting fund balance for these purposes.

City of Lemoore
Adjusting Journal Entries
6/30/2015
Schedule B

Account Number	Description	Debit	Credit
Material Adjustment No. 01a			
6-1500-00000-2081000	UNAVAILABLE REVENUE	250,000	
6-1500-00000-2081000	UNAVAILABLE REVENUE	1,206,911	
6-1500-00000-3980000	TAX INCREMENT		1,456,911

To reclass RPTTF revenue received before year-end related to the ROPS 15-16A (7/1-12/31/15) from unavailable revenue to revenue

Material Adjustment No. 01b			
1-0010-00000-2081000	UNAVAILABLE REVENUE	197,384	
1-0010-00000-3010A00	SECURED PROPERTY TAX - RDA		197,384

To reclass RPTTF revenue received before year-end related to the ROPS 15-16A (7/1-12/31/15) from unavailable revenue to revenue

Material Adjustment No. 02			
2-1550-00000-2082000	UNAVAILABLE REVENUE	58,000	
2-1550-00000-3719000	Loan Repayment		58,000

To reclassify \$58,000 of principal payments received in FY15 from unearned revenue to revenue.

Material Adjustment No. 03			
6-1500-00000-2535000	PRIOR PERIOD ADJUSTMENT	518,730	
6-1500-00000-2361000	LEPRINO OWN PART AGREEMENT		518,730

To record the effects of overpayments relating to the reassessment of property value for the 2nd amendment of Leprino Owner's Agreement.

Material Adjustment No. 04			
1-0010-00000-2306000	AB109 FUNDING	80,257	
1-0010-00000-3796000	AB109		80,257

To adjust revenues for cash received relating to AB109 funding.

City of Lemoore
Adjusting Journal Entries
6/30/2015
Schedule B

Account Number	Description	Debit	Credit
Material Adjustment No. 05			
5-0500-00000-2030000	ACCRUED INTEREST PAYABLE	831	
5-0500-42500-4392000	SOLAR LOAN INTEREST EXP		831
6-1580-00000-2030000	ACCRUED INTEREST PAYABLE	2,750	
6-1580-49620-4460000	LRA-INTEREST EXPENSE		2,750
6-1590-49630-4460000	LRA-INTEREST EXPENSE	261,615	
6-1590-00000-2030000	Accrued Interest Payable		261,615

To adjust interest payable balances to agree with amortization schedules.

Material Adjustment No. 06

1-0010-00000-1010000	CASH	1,340	
1-0010-00000-1161000	ACCOUNTS RECEIVABLE		1,340
5-0500-00000-1010000	CASH	7,210	
5-0500-00000-1161000	ACCOUNTS RECEIVABLE		7,210
5-0700-00000-1010000	CASH	85,491	
5-0700-00000-1161000	ACCOUNTS RECEIVABLE		85,491
5-070A-00000-1010000	Cash	8,555	
5-070A-00000-1161000	ACCOUNTS RECEIVABLE		8,555

To reclassify a payment of accounts receivable received before June 30, 2015.

Material Adjustment No. 07

5-0700-00000-2081000	UNAVAILABLE REVENUE	127,092	
5-0700-00000-2535000	PRIOR PERIOD ADJUSTMENT		127,092
5-070A-00000-2081000	UNAVAILABLE REVENUE	12,638	
5-070A-00000-2535000	PRIOR PERIOD ADJUSTMENT		12,638
5-0690-00000-2081000	UNAVAILABLE REVENUE	46,725	
5-0690-00000-2535000	PRIOR PERIOD ADJUSTMENT		46,725
5-0710-00000-2081000	UNAVAILABLE REVENUE	11,837	
5-0710-00000-2535000	PRIOR PERIOD ADJUSTMENT		11,837
5-071A-00000-2081000	UNAVAILABLE REVENUE	38,092	
5-071A-00000-2535000	PRIOR PERIOD ADJUSTMENT		38,092
5-0760-00000-2081000	UNAVAILABLE REVENUE	25,654	
5-0760-00000-2535000	PRIOR PERIOD ADJUSTMENT		25,654

To reclassify unavailable revenue related to a building permit on Grove Apartments to prior period adjustment.

City of Lemoore
Adjusting Journal Entries
6/30/2015
Schedule B

Account Number	Description	Debit	Credit
Material Adjustment No. 08			
1-0010-00000-2081000	UNAVAILABLE REVENUE	4,227	
1-0010-00000-3710000	GRANT PROCEEDS		4,227
1-0010-00000-2081000	UNAVAILABLE REVENUE	18,636	
1-0010-00000-2081000	UNAVAILABLE REVENUE	13,501	
1-0010-00000-3879000	REIMBURSEMENTS		32,137
2-0270-00000-2081000	UNAVAILABLE REVENUE	157,236	
2-0270-00000-3727000	RTPA EXCHANGE FUNDS		157,236
2-0280-00000-2081000	UNAVAILABLE REVENUE	26,281	
2-0280-00000-3710000	GRANT PROCEEDS		26,281
1-0010-00000-2081000	UNAVAILABLE REVENUE	3,699	
1-0010-00000-3879000	REIMBURSEMENTS		3,699

To reclassify grant related unavailable revenue to revenue.

Material Adjustment No. 09

6-1500-00000-3865000	SALE OF PROPERTY	679,777	
6-1500-00000-1430000	LAND HELD FOR RESALE		679,777

To record sale of land held for resale.

Mayor
Lois Wynne
Mayor Pro Tem
Jeff Chedester
Council Members
Ray Madrigal
Eddie Neal
William Siegel



**Finance
Department**

119 Fox Street
Lemoore, CA 93245
Phone (559) 924-6700
Fax (559) 924-9003

Staff Report

ITEM NO. 5-2

To: Lemoore City Council
From: John Herrera, Finance Director Consultant
Date: April 18, 2016 **Meeting Date:** May 3, 2016
Subject: Implementation of Online Bill Pay and Acceptance of Credit Cards – Agreement with Paymentus Corporation

Proposed Motion:

Authorize the City Manager to enter into an agreement with Paymentus Corporation for Utility Online Billing services, amend the budget to pay the \$9,000 cost of three service kiosks and the absorption of credit card fees for customers who choose to pay their bills online or at a kiosk with direction to conduct a fee and charge study with the idea of recovering these costs.

Subject/Discussion:

Entering into an agreement with Paymentus will allow utility customers the ability to pay their bill online. Staff has identified a Citywide solution that will improve the customer service level and save staff time in the following City departments/locations:

- Utility Billing Office – City Hall
- Parks & Recreation – Cinnamon Municipal Complex
- Public Works/Development Services
- Police Department
- Municipal Golf Course (to be evaluated).

The City would like to incorporate the Paymentus system City wide and offer the ability to process electronic payments in all departments. By incorporating one system the “same look and feel” would create efficiencies and familiarity for the community when paying City bills.

The Parks & Recreation office currently uses Federal Payments and charges customers 2.5% per transaction. However, staff is currently recommending that the City eventually migrate Parks & Recreation to the Paymentus system for consistency across the entire City.

A link on the City’s existing website will be added that says “Pay your Bills Here”, or words to that effect, allowing City website users to be linked to the Paymentus website, which will have the Lemoore logo. The transaction will be seamless to the customer, and provide additional flexibility for users to pay for City services at their home or in the lobby

at the kiosk. Users would still need to complete City forms and documents necessary to process payments or receive services, which will likely still require a trip into the City (or mailing) of paperwork.

The Online Payment kiosk is a sleek design and occupies very little space in City offices. Staff expects that 20% of customers will use the online billing and/or payment system during the first year, but this will grow over time, as more customers become familiar with this technology.,

The Paymentus Corporation provides a comprehensive service for the City to accept e-Payments for utility billing and business licenses. The community has long requested the ability to pay bills online and/or receive electronic bills for utility payments. Currently, the City accepts bank checks (sent directly through a customer's bank account), mailed checks, or in-person payments made at City Hall. The ability to add online or credit card payments has been a demand to the Finance department from the general public for several years. The Finance Department is asked by approximately 75% of customers at the window if, or when, the City will have these services.

Paymentus partners with InfoSend and SunGard (companies that currently provide billing and software services for the City), which translates into an easier transition. Customers will now have the option to pay online, over the phone, by text or at a dedicated kiosk at City Hall, in addition to in person or by mail as they have in the past. Customers have the option to receive e-notices for payment should they choose

If approved it will take approximately 6-8 weeks to implement the new system.

Financial Consideration(s):

Paymentus will supply the City with a kiosk that will allow customers to do self-service payments at a cost of \$9,000, which is \$1,800 for each of the five locations. Staff is requesting a budget adjustment for \$1,800 in each of the Departments using their 4220 budget account. The annual amount of absorbed credit card fees will total approximately \$29,000 for Fiscal Year 2017. However, there will be anticipated savings in staff time.

Due to the anticipated savings in staff time, staff is recommending absorbing the cost of the credit card fees, rather than having customers pay the fee. The cost is 33% lower for utility customers when the absorption model is followed, with an average \$2 per bill, rather than \$2.95. The cost of the \$29,000 first-year credit card fees will be more than offset by the reduction in staff time needed to accept payments in-person at the Utility Billing office.

Staff is also seeking direction to include these costs in the Community Investment Program (CIP) Project #9903 (Master Fee Schedule) study.

For this first-year program, staff will develop internal administrative procedures to limit high-dollar transactions (amounts of \$250 or less) and define other details that can affect the benefits to the community from using online payments and credit card services. However, if approved, permanent administrative procedures will be written for the use of credit cards for subsequent years as a part of the Master Fee Schedule project.

Alternatives or Pros/Cons:

Pros:

- Greatly improves level of service within utility billing operations.
- Allows for the permanent reduction of a ½ full-time equivalent (currently a vacant position).
- Allows for the use of technology by residents and businesses, an in-demand service, for quicker payment processing.
- Adds an additional payment method option.
- Integrates with the City's current technology.
- May reduce delinquent utility bills.

Cons:

- Absorbing the credit card fees would be an additional cost to the City. There could be customers who question why credit card users get a benefit. However, staff will remind those customers that they have the option to receive the same benefit if they opt to take advantage of the efficiencies of paying their bills online.

Commission/Board Recommendation:

Not Applicable.

Staff Recommendation:

Staff recommends contracting with Paymentus Corporation for Utility Billing services and amending the budget to pay for the \$9,000 cost of the kiosk and the absorption of credit card fees for customers who choose to pay their bills online or on the kiosk.

Attachments:

- ☐ Resolution
- ☐ Ordinance
- ☐ Map
- ☐ Other _____

Review:

- | | |
|---|---------|
| <input type="checkbox"/> Finance | |
| <input checked="" type="checkbox"/> City Attorney | 4/26/16 |
| <input checked="" type="checkbox"/> City Manager | 4/26/16 |
| <input checked="" type="checkbox"/> City Clerk | 4/27/16 |

Date:



MASTER SERVICES AGREEMENT

Client:	City of Lemoore (CA)
Client Address:	
Contact for Notices to Client:	Craig Levorsen
Estimated Yearly Bills / Invoices:	80,000

This Master Services Agreement ("Master Agreement") is entered into as of the Effective Date below, by and between the Client ("Client") identified above and **Paymentus Corporation**, a Delaware Corporation ("Paymentus").

WHEREAS Paymentus desires to provide and the Client desires to receive certain services under the terms and conditions set forth in this Agreement. Paymentus provides electronic bill payment services to utilities, municipalities, insurance and other businesses.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby covenant and agree as follows. This Agreement consists of this signature page, General Terms and Conditions, and the attachments ("**Attachments**") with schedules ("**Schedules**") listed below:

Schedule A: Paymentus Service Fee Schedule

This Agreement represents the entire understanding between the parties hereto with respect to its subject matter and supersedes all other written or oral agreements heretofore made by or on behalf of Paymentus or Client with respect to the subject matter hereof and may be changed only by agreements in writing signed by the authorized representatives of the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives

Client:

By: _____

Name: _____

Title: _____

Date: _____

Paymentus:

By: _____

Name: _____

Title: _____

Date: _____

GENERAL TERMS AND CONDITIONS

1 Definitions:

For the purposes of this Agreement, the following terms and words shall have the meaning ascribed to them, unless the context clearly indicates otherwise.

- 1.1 **"Agreement"** or **"Contract"** shall refer to this Agreement, as amended from time to time, which shall constitute an authorization for the term of this contract for Paymentus to be the exclusive provider of services, stated herein, to the Client
- 1.2 **"User"** shall mean the users of the Client's services
- 1.3 **"Effective Date"** shall be the last date upon which the parties signed this Agreement. The Agreement will not be effective against any party until the said date
- 1.4 **"Launch Date"** shall be the date on which Client launches this service to the Users
- 1.5 **"Payment"** shall mean Users to make payments for Client's services or Client's bills
- 1.6 **"Payment Amount"** shall mean the bill amount User wants to pay to the Client.
- 1.7 **"Services"** shall include the performance of the Services outlined in section 2 of this Agreement
- 1.8 **"Paymentus Authorized Processor"** shall mean a Paymentus authorized merchant account provider and payment processing gateway
- 1.9 **"Reversed or Charged-back Transactions"** shall mean cancelled transactions due to User error, or a User's challenge to Payment authenticity.
- 1.10 **"Average Bill Amount"** shall mean the total amount of Payments collected through Paymentus system in a given month divided by the number of the Payments for the same month.

2 Description of Services to be Performed

2.1 **Scope of Services**

Paymentus shall provide Users the opportunity to make Payments by Visa, MasterCard, Discover, E-check and other payment methods as deemed necessary by Paymentus. Payments may be made by Interactive Telephone Voice Response System ("IVR") or secure Internet interface provided at the Paymentus Corporation's web site or other websites part of Paymentus' Instant Payment Network ("WebSites"), collectively referred to as the ("System" or "Platform").

2.2 **Professionalism**

Paymentus shall perform in a professional manner all Services required to be performed under this Agreement.

3 Compensation

3.1 **No Cost Installation**

Paymentus will charge no fees related to the initial setup and personalization of its standard service for both Web and IVR interfaces.

3.2 **Paymentus Service Fee**

System will charge each User a Service fee for each transaction processed (hereinafter called "Paymentus Service Fee"). Such Paymentus Service Fee is to be collected in addition to the corresponding Payment as part of the transaction.

For each payment, the Paymentus Service Fee collected will be used to pay the corresponding Credit Card transaction fees or transaction fees associated with Debit Cards or eChecks (hereinafter called "Transaction Fees") except for the return items (eCheck returns or Credit/Debit Card chargebacks).

A schedule of Paymentus Service Fee is attached hereto as Schedule A. The Paymentus Service Fee is based on the Average Bill Amount, current payment method mix (credit vs debit vs e-check) and on the assumption that the total number

of payments and the total Payment Amount collected each month from the use of non-consumer cards shall be under 5% of the total per month ("Fee Assumptions"). Client shall be billed an additional Paymentus Service Fees based on the rate of 3.5% of the Payment Amount for any excess amount if the Fee Assumptions vary by more than 5%. Paymentus can amend this schedule upon prior written notice to the Client, if such change is required due to changes in the Visa and MasterCard regulations or changes in Credit Card fees or changes in the Average Bill Amount or changes in Fee Assumptions.

4 Payment Processing

4.1 Integration with Client's Billing System

At no cost to Client, Paymentus will develop one (1) file format interface with Client's billing system using Client's existing text file format currently used to post payments to Client's billing system. Client will be responsible to provide Paymentus with the one file format specification and will fully cooperate with Paymentus during the development of the said interface. If Client chooses to create an automated file integration process to download the posting file, due to Paymentus security requirements, Client will use Paymentus specified integration process. Paymentus platform is an independent full service fully hosted platform per PCI-DSS requirements for a fully hosted solution. As such, Paymentus platform does and can function independent of any billing system integration. A payment posting file can be emailed or downloaded from Paymentus Agent Dashboard. If Client chooses to have Paymentus platform integrated with its billing system, Paymentus offers two options:

(i) Paymentus standard integration specification that Client can use to integrate its billing systems with Paymentus platform ("Standard Integration"); (or)

(ii) Paymentus to either customize or configure its platform to integrate with Client using file specification or APIs supported by Client's billing system ("Client Specific Integration")

If Client chooses Standard Integration, Paymentus agrees to fully cooperate with Client and provide its specification to Client. Paymentus also agrees to participate in meetings with Client's software vendor to provide any information or clarifications needed to understand Standard Integration. Time is of the essence and Paymentus agrees to provide all integration/interface specifications within 30 days from the Effective Date.

Client will take commercially reasonable steps to develop the integration within 60 days from the date on which Client has received all integration specifications from Paymentus. Parties agree that if Paymentus does not cooperate fully, it can lead to Client being unable to perform its duties to deliver the integration in time.

If Client chooses Client Specific Integration, Paymentus agrees to develop such integration at no cost to Client, provided however, Client agrees to fully cooperate with Paymentus and cause its software vendors to fully cooperate with Paymentus. Client agrees to provide all specification required for Client specific integration. Client further agrees to participate in testing with Paymentus and if needed, cause its billing software vendors to participate in testing. Time is of the essence and Client agrees to provide or make available all integration/interface specifications within 30 days from the Effective Date. Paymentus will take commercially reasonable steps to develop the integration within 60 days from the date on which Paymentus has received all the integration specifications from Client or its vendors. Parties agree that if Client does not cooperate fully or is unable to cause its software vendors to cooperate fully with Paymentus, it can lead to Paymentus being unable to perform its duties to deliver the integration in time.

Based on Client's use of Paymentus platform and respective modules selected under this Agreement, Paymentus will require the following integration points:

- (i) For one time Payment Module:
 - a. Customer Information – Text File or Real-time
 - b. Payment Posting – Text File or Real-time
- (ii) For Recurring Payment Module
 - a. Text File
- (iii) For E-billing Module
 - a. Billing Data - Text File or Real-time link to billing data
- (iv) For Outbound Notification
 - a. Audience File – Text File for customer engagement messages

Each of these can be based on Standard Integration or Client Specific Integration.

4.2 PCI Compliance and Client Liability

For PCI Compliance, Client has two options for using Paymentus platform:

Paymentus

- (i) Paymentus Fully Hosted Solution ;or
- (ii) Any other configuration

To substantially reduce or eliminate any PCI compliance risks and to render all Client systems out of scope from PCI compliance requirements, Client agrees to use Paymentus' fully hosted service where Paymentus uses its own platform to capture Payments and to manage the entire (end to end) user experience from all channels for Payment acceptance: Web, Mobile, IVR, POS devices (per Paymentus recommended setup), recurring payments, Ebill Presentment ("Paymentus Fully Hosted Solution"). If Client chooses any other integration such as third party web pages integrated with Paymentus APIs, third party gateway pages, or its own IVR systems or POS solution not recommended by Paymentus, or a cashiering module from third party, Client expressly agrees that Client shall not be exempt from PCI requirements and shall be liable for any data breaches occurring on its own systems as Client's recognizes that Client systems are participating in the transactions and are in scope for PCI compliance. Under such circumstances, Paymentus shall not be responsible for any PCI obligations outside of Paymentus own platform and Paymentus expressly disclaims any PCI or security obligations related to Client systems or any third party systems that participate in the payment transactions that are outside of Paymentus Platform.

Paymentus highly recommends that Client uses Paymentus Fully Hosted Solution to substantially reduce its PCI compliance and data breach risks.

If Client chooses to use any other option other than Paymentus Fully Hosted Solution, Client agrees and warrants that Client shall remain PCI compliant throughout the term of this Agreement. For clarity, just because Client uses PCI compliant applications such as its billing software, it does not eliminate the need for Client to be PCI compliant. Per PCI requirements, if a party's systems participate in processing, or accepting or storing card transactions, such party is required to be PCI compliant as the systems are in scope.

4.3 Explicit User Confirmation

Paymentus shall confirm the dollar amount of all Payments and the corresponding Paymentus Service Fee to be charged to a Card and electronically obtain the User approval of such

charges prior to initiating Card authorizations transaction. Paymentus will provide User with electronic confirmation of all transactions.

4.4 Merchant Account

Paymentus will arrange for the Client to have a merchant account with the Paymentus Authorized Processor for processing and settlement of the credit card transactions.

4.5 Card Authorization

For authorization purposes, Paymentus will electronically transmit all Card transactions to the appropriate Card-processing center, in real time as the transactions occur.

4.6 Settlement

Paymentus together with its authorized Card processor shall forward the payment transactions and corresponding Paymentus Service Fee to the appropriate card organizations for settlement directly to the Client's depository bank account previously designated by the Client (hereinafter the "Client Bank Account").

Paymentus together with Paymentus Authorized Processor will continuously review its settlement and direct debit processes for its simplicity and efficiencies. Client and Paymentus agree to fully co-operate with each other if Paymentus were to change its settlement and invoicing processes.

4.7 Reversed or Chargeback Transactions

With respect to all Reversed or Chargeback Transactions the Client authorizes Paymentus and Paymentus Authorized Processor (and/or the respective card organization) to debit the Client Bank Account for the Payment Amount and Paymentus shall refund to the Card organization for credit back to the User the corresponding Paymentus Service Fees.

Paymentus together with Paymentus Authorized Processor will continuously review its processes for Reversed or Chargeback transactions, for simplicity and efficiencies. Client and Paymentus agree to reasonably co-operate with each other if Paymentus requires any change its settlement and invoicing processes for such transactions.

Paymentus

5 General Conditions of Services

5.1 Service Reports

Paymentus shall provide Client with reports summarizing use of the Services by Users for a given reporting period.

5.2 User Adoption Communication by Client

Client will make Paymentus' Services available to its residential and commercial Clients by different means of Client communication including a) through bills, invoices and other notices; b) by providing IVR and Web payment details on the Client's website including a "Pay Now" or similar link on a mutually agreed prominent place on the web site; c) through Client's general IVR/Phone system; and d) other channels deemed appropriate by the Client.

Paymentus shall provide Client with logos, graphics and other marketing materials for Client's use in its communications with its users regarding the Services and/or Paymentus.

Both parties agree that Paymentus will be presented as a payment method option. Client will communicate Paymentus option to its end residential and commercial Clients wherever Client usually communicates its other payment methods.

5.3 Independent Contractor

Client and Paymentus agree and understand that the relationship between both parties is that of an independent contractor.

5.4 Client's Responsibilities

In order for Paymentus to provide Services outlined in this Agreement, the Client shall co-operate with Paymentus by:

- (i) Client will enter into all applicable merchant Card or cash management agreements.
- (ii) For the duration of this Agreement, Client will keep a bill payment link connecting to Paymentus System at a prominent and mutually agreed location on the Client website. The phone number for the IVR payment will also be added to the web site. Client will also add the IVR payment

option as part of the Client's general phone system.

- (iii) User Adoption marketing as described in 5.2.
- (iv) Within 30 days of the merchant account setup, Client will launch the service to the Users.
- (v) For the purpose of providing Client a posting file for posting to Client's billing system, Client will provide the file format specification currently used to post its payments to the billing system. Client will fully cooperate with Paymentus and provide the information required to integrate with Client's billing system.

6 Governing Laws

This Agreement shall be governed by the laws of Kings County California.

7 Communications

7.1 Authorized Representative

Each party shall designate an individual to act as a representative for the respective party, with the authority to transmit instructions and receive information. The parties may from time to time designate other individuals or change the individuals.

7.2 Notices

All notices of any type hereunder shall be in writing and shall be given by Certified Post or a national Courier or by hand delivery to an individual authorized to receive mail for the below listed individuals, all to the following individuals at the following locations:

To Client

C/O:

Address:

Email:

To Paymentus

C/O: President and CEO

Address: 13024 Ballantyne Corporate Place
Suite 450

Paymentus

Charlotte, NC 28277
Email: ceo@paymentus.com

Notices shall be declared to have been given or received on the date the notice is physically received if given by hand delivery, or if notices given by US Post, then notice shall be deemed to have been given upon on date said notice was deposited in the mail addressed in the manner set forth above. Any party hereto by giving notice in the manner set forth herein may unilaterally change the name of the person to whom notice is to be given or the address at which the notice is to be received.

7.3 Interpretation

It is the intent of the parties that no portion of this Agreement shall be interpreted more harshly against either of the parties as the drafter.

7.4 Amendment of Agreement

Modifications or changes in this Agreement must be in writing and executed by the parties bound to this Agreement.

7.5 Severability

If a word, sentence or paragraph herein shall be declared illegal, unenforceable, or unconstitutional, the said word, sentence or paragraph shall be severed from this Agreement, and this Agreement shall be read as if said word, sentence or paragraph did not exist.

7.6 Attorney's Fees

Should any litigation arise concerning this Agreement between the parties hereto, the parties agree to bear their own costs and attorney's fees.

7.7 Confidentiality

Client will not disclose to any third party or use for any purpose inconsistent with this Agreement any confidential or proprietary non-public information it obtains during the term of this Agreement about Paymentus' business, operations, financial condition, technology, systems, no-how, products, services, suppliers, Clients, marketing data, plans, and models, and personnel. Paymentus will not disclose to any third party or use for any purpose inconsistent with this Agreement any confidential User information it receives in connection with its performance of the services.

7.8 Intellectual Property

In order that the Client may promote the Services and Paymentus' role in providing the Services, Paymentus grants to Client a revocable, non-exclusive, royalty-free, license to use Paymentus' logo and other service marks (the "Paymentus Marks") for such purpose only. Client does not have any right, title, license or interest, express or implied in and to any object code, software, hardware, trademarks, service mark, trade name, formula, system, know-how, telephone number, telephone line, domain name, URL, copyright image, text, script (including, without limitation, any script used by Paymentus on the IVR or the WebSite) or other intellectual property right of Paymentus ("Paymentus Intellectual Property"). All Paymentus Marks, Paymentus Intellectual Property, and the System and all rights therein (other than rights expressly granted herein) and goodwill pertain thereto belong exclusively to Paymentus.

7.9 Force Majeure

Paymentus will be excused from performing the Services as contemplated by this Agreement to the extent its performance is delayed, impaired or rendered impossible by acts of God or other events that are beyond Paymentus' reasonable control and without its fault or judgment, including without limitation, natural disasters, war, terrorist acts, riots, acts of a governmental entity (in a sovereign or contractual capacity), fire, storms, quarantine restrictions, floods, explosions, labor strikes, labor walk-outs, extra-ordinary losses utilities (including telecommunications services), external computer "hacker" attacks, and/or delays of common carrier.

7.10 Time of the Essence

Paymentus and Client acknowledge and agree that time is of the essence for the completion of the Services to be performed and each party's respective obligations under this Agreement.

8 Indemnification

8.1 Paymentus Indemnification and Hold Harmless

Paymentus agrees to the fullest extent permitted by law, to indemnify and hold harmless the Client and its governing officials, agents, employees, and attorneys (collectively, the "Client Indemnitees") from and against all liabilities, demands, losses,

Paymentus

damages, costs or expenses (including reasonable attorney's fees and costs), incurred by any Client Indemnitee as a result or arising out of (i) the willful misconduct or negligence of Paymentus in performing the Services or (ii) a material breach by Paymentus of its covenants.

8.2 Client Indemnification and Hold Harmless

Client agrees to the fullest extent permitted by law, to indemnify and hold harmless Paymentus, its affiliates, officers, directors, stockholders, agents, employees, and representatives, (collectively, the "Paymentus Indemnitees") from and against all liabilities, demands, losses, damages, costs or expenses (including without limitation reasonable attorney's fees and expenses) incurred by any Paymentus Indemnitee as a result or arising out of (i) the willful misconduct or negligence of Client related to the Services or (ii) a material breach of Client's covenants.

8.3 Warranty Disclaimer

Except as expressly set forth in this Agreement, Paymentus disclaims all other representations or warranties, express or implied, made to the Client or any other person, including without limitation, any warranties regarding quality, suitability, merchantability, fitness, for a particular purpose or otherwise of any services or any good provided incidental to the Services provided under this Agreement.

8.4 Limitation of Liability

Notwithstanding the foregoing, the parties agree that neither party shall be liable to the other for any lost profits, lost savings or other special, indirect or consequential damages, even if the party has been advised of or could have foreseen the possibility of such damages. Paymentus' total liability for damages for any and all actions associated with this Agreement or the Services shall

in no event exceed the specific dollar amount of the Paymentus Service Fee paid to Paymentus for the particular payment transaction which is the subject matter of the claim of damage.

9 Term and Termination

9.1 Term

The term of this Agreement shall commence on the effective date of this Agreement and continue for a period of 3 (three) years ("Initial Term") from the Launch Date. Services under this Agreement shall begin within 30 days of the merchant account setup.

At the end of the Initial Term, this Agreement will automatically renew for successive three (3) year periods unless either Client or Paymentus provide the other party with not less than 6 (six) months prior written notice before such automatic renewal date that such party elects not to automatically renew the term of this Agreement.

9.2 Material Breach

A material breach of this Agreement shall be cured within 90 (ninety) days ("Cure Period") after a party notifies the other of such breach. In the event, such material breach has not been cured within the Cure Period, the non-breaching party can terminate this Agreement by providing the other party with a 30 (thirty) days notice.

9.3 Upon Termination

Upon termination of this Agreement, the parties agree to cooperate with one another to ensure that all Payments are accounted for and all refundable transactions have been completed. Upon termination, Paymentus shall cease all Services being provided hereunder unless otherwise directed by the Client in writing.



Schedule A – Paymentus Service Fee Schedule

Paymentus Service Fee charged to the User will be based on the following table:

Payment Type	Paymentus Service Fee
Average Bill Amount of \$75	Flat Fee of \$2.95

Note: Maximum Amount per Payment is \$300. Multiple payments can be made.

The Paymentus Service Fee will be collected in addition to the end-user bill payment total. Paymentus may apply different limits per transactions for user adoption or to mitigate risks.

Schedule B: Paymentus iPad Kiosk

The Paymentus iPad Kiosk provides a flexible approach to manage walk-in payments at the office. You can supply us with your own iPad and we'll have it securely mounted onto a stand, loaded with our touchscreen payment interface, and shipped back to you ready for use. Or, we can procure and ship the complete solution to you, Wi-Fi ready and PCI certified.

iPad Kiosk
Option1: iPad embedded into secure stand (24" (w) x 20.75" (d) x 69.75" (h)) <ul style="list-style-type: none"><input type="checkbox"/> Includes Apple Air 2 with Wi-Fi<input type="checkbox"/> Card Reader IDtech Shuttle 9<input type="checkbox"/> Kiosk Style G2<input type="checkbox"/> \$1,784 ea Option 2: Customer Supplied iPad <ul style="list-style-type: none"><input type="checkbox"/> Kiosk Style G2<input type="checkbox"/> Card Reader IDtech Shuttle 9<input type="checkbox"/> \$1,084 ea Shipping and handling charges not included and invoiced separately

Paymentus



PAY
STATION



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Make One-Time Payment

Pay your bill in 3 easy steps without registering. All you need is your account number from your paper bill.

Register to use the Customer Portal and get access to more information and features than ever before.

- Set-up paperless billing
- Manage your eBill notifications
- View past bills
- Set-up and manage monthly AutoPay
- Manage and pay multiple accounts

[Pay Now](#)



Login

Email

someone@example.com

Password

Password

☐ Remember me

Don't have an account? [Register now](#)

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Mayor
Lois Wynne
Mayor Pro Tem
Jeff Chedester
Council Members
Ray Madrigal
Eddie Neal
William Siegel



**Office of the
City Manager**

119 Fox Street
Lemoore, CA 93245
Phone (559) 924-6700
Fax (559) 924-9003

To: Lemoore City Council
From: Janie Venegas, City Clerk
Date: April 27, 2016 **Meeting Date:** May 3, 2016
Subject: Activity Update

Reports

➤ Warrant Register – FY 15-16

April 21, 2016

Warrant Register 4-21-16

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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

PAGE NUMBER: 1
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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 001 - GENERAL FUND
BUDGET UNIT - 4211 - CITY COUNCIL

ACCOUNT DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220		OPERATING SUPPLIES						
10/16 04/21/16 21			49087	6329 JENNIFER CHRISTE		370.00	.00	DJ/EMPLOYEE APPRECIAT
TOTAL		OPERATING SUPPLIES			.00	370.00	.00	
TOTAL		CITY COUNCIL			.00	370.00	.00	

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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

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ACCOUNTING PERIOD: 10/16

FUND - 001 - GENERAL FUND
BUDGET UNIT - 4213 - CITY MANAGER

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220									OPERATING SUPPLIES
10/16	04/21/16	21		49121	5352 SHRED-IT USA- FR		74.28	.00	SHRED SVC-CITY CLERK
10/16	04/21/16	21		49106	5396 OFFICE DEPOT		96.54	.00	DIVIDER/STAMP
10/16	04/21/16	21		49106	5396 OFFICE DEPOT		73.03	.00	POST-IT/PINK,BLUE,GRE
10/16	04/21/16	21		49106	5396 OFFICE DEPOT		72.20	.00	BOX
10/16	04/21/16	21		49106	5396 OFFICE DEPOT		47.78	.00	WIRELESS PRESENTER
10/16	04/21/16	21		49106	5396 OFFICE DEPOT		53.99	.00	FLIP CHART/EASEL
TOTAL						.00	417.82	.00	
4310									PROFESSIONAL CONTRACT SVC
10/16	04/21/16	21		49081	6495 GLADWELL GOVERNMENT		1,357.18	.00	RECORD MANAGEMENT
TOTAL						.00	1,357.18	.00	
4340									UTILITIES
10/16	04/21/16	21		49053	5516 AT&T		33.50	.00	939-103-4005
10/16	04/21/16	21		49053	5516 AT&T		121.29	.00	939-103-4009
TOTAL						.00	154.79	.00	
4360									TRAINING
10/16	04/21/16	21		49050	T2021 ANDREA WELSH		198.72	.00	REIMBURSTMENT/PARSA
10/16	04/21/16	21		49050	T2021 ANDREA WELSH		197.86	.00	REIMBURSEMENT/CSAC
TOTAL						.00	396.58	.00	
TOTAL						.00	2,326.37	.00	CITY MANAGER

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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

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ACCOUNTING PERIOD: 10/16

FUND - 001 - GENERAL FUND
BUDGET UNIT - 4215 - FINANCE

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310					PROFESSIONAL CONTRACT SVC				
10/16	04/21/16	21		49121	5352 SHRED-IT USA- FR		37.14	.00	SHRED DVC-FINANCE
10/16	04/21/16	21		49121	5352 SHRED-IT USA- FR		37.14	.00	SHRED SVC-UTILITY
10/16	04/21/16	21	6995	-01 49072	6678 GOVERNMENT STAFF		4,076.21	-4,076.21	TEMPORARY STAFFING SERVIC
TOTAL					PROFESSIONAL CONTRACT SVC	.00	4,150.49	-4,076.21	
4330					PRINTING & PUBLICATIONS				
10/16	04/21/16	21	7012	-01 49104	6695 MUNISERVICES, LL		975.00	-975.00	PRINCIPAL EMPLOYEES TABLE
TOTAL					PRINTING & PUBLICATIONS	.00	975.00	-975.00	
4340					UTILITIES				
10/16	04/21/16	21		49053	5516 AT&T		20.96	.00	939-103-4005
TOTAL					UTILITIES	.00	20.96	.00	
TOTAL					FINANCE	.00	5,146.45	-5,051.21	

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CITY OF LEMOORE
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ACCOUNTING PERIOD: 10/16

FUND - 001 - GENERAL FUND
BUDGET UNIT - 4220 - MAINTENANCE DIVISION

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220									OPERATING SUPPLIES
10/16	04/21/16	21		49078	1547 VERITIV OPERATIN		1,251.30	.00	TOWEL/BATH TISSUE
10/16	04/21/16	21		49078	1547 VERITIV OPERATIN		1,816.83	.00	BATH TISSUE/CAN LINER
10/16	04/21/16	21		49078	1547 VERITIV OPERATIN		397.52	.00	BATH TISSUE
10/16	04/21/16	21		49115	0388 REED ELECTRIC		22.58	.00	SCOPE BLUE JACKS
10/16	04/21/16	21		49083	0521 GRAINGER		101.86	.00	SHOCK-ABSRBING LANYAR
10/16	04/21/16	21		49083	0521 GRAINGER		560.72	.00	FULL BODY HARNESS
TOTAL						.00	4,150.81	.00	
4310									PROFESSIONAL CONTRACT SVC
10/16	04/21/16	21		49049	2653 AMERIPRIDE		11.55	.00	BLUE MATS
10/16	04/21/16	21		49019	6506 GOPHER GRABBERS		1,050.00	.00	SEPT-MARCH SVCS
10/16	04/21/16	21		49076	6283 ERIK SURWILL		800.00	.00	MAR-APR JANITORIAL
10/16	04/21/16	21		49125	6309 SOCIAL VOCATIONA		3,475.00	.00	JANITORIAL SVCS
10/16	04/21/16	21		49125	6309 SOCIAL VOCATIONA		565.00	.00	JANITORIAL/PD SVCS
10/16	04/21/16	21		49120	5638 SHINEN LANDSCAPE		160.00	.00	LANDSCAPE MAINTENANCE
10/16	04/21/16	21		49120	5638 SHINEN LANDSCAPE		500.00	.00	LANDSCAPE MAINTENANCE
10/16	04/21/16	21		49120	5638 SHINEN LANDSCAPE		575.00	.00	LANDSCAPE MAINTENANCE
10/16	04/21/16	21		49120	5638 SHINEN LANDSCAPE		225.00	.00	LANDSCAPE MAINTENANCE
10/16	04/21/16	21		49120	5638 SHINEN LANDSCAPE		650.00	.00	LANDSCAPE MAINTENANCE
10/16	04/21/16	21		49120	5638 SHINEN LANDSCAPE		575.00	.00	LANDSCAPE MAINTENANCE
10/16	04/21/16	21		49049	2653 AMERIPRIDE		11.55	.00	BULE MAT
10/16	04/21/16	21		49049	2653 AMERIPRIDE		11.55	.00	BLUE MAT
10/16	04/21/16	21		49049	2653 AMERIPRIDE		58.81	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		58.81	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		58.81	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		246.43	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		55.97	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		11.55	.00	BLUE MATS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		11.55	.00	BLUE MATS
TOTAL						.00	9,111.58	.00	
4340									UTILITIES
10/16	04/21/16	21		49053	5516 AT&T		2.89	.00	939-103-4007
10/16	04/21/16	21		49108	0363 P G & E		1,797.14	.00	03/01/16-03/29/16
TOTAL						.00	1,800.03	.00	
4350									REPAIR/MAINT SERVICES
10/16	04/21/16	21		49115	0388 REED ELECTRIC		743.03	.00	EXHAUST MOTOR
TOTAL						.00	743.03	.00	
4360									TRAINING
10/16	04/21/16	21		49073	6239 COUNTY OF KINGS		110.00	.00	SAFETY TRAINING
10/16	04/21/16	21		49073	6239 COUNTY OF KINGS		80.00	.00	SAFETY TRAINING
TOTAL						.00	190.00	.00	
TOTAL						.00	15,995.45	.00	MAINTENANCE DIVISION

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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

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ACCOUNTING PERIOD: 10/16

FUND - 001 - GENERAL FUND
BUDGET UNIT - 4220 - MAINTENANCE DIVISION

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4360									TRAINING

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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

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FUND - 001 - GENERAL FUND
BUDGET UNIT - 4221 - POLICE

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220					OPERATING SUPPLIES				
10/16	04/21/16	21		49129	3010 THE ANIMAL HOUSE		59.07	.00	ACTIVE CARE
TOTAL					OPERATING SUPPLIES	.00	59.07	.00	
4220U					OPERAT SUPPLIES- UNIFORMS				
10/16	04/21/16	21		49046	6699 5.11 TACTIAL		597.32	.00	JACKET/PANTS/SHIRT
TOTAL					OPERAT SUPPLIES- UNIFORMS	.00	597.32	.00	
4310					PROFESSIONAL CONTRACT SVC				
10/16	04/21/16	21		49089	0772 COUNTY OF KINGS		3,819.81	.00	TECH COMM SVCS/MARCH
10/16	04/21/16	21		49103	1054 MOTOROLA		59.00	.00	04/01/16-04/30/16
10/16	04/21/16	21		49051	1250 KINGS CO. SHERIF		13,522.78	.00	3RD QTR ANIMAL SVCS
10/16	04/21/16	21		49051	1250 KINGS CO. SHERIF		995.81	.00	3RD NTF COSTS
TOTAL					PROFESSIONAL CONTRACT SVC	.00	18,397.40	.00	
4340					UTILITIES				
10/16	04/21/16	21		49138	0116 VERIZON WIRELESS		869.25	.00	03/02/16-04/01/16
10/16	04/21/16	21		49053	5516 AT&T		21.54	.00	939-103-4003
10/16	04/21/16	21		49053	5516 AT&T		173.52	.00	939-103-3999
10/16	04/21/16	21		49053	5516 AT&T		330.26	.00	939-103-4008
10/16	04/21/16	21		49053	5516 AT&T		126.34	.00	559-925-1363
TOTAL					UTILITIES	.00	1,520.91	.00	
4360					TRAINING				
10/16	04/21/16	21		49079	0719 FRESNO CITY COLL		150.00	.00	TUITION/ALVARO SANTOS
10/16	04/21/16	21		49069	6376 DARRELL SMITH		120.00	.00	PER DIEM/TRAINING
10/16	04/21/16	21		49117	5122 ALVARO SANTOS		140.00	.00	PER DIEM/TRAINING
TOTAL					TRAINING	.00	410.00	.00	
TOTAL					POLICE	.00	20,984.70	.00	

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CITY OF LEMOORE
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FUND - 001 - GENERAL FUND
BUDGET UNIT - 4222 - FIRE

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220									
					OPERATING SUPPLIES				
10/16	04/21/16	21		49062	2161 CASCADE FIRE		428.28	.00	COUPLINGS
10/16	04/21/16	21		49062	2161 CASCADE FIRE		1,128.75	.00	HOSE
10/16	04/21/16	21		49140	0520 WINDTAMER TARPS		1,988.75	.00	GREEN CANVAS
TOTAL					OPERATING SUPPLIES	.00	3,545.78	.00	
4310									
					PROFESSIONAL CONTRACT SVC				
10/16	04/21/16	21		49049	2653 AMERIPRIDE		28.47	.00	BLUE MATS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		58.94	.00	BLUE MATS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		28.47	.00	BLUE MATS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		58.94	.00	BLUE MATS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		28.47	.00	BLUE MATS
10/16	04/21/16	21		49094	0313 LEMOORE VOLUNTEE		8,470.00	.00	MARCH MONTHLY CALLS
TOTAL					PROFESSIONAL CONTRACT SVC	.00	8,673.29	.00	
4340									
					UTILITIES				
10/16	04/21/16	21		49053	5516 AT&T		96.73	.00	939-103-4001
TOTAL					UTILITIES	.00	96.73	.00	
4840AR									
					AUTOS/TRKS ASSET REPLACE				
10/16	04/21/16	21		49062	2161 CASCADE FIRE		429.32	.00	STRAINER/BARREL
10/16	04/21/16	21		49067	0126 L.N. CURTIS & SO		374.48	.00	HOSE CLAMP
TOTAL					AUTOS/TRKS ASSET REPLACE	.00	803.80	.00	
TOTAL					FIRE	.00	13,119.60	.00	

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CITY OF LEMOORE
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FUND - 001 - GENERAL FUND
BUDGET UNIT - 4224 - BUILDING INSPECTION

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4340									
10/16	04/21/16	21		49053	5516 AT&T		2.89	.00	939-103-4007
TOTAL						.00	2.89	.00	
TOTAL						.00	2.89	.00	

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FUND - 001 - GENERAL FUND
BUDGET UNIT - 4230 - PUBLIC WORKS

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
	10/16	04/21/16	21	49091	6711 LEARNCOM, LLC		90.00	.00	PROGRAM/TRAINING
TOTAL						.00	90.00	.00	
4340									
	10/16	04/21/16	21	49053	5516 AT&T		3.86	.00	939-103-4007
TOTAL						.00	3.86	.00	
TOTAL						.00	93.86	.00	

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CITY OF LEMOORE
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ACCOUNTING PERIOD: 10/16

FUND - 001 - GENERAL FUND
BUDGET UNIT - 4231 - STREETS

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220									
									OPERATING SUPPLIES
10/16	04/21/16	21		49100	5333 MEDALLION SUPPLY		422.69	.00	120-277SPST SW
10/16	04/21/16	21		49100	5333 MEDALLION SUPPLY		1,025.14	.00	COBRA HEAD
10/16	04/21/16	21		49100	5333 MEDALLION SUPPLY		1,147.56	.00	COBRA HEAD
TOTAL						.00	2,595.39	.00	
4350									
									REPAIR/MAINT SERVICES
10/16	04/21/16	21		49114	0876 QUAD KNOFF, INC.		4,226.67	.00	TRAFFIC WARRANT STUDY
10/16	04/21/16	21		49114	0876 QUAD KNOFF, INC.		3,303.52	.00	TRAFFIC WARRANT STUDY
TOTAL						.00	7,530.19	.00	
4825AR									
									MACH/EQUIP ASSET REPLACE
10/16	04/21/16	21	6987	-01 49086	3091 JAM SERVICES, IN		7,119.77	-7,116.13	28' CONCRETE POLES
10/16	04/21/16	21	6987	-02 49086	3091 JAM SERVICES, IN		16,648.51	-16,640.02	32' CONCRETE POLES
10/16	04/21/16	21	6987	-03 49086	3091 JAM SERVICES, IN		7,478.55	-7,474.74	ARM LENGTHS
10/16	04/21/16	21	6987	-04 49086	3091 JAM SERVICES, IN		2,283.17	-2,282.01	LED LUM WATTAGES
10/16	04/21/16	21	6987	-05 49086	3091 JAM SERVICES, IN		2,514.75	-2,513.47	TAX
TOTAL						.00	36,044.75	-36,026.37	
TOTAL						.00	46,170.33	-36,026.37	STREETS

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ACCOUNTING PERIOD: 10/16

FUND - 001 - GENERAL FUND
BUDGET UNIT - 4242 - RECREATION

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220									
					OPERATING SUPPLIES				
10/16	04/21/16	21		49065	6150 CLASSIC SOCCER		797.65	.00	JERSEY'S
10/16	04/21/16	21		49065	6150 CLASSIC SOCCER		1,414.70	.00	JERSEY'S
10/16	04/21/16	21		49065	6150 CLASSIC SOCCER		895.48	.00	JERSEY'S
10/16	04/21/16	21		49113	5829 JONES BOYS LLC		38.70	.00	YARD STAKES
TOTAL					OPERATING SUPPLIES	.00	3,146.53	.00	
4310									
					PROFESSIONAL CONTRACT SVC				
10/16	04/21/16	21		49098	5073 CATHY LOWAS		40.00	.00	APR16 SOFTBALL GAMES
10/16	04/21/16	21		49110	5587 BRENT RUSSELL PA		98.00	.00	APRIL PHOTOGRAPHY
TOTAL					PROFESSIONAL CONTRACT SVC	.00	138.00	.00	
TOTAL					RECREATION	.00	3,284.53	.00	
TOTAL					GENERAL FUND	.00	107,494.18	-41,077.58	

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ACCOUNTING PERIOD: 10/16

FUND - 028 - CITY GRANTS- CAP PROJ
BUDGET UNIT - 4726G - CINNAMON CANAL DR. STUDY

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4317									
10/16	04/21/16	21		49134	6709 ULTRA GRO, LLC		630.00	.00	NPK/CALCIUM/SOIL TREA
10/16	04/21/16	21		49119	6635 SEE'S CONSULTING		1,354.00	.00	COMPACTION TESTING
TOTAL						.00	1,984.00	.00	
TOTAL						.00	1,984.00	.00	
TOTAL						.00	1,984.00	.00	

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ACCOUNTING PERIOD: 10/16

FUND - 040 - FLEET MAINTENANCE
BUDGET UNIT - 4265 - FLEET MAINTENANCE

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220									OPERATING SUPPLIES
10/16	04/21/16	21		49092	0314 LEMOORE AUTO SUP		5.79	.00	TORX SOCKET
10/16	04/21/16	21		49092	0314 LEMOORE AUTO SUP		5.13	.00	DRILL BIT
TOTAL						.00	10.92	.00	
4230									REPAIR/MAINT SUPPLIES
10/16	04/21/16	21		49133	5379 TURF STAR		197.36	.00	HOC CAP ASM
10/16	04/21/16	21		49133	5379 TURF STAR		731.60	.00	BLADE/CUP/BALL
10/16	04/21/16	21		49132	5066 THE LAWNMOWER MA		41.20	.00	WHEELS
10/16	04/21/16	21		49099	6012 MCCANN & SON'S H		693.90	.00	IGNITION COIL
10/16	04/21/16	21		49057	6383 BOBCAT OF FRESNO		34.79	.00	PIN KIT
10/16	04/21/16	21		49057	6383 BOBCAT OF FRESNO		714.88	.00	HEX BIT
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		223.54	.00	TIRE/DISMOUNT/MOUNT
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		1,722.72	.00	TIRE/DISMOUNT/MOUNT
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		447.08	.00	RECAP TIRE/DISMOUNT
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		736.62	.00	BAL/DISMOUNT/MOUNT
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		20.00	.00	REPAIR
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		1,572.62	.00	BAL/DISMOUNT/MOUNT
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		203.99	.00	COOP/DISMOUNT/MOUNT
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		1,412.10	.00	RECAP TIRE/DISMOUNT
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		894.15	.00	RECAP/DISMOUNT/MOUNT
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		20.00	.00	REPAIR
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		20.00	.00	REPAIR
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		317.86	.00	BAL/DISMOUNT/MOUNT
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		59.00	.00	ALIGN PASSANGER VEH
10/16	04/21/16	21		49092	0314 LEMOORE AUTO SUP		4.09	.00	AUVECOPAK
10/16	04/21/16	21		49092	0314 LEMOORE AUTO SUP		103.17	.00	WIPER BLADE/WINDOW
10/16	04/21/16	21		49092	0314 LEMOORE AUTO SUP		19.77	.00	DOOR HANDLE
10/16	04/21/16	21		49084	5181 HAAKER EQUIPMENT		135.70	.00	O-RING KIT/INLET/OUTL
TOTAL						.00	10,326.14	.00	
4310									PROFESSIONAL CONTRACT SVC
10/16	04/21/16	21		49049	2653 AMERIPRIDE		46.26	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		41.93	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		390.41	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		819.29	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		69.70	.00	UNIFORMS
TOTAL						.00	1,367.59	.00	
4340									UTILITIES
10/16	04/21/16	21		49053	5516 AT&T		2.43	.00	939-103-4007
TOTAL						.00	2.43	.00	
4350									REPAIR/MAINT SERVICES
10/16	04/21/16	21		49055	0056 BILLINGSLEY TIRE		20.00	.00	REPAIR
10/16	04/21/16	21	7006	-01 49063	0096 CEN-CAL MACHINER		197.78	-197.78	OT 271-09001 HOSE
10/16	04/21/16	21	7006	-02 49063	0096 CEN-CAL MACHINER		998.71	-998.71	OT 271-99011 HOSE

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ACCOUNTING PERIOD: 10/16

FUND - 040 - FLEET MAINTENANCE
BUDGET UNIT - 4265 - FLEET MAINTENANCE

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4350					REPAIR/MAINT SERVICES (cont'd)				
10/16	04/21/16	21	7006	-03 49063	0096 CEN-CAL MACHINER		354.00	-354.00	OT 271-15008 HOSE
10/16	04/21/16	21	7006	-04 49063	0096 CEN-CAL MACHINER		73.80	-73.80	OT 271-24006 HOSE
10/16	04/21/16	21	7006	-05 49063	0096 CEN-CAL MACHINER		130.62	-130.62	OT 271-25007 HOSE
10/16	04/21/16	21	7006	-06 49063	0096 CEN-CAL MACHINER		907.66	-907.66	OT 271-99010 QUAD
10/16	04/21/16	21	7006	-07 49063	0096 CEN-CAL MACHINER		59.45	-59.45	OT F518C-06-06-04 HOSE
10/16	04/21/16	21	7006	-08 49063	0096 CEN-CAL MACHINER		13.16	-13.16	OT 4C6X-S FITTING
10/16	04/21/16	21	7006	-09 49063	0096 CEN-CAL MACHINER		58.56	-58.56	MISC. PARTS
10/16	04/21/16	21	7006	-10 49063	0096 CEN-CAL MACHINER		10.00	-10.00	HAZ MAT FEES
10/16	04/21/16	21	7006	-11 49063	0096 CEN-CAL MACHINER		3,072.00	-3,072.00	REPLACE HOSE IN MAIN BOOM
10/16	04/21/16	21	7006	-12 49063	0096 CEN-CAL MACHINER		32.96	-32.96	FREIGHT CHARGES
10/16	04/21/16	21	7006	-13 49063	0096 CEN-CAL MACHINER		229.79	-229.79	SALES TAX
TOTAL					REPAIR/MAINT SERVICES	.00	6,158.49	-6,138.49	
TOTAL					FLEET MAINTENANCE	.00	17,865.57	-6,138.49	
TOTAL					FLEET MAINTENANCE	.00	17,865.57	-6,138.49	

CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16
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FUND - 045 - GOLF COURSE - CITY
BUDGET UNIT - 4245 - GOLF COURSE-CITY

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4000K				COST OF REVENUE-KITCHEN					
10/16	04/21/16	21		49126	6440 SYSCO		479.19	.00	FOOD SUPPLIES
10/16	04/21/16	21		49126	6440 SYSCO		744.09	.00	FOOD SUPPLIES
10/16	04/21/16	21		49058	6438 PEPSI BEVERAGES		106.20	.00	SODA CASES
10/16	04/21/16	21		49058	6438 PEPSI BEVERAGES		344.85	.00	DRINK CASES
10/16	04/21/16	21		49058	6438 PEPSI BEVERAGES		249.82	.00	DRINK CASES
10/16	04/21/16	21		49058	6438 PEPSI BEVERAGES		70.00	.00	SODA CASES
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		483.20	.00	BUENO BEVERAGE
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		1,000.00	.00	SYSCO FOODS
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		790.65	.00	BUENO BEVERAGE
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		674.50	.00	VALLEY WIDE BEV
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		108.00	.00	WATER INTO WINE
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		428.52	.00	DONAGHY SALES
TOTAL				COST OF REVENUE-KITCHEN					
						.00	5,479.02	.00	
4000P				COST OF REVENUE-PRO SHOP					
10/16	04/21/16	21		49061	6476 CALLAWAY		442.93	.00	GOLF CLUBS
10/16	04/21/16	21		49127	6443 TAYLORMADE GOLF		527.24	.00	HATS
10/16	04/21/16	21		49127	6443 TAYLORMADE GOLF		603.90	.00	GOLF CLUB
10/16	04/21/16	21		49105	6708 NYX GOLF, INC.		262.46	.00	SUNGLASSES
10/16	04/21/16	21		49082	6453 GLOBAL TOUR GOLF		142.56	.00	TEES
10/16	04/21/16	21		49082	6453 GLOBAL TOUR GOLF		274.40	.00	GOLF CLUB GRIPS
10/16	04/21/16	21		49082	6453 GLOBAL TOUR GOLF		168.18	.00	POLO SHIRTS
TOTAL				COST OF REVENUE-PRO SHOP					
						.00	2,421.67	.00	
4180				WORKERS COMP INSURANCE					
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		475.50	.00	NOONKESTER
TOTAL				WORKERS COMP INSURANCE					
						.00	475.50	.00	
4220F				OPERATING SUPPLIES FUEL					
10/16	04/21/16	21		49080	6445 GARY V. BURROWS,		64.50	.00	HUSKY 1" SWIVEL
10/16	04/21/16	21		49080	6445 GARY V. BURROWS,		491.41	.00	180 GAL UNLEADED GAS
10/16	04/21/16	21		49080	6445 GARY V. BURROWS,		772.07	.00	380 GAL DYED DIESEL
TOTAL				OPERATING SUPPLIES FUEL					
						.00	1,327.98	.00	
4220K				OPERATING SUPPLIES-KITCH					
10/16	04/21/16	21		49064	6624 CINTAS		38.50	.00	KITCHEN SUPPLIES
TOTAL				OPERATING SUPPLIES-KITCH					
						.00	38.50	.00	
4220M				OPERATING SUPPLIES MAINT.					
10/16	04/21/16	21		49064	6624 CINTAS		38.50	.00	JANITORIAL SUPPLIES
10/16	04/21/16	21		49133	5379 TURF STAR		42.90	.00	V-BELT
10/16	04/21/16	21		49123	6481 SPRAYING DEVICES		137.01	.00	SPRAY GUN/CPLING/NIPP
10/16	04/21/16	21		49124	0428 STONEY'S SAND &		154.15	.00	CRUSHED ROCK
10/16	04/21/16	21		49124	0428 STONEY'S SAND &				

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CITY OF LEMOORE
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ACCOUNTING PERIOD: 10/16

FUND - 045 - GOLF COURSE - CITY
BUDGET UNIT - 4245 - GOLF COURSE-CITY

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220M					OPERATING SUPPLIES MAINT. (cont'd)				
10/16	04/21/16	21		49128	6490 JACOBSEN WEST		401.33	.00	BELTS
10/16	04/21/16	21		49070	6610 DAVID KNOTT, INC		649.35	.00	TOP DRESSING SAND
10/16	04/21/16	21		49095	6526 LEMOORE AUTO SUP		36.21	.00	FILTERS/ MOTOR OIL
10/16	04/21/16	21		49095	6526 LEMOORE AUTO SUP		15.04	.00	TOWEL BOX
10/16	04/21/16	21		49095	6526 LEMOORE AUTO SUP		87.97	.00	TIE DOWN/BATTERY
10/16	04/21/16	21		49095	6526 LEMOORE AUTO SUP		75.14	.00	BEARING
10/16	04/21/16	21		49095	6526 LEMOORE AUTO SUP		124.71	.00	BALL MOUNT/HYD CPLER
10/16	04/21/16	21		49095	6526 LEMOORE AUTO SUP		11.38	.00	FITTINGS
10/16	04/21/16	21		49095	6526 LEMOORE AUTO SUP		64.44	.00	OIL/BLO-GUN/BATTERY
TOTAL					OPERATING SUPPLIES MAINT.	.00	3,631.09	.00	
4291					MISCELLANEOUS EXPENSES				
10/16	04/21/16	21		49102	6594 MONITRONICS		36.68	.00	MONITORING APRIL16
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		1,750.00	.00	BAUER
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		555.00	.00	PUB
TOTAL					MISCELLANEOUS EXPENSES	.00	2,341.68	.00	
4309					STAFFING/TOM RINGER				
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		15,679.15	.00	EMPLOYEE PAYROLL
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		1,659.19	.00	EMPLOYER TAXES
10/16	04/21/16	21		49111	T1885 THOMAS RINGER		151.92	.00	HUDGEON/GUITERREZ
TOTAL					STAFFING/TOM RINGER	.00	17,490.26	.00	
4340					UTILITIES				
10/16	04/21/16	21		49108	0363 P G & E		4,571.12	.00	03/07/16-04/04/16
10/16	04/21/16	21		49053	5516 AT&T		17.41	.00	939-103-4004
10/16	04/21/16	21		49056	6673 BIRCH COMMUNICAT		94.39	.00	GOLF KITCHEN PHONE
TOTAL					UTILITIES	.00	4,682.92	.00	
4350					REPAIR/MAINT SERVICES				
10/16	04/21/16	21		49101	0342 MILLERS RENTALAN		770.00	.00	TRACTOR
10/16	04/21/16	21		49101	0342 MILLERS RENTALAN		274.00	.00	TILLER
TOTAL					REPAIR/MAINT SERVICES	.00	1,044.00	.00	
TOTAL					GOLF COURSE-CITY	.00	38,932.62	.00	
TOTAL					GOLF COURSE - CITY	.00	38,932.62	.00	

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ACCOUNTING PERIOD: 10/16

FUND - 050 - WATER
BUDGET UNIT - 4250 - WATER

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220					OPERATING SUPPLIES				
10/16	04/21/16	21		49135	6058 UNIVAR		800.38	.00	CHLORINE
10/16	04/21/16	21		49135	6058 UNIVAR		1,806.82	.00	CHLORINE
10/16	04/21/16	21		49135	6058 UNIVAR		1,323.21	.00	CHLORINE
10/16	04/21/16	21		49135	6058 UNIVAR		1,192.50	.00	CHLORINE
10/16	04/21/16	21		49135	6058 UNIVAR		865.72	.00	CHLORINE
10/16	04/21/16	21		49135	6058 UNIVAR		1,192.50	.00	CHLORINE
10/16	04/21/16	21		49139	0474 WEST VALLEY SUPP		37.24	.00	SS EL/PVC PIPE/CEMENT
10/16	04/21/16	21		49139	0474 WEST VALLEY SUPP		76.00	.00	SCH80 F/A/COUPLING
10/16	04/21/16	21		49054	2410 BENNETT & BENNET		53.34	.00	COUPLER
TOTAL					OPERATING SUPPLIES	.00	7,347.71	.00	
4310					PROFESSIONAL CONTRACT SVC				
10/16	04/21/16	21		49130	6553 THE EXPERIENCED		1,953.00	.00	WEED CONTROL/WELL#10
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		120.00	.00	COLIFORM PRESENCE
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		20.00	.00	ARSENIC
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		120.00	.00	COLIFORM PRESENCE
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		20.00	.00	ARSENIC
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		120.00	.00	COLIFORM PRESENCE
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		15.00	.00	COLIFORM PRESENCE
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		119.00	.00	1X10 TOTAL&E COLIFORM
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		148.75	.00	COLILER TOTAL & E
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		59.50	.00	COLILERT TOTAL AND E
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		30.00	.00	COLIFORM PRESENCE
10/16	04/21/16	21		49049	2653 AMERIPRIDE		49.03	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		55.53	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		52.93	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		52.93	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		88.41	.00	UNIFORMS
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		120.00	.00	COLIFORM PRESENCE
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		20.00	.00	ARSENIC
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		178.50	.00	COLILERT TOTAL AND E
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		208.25	.00	COLILERT TOTAL AND E
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		20.00	.00	ARSENIC
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		120.00	.00	COLIFORM PRESENCE
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		89.25	.00	COLILERT TOTAL AND E
10/16	04/21/16	21		49059	1397 BSK ANALYTICAL L		120.00	.00	COLIFORM PRESENCE
10/16	04/21/16	21		49114	0876 QUAD KNOFF, INC.		387.27	.00	ENGINEERING SERVICES
10/16	04/21/16	21	6995 -01	49072	6678 GOVERNMENT STAFF		3,057.15	-3,057.15	TEMPORARY STAFFING SERVIC
10/16	04/21/16	21	7023 -01	49085	6691 INTERSTATE GAS S		8,716.62	-8,716.62	WATER STUDY CONTRACT WITH
TOTAL					PROFESSIONAL CONTRACT SVC	.00	16,061.12	-11,773.77	
4320					MEETINGS & DUES				
10/16	04/21/16	21		49136	0816 VALLEY COUNTIES		300.00	.00	VCWA MEETING
TOTAL					MEETINGS & DUES	.00	300.00	.00	
4340					UTILITIES				

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 050 - WATER
BUDGET UNIT - 4250 - WATER

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4340					UTILITIES				
10/16	04/21/16	21		49053	5516 AT&T		101.20	.00	939-103-4000
10/16	04/21/16	21		49053	5516 AT&T		3.38	.00	939-103-4007
10/16	04/21/16	21		49053	5516 AT&T		19.35	.00	939-103-4011
10/16	04/21/16	21		49112	6627 PG&E NON ENERGY		418.10	.00	NON ENERGY/CINNAMON
TOTAL					UTILITIES	.00	542.03	.00	
4350					REPAIR/MAINT SERVICES				
10/16	04/21/16	21		49066	3095 CRUSHA MOTOR & E		7,177.23	.00	REPAIR MOTOR AND TEST
TOTAL					REPAIR/MAINT SERVICES	.00	7,177.23	.00	
TOTAL					WATER	.00	31,428.09	-11,773.77	

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ACCOUNTING PERIOD: 10/16

FUND - 050 - WATER
BUDGET UNIT - 4251 - UTILITY OFFICE

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49091	6711 LEARNCOM, LLC		90.00	.00	PROGRAM/TRAINING
TOTAL						.00	90.00	.00	
4340									
10/16	04/21/16	21		49053	5516 AT&T		15.36	.00	939-103-4005
TOTAL						.00	15.36	.00	
TOTAL						.00	105.36	.00	
TOTAL						.00	31,533.45	-11,773.77	

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ACCOUNTING PERIOD: 10/16

FUND - 056 - REFUSE
BUDGET UNIT - 4256 - REFUSE

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4230									
					REPAIR/MAINT SUPPLIES				
10/16	04/21/16	21		49092	0314 LEMOORE AUTO SUP		107.49	.00	WIRE MILD
TOTAL					REPAIR/MAINT SUPPLIES	.00	107.49	.00	
4310									
					PROFESSIONAL CONTRACT SVC				
10/16	04/21/16	21		49049	2653 AMERIPRIDE		43.40	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		43.40	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		56.40	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		57.90	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		47.90	.00	UNIFORMS
10/16	04/21/16	21	6995	-01 49072	6678 GOVERNMENT STAFF		1,528.57	-1,528.57	TEMPORARY STAFFING SERVIC
TOTAL					PROFESSIONAL CONTRACT SVC	.00	1,777.57	-1,528.57	
4340									
					UTILITIES				
10/16	04/21/16	21		49053	5516 AT&T		1.92	.00	939-103-4007
TOTAL					UTILITIES	.00	1.92	.00	
TOTAL					REFUSE	.00	1,886.98	-1,528.57	
TOTAL					REFUSE	.00	1,886.98	-1,528.57	

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ACCOUNTING PERIOD: 10/16

FUND - 060 - SEWER& STROM WTR DRAINAGE
BUDGET UNIT - 4260 - SEWER

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4220					OPERATING SUPPLIES				
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		3,493.64	.00	CHLORINE/DEPOSIT
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		-2,000.00	.00	DEPOSIT REFUND
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		3,493.64	.00	CHLORINE/DEPOSIT
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		3,493.64	.00	CHLORINE/DEPOSIT
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		-4,000.00	.00	DEPOSIT REFUND
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		3,493.64	.00	CHLORINE/DEPOSIT
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		-2,000.00	.00	DEPOSIT REFUND
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		3,493.64	.00	CHLORINE/DEPOSIT
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		5,227.96	.00	CHLORINE/DEPOSIT
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		-5,000.00	.00	DEPOSIT REFUND
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		3,493.64	.00	CHLORINE/DEPOSIT
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		-2,000.00	.00	DEPOSIT REFUND
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		5,227.96	.00	CHLORINE/DEPOSIT
10/16	04/21/16	21		49122	2072 SIERRA CHEMICAL		-3,000.00	.00	DEPOSIT REFUND
TOTAL					OPERATING SUPPLIES	.00	13,417.76	.00	
4230					REPAIR/MAINT SUPPLIES				
10/16	04/21/16	21		49083	0521 GRAINGER		-261.06	.00	OVERLAY
10/16	04/21/16	21		49083	0521 GRAINGER		261.06	.00	OVERLAY
10/16	04/21/16	21		49083	0521 GRAINGER		97.91	.00	THERMAL UNIT
10/16	04/21/16	21		49083	0521 GRAINGER		317.45	.00	OVERLOAD RELAY
TOTAL					REPAIR/MAINT SUPPLIES	.00	415.36	.00	
4310					PROFESSIONAL CONTRACT SVC				
10/16	04/21/16	21		49130	6553 THE EXPERIENCED		1,044.00	.00	WEED CONTROL/WELL#9
10/16	04/21/16	21		49047	0664 SJVAPCD		108.00	.00	ANNUAL AG BURN PERMIT
10/16	04/21/16	21		49049	2653 AMERIPRIDE		91.07	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		73.25	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		89.88	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		48.75	.00	UNIFORMS
10/16	04/21/16	21		49049	2653 AMERIPRIDE		44.90	.00	UNIFORMS
10/16	04/21/16	21		49116	T795 JESUS RIOS		100.00	.00	REIMBURSEMENT/EXAM
10/16	04/21/16	21	6995 -01	49072	6678 GOVERNMENT STAFF		1,528.57	-1,528.57	TEMPORARY STAFFING SERVIC
TOTAL					PROFESSIONAL CONTRACT SVC	.00	3,128.42	-1,528.57	
4340					UTILITIES				
10/16	04/21/16	21		49052	6200 AT&T		32.42	.00	939-105-2729
10/16	04/21/16	21		49053	5516 AT&T		1.92	.00	939-103-4007
10/16	04/21/16	21		49052	6200 AT&T		.65	.00	939-103-6912
10/16	04/21/16	21		49053	5516 AT&T		19.20	.00	939-103-4010
TOTAL					UTILITIES	.00	54.19	.00	
4350					REPAIR/MAINT SERVICES				
10/16	04/21/16	21	6991 -01	49141	6195 WOOD BROS., INC		9,765.00	-9,050.00	MAINTENANCE OF FOX DRAINAGE
TOTAL					REPAIR/MAINT SERVICES	.00	9,765.00	-9,050.00	

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ACCOUNTING PERIOD: 10/16

FUND - 060 - SEWER& STROM WTR DRAINAGE
BUDGET UNIT - 4260 - SEWER

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4350									
TOTAL						.00	26,780.73	-10,578.57	
TOTAL						.00	26,780.73	-10,578.57	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216'
ACCOUNTING PERIOD: 10/16

FUND - 066 - DIF LAW ENFORCEMENT CAP
BUDGET UNIT - 4712A - DISPATCH CENTER

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4318				ENGINEERING/PLANNED	DEVEL				
10/16	04/21/16	21	49068	6392	DARDEN ARCHITECT		2,963.75	.00	PD DISPATCH CENTER
TOTAL				ENGINEERING/PLANNED	DEVEL	.00	2,963.75	.00	
TOTAL				DISPATCH CENTER		.00	2,963.75	.00	
TOTAL				DIF LAW ENFORCEMENT CAP		.00	2,963.75	.00	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4801 - LLMD ZONE 1 WESTFIELD

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49075	5637 ELITE MAINTENANC		5,712.00	.00	MARCH MAINTENANCE
TOTAL						.00	5,712.00	.00	
TOTAL						.00	5,712.00	.00	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216'
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4803 - LLMD ZONE3 SILVA ESTATES

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49075	5637 ELITE MAINTENANC		833.00	.00	MARCH MAINTENANCE
TOTAL						.00	833.00	.00	
TOTAL						.00	833.00	.00	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216'
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4805 - LLMD ZONE 5 WILDFLOWER

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49088	6459 CLEAN CUT LANDSC		302.09	.00	MARCH LANDSCAPING
TOTAL						.00	302.09	.00	
TOTAL						.00	302.09	.00	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4806 - LLMD ZONE 6 CAPISTRANO

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49075	5637 ELITE MAINTENANC		238.00	.00	MARCH MAINTENANCE
TOTAL						.00	238.00	.00	
TOTAL						.00	238.00	.00	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216'
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4807 - LLMD ZONE 7 SILVERADO

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310				PROFESSIONAL CONTRACT SVC					
10/16	04/21/16	21		49075	5637 ELITE MAINTENANC		714.00	.00	MARCH MAINTENANCE
TOTAL				PROFESSIONAL CONTRACT SVC		.00	714.00	.00	
TOTAL				LLMD ZONE 7 SILVERADO		.00	714.00	.00	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216'
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4808 - LLMD ZONE 8 CTRY.CLB.VILL

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49075	5637 ELITE MAINTENANC		714.00	.00	MARCH MAINTENANCE
TOTAL						.00	714.00	.00	
TOTAL						.00	714.00	.00	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216'
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4809 - LLMD ZONE 9 LA DANTE ROSE

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49088	6459 CLEAN CUT LANDSC		175.00	.00	MARCH LANDSCAPING
TOTAL						.00	175.00	.00	
TOTAL						.00	175.00	.00	

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ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4810 - LLMD ZONE 10 AVALON

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49088	6459 CLEAN CUT LANDSC		1,541.50	.00	MARCH LANDSCAPING
TOTAL						.00	1,541.50	.00	
TOTAL						.00	1,541.50	.00	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216'
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4811 - LLMD ZONE 11 SELF HELP EN

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49075	5637 ELITE MAINTENANC		119.00	.00	MARCH MAINTENANCE
TOTAL						.00	119.00	.00	
TOTAL						.00	119.00	.00	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4812 - LLMD ZONE 12 SUMMERWIND

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49088	6459 CLEAN CUT LANDSC		3,499.00	.00	MARCH LANDSCAPING
TOTAL						.00	3,499.00	.00	
TOTAL						.00	3,499.00	.00	

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ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4813 - LLMD ZONE 13 CORNERSTONE

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49088	6459 CLEAN CUT LANDSC		350.00	.00	MARCH LANDSCAPING
TOTAL						.00	350.00	.00	
TOTAL						.00	350.00	.00	

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4815A - PFMD ZONE 1 THE LANDING

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49088	6459 CLEAN CUT LANDSC		724.33	.00	MARCH LANDSCAPING
TOTAL						.00	724.33	.00	
TOTAL						.00	724.33	.00	

PEI
DATE: 04/21/2016
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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

PAGE NUMBER: 36
AUDIT11

SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216'
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4815B - PFMD ZONE 2 DEVANTE

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49075	5637 ELITE MAINTENANC		1,785.00	.00	MARCH MAINTENANCE
TOTAL						.00	1,785.00	.00	
TOTAL						.00	1,785.00	.00	

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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

PAGE NUMBER: 37
AUDIT11

SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216'
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4815C - PFMD ZONE 3 SILVA 10

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49075	5637 ELITE MAINTENANC		952.00	.00	MARCH MAINTENANCE
TOTAL						.00	952.00	.00	
TOTAL						.00	952.00	.00	

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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

PAGE NUMBER: 38
AUDIT11

SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4815D - PFMD ZONE 4 PARKVIEW

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49088	6459 CLEAN CUT LANDSC		381.66	.00	MARCH LANDSCAPING
TOTAL						.00	381.66	.00	
TOTAL						.00	381.66	.00	

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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

PAGE NUMBER: 39
AUDIT11

SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 078 - LLMD/PFMD
BUDGET UNIT - 4815E - PFMD EAST VILLAGE PARK

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49088	6459 CLEAN CUT LANDSC		1,237.92	.00	MARCH LANDSCAPING
10/16	04/21/16	21		49088	6459 CLEAN CUT LANDSC		91.00	.00	MARCH LANDSCAPING
TOTAL						.00	1,328.92	.00	
TOTAL						.00	1,328.92	.00	
TOTAL						.00	19,369.50	.00	

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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

PAGE NUMBER: 40
AUDIT11

SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 085 - PBIA
BUDGET UNIT - 4270 - PBIA

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4310									
10/16	04/21/16	21		49107	5563 RUSTY DEROUIN		300.00	.00	MARCH SERVICES
TOTAL						.00	300.00	.00	
TOTAL						.00	300.00	.00	
TOTAL						.00	300.00	.00	

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CITY OF LEMOORE
EXPENDITURE TRANSACTION ANALYSIS

PAGE NUMBER: 41
AUDIT11

SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.fund between '001' and '099' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 090 - TRUST & AGENCY
BUDGET UNIT - 4295 - TRUST & AGENCY

ACCOUNT	DATE	T/C	ENCUMBR	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION
4430									
10/16	04/21/16	21		49097	0306 LEMOORE HIGH SCH		222,676.48	.00	JAN-MAR16 IMPACT FEES
10/16	04/21/16	21		49093	0301 LEMOORE UNION SC		261,515.39	.00	JAN-MAR16 IMPACT FEES
TOTAL					SCHOOL IMPACT FEES	.00	484,191.87	.00	
4432									
10/16	04/21/16	21		49090	5561 KINGS COUNTY TRE		157,027.65	.00	JAN-MAR16 CTY IMP FEE
TOTAL					COUNTY IMPACT FEES	.00	157,027.65	.00	
TOTAL					TRUST & AGENCY	.00	641,219.52	.00	
TOTAL					TRUST & AGENCY	.00	641,219.52	.00	
TOTAL					REPORT	.00	890,330.30	-71,096.98	

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CITY OF LEMOORE
GENERAL LEDGER TRANSACTION ANALYSIS

PAGE NUMBER: 1
AUDIT311

SELECTION CRITERIA: account.acct between '2000' and '2999' AND transact.yr='16' and transact.period='10' and transact.batch='VM042216'
ACCOUNTING PERIOD: 10/16

FUND - 001 - GENERAL FUND

ACCOUNT	DATE	T/C	REFERENCE	VENDOR/PAYER	DEBIT	CREDIT	DESCRIPTION
2020							
	10/16	04/21/16	21 49060	6254 DIVISION OF THE STAT		152.10	SB 1186 1ST QTR FEES
	10/16	04/21/16	21 49074	2399 DEPARTMENT OF JUSTIC		1,114.00	FINGERPRINTS
	10/16	04/21/16	21 49113	5829 JONES BOYS LLC		16.13	CHEER SHIRT
TOTAL				ACCOUNTS PAYABLE	.00	1,282.23	
2242							
	10/16	04/21/16	21 49060	6254 DIVISION OF THE STAT	152.10		SB 1186 1ST QTR FEES
TOTAL				ADA&EDUCATION [SB1186]	152.10	.00	
2248							
	10/16	04/21/16	21 49113	5829 JONES BOYS LLC	16.13		CHEER SHIRT
TOTAL				RECREATION IN/OUT	16.13	.00	
2285							
	10/16	04/21/16	21 49074	2399 DEPARTMENT OF JUSTIC	1,114.00		FINGERPRINTS
TOTAL				LIVE SCAN DEPOSITS--PD	1,114.00	.00	
TOTAL				GENERAL FUND	1,282.23	1,282.23	

PEI
DATE: 04/21/2016
TIME: 15:10:08

CITY OF LEMOORE
GENERAL LEDGER TRANSACTION ANALYSIS

PAGE NUMBER: 2
AUDIT311

SELECTION CRITERIA: account.acct between '2000' and '2999'AND transact.yr='16' and transact.period='10' and transact.batch='VM042216
ACCOUNTING PERIOD: 10/16

FUND - 050 - WATER

ACCOUNT	DATE	T/C	REFERENCE	VENDOR/PAYER	DEBIT	CREDIT	DESCRIPTION
2020							
	10/16		04/21/16	21 49131			
				T2139 THE GROVE APARTMENTS		24,023.80	115-1002-01/115-1004-
TOTAL				ACCOUNTS PAYABLE	.00	24,023.80	
2299							
	10/16		04/21/16	21 49131			
				T2139 THE GROVE APARTMENTS	24,023.80		115-1002-01/115-1004-
TOTAL				UNAPPLIED CREDITS/PREPAYS	24,023.80	.00	
TOTAL				WATER	24,023.80	24,023.80	
TOTAL REPORT					25,306.03	25,306.03	

CITY OF LEMOORE
REVENUE TRANSACTION ANALYSIS

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SELECTION CRITERIA: transact.yr='16' and transact.period='10' and transact.account between '3000' and '3999' and transact.batch='VM0
ACCOUNTING PERIOD: 10/16
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FUND - 001 - GENERAL FUND
BUDGET UNIT - 001 - GENERAL FUND

ACCOUNT	DATE	T/C	RECEIVE	REFERENCE	PAYER/VENDOR	BUDGET	RECEIPTS	RECEIVABLES	DESCRIPTION
3625									
10/16	04/21/16	21	0	49137	T2140 VANESSA LOPEZ		-150.00		REFUND/VETERAN HALL
10/16	04/21/16	21	0	49118	T2141 SANTOS LOPEZ		-210.00		REFUND/ CIVIC AUDITOR
TOTAL					CIVIC AUDITORIUM RENTAL	.00	-360.00	.00	
3880									
10/16	04/21/16	21	0	49071	5088 DAWSON-MAULDIN CO		-50.00		REFUND IDAHO WTR PROJ
TOTAL					MISCELLANEOUS	.00	-50.00	.00	
TOTAL					GENERAL FUND	.00	-410.00	.00	
TOTAL					GENERAL FUND	.00	-410.00	.00	
TOTAL REPORT						.00	-410.00	.00	