

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2016



Prepared by the Finance Department
119 Fox Street
Lemoore, CA 92345
(559) 924 6712

**CITY OF LEMOORE
CALIFORNIA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED
JUNE 30, 2016**

Prepared by

FINANCE DEPARTMENT

**CITY OF LEMOORE
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2016**

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INTRODUCTORY SECTION

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119 Fox Street • Lemoore, California 93245 • (559) 924-6700 • Fax (559) 924-9003
Office of the City Manager

January 13, 2017

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Lemoore:

It is with great pleasure that we present to you the City of Lemoore's Comprehensive Annual Financial Report (CAFR). This report is prepared in compliance with the Governmental Accounting Standards Board (GASB) Statement 63, which incorporates deferred outflows and inflows of resources in deriving net position. This report also complies with GASB Statement 65, which changed the method for accounting and reporting items previously reported as assets and liabilities.

This report was prepared by the Finance Department in conformity with Generally Accepted Accounting Principles (GAAP) and has been audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed Certified Public Accountants. The report consists of management representations concerning the finances of the City. Management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Lemoore has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Lemoore's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

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

INDEPENDENT AUDITS

The City contracted with Price Paige & Company Accountancy Corporation, a firm of Certified Public Accountants licensed to practice in the State of California, to perform the annual independent audit. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Lemoore for the fiscal year ending June 30, 2016, are fairly presented in conformity with generally accepted accounting principles (GAAP).

There was no requirement for a Single Audit this fiscal year because the total federal grant award expenditures did not reach the \$750,000 threshold. However, as a recipient of federal, 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 regulation relating to these award programs. Internal controls are subject to periodic evaluation by management and the City's independent auditors.

KEY FINANCIAL REPORT SECTIONS

The CAFR is divided into the following sections:

The Introductory Section includes information about the organizational structure of the City, the City's economic activities, and notable financial activities.

The Financial Section is prepared in accordance with GASB Statement No. 34 - including the MD&A, the Basic Financial Statements including notes, and the Required Supplementary Information. The Basic Financial Statements include government-wide financial statements that present information for all City funds. Also included in this section is the Independent Auditors' Report on the Basic Financial Statements and schedules.

The Successor Agency to the Redevelopment Agency of the City of Lemoore is also presented. The Successor Agency was created to serve as the custodial for assets to wind down the affairs of the former Redevelopment Agency.

The Statistical Section includes up to ten years of historical financial data, debt statistics and miscellaneous social and economic data of the city that is of interest to potential bond investors and other readers. Its presentation conforms to GASB Statement No. 44.

CITY PROFILE

Lemoore was incorporated in 1900 as a general law city with a council-manager government. Lemoore is located in the middle of the state in the San Joaquin Valley. The Central Valley is considered to be a national and world leader in the agricultural industry. Lemoore is positioned at the crossroads of State Highways 198 and 41. The City of Lemoore is approximately 8.5 square miles and serves a population of 26,199.

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 Mayor Pro Tem. The Council is responsible, among other things, for making policy, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the ordinances and policies of the governing council, for overseeing the day-to-day operations of the government, and for appointing the City's department heads.

The City of Lemoore provides a full range of municipal services, including: police and fire protection, the construction, maintenance, and cleaning of streets and other infrastructure; community development services; water service; refuse collection, disposal, and recycling services; waste water and storm drainage; recreation activities; and general administration.

The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared on an annual basis with a process that begins in January. The budget is prepared by departments (i.e., General Fund, Traffic Safety Fund, etc.), by divisions (i.e. City Manager, City Clerk, etc.). All departments of the City are required to submit requests for appropriations to the City Manager and Finance Director. The council is required to adopt a budget no later than June 30, the close of the City of Lemoore's fiscal year. The City Manager may transfer appropriations within a department, provided that the total appropriation is not increased. All other budget appropriations require Council action. The budgets are managed and controlled by the 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.

The Comprehensive Annual Financial Report includes budgetary comparisons for each individual governmental fund for which an appropriated annual budget has been adopted. The General Fund comparison is presented on page 20 as part of the basic financial statements for governmental funds. Governmental funds comparisons, other than the General Fund, with appropriated annual budgets are presented in the governmental fund subsection of this report which starts on page 21. Nonmajor funds are presented in the combining schedules beginning on page 75.

ECONOMIC CONDITION AND OUTLOOK

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Lemoore operates.

Local Economy

Lemoore enjoyed over a three percent increase in population over the last year. This is above the one percent average for the past nine years. The City of Lemoore is home to over 1,190 businesses (as measured by business licenses issued) with the top twenty businesses generating approximately 38 percent of the City's total sales tax revenue. Additionally, the City's general economic base includes apparel stores, food and drug stores, building materials, auto dealers and supplies, service stations, restaurants and retail stores. The top three taxable sales earners for this fiscal year are restaurants, service stations and retail stores. The top three categories account for 47 percent of the total sales tax revenue.

The available labor force in Lemoore has the benefit of being very diverse. Due to the City's heavy agricultural ties, there is a large pool of diverse workers who possess a variety of educational and technical training backgrounds. Many residents are related to Navy personnel stationed at Naval Air Station Lemoore or were former military personnel and have chosen to reside permanently in Lemoore.

Demand for new business services has been steady over the past several years. 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 1,183 during the last eight years of history.

Overall, the City has shown growth in some of the areas that impact economic growth. According to the State of California Employment Development Department (EDD) November 2016 preliminary numbers, California's unemployment rate fell to 5.3 percent. Kings County's unemployment rate fell from 10.2 percent as of June 2016 to 9.3 percent in November 2016. This is an excellent recovery from the City of Lemoore's all time high of 16.2 percent in June of 2011. For year-end 2015-2016, transit occupancy tax and business licenses revenues were higher than budgeted.

The top three revenues in the City's General Fund generate over 60% 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 the state Vehicle License Fee (VLF) which generates just over \$2 million per year. The VLF revenues has remained relatively flat, with a small increase over last fiscal year.

The second revenue source in Lemoore is Sales Tax revenue from retail sales generated from the 1% City share of the total 7.50% rate. The sales tax revenues average almost \$2 million per year and has been steadily increasing since fiscal year 2013 with a slight flattening in the last couple of years. The drop in fuel prices at the pump is the largest impact on the sales tax revenues in Lemoore, due to the relative importance of gas stations to the City's retail sales.

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 dissolution of the Redevelopment Agency in 2011. The property tax revenue has been steadily decreasing since 2014. Fiscal year 2016 showed a \$600,000 or almost 40% decrease from the prior fiscal year. The City is watching this closely for the next fiscal year.

Financial Policies

The City of Lemoore has adopted financial policies promoting good fiscal stewardship across a number of financial areas. The following are summaries of select financial policies:

Reserve Fund Policy

The Reserve Fund policy provides guidelines to ensure sufficient reserves are maintained for revenue shortfalls and unanticipated expenditures. The Reserve Fund policy established a goal of a Reserve Fund of 25 percent of General Fund expenditures. This is expected to be raised to 35 percent within five years.

Debt Financing Policy

The Debt Financing Policy provides guidelines regarding how to finance capital assets with a useful life of ten years or longer. This policy is to utilize debt financing for infrastructure assets with useful lives of over forty years. This allows the infrastructure costs to be spread out over the generations of residents that will benefit from them.

Risk Management Fund Policy

The Risk Management Fund Policy maintains cash reserves for litigation costs, claims payable and to cover claims costs under the self-insured retention. The amount in the Risk Management Fund will vary from \$300,000 to \$500,000 depending on claims activity. This policy helps to stabilize the City's budget in the long term.

AWARDS

The City will be making its second submittal to the Government Finance Officers Association for its annual Award for Excellence in Financial Reporting. The City believes that the Comprehensive Annual Financial Report will meet and exceed the requirement for this award.

ACKNOWLEDGEMENTS

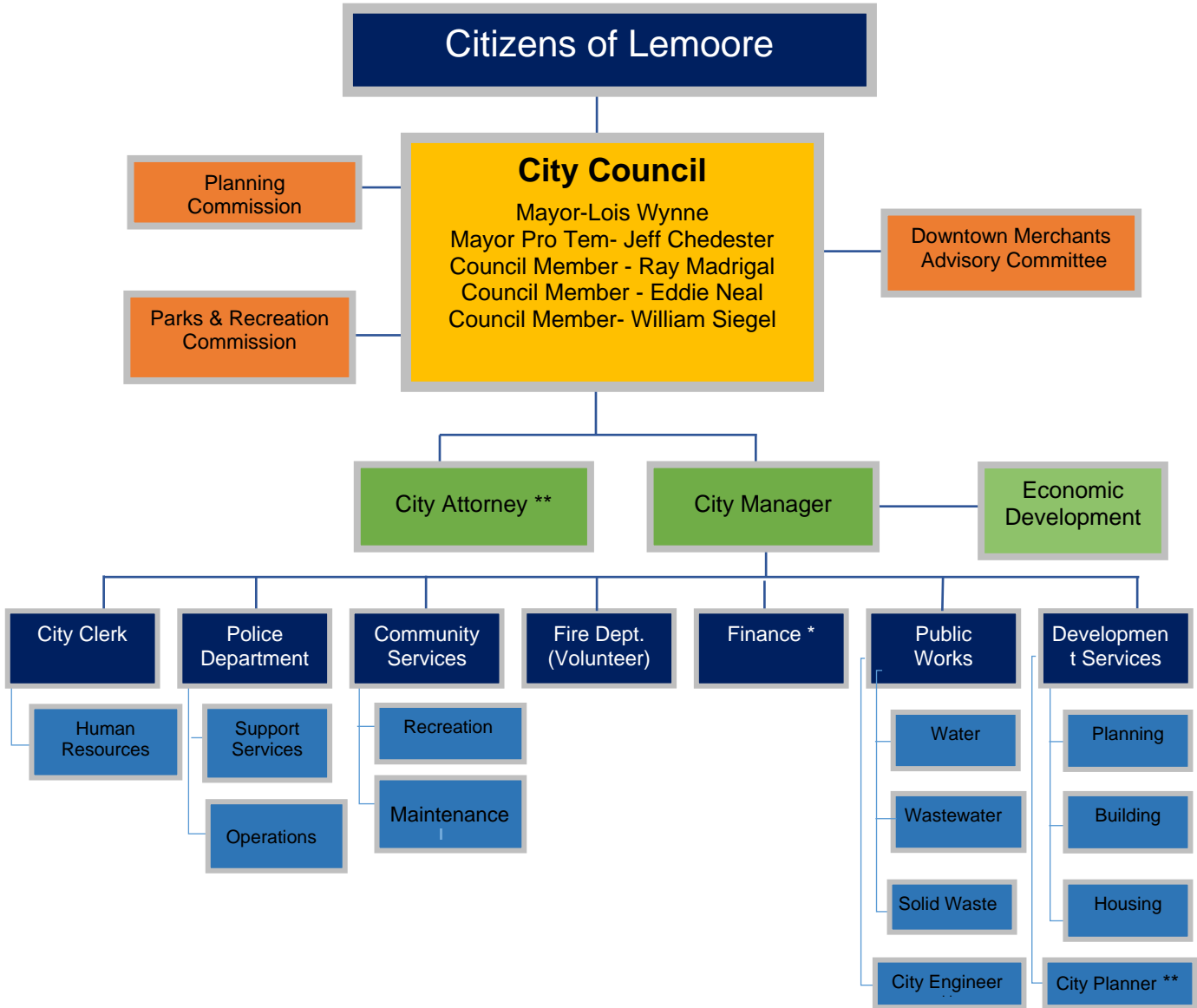
The preparation of this report would not have been possible without the efficient and dedicated services of the staff of the Finance Department. We would like to extend out thanks to staff in all City Departments for their efforts in responding to questions and requests for detailed information during the audit and CAFR process. In addition, we would like to acknowledge the role of Price Paige and Company, for their professional support in the preparation of the CAFR. Finally, we would like to thank the Mayor, Mayor Pro Tem, and the City Council members for their continued leadership and support in planning and conducting the City's financial operations.

Respectfully Submitted,



Heather J. Corder
Finance Director

CITY OF LEMOORE ORGANIZATION CHART



*City Treasurer
**Contract Person

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CITY OF LEMOORE, CALIFORNIA
FISCAL YEAR 2015-2016

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

ANDREA WELSH – CITY MANAGER
JANIE VENEGAS – CITY CLERK
HEATHER J. CORDER – FINANCE DIRECTOR
JOHN GIBSON – FIRE CHIEF
JASON GLICK – PARKS & REC DIRECTOR
DARRELL SMITH – POLICE CHIEF
NATHAN OLSON – PUBLIC WORKS DIRECTOR
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, 2016, 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, the aggregate remaining fund information, and the respective budgetary comparisons of the City of Lemoore, California, as of June 30, 2016, and, the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Clovis, CA 93612

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-9, the Schedule of the City's Proportionate Share of the Net Pension Liability on page 70, and the Schedule of Contributions on page 71 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, the related budgetary comparison schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining 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 and related budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2017, 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
January 13, 2017

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

This discussion and analysis of the City of Lemoore's (City) financial performance is for the fiscal year ended June 30, 2016. 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 financial position and results of operations to assist users in evaluating the City's financial position as of June 30, 2016. Please read this MD&A in conjunction with the City's financial statements, notes and supplementary schedules.

FINANCIAL HIGHLIGHTS

- The City's governmental activities total assets exceeded liabilities (net position) by \$91,996,798, an increase of \$1,606,535, compared to the prior fiscal year. This was due mostly to the City receiving two grants from the State of California – one for the Consolidated Dispatch Center and one for a study on the Cinnamon Drive Canal.
- General Fund expenditures exceeded General Fund revenues by \$1,957,373. City General Fund revenue totaled \$8,205,323 and General Fund expenses totaled \$10,162,696 for fiscal year 2016. Public safety (police and fire protection) costs comprised \$6,146,235 (60.48%) of General Fund expenditures.
- The City's General Fund ended the year with a fund balance of \$10,658,708, a decrease of \$1,834,070 from the previous fiscal year. Revenues were \$347,986 more than budgeted. Expenditures were \$1,655,832 under budget due to multiple Community Investment Projects being moved to fiscal year 2017. The amended budget for FY16 was reducing the General Fund in the amount of \$2,038,828. Due to an increase in revenues and decrease in expenses the General Fund balance reduction was less than budgeted.

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, 2015 through June 30, 2016 using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34. The Statement of Net Position 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 position* presents information on all the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as 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 position changed in the most recent fiscal year. All changes of net position 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, 2016**

REPORTING THE CITY AS A WHOLE (Continued)

The City's governmental activities are reported in the government-wide financial statements. Governmental activities include General Government, Public Safety (Police and Fire), Public Works, Development Services (building and planning), and Parks and Recreation.

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 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 a similar basis of accounting and measurement focus as the government-wide financial statements in this report. The proprietary funds financial statements provide the same type of information as the government-wide financial statements in this report. The City has four enterprise funds which include Golf Course, Water, Wastewater, and Refuse. There is one internal service fund that provides fleet maintenance service 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 32-67 of this report.

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

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.

Below is a table showing the City's net position as of June 30, 2016 compared to June 30, 2015.

STATEMENT OF NET POSITION
JUNE 30, 2016 AND 2015

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 33,304,920	\$ 33,160,650	\$ 15,621,370	\$ 13,499,124	\$ 48,926,290	\$ 46,659,774
Capital assets, net of accumulated depreciation	66,120,166	65,532,375	35,217,344	36,681,392	101,337,510	102,213,767
Total assets	99,425,086	98,693,025	50,838,714	50,180,516	150,263,800	148,873,541
Deferred outflows of resources from pensions	830,907	860,207	293,977	275,821	1,124,884	1,136,028
Long-term liabilities outstanding	6,074,204	5,974,277	8,174,529	8,253,431	14,248,733	14,227,708
Other liabilities	1,256,001	1,417,344	2,935,561	4,055,845	4,191,562	5,473,189
Total liabilities	7,330,205	7,391,621	11,110,090	12,309,276	18,440,295	19,700,897
Deferred inflows of resources	928,990	1,771,348	505,362	683,012	1,434,352	2,454,360
Net position:						
Net investment in capital assets	66,120,166	65,532,375	28,963,532	30,015,455	95,083,698	95,547,830
Restricted	21,964,173	12,592,988	-	-	21,964,173	12,592,988
Unrestricted	3,912,459	12,264,900	10,553,707	7,448,594	14,466,166	19,713,494
Total net position	\$ 91,996,798	\$ 90,390,263	\$ 39,517,239	\$ 37,464,049	\$ 131,514,037	\$ 127,854,312

Compared to the prior year, total net position of the City's governmental activities increased by \$1,606,535 due to an increase in capital assets. Some of the capital assets that were added were a new custom rescue pumper for the fire department and improvements to the road network in the City of Lemoore.

The City's total net position include three components: 1) net investment in capital assets, 2) restricted net position, and 3) unrestricted net position.

Of total net position, \$66,120,166 is the City's governmental activities 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 \$587,791 from prior fiscal year.

Governmental activities restricted net position of \$21,964,173 represents 23.87% of total net position, an increase of \$9,371,185 from prior fiscal year. Restricted net positions 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. The increase in governmental activities total net position is due in part to a large number capital projects and improvements budgeted to be completed in the fiscal year.

Unrestricted net position are those resources that may be used to meet the City's ongoing commitments to citizens and creditors. Government-wide unrestricted net position is \$14,466,166. This is a reduction from the prior fiscal year. The reduction of unrestricted net position is due in part to an increase in the number of capital projects budgeted in current fiscal year. As such, these assets moved from unrestricted to restricted.

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Below is a table showing the government-wide changes in net position for fiscal year June 30, 2016 and 2015.

CHANGES IN NET POSITION FOR THE YEARS ENDED JUNE 30, 2016 AND 2015						
	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues:						
Charges for services, miscellaneous	\$ 1,865,580	\$ 1,808,245	\$11,791,727	\$11,398,154	\$ 13,657,307	\$ 13,206,399
Operating grants and contributions	2,118,359	482,547	-	-	2,118,359	482,547
Capital grants and contributions	1,568,238	337,260	548,312	149,610	2,116,550	486,870
General revenues:						
Property taxes	1,395,750	1,990,281	-	-	1,395,750	1,990,281
Other taxes	4,705,014	6,771,668	-	-	4,705,014	6,771,668
Use of money and property	16,067	8,810	54,521	(39,811)	70,588	(31,001)
Unrestricted investment earnings	355,254	173,184	159,513	87,024	514,767	260,208
Other revenue	532,324	753,415	456,185	125,879	988,509	879,294
Total revenues and transfers	<u>12,556,586</u>	<u>12,325,410</u>	<u>13,010,258</u>	<u>11,720,856</u>	<u>25,566,844</u>	<u>24,046,266</u>
Expenditures						
General government	1,198,510	1,246,579	-	-	1,198,510	1,246,579
Public safety	5,595,808	5,421,986	-	-	5,595,808	5,421,986
Public works	4,034,421	5,172,165	-	-	4,034,421	5,172,165
Community development	14,675	158,908	-	-	14,675	158,908
Parks and recreation	357,965	556,303	-	-	357,965	556,303
Water	-	-	4,132,417	4,256,397	4,132,417	4,256,397
Sewer	-	-	2,535,675	2,286,071	2,535,675	2,286,071
Refuse	-	-	3,098,749	2,774,668	3,098,749	2,774,668
Golf Course	-	-	1,190,227	1,116,532	1,190,227	1,116,532
Total expenses	<u>11,201,379</u>	<u>12,555,941</u>	<u>10,957,068</u>	<u>10,433,668</u>	<u>22,158,447</u>	<u>22,989,609</u>
Change in net position	1,355,207	(230,531)	2,053,190	1,287,188	3,408,397	1,056,657
Prior period adjustment	251,328	-	-	-	251,328	-
Net position, beginning	<u>90,390,263</u>	<u>90,620,794</u>	<u>37,464,049</u>	<u>36,176,861</u>	<u>127,854,312</u>	<u>126,797,655</u>
Net position, ending	<u>\$ 91,996,798</u>	<u>\$ 90,390,263</u>	<u>\$ 39,517,239</u>	<u>\$ 37,464,049</u>	<u>\$ 131,514,037</u>	<u>\$ 127,854,312</u>

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Total government-wide revenues for this fiscal year totaled \$25,566,844, an increase of \$1,520,578 or 6.32% when compared to last fiscal year revenue of \$24,046,266. The overall increase in revenue is a result of the City of Lemoore receiving two grants from the State of California. One of the grants was for the Consolidated Dispatch Center and the other was for a study on the Cinnamon Drive Canal.

Total government-wide expenses for this fiscal year total \$22,158,447, a decrease of \$831,162 or 3.62% when compared to last fiscal year revenue of \$22,989,609. The overall decrease is due to a decrease in the Public Works expenditures.

Total governmental revenues for this fiscal year totaled \$12,556,586 an increase of \$231,176 or 1.88% when compared to last fiscal year revenue of \$12,325,410. There was a decrease in the revenues from taxes, however this was offset by the increase in operating and capital grants and contributions. The slight increase came from an increase in the amount of unrestricted investment earnings.

Total governmental expenses for this fiscal year total \$11,201,379 a decrease of \$1,354,562 or 10.79% when compared to last fiscal year of \$12,555,941. This was due to the large decrease in expenditures in the Public Works and Parks and Recreation Department.

Total business-type revenues for this fiscal year totaled \$13,010,258 an increase of \$1,289,402 or 11% when compared to last fiscal year revenue of \$11,720,856. This increase came in part from the rebate received from PG&E for the solar project completed in the prior fiscal year.

Total business-type expenses for this fiscal year total \$10,957,068, an increase of \$523,400 or 5.02% when compared to last fiscal year of \$10,433,668. This is due to an increase in salaries and benefits in the Refuse and Sewer funds.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds ended the year with a combined fund balance of \$31,754,808. This is an increase of \$822,169 when compared to last fiscal year.

Major fund balance changes are noted below:

- General Fund expenditures exceeded revenues by \$1,957,373 with net financing sources and uses a positive \$123,303 for a change in fund balance of a negative \$1,834,070. Total fund balance in the General Fund totals \$10,658,708 at June 30, 2016. This change in the General Fund was expected as the amended budget showed a decrease in the General Fund of \$2,038,828.
- Streets Grants Fund revenues of \$1,574,846 exceeded expenditures of \$1,284,346 by \$290,500. Total fund balance in the Grants Fund totals \$313,144 at June 30, 2016.
- Gasoline Tax Fund ended the year with \$991,416 in fund balance after \$280,245 excess of revenues over expenditures in the current fiscal year.
- Lemoore Housing Authority Fund ended the year with \$7,360,954 in fund balance due to the \$161,563 excess of revenues over expenditures.
- Other Governmental Funds combined ended the year with \$12,430,586 in fund balances due to the \$1,779,839 excess of revenues over expenditures.
- Business-Type Activities ended the year with \$39,517,239 in fund net position, which is an increase of \$2,053,190 or 5.48% increase over last year.

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

FINANCIAL ANALYSIS OF THE CITY'S FUNDS (Continued)

Total revenue in all governmental funds increased by \$663,398 in 2016 compared to previous year due mostly to intergovernmental revenue (Contributions) for various projects from other agencies in the amount of \$1,122,169.

Total expenditures in all governmental funds also increased by \$534,609 in current fiscal year when compared to the previous fiscal year, largely due to an increased budget for Public Safety.

General Fund Budgetary Highlights. During the fiscal year, there were a few amendments to the adopted budget for fiscal year 2015/16. The original expenditure budget was \$11,183,055. This amount was increased in the amount of \$635,473 for a total expenditure budget of \$11,818,528. Actual expenditures were \$1,655,832 below the expenditure budget. This decrease was due to a large number of Community Investment Projects that were budgeted not being completed in the fiscal year 2016. The original revenue budget of \$7,857,337 was not amended. Actual revenues exceeded the revenue budget by \$347,986.

General Government expenditures were \$517,490 under budget. The operating transfers were less than budgeted, which caused the General Government expenditures to be under budget. Public Safety expenditures were under budget in the amount of \$67,440.

Public Works and Parks and Recreation were well under budget, with \$1,059,508 and \$121,087, respectively, in budget savings for each department. This is due to many Community Investment Projects that were budgeted in fiscal year 2016 but were moved to fiscal year 2017 Public Works. In Parks and Recreation there was a large savings in professional services during the fiscal year.

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, 2016, the City had \$101,337,510 invested in a broad range of capital assets, including land, construction in progress, buildings, equipment and infrastructure. This amount represents a net of depreciation decrease of \$876,257 from the prior year.

The table below sets forth the City's capital assets as of June 30, 2016 and 2015.

CAPITAL ASSETS (NET OF DEPRECIATION)
JUNE 30, 2016 AND 2015

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 2,815,713	\$ 2,710,713	\$ 2,053,591	\$ 2,053,591	\$ 4,869,304	\$ 4,764,304
Construction in progress	1,382,804	1,508,136	277,931	126,323	1,660,735	1,634,459
Buildings and improvements	11,872,651	12,013,388	17,281,646	17,838,557	29,154,297	29,851,945
Equipment and vehicles	2,782,067	2,016,832	15,604,176	16,662,921	18,386,243	18,679,753
Road network	44,580,778	44,307,636	-	-	44,580,778	44,307,636
Infrastructure	2,686,153	2,975,670	-	-	2,686,153	2,975,670
Total	<u>\$ 66,120,166</u>	<u>\$ 65,532,375</u>	<u>\$ 35,217,344</u>	<u>\$ 36,681,392</u>	<u>\$ 101,337,510</u>	<u>\$ 102,213,767</u>

Additional information on the City of Lemoore's capital assets can be found in **Note 6** of the footnotes to these financial statements on pages 50-52 of this report.

**CITY OF LEMOORE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

CAPITAL AND DEBT ADMINISTRATION (Continued)

The table below sets forth the City's long-term debt as of June 30, 2016 and 2015.

**LONG-TERM DEBT
JUNE 30, 2016 AND 2015**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Net pension liability	\$ 5,714,421	\$ 5,621,275	\$ 2,245,747	\$ 1,898,477	\$ 7,960,168	\$ 7,519,752
Series 2013 water loan	-	-	6,375,578	6,665,937	6,375,578	6,665,937
Total	<u>\$ 5,714,421</u>	<u>\$ 5,621,275</u>	<u>\$ 8,621,325</u>	<u>\$ 8,564,414</u>	<u>\$ 14,335,746</u>	<u>\$ 14,185,689</u>

The City's long-term liabilities primarily relate to CalPERS pension liabilities and enterprise loan. Total long-term debt increased from \$14,185,869 last fiscal year to \$14,335,746, which represents an increase of \$150,057. This is due to an increase in the net pension liability in the amount of \$440,416. This increase is offset by a decrease in the liability on the Series 2013 Water Loan in the amount of \$290,359.

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

This financial report was prepared six months after the June 30, 2016 closing date. Half of next year's budget (fiscal year 2016/17) is completed, and revenue is expected to exceed expenses in the General Fund for fiscal year 2016/17.

For fiscal year 2017, the City's General Fund recurring revenues are projected to be \$9,550,000, compared to the 2016 budget of \$9,600,200, a decrease of \$50,200.

General Fund expenditures are budgeted to be \$16,613,700 (which includes \$6,796,900 in Community Investment Projects) but are projected to be \$9,500,000 which is \$50,000 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 projection and cost containment resulting in modest increases to the General Fund department expenditures outside of the five year Community Investment Program.

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, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 23,585,670	\$ 15,119,756	\$ 38,705,426
Receivables:			
Accounts, net	28,050	1,307,622	1,335,672
Notes	5,328,561	-	5,328,561
Intergovernmental	1,910,095	-	1,910,095
Other	7,244	-	7,244
Prepaid expenses	-	46,337	46,337
Internal balances	919,736	(919,736)	-
Inventory	-	67,391	67,391
Assets held for resale	1,485,564	-	1,485,564
Other assets	40,000	-	40,000
Capital assets:			
Nondepreciable	4,198,517	2,331,522	6,530,039
Depreciable, net of accumulated depreciation	<u>61,921,649</u>	<u>32,885,822</u>	<u>94,807,471</u>
Total assets	<u>99,425,086</u>	<u>50,838,714</u>	<u>150,263,800</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources from pensions	<u>830,907</u>	<u>293,977</u>	<u>1,124,884</u>
Total deferred outflows of resources	<u>830,907</u>	<u>293,977</u>	<u>1,124,884</u>
LIABILITIES			
Accounts payable	974,077	511,430	1,485,507
Accrued interest payable	-	12,925	12,925
Deposits and other liabilities	139,397	40,346	179,743
Unearned revenue	52,581	-	52,581
Advances from successor agency	-	1,924,064	1,924,064
Noncurrent liabilities:			
Due within one year	89,946	446,796	536,742
Due in more than one year	359,783	5,928,782	6,288,565
Net pension liability	<u>5,714,421</u>	<u>2,245,747</u>	<u>7,960,168</u>
Total liabilities	<u>7,330,205</u>	<u>11,110,090</u>	<u>18,440,295</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources from pensions	<u>928,990</u>	<u>505,362</u>	<u>1,434,352</u>
Total deferred inflows of resources	<u>928,990</u>	<u>505,362</u>	<u>1,434,352</u>
NET POSITION			
Net investment in capital assets	66,120,166	28,963,532	95,083,698
Restricted for:			
Public safety	433,550	-	433,550
Public works	6,542,298	-	6,542,298
Community development	8,387,562	-	8,387,562
Parks and recreation	5,826	-	5,826
Capital projects and improvements	6,594,937	-	6,594,937
Unrestricted	<u>3,912,459</u>	<u>10,553,707</u>	<u>14,466,166</u>
Total net position	<u>\$ 91,996,798</u>	<u>\$ 39,517,239</u>	<u>\$ 131,514,037</u>

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

**CITY OF LEMOORE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

	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	\$ 1,198,510	\$ 171,887	\$ -	\$ -	\$ (1,026,623)	\$ -	\$ (1,026,623)
Public safety	5,595,808	232,671	487,641	-	(4,875,496)	-	(4,875,496)
Public works	4,034,421	342,972	1,594,088	1,568,238	(529,123)	-	(529,123)
Community development	14,675	712,348	36,630	-	734,303	-	734,303
Parks and recreation	<u>357,965</u>	<u>405,702</u>	<u>-</u>	<u>-</u>	<u>47,737</u>	<u>-</u>	<u>47,737</u>
Total governmental activities	<u>11,201,379</u>	<u>1,865,580</u>	<u>2,118,359</u>	<u>1,568,238</u>	<u>(5,649,202)</u>	<u>-</u>	<u>(5,649,202)</u>
Business-type activities:							
Water	4,132,417	3,762,207	-	-	-	(370,210)	(370,210)
Sewer	2,535,675	3,727,389	-	548,312	-	1,740,026	1,740,026
Refuse	3,098,749	3,010,489	-	-	-	(88,260)	(88,260)
Golf Course	<u>1,190,227</u>	<u>1,291,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>101,415</u>	<u>101,415</u>
Total business-type activities	<u>10,957,068</u>	<u>11,791,727</u>	<u>-</u>	<u>548,312</u>	<u>-</u>	<u>1,382,971</u>	<u>1,382,971</u>
Total primary government	<u>\$ 22,158,447</u>	<u>\$ 13,657,307</u>	<u>\$ 2,118,359</u>	<u>\$ 2,116,550</u>	<u>(5,649,202)</u>	<u>1,382,971</u>	<u>(4,266,231)</u>
General revenues:							
Property taxes					1,395,750	-	1,395,750
Sales taxes					1,821,904	-	1,821,904
Franchise taxes					606,006	-	606,006
Transient taxes					259,769	-	259,769
Motor vehicle in-lieu					2,017,335	-	2,017,335
Unrestricted investment earnings					355,254	159,513	514,767
Other revenue					532,324	456,185	988,509
Gain on sale of assets					<u>16,067</u>	<u>54,521</u>	<u>70,588</u>
Total general revenues and transfers					<u>7,004,409</u>	<u>670,219</u>	<u>7,674,628</u>
Changes in net position					1,355,207	2,053,190	3,408,397
Net position - beginning, restated					<u>90,641,591</u>	<u>37,464,049</u>	<u>128,105,640</u>
Net position - ending					<u>\$ 91,996,798</u>	<u>\$ 39,517,239</u>	<u>\$ 131,514,037</u>

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 2016. 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.

STREET GRANT SPECIAL REVENUE FUND

This fund accounts for the City's street improvements using miscellaneous state and federal 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, 2016

	Special Revenue Funds					Total Governmental Funds
	General Fund	Streets Grant Fund	Gasoline Tax Fund	Lemoore Housing Authority Fund	Other Governmental Funds	
ASSETS						
Cash and investments	\$ 9,183,670	\$ -	\$ 1,026,015	\$ 1,453,829	\$ 11,922,156	\$ 23,585,670
Receivables:						
Accounts	-	-	-	-	28,050	28,050
Notes	55,087	-	-	4,622,274	651,200	5,328,561
Intergovernmental	816,463	442,505	8,515	-	642,612	1,910,095
Other	7,244	-	-	-	-	7,244
Interfund receivables	605,974	-	-	-	-	605,974
Advances to other funds	915,959	-	-	-	-	915,959
Other assets	40,000	-	-	-	-	40,000
Assets held for resale	-	-	-	1,485,564	-	1,485,564
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 11,624,397</u>	<u>\$ 442,505</u>	<u>\$ 1,034,530</u>	<u>\$ 7,561,667</u>	<u>\$ 13,244,018</u>	<u>\$ 33,907,117</u>
LIABILITIES						
Accounts payable	\$ 773,711	\$ 2,347	\$ 43,114	\$ 713	\$ 89,109	\$ 908,994
Interfund payables	-	127,014	-	-	73,123	200,137
Deposits and other liabilities	139,397	-	-	-	-	139,397
Unearned revenue	52,581	-	-	-	-	52,581
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>965,689</u>	<u>129,361</u>	<u>43,114</u>	<u>713</u>	<u>162,232</u>	<u>1,301,109</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	-	200,000	651,200	851,200
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>651,200</u>	<u>851,200</u>
FUND BALANCES (DEFICITS)						
Nonspendable:						
Notes receivable	55,087	-	-	4,422,274	-	4,477,361
Long-term interfund advances	915,959	-	-	-	-	915,959
Restricted:						
Public safety	11,047	-	-	-	422,503	433,550
Public works	-	313,144	991,416	-	5,237,738	6,542,298
Community development	-	-	-	2,938,680	175,408	3,114,088
Parks and recreation	5,826	-	-	-	-	5,826
Capital projects and improvements	-	-	-	-	6,594,937	6,594,937
Assigned:						
Subsequent year's budget:						
Appropriation of fund balance	216,600	-	-	-	-	216,600
Unassigned	9,454,189	-	-	-	-	9,454,189
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances (deficits)	<u>10,658,708</u>	<u>313,144</u>	<u>991,416</u>	<u>7,360,954</u>	<u>12,430,586</u>	<u>31,754,808</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 11,624,397</u>	<u>\$ 442,505</u>	<u>\$ 1,034,530</u>	<u>\$ 7,561,667</u>	<u>\$ 13,244,018</u>	<u>\$ 33,907,117</u>

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, 2016

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

Total fund balances - governmental funds	\$	31,754,808
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources; therefore, they are not reported in the governmental funds.		66,054,196
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		(422,176)
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	(5,413,753)	
Deferred outflows of resources	791,673	
Deferred inflows of resources	<u>(861,614)</u>	(5,483,694)
Other long-term assets are not available to pay for current period expenditures; therefore, they are unavailable in the governmental funds.		851,200
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>(757,536)</u>
Net position of governmental activities	\$	<u>91,996,798</u>

CITY OF LEMOORE
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue Funds					Total Governmental Funds
	General Fund	Streets Grants Fund	Gasoline Tax Fund	Lemoore Housing Authority Fund	Other Governmental Funds	
REVENUES						
Property taxes	\$ 1,308,832	\$ -	\$ -	\$ -	\$ -	\$ 1,308,832
Other taxes	2,610,203	-	-	-	-	2,610,203
Licenses and permits	778,089	-	-	-	9,926	788,015
Charges for services	576,245	-	-	-	-	576,245
Intergovernmental	2,301,179	1,564,071	655,077	-	1,256,531	5,776,858
Fees and assessments	39,663	-	-	-	1,028,602	1,068,265
Use of money and property	102,388	10,775	12,435	116,400	113,257	355,255
Other revenue	<u>488,724</u>	<u>-</u>	<u>-</u>	<u>45,163</u>	<u>3,100</u>	<u>536,987</u>
Total revenues	<u>8,205,323</u>	<u>1,574,846</u>	<u>667,512</u>	<u>161,563</u>	<u>2,411,416</u>	<u>13,020,660</u>
EXPENDITURES						
Current:						
General government	1,506,274	-	-	-	13,354	1,519,628
Public safety	6,146,235	-	-	-	-	6,146,235
Public works	1,317,473	-	-	-	357,253	1,674,726
Community development	759	-	-	-	13,916	14,675
Parks and recreation	630,886	-	-	-	-	630,886
Capital outlay	<u>561,069</u>	<u>1,284,346</u>	<u>387,267</u>	<u>-</u>	<u>247,054</u>	<u>2,479,736</u>
Total expenditures	<u>10,162,696</u>	<u>1,284,346</u>	<u>387,267</u>	<u>-</u>	<u>631,577</u>	<u>12,465,886</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,957,373)</u>	<u>290,500</u>	<u>280,245</u>	<u>161,563</u>	<u>1,779,839</u>	<u>554,774</u>
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	16,067	-	-	-	-	16,067
Transfers in	107,236	-	-	-	-	107,236
Transfers out	<u>-</u>	<u>(107,236)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(107,236)</u>
Total other financing sources (uses)	<u>123,303</u>	<u>(107,236)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,067</u>
Net changes in fund balances	(1,834,070)	183,264	280,245	161,563	1,779,839	570,841
Fund balances, June 30, 2015, restated	<u>12,492,778</u>	<u>129,880</u>	<u>711,171</u>	<u>7,199,391</u>	<u>10,650,747</u>	<u>31,183,967</u>
Fund balances (deficits), June 30, 2016	<u>\$ 10,658,708</u>	<u>\$ 313,144</u>	<u>\$ 991,416</u>	<u>\$ 7,360,954</u>	<u>\$ 12,430,586</u>	<u>\$ 31,754,808</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, 2016

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

Net change in fund balances - total governmental funds	\$	570,841
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.		2,616,236
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.		(2,035,092)
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.		(7,657)
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.		778,312
Other long-term assets are not available to pay for current period expenditures; therefore, they are unavailable in the governmental funds.		(480,137)
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>(87,296)</u>
Change in net position of governmental activities	\$	<u>1,355,207</u>

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

**CITY OF LEMOORE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property taxes	\$ 1,483,000	\$ 1,483,000	\$ 1,308,832	\$ (174,168)
Other taxes	2,618,000	2,618,000	2,610,203	(7,797)
Licenses and permits	522,650	522,650	778,089	255,439
Charges for services	442,250	442,250	576,245	133,995
Intergovernmental	2,172,982	2,172,982	2,301,179	128,197
Fees and assessments	15,500	15,500	39,663	24,163
Use of money and property	63,855	63,855	102,388	38,533
Other revenue	539,100	539,100	488,724	(50,376)
Total revenues	7,857,337	7,857,337	8,205,323	347,986
EXPENDITURES				
Current:				
General government	1,933,169	2,023,764	1,506,274	517,490
Public safety	5,988,787	6,213,675	6,146,235	67,440
Public works	2,261,411	2,376,981	1,317,473	1,059,508
Community development	-	-	759	(759)
Parks and recreation	547,553	751,973	630,886	121,087
Capital outlay	452,135	452,135	561,069	(108,934)
Total expenditures	11,183,055	11,818,528	10,162,696	1,655,832
Excess (deficiency) of revenues over (under) expenditures	(3,325,718)	(3,961,191)	(1,957,373)	2,003,818
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	16,067	16,067
Transfers in	2,291,863	2,291,863	107,236	(2,184,627)
Transfers out	(369,500)	(369,500)	-	369,500
Total other financing sources (uses)	1,922,363	1,922,363	123,303	(1,799,060)
Net changes in fund balances	(1,403,355)	(2,038,828)	(1,834,070)	204,758
Fund balances, June 30, 2015	12,492,778	12,492,778	12,492,778	-
Fund balances (deficits), June 30, 2016	\$ 11,089,423	\$ 10,453,950	\$ 10,658,708	\$ 204,758

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

**CITY OF LEMOORE
STREETS GRANT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
From other agencies	\$ -	\$ -	\$ 1,564,071	\$ 1,564,071
Use of money and property	<u>-</u>	<u>-</u>	<u>10,775</u>	<u>10,775</u>
Total revenues	<u>-</u>	<u>-</u>	<u>1,574,846</u>	<u>1,574,846</u>
EXPENDITURES				
Capital outlay	<u>2,060,000</u>	<u>2,060,000</u>	<u>1,284,346</u>	<u>775,654</u>
Total expenditures	<u>2,060,000</u>	<u>2,060,000</u>	<u>1,284,346</u>	<u>775,654</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,060,000)</u>	<u>(2,060,000)</u>	<u>290,500</u>	<u>2,350,500</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(2,094,300)</u>	<u>(2,094,300)</u>	<u>(107,236)</u>	<u>1,987,064</u>
Total other financing sources (uses)	<u>(2,094,300)</u>	<u>(2,094,300)</u>	<u>(107,236)</u>	<u>1,987,064</u>
Net change in fund balances	(4,154,300)	(4,154,300)	183,264	4,337,564
Fund balances, June 30, 2015, restated	<u>129,880</u>	<u>129,880</u>	<u>129,880</u>	<u>-</u>
Fund balances, June 30, 2016	<u>\$ (4,024,420)</u>	<u>\$ (4,024,420)</u>	<u>\$ 313,144</u>	<u>\$ 4,337,564</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, 2016**

	<u>Budgeted Amount</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
From other agencies	\$ 66,000	\$ 66,000	\$ 655,077	\$ 589,077
Use of money and property	<u>-</u>	<u>-</u>	<u>12,435</u>	<u>12,435</u>
Total revenues	<u>66,000</u>	<u>66,000</u>	<u>667,512</u>	<u>601,512</u>
EXPENDITURES				
Capital outlay	<u>653,000</u>	<u>653,000</u>	<u>387,267</u>	<u>265,733</u>
Total expenditures	<u>653,000</u>	<u>653,000</u>	<u>387,267</u>	<u>265,733</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(587,000)</u>	<u>(587,000)</u>	<u>280,245</u>	<u>867,245</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>1,016,464</u>	<u>1,016,464</u>	<u>-</u>	<u>(1,016,464)</u>
Total other financing sources (uses)	<u>1,016,464</u>	<u>1,016,464</u>	<u>-</u>	<u>(1,016,464)</u>
Net change in fund balances	429,464	429,464	280,245	(149,219)
Fund balances, June 30, 2015	<u>711,171</u>	<u>711,171</u>	<u>711,171</u>	<u>-</u>
Fund balances, June 30, 2016	<u>\$ 1,140,635</u>	<u>\$ 1,140,635</u>	<u>\$ 991,416</u>	<u>\$ (149,219)</u>

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

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 2016.

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, 2016**

	Business-type Activities				Total	Governmental
	Water Fund	Sewer Fund	Refuse Fund	Golf Course Fund		Activities - Internal Service Fund
ASSETS						
Current assets:						
Cash and investments	\$ 3,359,621	\$ 10,296,826	\$ 1,463,309	\$ -	\$ 15,119,756	\$ -
Receivables:						
Accounts	612,556	682,018	326,516	507	1,621,597	-
Less: allowance for doubtful accounts	(136,877)	(94,584)	(82,514)	-	(313,975)	-
Inventory	-	-	-	67,391	67,391	-
Prepaid expenses	-	-	-	46,337	46,337	-
Total current assets	3,835,300	10,884,260	1,707,311	114,235	16,541,106	-
Noncurrent assets:						
Advances to other funds	-	1,921,883	-	-	1,921,883	-
Capital assets:						
Nondepreciable	679,648	775,356	252,505	624,013	2,331,522	65,970
Depreciable, net of accumulated depreciation	22,068,102	8,195,085	928,317	1,694,318	32,885,822	-
Total noncurrent assets	22,747,750	10,892,324	1,180,822	2,318,331	37,139,227	65,970
Total assets	26,583,050	21,776,584	2,888,133	2,432,566	53,680,333	65,970
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows from pensions	101,467	109,824	82,686	-	293,977	39,234
Total deferred outflows of resources	101,467	109,824	82,686	-	293,977	39,234
LIABILITIES						
Current liabilities:						
Accounts payable	245,601	42,110	173,777	49,942	511,430	65,083
Deposits and other liabilities	26,649	-	-	13,697	40,346	-
Compensated absences	6,815	9,900	7,638	-	24,353	5,511
Interfund payables	-	-	-	96,285	96,285	309,552
Accrued interest payable	12,925	-	-	-	12,925	-
Current portion of long-term liabilities	422,443	-	-	-	422,443	-
Total current liabilities	714,433	52,010	181,415	159,924	1,107,782	380,146
Noncurrent liabilities:						
Long-term liabilities	5,831,369	-	-	-	5,831,369	-
Advances from other funds	1,921,883	-	-	915,959	2,837,842	-
Advances from Successor Agency	-	148,380	-	1,775,684	1,924,064	-
Compensated absences	27,262	39,601	30,550	-	97,413	22,042
Net pension liability	767,160	842,921	635,666	-	2,245,747	300,668
Total noncurrent liabilities	8,547,674	1,030,902	666,216	2,691,643	12,936,435	322,710
Total liabilities	9,262,107	1,082,912	847,631	2,851,567	14,044,217	702,856
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows from pensions	175,609	188,253	141,500	-	505,362	67,376
Total deferred inflows of resources	175,609	188,253	141,500	-	505,362	67,376
NET POSITION						
Net investment in capital assets	16,493,938	8,970,441	1,180,822	2,318,331	28,963,532	65,970
Unrestricted	752,863	11,644,802	800,866	(2,737,332)	10,461,199	(730,998)
Total net position	\$ 17,246,801	\$ 20,615,243	\$ 1,981,688	\$ (419,001)	39,424,731	\$ (665,028)
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds					92,508	
Net position of business-type activities					<u>\$ 39,517,239</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, 2016

	Business-type Activities				Total	Governmental
	Water Fund	Sewer Fund	Refuse Fund	Golf Course Fund		Activities - Internal Service Fund
Operating revenues:						
Charges for services	\$ 3,675,582	\$ 3,616,805	\$ 2,954,795	\$ 1,291,583	\$ 11,538,765	\$ 784,600
Fines and forfeitures	71,505	49,638	45,140	-	166,283	-
Other revenues	15,120	60,946	10,554	59	86,679	354
Total operating revenues	<u>3,762,207</u>	<u>3,727,389</u>	<u>3,010,489</u>	<u>1,291,642</u>	<u>11,791,727</u>	<u>784,954</u>
Operating expenses:						
Salaries and benefits	1,263,012	1,282,086	1,265,876	34,549	3,845,523	402,249
Materials and supplies	503,670	220,791	121,452	270,968	1,116,881	274,409
Utilities	391,468	119,292	3,137	84,409	598,306	834
Contractual services	533,784	195,533	1,105,103	514,067	2,348,487	21,521
Repairs and maintenance	120,141	33,393	2,901	10,962	167,397	297,877
Other expenses	121,596	101,346	305,045	102,478	630,465	1,633
Depreciation and amortization	1,010,368	498,686	268,778	142,177	1,920,009	12,461
Total operating expenses	<u>3,944,039</u>	<u>2,451,127</u>	<u>3,072,292</u>	<u>1,159,610</u>	<u>10,627,068</u>	<u>1,010,984</u>
Operating income (loss)	<u>(181,832)</u>	<u>1,276,262</u>	<u>(61,803)</u>	<u>132,032</u>	<u>1,164,659</u>	<u>(226,030)</u>
Nonoperating revenues (expenses):						
Intergovernmental	-	548,312	-	-	548,312	-
Interest income	37,734	103,709	18,401	(331)	159,513	-
Interest expense	(160,650)	-	-	(30,617)	(191,267)	-
Other nonoperating revenues	390,841	65,345	-	-	456,186	-
Gain (loss) on asset disposal	1,103	2,456	50,962	-	54,521	-
Total nonoperating revenues (expenses)	<u>269,028</u>	<u>719,822</u>	<u>69,363</u>	<u>(30,948)</u>	<u>1,027,265</u>	<u>-</u>
Income (loss) before transfers	<u>87,196</u>	<u>1,996,084</u>	<u>7,560</u>	<u>101,084</u>	<u>2,191,924</u>	<u>(226,030)</u>
Changes in net position	87,196	1,996,084	7,560	101,084	2,191,924	(226,030)
Net position, July 1, 2015	<u>17,159,605</u>	<u>18,619,159</u>	<u>1,974,128</u>	<u>(520,085)</u>		<u>(438,998)</u>
Net position, June 30, 2016	<u>\$ 17,246,801</u>	<u>\$ 20,615,243</u>	<u>\$ 1,981,688</u>	<u>\$ (419,001)</u>		<u>\$ (665,028)</u>
Adjustments to reflect consolidation of internal service fund activities related to enterprise funds					<u>(138,734)</u>	
Change in net position of business-type activities					<u>\$ 2,053,190</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, 2016**

	Business-type Activities				Total	Governmental
	Water Fund	Sewer Fund	Refuse Fund	Golf Course Fund		Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipt from customers and users	\$ 3,848,593	\$ 3,447,250	\$ 3,005,844	\$ 1,291,199	\$ 11,592,886	\$ 784,600
Payments to suppliers and service providers	(2,541,529)	(878,167)	(1,442,690)	(1,110,223)	(5,972,609)	(593,032)
Payments to employees for salaries and benefits	(1,388,965)	(1,127,762)	(1,147,445)	(34,549)	(3,698,721)	(343,024)
Other receipts	<u>15,120</u>	<u>60,946</u>	<u>10,554</u>	<u>59</u>	<u>86,679</u>	<u>354</u>
Net cash provided (used) by operating activities	<u>(66,781)</u>	<u>1,502,267</u>	<u>426,263</u>	<u>146,486</u>	<u>2,008,235</u>	<u>(151,102)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Operating grants	390,841	-	-	-	390,841	-
Advance from (to) other funds	-	-	-	(178,309)	(178,309)	170,214
Other nonoperating revenues	<u>-</u>	<u>65,345</u>	<u>-</u>	<u>-</u>	<u>65,345</u>	<u>-</u>
Net cash provided (used) by noncapital financing activities	<u>390,841</u>	<u>65,345</u>	<u>-</u>	<u>(178,309)</u>	<u>277,877</u>	<u>170,214</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital grants	-	548,312	44	-	548,356	-
Principal paid on capital debt	(412,126)	-	-	-	(412,126)	-
Interest paid on capital debt	(161,501)	-	-	(30,617)	(192,118)	-
Acquisition and construction of capital assets	(369,644)	(61,702)	(1,653)	(22,962)	(455,961)	(19,112)
Proceeds from the sale of capital assets	<u>1,103</u>	<u>2,456</u>	<u>50,962</u>	<u>-</u>	<u>54,521</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(942,168)</u>	<u>489,066</u>	<u>49,353</u>	<u>(53,579)</u>	<u>(457,328)</u>	<u>(19,112)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	<u>37,734</u>	<u>103,709</u>	<u>18,401</u>	<u>(331)</u>	<u>159,513</u>	<u>-</u>
Net cash provided (used) by investing activities	<u>37,734</u>	<u>103,709</u>	<u>18,401</u>	<u>(331)</u>	<u>159,513</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents	(580,374)	2,160,387	494,017	(85,733)	1,988,297	-
Cash and cash investments, June 30, 2015	<u>3,939,995</u>	<u>8,136,439</u>	<u>969,292</u>	<u>85,733</u>	<u>13,131,459</u>	<u>-</u>
Cash and cash investments, June 30, 2016	<u>\$ 3,359,621</u>	<u>\$ 10,296,826</u>	<u>\$ 1,463,309</u>	<u>\$ -</u>	<u>\$ 15,119,756</u>	<u>\$ -</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, 2016
(Continued)

	Business-type Activities				Total	Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Refuse Fund	Golf Course Fund		
Operating income (loss)	\$ (181,832)	\$ 1,276,262	\$ (61,803)	\$ 132,032	\$ 1,164,659	\$ (226,030)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	1,010,368	498,686	268,778	142,177	1,920,009	12,461
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	101,134	(219,193)	5,909	(497)	(112,647)	-
(Increase) decrease in inventory	-	-	-	(35,853)	(35,853)	-
(Increase) decrease in prepaid expenses	-	-	-	(45,000)	(45,000)	-
(Increase) decrease in deferred outflows of resources	12,082	(15,847)	(14,391)	-	(18,156)	(4,542)
Increase (decrease) in accounts payable	(870,870)	(207,812)	94,948	(46,486)	(1,030,220)	3,242
Increase (decrease) in deposits and other liabilities	372	-	-	113	485	-
Increase (decrease) in compensated absences	(10,825)	1,562	4,601	-	(4,662)	821
Increase (decrease) in deferred inflows of resources	(105,206)	(45,467)	(26,977)	-	(177,650)	(19,884)
Increase (decrease) in net pension liability	(22,004)	214,076	155,198	-	347,270	82,830
Net cash provided (used) by operating activities	<u>\$ (66,781)</u>	<u>\$ 1,502,267</u>	<u>\$ 426,263</u>	<u>\$ 146,486</u>	<u>\$ 2,008,235</u>	<u>\$ (151,102)</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 FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2016**

	Lemoore Redevelopment Successor Agency Private Purpose Trust Fund	Agency Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and investments	\$ 3,522,512	\$ 400,434
Restricted cash with fiscal agent	19,962,364	-
Intergovernmental receivables	2,027	-
Advances to City of Lemoore	1,924,064	-
Notes receivable	1,258,052	-
Land held for resale	524,058	-
Other assets	-	28,800
	<u> </u>	<u> </u>
Total assets	<u>\$ 27,193,077</u>	<u>\$ 429,234</u>
LIABILITIES		
Accounts payable	\$ 1,500	\$ 23,944
Payable to State Department of Finance	18,050	-
Interest payable	815,164	-
Deposits and other liabilities	-	405,290
Long-term liabilities:		
Due within one year	774,523	-
Due in more than one year	<u>35,211,259</u>	<u> </u>
	<u> </u>	<u> </u>
Total liabilities	<u>\$ 36,820,496</u>	<u>\$ 429,234</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>\$ (9,627,419)</u>	

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

**CITY OF LEMOORE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	Lemoore Redevelopment Successor Agency Private Purpose Trust Fund
ADDITIONS	
Taxes	\$ 4,468,944
Investment earnings	616,568
Total additions	5,085,512
DEDUCTIONS	
Community development	369,141
Loss on asset disposal	161,466
Debt service:	
Interest expense	1,974,991
Total deductions	2,505,598
Change in net position	2,579,914
Net position, June 30, 2015	(12,207,333)
Net position, June 30, 2016	\$ (9,627,419)

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

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2016

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 **Streets Grant Fund** accounts for street improvements using miscellaneous state and federal 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, 2016

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, 2016

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, 2016**

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, 2016**

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, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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, 2016

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 of the 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.

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

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, 2016

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, 2016:

Major Funds:

General Fund:

Current:

Community development 759

Capital outlay 108,934

Nonmajor Funds:

Grants Special Revenue Fund:

Current:

Community development 12,152

Maintenance Assessment District Special Revenue Fund:

Current:

Public works 72,615

Community development 264

Capital Improvement Fees Capital Project Fund:

Capital outlay 23,111

The excess expenditures were covered by available fund balance in the funds.

**CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fund Balances

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (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, 2016**

NOTE 2 – CASH AND INVESTMENTS

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

Statement of Net Position:	
Cash and investments	\$ 38,705,426
Fiduciary funds:	
Cash and investments	3,922,946
Restricted cash with fiscal agents	<u>19,962,364</u>
 Total cash and investments	 <u>\$ 62,590,736</u>

Cash and investments as of June 30, 2016 consist of the following:

Cash on hand	\$ 6,050
Deposits with financial institutions	15,675,128
Investments	<u>46,909,558</u>
 Total cash and investments	 <u>\$ 62,590,736</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, 2016

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	\$ 16,004,792	\$ 16,004,792	\$ -	\$ -	\$ -
Federal agency securities:					
Federal Home Loan Mortgage Corporation	5,066,918	-	-	5,066,918	-
Certificates of Deposits	5,875,482	821,482	945,000	4,109,000	-
Held by Bond Trustee:					
Money Market Funds	4,288,833	4,288,833	-	-	-
Federal National Mortgage Association	4,004,085	-	-	4,004,085	-
Federal Home Loan Mortgage Corporation	11,669,449	-	-	11,669,449	-
Total	\$ 46,909,559	\$ 21,115,107	\$ 945,000	\$ 24,849,452	\$ -

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

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	\$ 16,004,792	N/A	\$ -	\$ -	\$ -	\$ 16,004,792
Federal agency securities:						
Federal Home Loan Mortgage Corporation	5,066,918	N/A	-	-	-	5,066,918
Certificates of Deposits	5,875,482	N/A	-	-	-	5,875,482
Held by Bond Trustee:						
Money Market Funds	4,288,833	A	515,055	1,043,891	1,507,422	1,222,465
Federal National Mortgage Association	4,004,085	N/A	-	4,004,085	-	-
Federal Home Loan Mortgage Corporation	<u>11,669,449</u>	N/A	-	<u>11,669,449</u>	-	-
Total	<u>\$ 46,909,559</u>		<u>\$ 515,055</u>	<u>\$ 16,717,425</u>	<u>\$ 1,507,422</u>	<u>\$ 28,169,657</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, 2016, 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	\$ 5,066,918

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, 2016.

Issuer	Investment Type	Reported Amount
Federal Home Loan Mortgage Corporation	Federal agency securities	\$ 11,669,449
Federal National Mortgage Association	Federal agency securities	\$ 4,004,085

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2016, the carrying amount of the City's bank deposits was \$15,675,128, and the respective bank balances totaled \$15,767,513. Of the total bank balance, \$1,031,303 was insured through the Federal Depository Insurance Company (FDIC). The remaining \$14,736,210 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, 2016, 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. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals to and from LAIF are transferred on the basis of \$1 and not fair value. Accordingly, under the fair value hierarchy, LAIF is uncategorized.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The City has the following recurring fair value measurements as of June 30, 2016:

Investments by Fair Value Level	Amount	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Certificates of Deposit	\$ 5,875,482	\$ -	\$ 5,875,481	\$ -
Federal agency securities:				
Federal Home Loan Mortgage Corporation	5,066,918	-	5,066,918	-
Held by Bond Trustee:				
Federal National Mortgage Association	4,004,085	-	4,004,085	-
Federal Home Loan Mortgage Corporation	<u>11,669,449</u>	<u>-</u>	<u>11,669,449</u>	<u>-</u>
	<u>26,615,934</u>	<u>\$ -</u>	<u>\$ 26,615,933</u>	<u>\$ -</u>
State Investment Pool	16,004,792			
Money Market Funds	<u>4,288,833</u>			
	<u>\$ 46,909,559</u>			

In determining fair value, the City’s custodians use various methods including market and income approaches. Based on these approaches, the City’s custodians utilize certain assumptions that market participants would use in pricing the asset or liability. The City’s custodians utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Various inputs are used in determining the value of the City’s investments and other financial instruments. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. These inputs are summarized in the three broad levels: Level 1 – quoted prices in active markets for identical investments, Level 2 - other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.) and Level 3 – significant unobservable inputs (including the district’s own assumptions in determining the fair value of investments).

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 \$2,085,922 as of June 30, 2016.

**CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

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, 2016, 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, 2016.

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental Funds		
Major Funds:		
General Fund	\$ 605,974	\$ -
Grant Fund	-	127,014
Golf Course Fund	-	96,285
Nonmajor Funds:		
Grants Fund	-	73,123
Internal Service Funds		
Fleet Maintenance Fund	-	309,552
Totals	<u>\$ 605,974</u>	<u>\$ 605,974</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, 2016:

	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
Governmental Funds		
Major Funds:		
General Fund	\$ 915,959	\$ -
Enterprise Funds		
Major Funds:		
Water Fund	-	1,921,883
Sewer Fund	1,921,883	148,380
Golf Course Fund	-	2,691,643
Fiduciary Funds		
Successor Agency Private Purpose Trust Fund	<u>1,924,064</u>	<u>-</u>
Totals	<u>\$ 4,761,906</u>	<u>\$ 4,761,906</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 \$915,959 as of June 30, 2016.

**CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 4 – INTERFUND ACTIVITIES (Continued)

Long-Term Interfund Advances (Continued)

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, 2016.

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 \$1,681,088 as of June 30, 2016.

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 \$75,855 as of June 30, 2016.

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 \$18,741 as of June 30, 2016.

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, 2016.

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	\$ 107,236	\$ -
Streets Grant Fund	-	107,236
Total	\$ 107,236	\$ 107,236

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 5 – ASSETS HELD FOR RESALE

The following is a summary of changes in the assets held for resale during the 2015-2016 fiscal year:

	Balance June 30, 2015	Additions	Reductions	Balance June 30, 2016
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, 2016 is as follows:

Governmental Activities

	Balance June 30, 2015	Additions	Reductions	Transfers/ Adjustments	Balance June 30, 2016
Capital assets, not being depreciated:					
Land	\$ 2,710,713	\$ 105,000	\$ -	\$ -	\$ 2,815,713
Construction in progress	1,508,136	1,389,900	(1,515,232)	-	1,382,804
Total capital assets, not being depreciated	<u>4,218,849</u>	<u>1,494,900</u>	<u>(1,515,232)</u>	<u>-</u>	<u>4,198,517</u>
Capital assets, being depreciated					
Buildings and improvements	16,105,306	346,429	-	-	16,451,735
Machinery and equipment	6,309,159	1,120,214	(315,189)	11,657	7,125,841
Road network	45,211,873	1,177,380	-	-	46,389,253
Infrastructure	4,791,535	-	-	-	4,791,535
Total capital assets, being depreciated	<u>72,417,873</u>	<u>2,644,023</u>	<u>(315,189)</u>	<u>11,657</u>	<u>74,758,364</u>
Less accumulated depreciation for:					
Buildings and improvements	(4,091,918)	(465,670)	-	(21,496)	(4,579,084)
Machinery and equipment	(4,292,327)	(371,070)	315,189	4,434	(4,343,774)
Road network	(904,237)	(904,238)	-	-	(1,808,475)
Infrastructure	(1,815,865)	(306,575)	-	17,058	(2,105,382)
Total accumulated depreciated, net	<u>(11,104,347)</u>	<u>(2,047,553)</u>	<u>315,189</u>	<u>(4)</u>	<u>(12,836,715)</u>
Total capital assets, being depreciated, net	<u>61,313,526</u>	<u>596,470</u>	<u>-</u>	<u>11,653</u>	<u>61,921,649</u>
Governmental activities capital assets, net	<u>\$ 65,532,375</u>	<u>\$ 2,091,370</u>	<u>\$ (1,515,232)</u>	<u>\$ 11,653</u>	<u>\$ 66,120,166</u>

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

Governmental Activities:

General government	\$ 15,646
Public safety	270,896
Public works	1,713,650
Parks and recreation	34,900
Capital assets held by the Internal Service Funds were charged to the various functions based on their usage	<u>12,461</u>
Total depreciation expense - governmental activities	<u>\$ 2,047,553</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 – CAPITAL ASSETS (Continued)

Capital assets activity of the business-type activities for the year ending June 30, 2016 is as follows:

Business-Type Activities

	Balance June 30, 2015	Additions	Reductions	Transfers/ Adjustments	Balance June 30, 2016
Water Fund:					
Capital Assets, not being depreciated:					
Land	\$ 427,232	\$ -	\$ -	\$ -	\$ 427,232
Construction in progress	<u>103,119</u>	<u>149,297</u>	<u>-</u>	<u>-</u>	<u>252,416</u>
Total capital assets, not being depreciated	<u>530,351</u>	<u>149,297</u>	<u>-</u>	<u>-</u>	<u>679,648</u>
Capital assets, being depreciated:					
Buildings and improvements	16,596,414	199,543	-	-	16,795,957
Machinery and equipment	<u>14,338,103</u>	<u>20,804</u>	<u>(33,816)</u>	<u>-</u>	<u>14,325,091</u>
Total capital assets, being depreciated	<u>30,934,517</u>	<u>220,347</u>	<u>(33,816)</u>	<u>-</u>	<u>31,121,048</u>
Less accumulated depreciation for:					
Buildings and improvements	(6,364,646)	(393,091)	-	-	(6,757,737)
Machinery and equipment	<u>(1,711,748)</u>	<u>(617,277)</u>	<u>33,816</u>	<u>-</u>	<u>(2,295,209)</u>
Total accumulated depreciation, net	<u>(8,076,394)</u>	<u>(1,010,368)</u>	<u>33,816</u>	<u>-</u>	<u>(9,052,946)</u>
Total capital assets, being depreciated, net	<u>22,858,123</u>	<u>(790,021)</u>	<u>-</u>	<u>-</u>	<u>22,068,102</u>
Water fund capital assets, net	<u>\$ 23,388,474</u>	<u>\$ (640,724)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,747,750</u>
Sewer Fund:					
Capital assets, not being depreciated:					
Land	\$ 749,841	\$ -	\$ -	\$ -	\$ 749,841
Construction in progress	<u>19,045</u>	<u>25,515</u>	<u>(19,045)</u>	<u>-</u>	<u>25,515</u>
Total capital assets, not being depreciated	<u>768,886</u>	<u>25,515</u>	<u>(19,045)</u>	<u>-</u>	<u>775,356</u>
Capital assets, being depreciated:					
Buildings and improvements	8,123,871	19,045	-	-	8,142,916
Machinery and equipment	<u>5,350,958</u>	<u>36,187</u>	<u>(72,329)</u>	<u>-</u>	<u>5,314,816</u>
Total capital assets, being depreciated	<u>13,474,829</u>	<u>55,232</u>	<u>(72,329)</u>	<u>-</u>	<u>13,457,732</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,234,359)	(263,071)	-	-	(2,497,430)
Machinery and equipment	<u>(2,601,932)</u>	<u>(235,615)</u>	<u>72,330</u>	<u>-</u>	<u>(2,765,217)</u>
Total accumulated depreciation, net	<u>(4,836,291)</u>	<u>(498,686)</u>	<u>72,330</u>	<u>-</u>	<u>(5,262,647)</u>
Total capital assets, being depreciated, net	<u>8,638,538</u>	<u>(443,454)</u>	<u>1</u>	<u>-</u>	<u>8,195,085</u>
Sewer fund capital assets, net	<u>\$ 9,407,424</u>	<u>\$ (417,939)</u>	<u>\$ (19,044)</u>	<u>\$ -</u>	<u>\$ 8,970,441</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 – CAPITAL ASSETS (Continued)

Business-Type Activities (Continued)

	Balance June 30, 2015	Additions	Reductions	Transfers/ Adjustments	Balance June 30, 2016
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	3,136,690	1,653	(674,908)	-	2,463,435
Total capital assets, being depreciated	<u>3,136,690</u>	<u>1,653</u>	<u>(674,908)</u>	<u>-</u>	<u>2,463,435</u>
Less accumulated depreciation for:					
Machinery and equipment	(1,941,248)	(268,778)	674,908	-	(1,535,118)
Total accumulated depreciation, net	<u>(1,941,248)</u>	<u>(268,778)</u>	<u>674,908</u>	<u>-</u>	<u>(1,535,118)</u>
Total capital assets, being depreciated, net	<u>1,195,442</u>	<u>(267,125)</u>	<u>-</u>	<u>-</u>	<u>928,317</u>
Refuse fund capital assets, net	<u>\$ 1,447,947</u>	<u>\$ (267,125)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,180,822</u>
Golf Course Fund:					
Capital assets, not being depreciated:					
Land	\$ 624,013	\$ -	\$ -	\$ -	\$ 624,013
Construction in progress	4,159	1,835	(5,994)	-	-
Total capital assets, not being depreciated	<u>628,172</u>	<u>1,835</u>	<u>(5,994)</u>	<u>-</u>	<u>624,013</u>
Capital assets, being depreciated					
Buildings and improvements	4,422,997	5,994	-	-	4,428,991
Machinery and equipment	540,317	21,126	-	-	561,443
Total capital assets, being depreciated	<u>4,963,314</u>	<u>27,120</u>	<u>-</u>	<u>-</u>	<u>4,990,434</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,705,720)	(125,331)	-	-	(2,831,051)
Machinery and equipment	(448,219)	(16,846)	-	-	(465,065)
Total accumulated depreciation, net	<u>(3,153,939)</u>	<u>(142,177)</u>	<u>-</u>	<u>-</u>	<u>(3,296,116)</u>
Total capital assets, being depreciated, net	<u>1,809,375</u>	<u>(115,057)</u>	<u>-</u>	<u>-</u>	<u>1,694,318</u>
Golf course fund capital assets, net	<u>\$ 2,437,547</u>	<u>\$ (113,222)</u>	<u>\$ (5,994)</u>	<u>\$ -</u>	<u>\$ 2,318,331</u>
Business-type capital assets, net	<u>\$ 36,681,392</u>	<u>\$ (1,439,010)</u>	<u>\$ (25,038)</u>	<u>\$ -</u>	<u>\$ 35,217,344</u>

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

Business-type Activities:	
Water	\$ 1,010,368
Sewer	498,686
Refuse	268,778
Golf Course	<u>142,177</u>
Total	<u>\$ 1,920,009</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7 – DEPOSITS AND OTHER LIABILITIES

Deposits and other liabilities consist of the following at June 30, 2016:

	General Fund	Water Fund	Golf Course Fund	Total
Deposits	\$ 139,397	\$ -	\$ -	\$ 139,397
Other liabilities	-	26,649	13,697	40,346
Total deposits and other liabilities	<u>\$ 139,397</u>	<u>\$ 26,649</u>	<u>\$ 13,697</u>	<u>\$ 179,743</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 \$359,783 and \$97,413, 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, 2016, the balance is \$449,729 for governmental activities and \$121,766 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, 2016:

	Balance June 30, 2015	Incurred or Issued	Satisfied or Matured	Balance June 30, 2016	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 441,252	\$ 313,358	\$ (304,881)	\$ 449,729	\$ 89,946
Governmental activities long-term liabilities	<u>\$ 441,252</u>	<u>\$ 313,358</u>	<u>\$ (304,881)</u>	<u>\$ 449,729</u>	<u>\$ 89,946</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, 2016:

	Balance June 30, 2015	Incurred or Issued	Satisfied or Matured	Balance June 30, 2016	Due Within One Year
Business-Type Activities:					
Series 2013 water revenue loan	\$ 6,665,937	\$ -	\$ (412,125)	\$ 6,253,812	\$ 422,443
Compensated absences	126,428	92,085	(96,747)	121,766	24,353
Business-type activities long-term liabilities	<u>\$ 6,792,365</u>	<u>\$ 92,085</u>	<u>\$ (508,872)</u>	<u>\$ 6,375,578</u>	<u>\$ 446,796</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2016:

Fiscal Years Ending June 30	Series 2013 Water Revenue Loan		
	Principal	Interest	Total
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	466,355	107,274	573,629
2022-2026	2,512,835	355,309	2,868,144
2027-2029	<u>1,520,339</u>	<u>57,139</u>	<u>1,577,478</u>
Totals	<u>\$ 6,253,812</u>	<u>\$ 1,059,955</u>	<u>\$ 7,313,767</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 are reported only in the governmental funds balance sheet. Deferred inflows of resources reported in the governmental funds for unavailable revenues are as follows:

	Lemoore Housing Authority	Other Governmental Funds	Total Governmental Funds
Deferred housing loans	<u>\$ 200,000</u>	<u>\$ 651,200</u>	<u>\$ 851,200</u>
Total	<u>\$ 200,000</u>	<u>\$ 651,200</u>	<u>\$ 851,200</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, 2016**

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 Plan

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

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

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

	Miscellaneous	
	Prior to <u>January 1, 2013</u>	On or after <u>January 1, 2013</u>
Hire date	2% @ 55	2% @ 62
Benefit formula	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	50 - 63	52 - 67
Retirement age	1.426% to 2.418%	1.0% to 2.5%
Monthly benefits, as a % of eligible compensation	7.00%	6.25%
Required employee contribution rates	8.003%	6.237%
Required employer contribution rates		
	Safety	
	Prior to <u>January 1, 2013</u>	On or after <u>January 1, 2013</u>
Hire date	2% @ 50	2.7% @ 57
Benefit formula	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	50 - 55	50 - 57
Retirement age	2.0% to 2.7%	2.0% to 2.7%
Monthly benefits, as a % of eligible compensation	9.00%	11.50%
Required employee contribution rates	13.813%	11.153%
Required employer contribution rates		

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 12 – DEFINED BENEFIT PENSION PLAN (Continued)

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

A. General Information about the Pension Plans (Continued)

Benefits Provided (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The City’s required contribution for the unfunded liability was \$379,872 for the fiscal year ended June 30, 2016.

Contributions – Section 20814(c) 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 the Plan 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.

The City’s contributions to the plan for the year ended June 30, 2016 were \$1,088,741.

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

As of June 30, 2016, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$7,960,168.

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

Proportion - June 30, 2013	0.1197%
Proportion - June 30, 2014	0.1160%
Change - Increase (Decrease)	-0.0037%

**CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

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, 2016, the City recognized pension expense of \$520,293. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 1,088,741	\$ -
Changes of assumptions	-	456,098
Differences between actual and expected experience	13,102	38,418
Net differences between projected and actual earnings on plan investments	-	229,897
Change in employer's proportion	23,041	545,435
Differences between the employer's actual contributions and the employer's proportionate share of contributions	-	164,504
Total	<u>\$ 1,124,884</u>	<u>\$ 1,434,352</u>

\$1,088,741 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, 2017. 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	
2017	\$ (603,754)
2018	(595,992)
2019	(486,485)
2020	288,022
Thereafter	-

C. Actuarial Assumptions

The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% ⁽¹⁾
Investment Rate of Return	7.50% ⁽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, 2016

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, 2014 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.

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

D. Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the 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 of the plans, the test revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS website under the GASB 68 section.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected PERF cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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, 2016**

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

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10^(a)</u>	<u>Real Return Years 11+^(b)</u>
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
Total	<u>100.00%</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:

<u>Discount Rate -1%</u>	<u>Current Discount Rate</u>	<u>Discount Rate +1%</u>
6.65%	7.65%	8.65%
\$13,672,917	\$7,960,168	\$3,256,345

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

There was no outstanding amount of contributions to the pension plan required for the year ended June 30, 2016.

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.”

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2016:

Total assets	\$ 92,743,162
Total liabilities	<u>77,308,330</u>
Member's equity	<u>\$ 15,434,832</u>
Total revenue for year	\$ 40,680,321
Total expenses for year	<u>38,202,139</u>
Change in net position	<u>\$ 2,478,182</u>

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.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

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:

	Water Fund
CONDENSED STATEMENT OF NET POSITION	
Assets:	
Current assets	\$ 3,835,300
Noncurrent assets	22,747,750
Total assets	26,583,050
Deferred Outflows of Resources	101,467
Liabilities:	
Current liabilities	714,433
Noncurrent liabilities	8,547,674
Total liabilities	9,262,107
Deferred Inflows of Resources	175,609
Net Position:	
Net investment in capital assets	16,493,938
Unrestricted	752,863
Total net position	\$ 17,246,801
CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	
Operating revenues	\$ 3,762,207
Depreciation expenses	(1,010,368)
Other operating expenses	(2,933,671)
Operating income (loss)	(181,832)
Nonoperating revenues (expenses)	
Other nonoperating revenue	391,944
Investing income	37,734
Interest expense	(160,650)
Total nonoperating revenues (expenses)	269,028
Changes in net position	87,196
Beginning net position	17,159,605
Ending net position	\$ 17,246,801
CONDENSED STATEMENT OF CASH FLOWS	
Net cash provided (used) by:	
Operating activities	\$ (66,781)
Noncapital financing activities	390,841
Capital and related financing activities	(942,168)
Investing activities	37,734
Net increase (decrease) in cash and investments	(580,374)
Beginning cash and investments	3,939,995
Ending cash and investments	\$ 3,359,621

**CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 17 – RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE

Prior Period Adjustments

Governmental Activities

Beginning net position of the Governmental Activities in the Government-Wide Statement of Activities has been restated to record a prior period adjustment as presented in the reconciliation below:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Beginning net position	\$ 90,390,263	\$ 37,464,049	\$ 127,854,312
Prior Period Adjustment:			
Understatement of intergovernmental revenue	<u>251,328</u>	<u>-</u>	<u>251,328</u>
Beginning net position, as restated	<u>\$ 90,641,591</u>	<u>\$ 37,464,049</u>	<u>\$ 128,105,640</u>

Fund Financial Statements

The City has determined that certain transactions were recorded incorrectly in the prior year. The beginning fund balance of the Street Grant Fund has been restated as presented in the reconciliation below.

<u>Description</u>	<u>Street Grant Fund</u>
Beginning fund balance	\$ (72,447)
Prior period adjustment:	
Understatement of intergovernmental revenue	<u>251,328</u>
Beginning fund balance, as restated	<u>\$ 178,881</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2016 is as follows:

Cash on hand	\$ 3,522,512
Cash with fiscal agents	<u>19,962,364</u>
Total cash and investments	<u>\$ 23,484,876</u>

Receivables

A reconciliation of the Lemoore Redevelopment Successor Agency Private Purpose Trust Fund’s receivables balances as of June 30, 2016 is as follows:

Intergovernmental receivables	\$ 2,027
Advances to the City of Lemoore	1,924,064
Note receivable	<u>1,258,052</u>
Total receivables	<u>\$ 3,184,143</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

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

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, 2016:

	Balance June 30, 2015	Incurred or Issued	Satisfied or Matured	Balance June 30, 2016	Amounts Due Within One Year	Amounts Due in More Than One Year
Bonds payable:						
2011 RDA Tax Allocation	\$ 18,655,000	\$ -	\$ 170,000	\$ 18,485,000	\$ 170,000	\$ 18,315,000
Less: bond discount	(657,635)	-	(26,305)	(631,330)	-	(631,330)
2014 RDA Tax Allocation Refunding	<u>15,855,465</u>	<u>-</u>	<u>524,878</u>	<u>15,330,587</u>	<u>604,523</u>	<u>14,726,064</u>
Total bonds payable	<u>33,852,830</u>	<u>-</u>	<u>668,573</u>	<u>33,184,257</u>	<u>774,523</u>	<u>32,409,734</u>
Leprino Owner Participation Agreement Obligation	<u>4,409,267</u>	<u>-</u>	<u>1,607,742</u>	<u>2,801,525</u>	<u>-</u>	<u>2,801,525</u>
Business-type activities long-term liabilities	<u>\$ 38,262,097</u>	<u>\$ -</u>	<u>\$ 2,276,315</u>	<u>\$ 35,985,782</u>	<u>\$ 774,523</u>	<u>\$ 35,211,259</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, 2016:

Fiscal Years Ending June 30	2011 Tax Allocation Refunding Bond		
	Principal	Interest	Total
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	195,000	1,290,247	1,485,247
2022-2026	1,115,000	6,251,603	7,366,603
2027-2031	1,685,000	5,762,000	7,447,000
2032-2036	4,865,000	4,858,216	9,723,216
2037-2041	<u>9,900,000</u>	<u>1,821,256</u>	<u>11,721,256</u>
Totals	<u>\$ 18,485,000</u>	<u>\$ 25,243,320</u>	<u>\$ 43,728,320</u>

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2016:

Fiscal Years Ending June 30	2014 Tax Allocation Refunding Bond		
	Principal	Interest	Total
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	706,474	491,712	1,198,186
2022-2026	3,973,555	2,006,988	5,980,543
2027-2031	3,732,395	1,145,197	4,877,592
2032-2034	<u>4,357,777</u>	<u>201,192</u>	<u>4,558,969</u>
Totals	<u>\$ 15,330,587</u>	<u>\$ 6,075,423</u>	<u>\$ 21,406,010</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, 2016 was \$2,801,525.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 19 – PRONOUNCEMENTS

(1) New Accounting Pronouncements 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. This statement was adopted by the City during the current fiscal year.

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 of this statement were considered but had no effect on the City’s current fiscal year.

Governmental Accounting Standards Board Statement No. 79

In December 2015, GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The requirements of this statement were considered but had no effect on the City’s current fiscal year.

Governmental Accounting Standards Board Statement No. 82

In March 2016, GASB issued Statement No. 82, *Pension Issues—an Amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This statement was adopted by the City during the current fiscal year. The effects of the adoption of this statement included a change in the manner covered payroll is reported in the following required supplementary schedules: Proportionate Share of Net Pension Liability (Asset) and Schedule of Contributions. These changes were required to be applied retroactively and, accordingly, the covered payroll for fiscal year 2015 was restated.

CITY OF LEMOORE
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 19 – PRONOUNCEMENTS (Continued)

(2) New Accounting Pronouncements Not Yet Adopted

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.

Governmental Accounting Standards Board Statement No. 77

In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time. The requirements of this statement are effective for the City's fiscal year ending June 30, 2017.

Governmental Accounting Standards Board Statement No. 80

In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units—an Amendment of GASB Statement No. 14*. The objective of this statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. The requirements of this statement are effective for the City's fiscal year ending June 30, 2017.

Governmental Accounting Standards Board Statement No. 81

In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The requirements of this statement are effective for the City's fiscal year ending June 30, 2018, and should be applied retroactively.

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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, 2016**

	2015	2016
Proportion of the net pension liability	0.1197%	0.1160%
Proportionate share of the net pension liability	\$ 7,519,752	\$ 7,960,168
Covered payroll	\$ 5,076,165	\$ 5,273,173
Proportionate Share of the net pension liability as percentage of covered payroll	148.14%	150.96%
Plan fiduciary net position as a percentage of the total pension liability	81.49%	80.97%

Notes to Schedule:

Benefit changes. There were no changes in benefits.

Change in assumptions. The discount rate was changed from 7.5 percent (net of administrative expenses) to 7.65 percent to correct for an adjustment to exclude administrative expenses.

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

**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, 2016**

	2015	2016
Actuarially determined contribution	\$ 1,048,489	\$ 1,067,105
Contributions in relation to the actuarially determined contributions	1,048,489	1,048,489
Contribution deficiency (excess)	\$ -	\$ 18,616
Covered payroll	\$ 5,076,165	\$ 5,273,173
Contributions as a percentage of covered payroll	20.66%	20.24%

* 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, 2016**

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 **Grants Fund** is used to account for the City's receipts and expenditures of the state, federal, and other 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, 2016**

	Combined Special Revenue Funds	Combined Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and investments	\$ 5,332,800	\$ 6,589,356	\$ 11,922,156
Receivables:			
Accounts	3,417	24,633	28,050
Notes	651,200	-	651,200
Intergovernmental	<u>642,612</u>	<u>-</u>	<u>642,612</u>
Total assets	<u>\$ 6,630,029</u>	<u>\$ 6,613,989</u>	<u>\$ 13,244,018</u>
LIABILITIES			
Accounts payable	\$ 61,367	\$ 27,742	\$ 89,109
Due to other funds	<u>73,123</u>	<u>-</u>	<u>73,123</u>
Total liabilities	<u>134,490</u>	<u>27,742</u>	<u>162,232</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	<u>651,200</u>	<u>-</u>	<u>651,200</u>
Total deferred inflows of resources	<u>651,200</u>	<u>-</u>	<u>651,200</u>
FUND BALANCES			
Restricted:			
Public safety	422,503	-	422,503
Public works	5,237,738	-	5,237,738
Community development	175,408	-	175,408
Capital projects and improvements	<u>8,690</u>	<u>6,586,247</u>	<u>6,594,937</u>
Total fund balances	<u>5,844,339</u>	<u>6,586,247</u>	<u>12,430,586</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,630,029</u>	<u>\$ 6,613,989</u>	<u>\$ 13,244,018</u>

**CITY OF LEMOORE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	Combined Special Revenue Funds	Combined Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Licenses and permits	\$ 9,926	\$ -	\$ 9,926
From other agencies	1,256,531	-	1,256,531
Fees and assessments	255,981	772,621	1,028,602
Use of money and property	48,359	64,898	113,257
Other revenue	<u>-</u>	<u>3,100</u>	<u>3,100</u>
Total revenues	<u>1,570,797</u>	<u>840,619</u>	<u>2,411,416</u>
EXPENDITURES			
Current:			
General government	13,354	-	13,354
Public works	357,253	-	357,253
Community development	13,916	-	13,916
Capital outlay	<u>1,921</u>	<u>245,133</u>	<u>247,054</u>
Total expenditures	<u>386,444</u>	<u>245,133</u>	<u>631,577</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,184,353</u>	<u>595,486</u>	<u>1,779,839</u>
Net changes in fund balances	1,184,353	595,486	1,779,839
Fund balances, June 30, 2015, restated	<u>4,659,986</u>	<u>5,990,761</u>	<u>10,650,747</u>
Fund balances, June 30, 2016	<u>\$ 5,844,339</u>	<u>\$ 6,586,247</u>	<u>\$ 12,430,586</u>

**CITY OF LEMOORE
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016**

	Traffic Safety	Local Transportation	Grants Fund	Maintenance Assessment District	TE/STP Exchange Fund	Downtown Improvement	Totals
ASSETS							
Cash and investments	\$ 421,157	\$ 1,783,448	\$ 6	\$ 2,450,987	\$ 668,217	\$ 8,985	\$ 5,332,800
Receivables:							
Accounts	1,087	975	-	1,350	-	5	3,417
Notes	-	-	651,200	-	-	-	651,200
Intergovernmental	259	207,502	251,293	22,955	160,603	-	642,612
Total assets	<u>\$ 422,503</u>	<u>\$ 1,991,925</u>	<u>\$ 902,499</u>	<u>\$ 2,475,292</u>	<u>\$ 828,820</u>	<u>\$ 8,990</u>	<u>\$ 6,630,029</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 2,768	\$ 57,238	\$ 1,061	\$ 300	\$ 61,367
Due to other funds	-	-	73,123	-	-	-	73,123
Total liabilities	-	-	75,891	57,238	1,061	300	134,490
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	-	-	651,200	-	-	-	651,200
Total deferred inflows of resources	-	-	651,200	-	-	-	651,200
FUND BALANCES							
Restricted:							
Public safety	422,503	-	-	-	-	-	422,503
Public works	-	1,991,925	-	2,418,054	827,759	-	5,237,738
Community development	-	-	175,408	-	-	-	175,408
Capital projects and improvements	-	-	-	-	-	8,690	8,690
Total fund balances	<u>422,503</u>	<u>1,991,925</u>	<u>175,408</u>	<u>2,418,054</u>	<u>827,759</u>	<u>8,690</u>	<u>5,844,339</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 422,503</u>	<u>\$ 1,991,925</u>	<u>\$ 902,499</u>	<u>\$ 2,475,292</u>	<u>\$ 828,820</u>	<u>\$ 8,990</u>	<u>\$ 6,630,029</u>

CITY OF LEMOORE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Traffic Safety	Local Transportation	Grants Fund	Maintenance Assessment District	TE/STP Exchange Fund	Downtown Improvement	Totals
REVENUES							
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,926	\$ 9,926
From other agencies	-	636,310	9,274	450,709	160,238	-	1,256,531
Fees and assessments	4,268	-	-	251,713	-	-	255,981
Use of money and property	4,053	15,545	(595)	22,822	6,394	140	48,359
Total revenues	<u>8,321</u>	<u>651,855</u>	<u>8,679</u>	<u>725,244</u>	<u>166,632</u>	<u>10,066</u>	<u>1,570,797</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	13,354	13,354
Public works	-	-	-	357,253	-	-	357,253
Community development	-	-	12,152	1,764	-	-	13,916
Capital outlay	-	-	-	-	1,921	-	1,921
Total expenditures	<u>-</u>	<u>-</u>	<u>12,152</u>	<u>359,017</u>	<u>1,921</u>	<u>13,354</u>	<u>386,444</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,321</u>	<u>651,855</u>	<u>(3,473)</u>	<u>366,227</u>	<u>164,711</u>	<u>(3,288)</u>	<u>1,184,353</u>
Net change in fund balance	8,321	651,855	(3,473)	366,227	164,711	(3,288)	1,184,353
Fund balance, June 30, 2015, restated	<u>414,182</u>	<u>1,340,070</u>	<u>178,881</u>	<u>2,051,827</u>	<u>663,048</u>	<u>11,978</u>	<u>4,659,986</u>
Fund balances, June 30, 2016	<u>\$ 422,503</u>	<u>\$ 1,991,925</u>	<u>175,408</u>	<u>\$ 2,418,054</u>	<u>\$ 827,759</u>	<u>\$ 8,690</u>	<u>\$ 5,844,339</u>

**CITY OF LEMOORE
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2016**

	Street Improvement	Recreation Improvement	Facility Infrastructure	Capital Improvement Fees	Totals
ASSETS					
Cash and investments	\$ 121,359	\$ 2,243,822	\$ 442,651	\$ 3,781,524	\$ 6,589,356
Receivables:					
Accounts	<u>66</u>	<u>10,499</u>	<u>322</u>	<u>13,746</u>	<u>24,633</u>
Total assets	<u>\$ 121,425</u>	<u>\$ 2,254,321</u>	<u>\$ 442,973</u>	<u>\$ 3,795,270</u>	<u>\$ 6,613,989</u>
LIABILITIES					
Accounts payable	<u>\$ -</u>	<u>\$ 4,488</u>	<u>\$ -</u>	<u>\$ 23,254</u>	<u>\$ 27,742</u>
Total liabilities	<u>-</u>	<u>4,488</u>	<u>-</u>	<u>23,254</u>	<u>27,742</u>
FUND BALANCES					
Restricted:					
Capital projects and improvements	<u>121,425</u>	<u>2,249,833</u>	<u>442,973</u>	<u>3,772,016</u>	<u>6,586,247</u>
Total fund balances	<u>121,425</u>	<u>2,249,833</u>	<u>442,973</u>	<u>3,772,016</u>	<u>6,586,247</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 121,425</u>	<u>\$ 2,254,321</u>	<u>\$ 442,973</u>	<u>\$ 3,795,270</u>	<u>\$ 6,613,989</u>

**CITY OF LEMOORE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	Street Improvement	Recreation Improvement	Facility Infrastructure	Capital Improvement Fees	Totals
REVENUES					
Fees and assessments	\$ -	\$ 428,604	\$ -	\$ 344,017	\$ 772,621
Use of money and property	1,170	21,633	5,669	36,426	64,898
Other revenue	-	3,100	-	-	3,100
Total revenues	<u>1,170</u>	<u>453,337</u>	<u>5,669</u>	<u>380,443</u>	<u>840,619</u>
EXPENDITURES					
Current:					
Capital outlay	-	33,765	146,257	65,111	245,133
Total expenditures	<u>-</u>	<u>33,765</u>	<u>146,257</u>	<u>65,111</u>	<u>245,133</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,170</u>	<u>419,572</u>	<u>(140,588)</u>	<u>315,332</u>	<u>595,486</u>
Net change in fund balances	1,170	419,572	(140,588)	315,332	595,486
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>
Fund balances, June 30, 2016	<u>\$ 121,425</u>	<u>\$ 2,249,833</u>	<u>\$ 442,973</u>	<u>\$ 3,772,016</u>	<u>\$ 6,586,247</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, 2016

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fees and assessments	\$ 13,500	\$ 13,500	\$ 4,268	\$ (9,232)
Use of money and property	<u>1,000</u>	<u>1,000</u>	<u>4,053</u>	<u>3,053</u>
Total revenues	<u>14,500</u>	<u>14,500</u>	<u>8,321</u>	<u>(6,179)</u>
EXPENDITURES				
Current:				
Public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,500</u>	<u>14,500</u>	<u>8,321</u>	<u>(6,179)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(70,654)</u>	<u>(70,654)</u>	<u>-</u>	<u>70,654</u>
Total other financing sources (uses)	<u>(70,654)</u>	<u>(70,654)</u>	<u>-</u>	<u>70,654</u>
Net change in fund balances	(56,154)	(56,154)	8,321	64,475
Fund balances, June 30, 2015	<u>414,182</u>	<u>414,182</u>	<u>414,182</u>	<u>-</u>
Fund balances, June 30, 2016	<u>\$ 358,028</u>	<u>\$ 358,028</u>	<u>\$ 422,503</u>	<u>\$ 64,475</u>

CITY OF LEMOORE
NONMAJOR SPECIAL REVENUE FUNDS – MAINTENANCE ASSESSMENT DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Budgeted Amount</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
From other agencies	\$ 409,225	\$ 409,225	\$ 450,709	\$ 41,484
Fees and assessments	253,565	253,565	251,713	(1,852)
Use of money and property	<u>-</u>	<u>-</u>	<u>22,822</u>	<u>22,822</u>
Total revenues	<u>662,790</u>	<u>662,790</u>	<u>725,244</u>	<u>62,454</u>
EXPENDITURES				
Current:				
Public works	284,260	284,638	357,253	(72,615)
Community development	<u>1,500</u>	<u>1,500</u>	<u>1,764</u>	<u>(264)</u>
Total expenditures	<u>285,760</u>	<u>286,138</u>	<u>359,017</u>	<u>(72,879)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>377,030</u>	<u>376,652</u>	<u>366,227</u>	<u>(10,425)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(19,348)</u>	<u>(19,348)</u>	<u>-</u>	<u>19,348</u>
Total other financing sources (uses)	<u>(19,348)</u>	<u>(19,348)</u>	<u>-</u>	<u>19,348</u>
Net change in fund balances	357,682	357,304	366,227	8,923
Fund balances, June 30, 2015	<u>2,051,827</u>	<u>2,051,827</u>	<u>2,051,827</u>	<u>-</u>
Fund balances, June 30, 2016	<u>\$ 2,409,509</u>	<u>\$ 2,409,131</u>	<u>\$ 2,418,054</u>	<u>\$ 8,923</u>

CITY OF LEMOORE
NONMAJOR SPECIAL REVENUE FUNDS – TE/STP EXCHANGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amount		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
From other agencies	\$ -	\$ -	\$ 160,238	\$ 160,238
Use of money and property	-	-	6,394	6,394
Total revenues	-	-	166,632	166,632
EXPENDITURES				
Capital outlay	117,500	117,500	1,921	115,579
Total expenditures	117,500	117,500	1,921	115,579
Excess (deficiency) of revenues over (under) expenditures	(117,500)	(117,500)	164,711	282,211
OTHER FINANCING SOURCES (USES)				
Transfers out	117,500	117,500	-	(117,500)
Total other financing sources (uses)	117,500	117,500	-	(117,500)
Net change in fund balances	-	-	164,711	164,711
Fund balances, June 30, 2015	663,048	663,048	663,048	-
Fund balances, June 30, 2016	\$ 663,048	\$ 663,048	\$ 827,759	\$ 164,711

CITY OF LEMOORE
NONMAJOR SPECIAL REVENUE FUNDS – DOWNTOWN IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits	\$ 9,500	\$ 9,500	\$ 9,926	\$ 426
Use of money and property	<u>-</u>	<u>-</u>	<u>140</u>	<u>140</u>
Total revenues	<u>9,500</u>	<u>9,500</u>	<u>10,066</u>	<u>566</u>
EXPENDITURES				
Current:				
General government	<u>19,624</u>	<u>19,624</u>	<u>13,354</u>	<u>6,270</u>
Total expenditures	<u>19,624</u>	<u>19,624</u>	<u>13,354</u>	<u>6,270</u>
Net change in fund balances	(10,124)	(10,124)	(3,288)	6,836
Fund balances, June 30, 2015	<u>11,978</u>	<u>11,978</u>	<u>11,978</u>	<u>-</u>
Fund balances, June 30, 2016	<u>\$ 1,854</u>	<u>\$ 1,854</u>	<u>\$ 8,690</u>	<u>\$ 6,836</u>

CITY OF LEMOORE
NONMAJOR CAPITAL PROJECTS FUNDS – STREET IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,170</u>	<u>\$ 1,170</u>
Total revenues	<u>-</u>	<u>-</u>	<u>1,170</u>	<u>1,170</u>
EXPENDITURES				
Capital outlay	<u>42,000</u>	<u>42,000</u>	<u>-</u>	<u>42,000</u>
Total expenditures	<u>42,000</u>	<u>42,000</u>	<u>-</u>	<u>42,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(42,000)</u>	<u>(42,000)</u>	<u>1,170</u>	<u>43,170</u>
Net change in fund balances	<u>(42,000)</u>	<u>(42,000)</u>	<u>1,170</u>	<u>43,170</u>
Fund balances, June 30, 2015	<u>120,255</u>	<u>120,255</u>	<u>120,255</u>	<u>-</u>
Fund balances, June 30, 2016	<u><u>\$ 78,255</u></u>	<u><u>\$ 78,255</u></u>	<u><u>\$ 121,425</u></u>	<u><u>\$ 43,170</u></u>

CITY OF LEMOORE
NONMAJOR CAPITAL PROJECTS FUNDS – RECREATION IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Budgeted Amount</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget - Positive (Negative)
REVENUES				
Fees and assessments	\$ -	\$ -	\$ 428,604	\$ 428,604
Use of money and property	-	-	21,633	21,633
Other revenue	-	-	3,100	3,100
Total revenues	-	-	453,337	453,337
EXPENDITURES				
Capital outlay	65,000	65,000	33,765	31,235
Total expenditures	65,000	65,000	33,765	31,235
Excess (deficiency) of revenues over (under) expenditures	(65,000)	(65,000)	419,572	484,572
OTHER FINANCING SOURCES (USES)				
Transfers out	(139,000)	(139,000)	-	139,000
Total other financing sources (uses)	(139,000)	(139,000)	-	139,000
Net change in fund balances	(204,000)	(204,000)	419,572	623,572
Fund balances, June 30, 2015	1,830,261	1,830,261	1,830,261	-
Fund balances, June 30, 2016	<u>\$ 1,626,261</u>	<u>\$ 1,626,261</u>	<u>\$ 2,249,833</u>	<u>\$ 623,572</u>

CITY OF LEMOORE
NONMAJOR CAPITAL PROJECTS FUNDS – FACILITY INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amount		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 5,669	\$ 5,669
Total revenues	-	-	5,669	5,669
EXPENDITURES				
Capital outlay	204,400	204,400	146,257	58,143
Total expenditures	204,400	204,400	146,257	58,143
Excess (deficiency) of revenues over (under) expenditures	(204,400)	(204,400)	(140,588)	63,812
OTHER FINANCING SOURCES (USES)				
Transfers out	(279,400)	(279,400)	-	279,400
Total other financing sources (uses)	(279,400)	(279,400)	-	279,400
Net change in fund balances	(483,800)	(483,800)	(140,588)	343,212
Fund balances, June 30, 2015	583,561	583,561	583,561	-
Fund balances, June 30, 2016	<u>\$ 99,761</u>	<u>\$ 99,761</u>	<u>\$ 442,973</u>	<u>\$ 343,212</u>

CITY OF LEMOORE
NONMAJOR CAPITAL PROJECTS FUNDS – CAPITAL IMPROVEMENT FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Budgeted Amount</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget - Positive (Negative)
REVENUES				
Fees and assessments	\$ -	\$ -	\$ 344,017	\$ 344,017
Use of money and property	-	-	<u>36,426</u>	<u>36,426</u>
Total revenues	<u>-</u>	<u>-</u>	<u>380,443</u>	<u>380,443</u>
EXPENDITURES				
Capital outlay	<u>42,000</u>	<u>42,000</u>	<u>65,111</u>	<u>(23,111)</u>
Total expenditures	<u>42,000</u>	<u>42,000</u>	<u>65,111</u>	<u>(23,111)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(42,000)</u>	<u>(42,000)</u>	<u>315,332</u>	<u>357,332</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(43,700)</u>	<u>(93,700)</u>	<u>-</u>	<u>93,700</u>
Total other financing sources (uses)	<u>(43,700)</u>	<u>(93,700)</u>	<u>-</u>	<u>93,700</u>
Net change in fund balances	(85,700)	(135,700)	315,332	451,032
Fund balances, June 30, 2015	<u>3,456,684</u>	<u>3,456,684</u>	<u>3,456,684</u>	<u>-</u>
Fund balances, June 30, 2016	<u>\$ 3,370,984</u>	<u>\$ 3,320,984</u>	<u>\$ 3,772,016</u>	<u>\$ 451,032</u>

**CITY OF LEMOORE
FIDUCIARY FUNDS
JUNE 30, 2016**

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 FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2016**

	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	\$ 3,508,540	\$ 3,522,512
Restricted cash with fiscal agents	19,962,364	-	19,962,364
Intergovernmental receivables	-	2,027	2,027
Advances to City of Lemoore	-	1,924,064	1,924,064
Notes receivable	-	1,258,052	1,258,052
Assets held for resale	-	524,058	524,058
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 19,976,336</u>	<u>\$ 7,216,741</u>	<u>\$ 27,193,077</u>
LIABILITIES			
Accounts payable	\$ -	\$ 1,500	\$ 1,500
Intergovernmental payable	-	18,050	18,050
Interest payable	815,164	-	815,164
Long-term liabilities:			
Due within one year	774,523	-	774,523
Due in more than one year	32,409,734	2,801,525	35,211,259
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>33,999,421</u>	<u>2,821,075</u>	<u>36,820,496</u>
NET POSITION			
Held in trust for the retirement of obligations of the former Lemoore Redevelopment Agency	<u>(14,023,085)</u>	<u>4,395,666</u>	<u>(9,627,419)</u>
	<u> </u>	<u> </u>	<u> </u>
Total net position	<u>\$ (14,023,085)</u>	<u>\$ 4,395,666</u>	<u>\$ (9,627,419)</u>

**CITY OF LEMOORE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	Lemoore Redevelopment Successor Agency Debt Service	Lemoore Redevelopment Successor Agency Capital Projects	Total Lemoore Redevelopment Successor Agency Private-Purpose Trust Fund
ADDITIONS			
Taxes	\$ -	\$ 4,468,944	\$ 4,468,944
Investment earnings	530,355	86,213	616,568
Intrafund transfers	<u>2,584,276</u>	<u>-</u>	<u>2,584,276</u>
Total additions	<u>3,114,631</u>	<u>4,555,157</u>	<u>7,669,788</u>
DEDUCTIONS			
Community development	-	369,141	369,141
Intrafund transfers	-	2,584,276	2,584,276
Loss on asset disposal	-	161,466	161,466
Debt service:			
Interest expense	<u>1,974,991</u>	<u>-</u>	<u>1,974,991</u>
Total deductions	<u>1,974,991</u>	<u>3,114,883</u>	<u>5,089,874</u>
Changes in net position	1,139,640	1,440,274	2,579,914
Net position, June 30, 2015	<u>(15,162,725)</u>	<u>2,955,392</u>	<u>(12,207,333)</u>
Net position, June 30, 2016	<u>\$ (14,023,085)</u>	<u>\$ 4,395,666</u>	<u>\$ (9,627,419)</u>

**CITY OF LEMOORE
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 AGENCY FUNDS
 JUNE 30, 2016**

	<u>Laguna Irrigation</u>	<u>Other Agency Funds</u>	<u>Insurance</u>	<u>Totals</u>
ASSETS				
Cash and investments	\$ 44,718	\$ 237,785	\$ 117,931	\$ 400,434
Other assets	<u>28,800</u>	<u>-</u>	<u>-</u>	<u>28,800</u>
Total assets	<u>\$ 73,518</u>	<u>\$ 237,785</u>	<u>\$ 117,931</u>	<u>\$ 429,234</u>
LIABILITIES				
Accounts payable	\$ -	\$ 23,944	\$ -	\$ 23,944
Due to others	73,518	176,910	117,931	368,359
Deposits	<u>-</u>	<u>36,931</u>	<u>-</u>	<u>36,931</u>
Total liabilities	<u>\$ 73,518</u>	<u>\$ 237,785</u>	<u>\$ 117,931</u>	<u>\$ 429,234</u>

CITY OF LEMOORE
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2016

Laguna Irrigation

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
ASSETS				
Cash and investments	\$ 24,964	\$ 20,053	\$ 299	\$ 44,718
Other assets	<u>28,800</u>	<u>-</u>	<u>-</u>	<u>28,800</u>
Total assets	<u>\$ 53,764</u>	<u>\$ 20,053</u>	<u>\$ 299</u>	<u>\$ 73,518</u>
LIABILITIES				
Due to others	<u>\$ 53,764</u>	<u>20,053</u>	<u>\$ 299</u>	<u>\$ 73,518</u>
Total liabilities	<u>\$ 53,764</u>	<u>\$ 20,053</u>	<u>\$ 299</u>	<u>\$ 73,518</u>

Other Agency Funds

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
ASSETS				
Cash and investments	\$ 253,328	\$ 1,095,769	\$ 1,111,312	\$ 237,785
Accounts receivable	<u>33,643</u>	<u>42,425</u>	<u>76,068</u>	<u>-</u>
Total assets	<u>\$ 286,971</u>	<u>\$ 1,138,194</u>	<u>\$ 1,187,380</u>	<u>\$ 237,785</u>
LIABILITIES				
Accounts payable	\$ 73,332	\$ 1,208,557	\$ 1,257,945	\$ 23,944
Due to others	179,421	607	3,118	176,910
Deposits	<u>34,218</u>	<u>2,713</u>	<u>-</u>	<u>36,931</u>
Total liabilities	<u>\$ 286,971</u>	<u>\$ 1,211,877</u>	<u>\$ 1,261,063</u>	<u>\$ 237,785</u>

CITY OF LEMOORE
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
JUNE 30, 2016

Insurance

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash and investments	\$ 88,912	\$ 80,040	\$ 51,021	\$ 117,931
Total assets	<u>\$ 88,912</u>	<u>\$ 80,040</u>	<u>\$ 51,021</u>	<u>\$ 117,931</u>
LIABILITIES				
Due to others	\$ 88,912	\$ 80,040	\$ 51,021	\$ 117,931
Total liabilities	<u>\$ 88,912</u>	<u>\$ 80,040</u>	<u>\$ 51,021</u>	<u>\$ 117,931</u>

Total

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash and investments	\$ 367,204	\$ 1,195,862	\$ 1,162,632	\$ 400,434
Accounts receivable	33,643	42,425	76,068	-
Other assets	<u>28,800</u>	<u>-</u>	<u>-</u>	<u>28,800</u>
Total assets	<u>\$ 429,647</u>	<u>\$ 1,238,287</u>	<u>\$ 1,238,700</u>	<u>\$ 429,234</u>
LIABILITIES				
Accounts payable	\$ 73,332	\$ 1,208,557	\$ 1,257,945	\$ 23,944
Due to others	322,097	100,700	54,438	368,359
Deposits	<u>34,218</u>	<u>2,713</u>	<u>-</u>	<u>36,931</u>
Total liabilities	<u>\$ 429,647</u>	<u>\$ 1,311,970</u>	<u>\$ 1,312,383</u>	<u>\$ 429,234</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				
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities										
Net investment in capital assets	\$ 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	\$ 66,120,166
Restricted	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	21,112,973
Unrestricted	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	4,763,659
Total governmental activities net position	<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>	<u>\$ 91,996,798</u>
Business-Type Activities										
Net investment in capital assets	\$ 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	\$ 28,963,532
Restricted	1,428,850	1,488,495	1,417,663	-	-	-	-	-	-	-
Unrestricted	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	10,553,707
Total business-type activities net position	<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>	<u>\$ 39,517,239</u>
Primary Government:										
Net investment in capital assets	\$ 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	\$ 95,083,698
Restricted	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	21,112,973
Unrestricted	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	15,317,366
Total primary government net position	<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>	<u>\$ 131,514,037</u>

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities:										
General government	\$ 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	\$ 1,198,510
Public safety	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	5,595,808
Public works	484,639	403,106	380,679	300,551	350,549	312,893	3,204,362	1,802,463	5,172,165	4,034,421
City streets	668,429	525,633	562,662	487,812	-	-	-	-	-	-
Community development	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	14,675
Parks and recreation	1,183,249	1,001,477	929,905	899,853	405,919	414,746	467,875	586,826	556,303	357,965
Interest on long-term debt	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	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	11,201,379
Business-Type Activities:										
Water	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	4,132,417
Sewer	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	2,535,675
Refuse	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	3,098,749
Golf Course	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	1,190,227
Total Business-Type Activities Expenses	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	10,957,068
Total Primary Government Expenses	\$ 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	\$ 22,158,447

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Program Revenues										
Governmental Activities										
Charges for services:										
General government	\$ 293,103	\$ 125,791	\$ 106,515	\$ 131,662	\$ 142,139	\$ 110,700	\$ 112,078	\$ 329,690	\$ 119,061	\$ 171,887
Public safety	214,079	273,965	247,139	156,944	174,441	186,374	248,714	204,964	349,755	232,671
Public works	685,367	606,846	637,344	696,710	447,935	669,787	282,882	375,243	281,221	342,972
Community development	10,020	15,846	23,925	11,822	9,780	9,903	514,313	542,068	675,228	712,348
Parks and recreation	82,692	81,751	79,996	126,182	176,923	219,804	325,469	380,335	382,980	405,702
Operating contributions and grants:										
General government	-	-	3,831	2,689	111,375	-	-	-	-	-
Public safety	2,500	261,215	236,716	357,666	432,888	244,082	265,459	307,629	433,986	487,641
Public works	331,950	-	-	-	-	-	-	-	-	1,594,088
City streets	159,077	-	207,953	226,042	-	-	-	-	-	-
Community development	-	-	147,800	755,855	63,214	1,177,690	147,661	30,398	48,561	36,630
Parks and Recreation	-	-	-	-	-	-	-	-	-	-
Capital contributions and grants:										
Public safety	57,267	-	44,658	50,585	-	-	-	-	-	-
Public works	-	-	-	108,364	850,513	1,026,752	1,280,749	1,194,454	337,260	1,568,238
City Streets	854,976	1,066,382	1,225,507	321,957	-	-	-	-	-	-
Community development	807,308	5,037	-	-	-	-	-	-	-	-
Parks and recreation	333,743	109,649	492,340	-	-	-	-	-	-	-
Total Governmental Activities program revenues	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	5,552,177
Business-Type Activities										
Charges for services:										
Water	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	3,762,207
Sewer	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	3,727,389
Refuse	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	3,010,489
Golf Course	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	1,291,642
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	-	548,312
Refuse	-	-	-	5,000	6,952	306,160	290,256	570,919	149,610	-
Golf Course	-	-	-	-	-	-	-	-	-	-
Total Business-Type program revenues	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	12,340,039
Total Primary Government Program Revenues	\$ 13,215,893	\$ 14,225,470	\$ 15,481,063	\$ 19,411,919	\$ 15,912,382	\$ 18,289,958	\$ 16,098,295	\$ 16,263,730	\$ 14,175,816	\$ 17,892,216

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net Revenues (Expenses):										
Governmental Activities	\$ (10,574,483)	\$ (11,723,963)	\$ (12,038,522)	\$ (14,670,855)	\$ (24,616,850)	\$ (12,007,204)	\$ (9,355,427)	\$ (8,275,424)	\$ (9,927,889)	\$ (5,649,202)
Business-Type Activities	1,191,049	3,154,447	3,294,240	8,278,877	4,809,513	6,153,157	4,772,284	4,156,546	1,114,096	1,382,971
Total Net Revenues (Expenses)	<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>	<u>\$ (4,266,231)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property taxes	\$ 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	\$ 1,395,750
Sales taxes	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	1,821,904
Other taxes	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	2,883,110
Unrestricted investment earnings	1,651,813	1,510,852	1,041,178	520,767	388,377	286,623	195,537	207,775	173,184	355,254
Sales of property	49,358	-	-	-	-	-	-	-	-	-
Other revenue	95,563	74,541	219,723	233,226	256,065	3,136,138	537,498	465,649	753,415	532,324
Gain (Loss) on sale of assets	-	-	-	-	-	-	(997)	(57,342)	8,810	16,067
Loss on sale of assets held for resale	-	-	-	-	-	-	-	-	-	-
Capital contributions	-	-	-	-	-	-	-	812,613	-	-
Transfers	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>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>	<u>7,004,409</u>
Business-Type Activities:										
Unrestricted investment earnings	312,668	230,422	162,906	79,891	80,428	56,592	31,507	37,239	87,024	159,513
Gain (Loss) on sale of assets	-	-	-	-	-	-	-	(14,381)	(39,811)	456,185
Capital contributions	-	-	-	-	-	-	-	357,036	125,879	54,521
Other revenues	105,597	-	-	-	-	-	-	-	-	-
Transfers	(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>\$ (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>	<u>\$ 670,219</u>
Extraordinary Item:										
Gain on dissolution of Redevelopment Agency	-	-	-	-	-	7,268,746	-	-	-	-
Change in Net Position	<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>	<u>\$ 3,408,397</u>

CITY OF LEMOORE
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund:										
Reserved	\$ 1,783,935	\$ 1,769,055	\$ 1,755,299	\$ 1,733,878	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	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	971,046
Restricted	-	-	-	-	-	-	-	-	80,257	16,873
Committed	-	-	-	-	2,374,959	2,593,761	1,321,595	-	-	-
Assigned	-	-	-	-	-	-	-	-	96,038	216,600
Unassigned	-	-	-	-	6,369,941	6,661,552	10,710,575	11,090,967	11,149,833	9,454,189
Total General Fund	\$ 11,914,628	\$ 10,498,194	\$ 9,806,319	\$ 10,219,053	\$ 10,449,144	\$ 9,915,484	\$ 12,129,456	\$ 12,451,672	\$ 12,492,778	10,658,708
All Other Governmental Funds:										
Reserved	\$ 7,935,914	\$ 9,309,943	\$ 10,262,432	\$ 11,611,653	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	3,749,318	4,452,044	5,382,553	5,652,401	-	-	-	-	-	-
Capital projects funds	14,064,823	15,499,703	15,868,676	14,177,260	-	-	-	-	-	-
Debt service	606,062	756,605	1,497,969	2,087,046	-	-	-	-	-	-
Nonspendable	-	-	-	-	6,535,121	-	-	4,405,474	8,816	4,422,274
Restricted	-	-	-	-	41,546,633	12,421,997	10,447,890	5,900,358	12,512,731	16,673,826
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	\$ 26,356,117	\$ 30,018,295	\$ 33,011,630	\$ 33,528,360	\$ 55,020,797	\$ 20,032,803	\$ 18,209,997	\$ 18,045,552	\$ 18,439,861	\$ 21,096,100

CITY OF LEMOORE
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Property taxes	\$ 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	\$ 1,308,832
Other taxes	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	2,610,203
Licenses and permits	1,062,618	763,657	749,987	586,583	380,851	601,682	665,896	689,558	725,821	788,015
Charges for services	192,448	193,023	154,741	166,355	236,895	308,408	399,471	458,129	500,426	576,245
Intergovernmental	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	5,776,858
Fees and assessments	1,103,703	670,077	1,424,248	146,596	298,824	653,299	304,094	462,662	564,602	1,068,265
Use of money and property	1,651,813	1,513,388	1,021,490	497,277	393,764	294,163	211,195	216,489	173,184	355,255
Other revenue	1,119,262	961,704	936,751	1,091,559	1,294,820	511,698	555,868	618,937	878,158	536,987
Total revenues	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	13,020,660
Expenditures										
Current:										
General government	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	1,519,628
Public safety	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	6,146,235
Public works	441,526	389,709	381,075	300,608	345,426	339,296	354,785	401,503	1,651,697	1,674,726
City streets	445,322	451,519	517,262	456,177	-	-	-	-	-	-
Community development	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	14,675
Parks and recreation	704,313	828,596	811,872	793,389	408,167	414,165	462,244	578,425	524,344	630,886
Capital outlay	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	2,479,736
Debt service:										
Bond issuance cost	-	-	-	-	1,009,397	-	-	-	-	-
Principal	395,000	854,439	890,980	922,521	1,401,199	455,000	-	-	-	-
Interest	1,486,034	1,096,855	1,151,191	1,070,658	1,364,557	960,869	-	-	-	-
Total expenditures	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	12,465,886
Excess (deficiency) of revenues over expenditures	2,302,019	236,774	302,971	(1,258,462)	361,465	1,369,245	(1,043,270)	(1,431,955)	425,985	554,774
Other Financing Sources (Uses)										
Bond proceeds	-	-	-	-	19,150,000	-	-	-	-	-
Sale of capital assets	-	-	-	79,268	-	-	-	9,201	8,810	16,067
Gain (loss) on sale of assets held for resale	-	-	-	-	-	-	-	-	-	-
Operating transfers in	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	107,236
Operating transfers out	(3,520,030)	(2,575,974)	(4,608,418)	(7,539,084)	(6,677,629)	(7,827,634)	(496,685)	(282,416)	(503,186)	(107,236)
Total other financing sources (uses)	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	16,067
Extraordinary Item										
Gain/loss on dissolution of Redevelopment Agency	-	-	-	-	-	(35,550,894)	-	-	-	-
Net change in fund balances	\$ 3,931,756	\$ 1,986,623	\$ 2,301,462	\$ 929,464	\$ 21,722,528	\$ (32,730,928)	\$ 391,166	\$ 28,078	\$ 1,980,999	\$ 570,841
Debt service as a percentage of noncapital expenditures	13.64%	12.85%	12.17%	10.54%	15.06%	9.74%	0.00%	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
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
2016	1,797,274,999	680,243	23,520,387	1,821,475,629

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>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>	<u>2016</u>
City Direct Rates:										
City of Lemoore Basic Rate	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Overlapping Rates:										
Lemoore Union High School District					0.045187	0.044631	0.045886	0.046730	0.047924	0.043767
West Hills Community College District					0.000004	0.002160	0.013878	0.011106	0.011206	0.017244
West Hills College District SFID No. 3					0.001024	0.025856	0.018342	0.019058	0.016280	0.024884
Total Direct Rate	<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>	<u>1.085895</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 6 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		2015-16	
		Assessed Value	% of Total (1)	Assessed Value	% of Total (1)
Leprino Foods Company	Food Processing	\$291,472,873	22.07%	\$ 387,202,056	21.54%
Olam Tomato Processors Inc.	Food Processing			79,203,067	4.41%
Agusa	Food Processing	11,766,949	0.89%	12,896,785	0.72%
Lemoore Properties II LP	Apartments			11,246,903	0.63%
Lemoore Apartments LLC	Apartments			10,866,374	0.60%
Paul and Vickie Daley LP	Residential Properties	4,744,507	0.36%	9,966,333	0.55%
Valley Oak Apartments LLC	Apartments			7,345,155	0.41%
Lemoore Cinemas	Movie Theater	3,868,024	0.29%	6,776,557	0.38%
Tanglewood Lemoore Ltd.	Apartments	4,527,849	0.34%	6,712,208	0.37%
Heritage Lemoore Ltd.	Apartments	5,464,492	0.41%	6,211,740	0.35%
South Coast Property Company	Apartments			5,939,571	
Winn California Properties LLC	Apartments	5,213,974	0.39%	5,934,979	
Lemoore Capital LP	Shopping Center			5,851,749	
Benderson-Lemoore Associates LP	Commercial	5,016,077	0.38%	5,703,631	
Carole D, Delap	Shopping Center			5,535,425	
Save Mart Supermarkets	Supermarket	4,650,081	0.35%	4,750,306	
Anand Investments LLC	Hotel/Motel	4,014,320	0.30%	4,227,010	
Michael A. Trebbow	Apartments			4,032,679	
GHQ Investments	Apartments			3,942,667	
HR LLC	Commercial	3,428,876	0.26%	3,846,224	
Lemoore Center LLC	Shopping Center	4,531,155	0.34%		
Lemoore Rural LLC	Residential Properties	4,052,174	0.31%		
JB Moses Management Corp.	Hotel/Motel	3,972,205	0.30%		
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%		
Golden Gate Holdings LLC	Commercial	3,194,855	0.24%		
Top Ten Totals		<u>\$341,440,131</u>	<u>25.84%</u>	<u>\$ 538,427,178</u>	<u>29.96%</u>

Source: California Municipal Statistics, Inc.

Note: (1) 2015-16 Local Secured Assessed Valuation : \$1,797,274,999

**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>	<u>FY 2015-16</u>
Secured	\$ 688,035	\$ 775,359	\$ 795,210	\$ 854,481	\$ 943,748	\$ 930,083	\$ 714,846
Unsecured	37,138	35,556	36,832	37,360	38,081	38,750	40,909
Prior Secured	31,261	34,940	18,051	24,844	(6,229)	9,534	14,583
Prior Unsecured	104	623	-	442	106	(1,456)	1,023
SB813	17,266	36,616	16,808	9,335	15,582	34,903	44,938
Prior SB 813	18,340	15,343	-	8,926	6,252	4,689	893
Airplane	761	464	548	552	569	266	265
Transfer Tax	50,104	33,095	39,014	48,190	48,948	51,486	57,355
RDA RPTTF Residual (ABX1 26)	-	-	160,893	219,158	873,292	928,574	491,374
Lemoore RDA 25% Pass-through*	-	-	-	168,891	-	-	-
Total	<u>\$ 843,009</u>	<u>\$ 931,996</u>	<u>\$1,067,356</u>	<u>\$ 1,372,179</u>	<u>\$ 1,920,349</u>	<u>\$ 1,996,829</u>	<u>\$ 1,366,186</u>

Source: Kings County

*For FY2013-2014 and forward, this was included in Secured Tax.

The City of Lemoore only has 7 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	Percentage of Personal Income	Debt Per Capita
	Certificates of Participation	Capital Leases	Total Government					
2007			-		-	-	0.00%	-
2008			-		-	-	0.00%	-
2009			-		-	-	0.00%	-
2010			-		-	-	0.00%	-
2011			-		-	-	0.00%	-
2012	2,275,000	12,855	2,287,855		-	2,287,855	0.31%	93
2013	2,070,000	8,353	2,078,353	7,068,000	7,068,000	9,146,353	1.23%	366
2014		4,183	4,183	7,068,000	7,068,000	7,072,183	0.93%	280
2015			-	6,665,937	6,665,937	6,665,937	0.81%	263
2016			-	6,375,578	6,375,578	6,375,578	0.73%	243

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, 2016**

2015-2016 Assessed Valuations:

2015-2016 Assessed Valuation	\$ 1,821,475,629
Redevelopment Incremental Valuation	-
Adjusted Assessed Valuation	\$ 1,821,475,629

<u>Overlapping Debt Tax and Assessment Debt:</u>	<u>Total Debt</u> <u>6/30/2016</u>	<u>% Applicable</u> (1)	<u>District's Share of</u> <u>Debt 6/30/15</u>
West Hills Community College District	\$ 17,010,000	18.07%	\$ 3,073,877
West Hills Community College District School Facilities Improvements District No. 3	30,231,844	40.78%	12,328,848
Lemoore Union High School District	1,989,604	71.21%	1,416,817
Total Overlapping Tax and Assessment Debt			<u>16,819,542</u>
 <u>Direct and Overlapping General Fund Debt:</u>			
Kings County General Fund Obligation	\$ 11,455,000	19.00%	2,176,221
Kings County Pension Obligation Bonds	6,378,414	19.00%	1,211,771
West Hills Community College District General Fund Obligations	70,200,000	18.07%	12,685,842
Lemoore Union High School District Certificates of Participation	1,130,000	71.21%	804,684
City of Lemoore	-	100.00%	-
Total Direct and Overlapping General Fund Debt			<u>16,878,518</u>
 Overlapping Tax Increment Debt (Successor Agency):	 33,815,587	 100.00%	 <u>33,815,587</u>
 Total Direct Debt			 -
Total Overlapping Debt			<u>67,513,647</u>
Combined Total Debt			<u>\$ 67,513,647</u> (2)

Ratios to 2015-16 Assessed Valuations:

Total Overlapping Tax and Assessment Debt	0.92%
Total Direct Debt	0.00%
Combined Total Debt	3.71%

Ratios to Redevelopment Successor Agency Incremental Valuation (963,862,171):

Total Overlapping Tax Increment Debt	3.51%
--------------------------------------	-------

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**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Gross Assessed Valuation	\$ -	\$ -	\$ -	\$ -	\$ 1,738,391,085	\$ 1,785,765,491	\$ 1,766,784,131	\$ 1,779,460,577	\$ 1,692,195,526	\$ 1,821,475,629
Debt Margin Ratio (1)					0.0375	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	\$ 68,305,336
Less Outstanding General Obligation Bonds					0%	0%	0%	0%	0%	0%
Net Debt Margin	\$ -	\$ -	\$ -	\$ -	\$ 65,189,666	\$ 66,966,206	\$ 66,254,405	\$ 66,729,772	\$ 63,457,332	\$ 68,305,336

(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 6 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				Unemployment Rate (3)	
		Population (1)	Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Unemployment Rate (3)		
2007	24,140	151,607	3,489,648	23,625	8.70%		
2008	24,502	154,434	3,968,492	26,383	10.60%		1%
2009	23,859	151,816	3,978,531	26,170	14.20%		-3%
2010	24,531	152,982	3,792,920	24,908	16.10%		3%
2011	24,700	152,533	4,051,300	26,580	16.20%		1%
2012	24,559	151,060	4,516,364	29,701	15.30%		-1%
2013	24,979	150,537	4,491,688	29,679	13.50%		2%
2014	25,225	149,942	4,533,297	30,049	12.10%		1%
2015	25,325	149,721	4,864,335	32,371	10.50%		0%
2016	26,199	150,373	5,000,842 (5)	33,126	10.20%		3%

Sources: 1 California Department of Finance.
 2 U.S. Department of Commerce, Bureau of Economic Analysis (Kings County)
 3 California Employment Development Department.
 5 Per Capita Personal Income was computed using Census Bureau mid-year population estimates. Estimates reflect county population estimates as of March 2016.

**CITY OF LEMOORE
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR**

Business Name	2015-16	
	Number of Employees	Percent of Total Employment (%)
Leprino Foods CO (West)	1,313	11.03%
Lemoore Union Elementary School District (2)	318	2.67%
Lemoore Union High School District	235	1.97%
West Hills College-Lemoore	146	1.23%
City of Lemoore (3)	114	0.96%
Kmart	100	0.84%
Save Mart (3)	75	0.63%
Mc Donald's (3)	57	0.48%
Best Buy Market (3)	50	0.42%
Northland Process Piping	27	0.23%
Total Top Employers	2,435	20.46%
Total City Employment (1)	11,900	

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 (5,146) 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 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	FY 2015-16 Authorized Positions
City Manager	4.01	4.13	4.50	7.03	7.64	6.67	5.70	5.95	5.94	2.50
Finance Department	3.00	3.07	3.11	3.00	3.34	3.00	3.74	3.00	3.44	4.94
Public Works	2.70	2.70	2.70	2.70	2.70	2.70	2.70	3.75	3.75	3.00
Utility Department	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.75	6.01
Maintenance Division	4.60	10.65	9.10	6.90	10.68	7.15	11.76	8.15	12.95	5.82
Streets	4.51	5.25	5.37	4.89	0.22	0.00	0.00	0.00	0.00	3.00
Building Inspection	4.33	3.40	4.63	4.21	2.30	7.08	2.30	6.99	2.37	4.13
Police Department	36.61	39.68	39.67	40.59	37.17	37.34	37.09	38.73	40.73	48.35
Fire Department	1.61	1.68	1.64	1.46	1.40	1.36	1.25	1.25	1.25	0.50
Parks and Recreation Department	8.76	12.05	12.28	9.44	6.94	8.78	6.82	6.04	5.89	11.41
Planning Department	3.06	5.93	4.87	3.81	0.80	1.62	0.55	0.00	0.00	2.00
Water Department	8.76	10.40	13.47	13.30	12.94	16.33	12.79	15.46	11.92	19.22
Refuse Department	9.66	12.90	12.46	10.64	7.53	9.69	10.00	10.27	12.52	12.83
Sewer Department	10.06	10.33	10.60	11.54	9.75	10.65	10.65	11.85	12.68	13.20
Fleet Maintenance Department	3.54	4.66	5.48	4.24	3.33	3.20	3.30	3.53	3.66	3.57
Golf Course	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.48	0.00
LLMD Department	6.08	5.49	3.96	0.50	0.12	0.00	0.00	0.00	0.00	0.00
Redevelopment Department	4.04	4.42	4.09	4.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	119.32	140.73	141.92	131.25	109.85	118.57	111.65	117.97	130.33	140.49

Source: City of Lemoore, Finance Department

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

Function:	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public Safety:										
Police (1)										
Calls for Service	30,481	29,621	29,872	28,266	30,984	29,882	32,100	46,897	45,828	39,973
Citations	1,718	1,791	1,206	1,204	1,382	1,393	1,630	1,325	1,592	1,432
Cases	544	299	292	307	420	305	544	301	341	1,013
Arrests	1,363	1,066	1,218	1,296	1,268	1,453	1,560	1,285	1,793	1,551
Fire (2)										
Calls for Service	N/A	1,403	1,359	1,465	N/A	907	1,854	1,736	1,694	1,665
Public Works (3)										
Miles of street resurfacing	3.58	0.00	1.01	7.55	2.34	18.72	12.41	12.86	1.47	0.00

(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**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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
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)	87	85	110	113	107	111	118	132	108	111

Source: Various City of Lemoore Departments

**CITY OF LEMOORE
TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS
(IN THOUSANDS OF DOLLARS)**

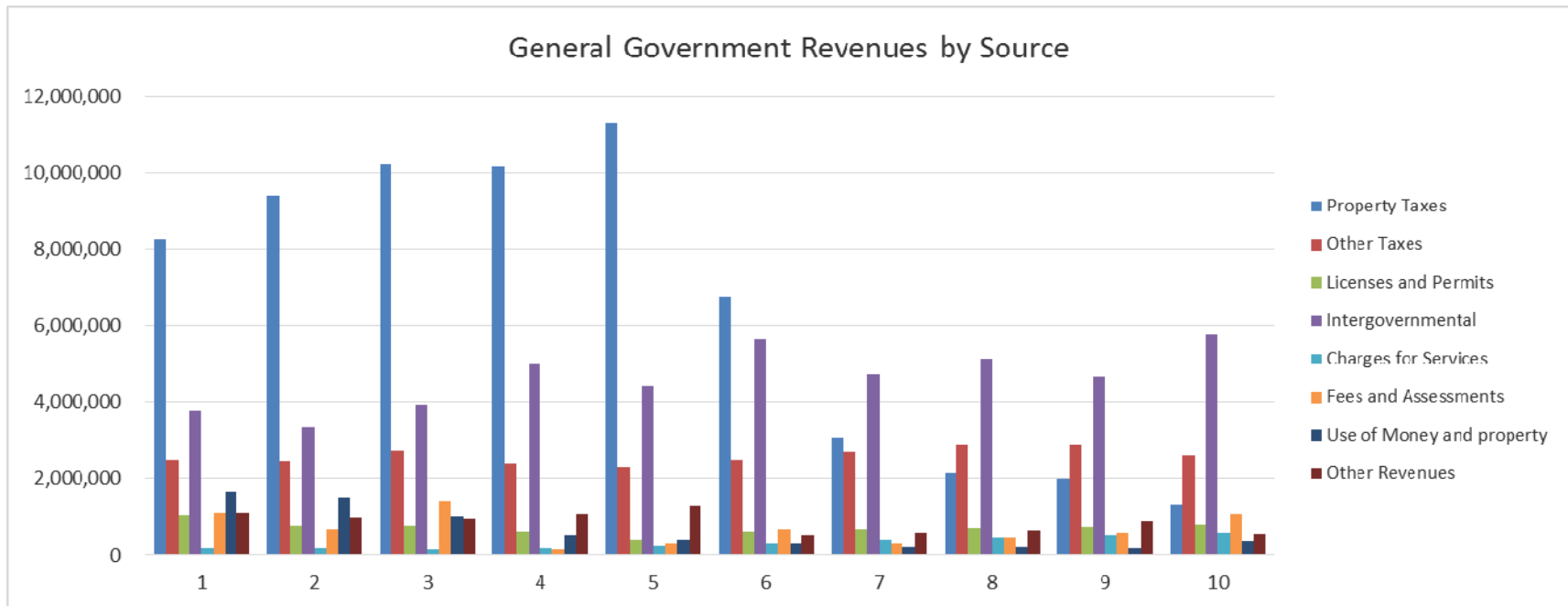
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Apparel Stores	\$ 463	\$ 382	\$ 348	\$ 390	\$ 281	\$ 599	\$ 639	\$ 681	\$ 559	\$ 339
Food Stores	8,877	9,121	9,272	9,482	9,671	9,696	10,782	11,553	11,767	12,441
Eating and Drinking 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 Hdl 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.

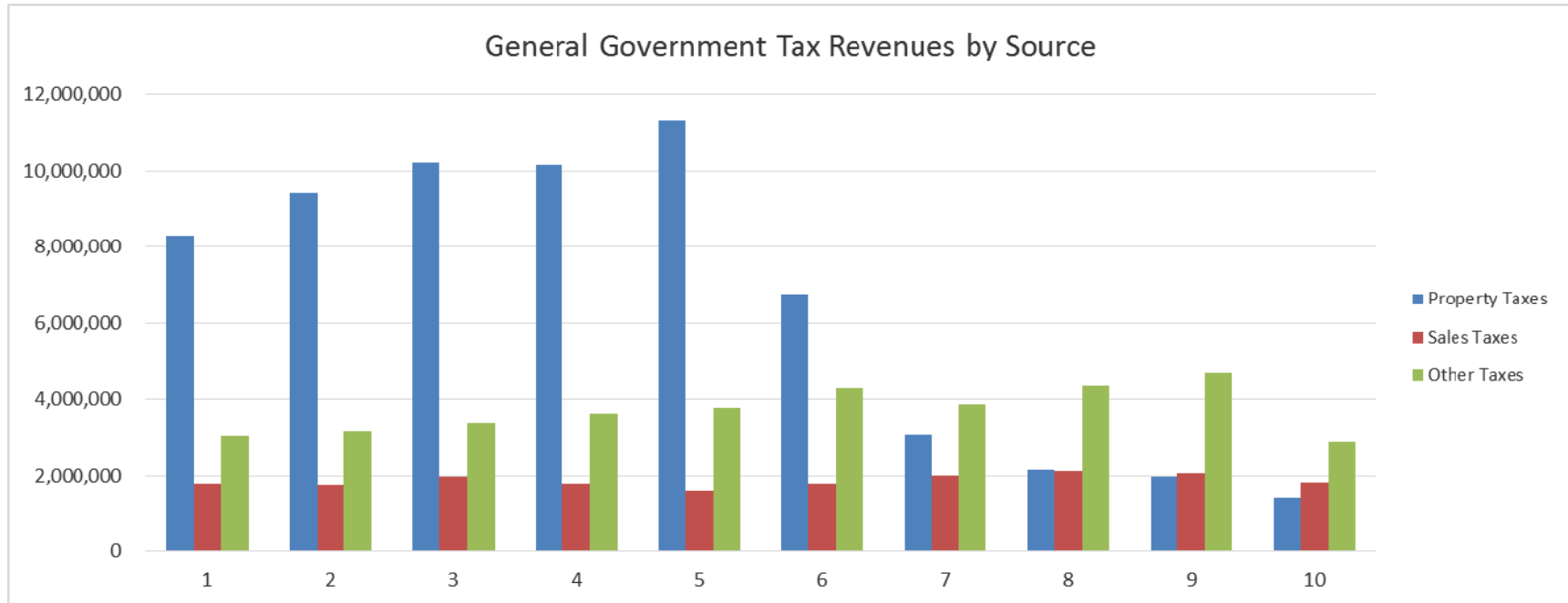
**CITY OF LEMOORE
GENERAL GOVERNMENT REVENUES
BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	Property Taxes	Other Taxes	Licenses and Permits	Intergovernmental	Charges for Services	Fees and Assessments	Use of Money and property	Other Revenues	Total
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
2016	1,308,832	2,610,203	788,015	5,776,858	576,245	1,068,265	355,255	536,987	13,020,660



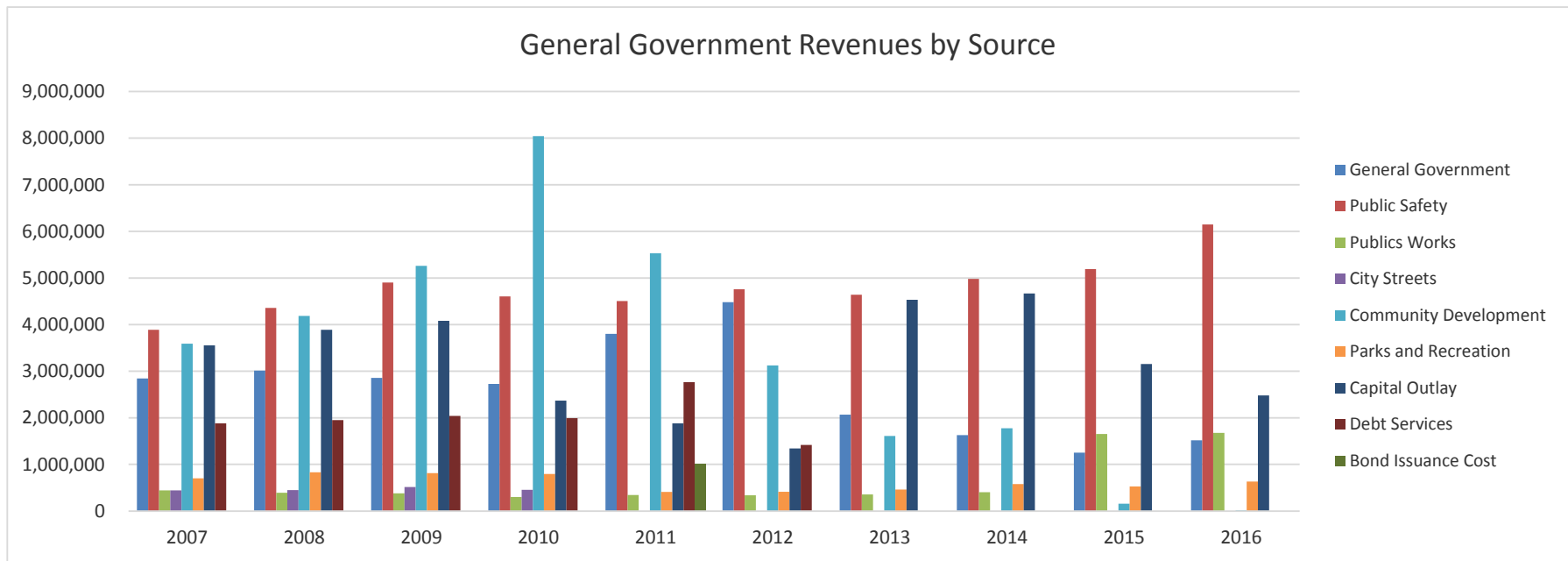
**CITY OF LEMOORE
GENERAL GOVERNMENT TAX REVENUE
BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	Property Taxes	Sales Taxes	Other Taxes	Total
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
2016	1,395,750	1,821,904	2,883,110	6,100,764



**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
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
2016	1,519,628	6,146,235	1,674,726		14,675	630,886	2,479,736			12,465,886



**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 2016

BASE NAME	SERVICE / COMPONENT	SERVICE MEMBER COUNT
LEMOORE NAS	NAVY ACTIVE DUTY ENLISTED	3,146
LEMOORE NAS	NAVY ACTIVE DUTY OFFICER	305
LEMOORE NAS	NAVY SELECTED RESERVE ENLISTED	0
LEMOORE NAS	NAVY SELECTED RESERVE OFFICER	481
LEMOORE NAS	NAVY GUARD ENLISTED	43
LEMOORE NAS	NAVY GUARD OFFICER	0
LEMOORE NAS	NAVY APF CIVILIAN	657
LEMOORE NAS	NAVY NAF CIVILIAN	514
	TOTAL	5,146

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.