

# 2021 – 2022 Annual Comprehensive Financial Report (ACFR) Study Session

City Council Meeting  
September 25, 2023

# City Audit / Financial Statements



Financial Statements from July 1, 2021, to June 30, 2022.



Very important document for the City, gives the best and most comprehensive financial picture.



Auditor is independent and reports to the City Council.



Notable Financial Improvement with a “going concern”

# Statement of Revenues & Expenditures

## Handout #1

- What revenues came in and what expenses went out.
- July 1, 2021, through June 30, 2022

	General	City Wide
Revenues	\$9,633,410	\$12,249,146
Expenditures	\$(8,872,102)	\$(9,755,379)
Change in Fund Balance	<u>\$1,160,503</u>	<u>\$2,283,233</u>
End of Year Fund Balance	\$(1,306,438)	7,480,936

# Water & Sewer Fund:

## Statement of Revenue, Expenses & Net Position

### Handout #2

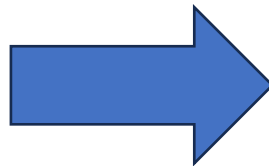
	Water	Sewer
Revenues	\$1,864,642	\$1,632,083
Expenses	\$(2,116,876)	\$(997,471)
Non-Operating Revenues/Exp.	\$(59,487)	\$(192,092)
Net Income (loss)	<b>(311,721)</b>	<b>190,167</b>

# Balance Sheet: Assets – Liabilities = Fund Balance

## Handout #3

- Balance Sheet is a monument in time.
- Everything we own and all debt.
- Owner's Equity or Fund Balance
- Going Concern
- Why Negative Fund Balance?

Interfund Loans



	General	City Wide
<b>Assets</b>	\$6,023,720	\$15,327,855
<b>Liabilities</b>	\$(6,896,824)	\$(7,215,123)
Deferred Inflow	<u>\$(433,334)</u>	<u>\$(628,796)</u>
<b>Fund Balance</b>	<b>\$(1,306,438)</b>	<b>\$15,324,855</b>

<b>Fund Balance</b>	\$(1,306,438)
<b>Advance to o/funds</b>	<u>\$6,332,305</u>
<b>Total</b>	<b>\$5,025,867</b>

# Net Position

## Handout #4



Capital and Assets minus liabilities and long-term Debt.



The difference between (1) assets and deferred outflows of resources, and (2) liabilities and deferred inflows of resources is called net position.



Overall Financial Picture.

	General	Business (Enterprise)	Total
<b>Assets</b>	\$53,694,677	\$33,454,675	\$87,149,352
<b>Deferred Outflows</b>	\$1,911,643	\$569,135	\$24,807,788
<b>Liabilities</b>	\$(13,876,788)	\$(13,654,292)	\$(27,531,080)
<b>Deferred Inflows</b>	\$(4,237,443)	\$(2,282,832)	\$(6,520,275)
<b>Net Position</b>	<b>\$37,492,089</b>	<b>\$18,086,686</b>	<b>\$55,578,775</b>

# General Fund FY 2021 vs. FY 2022

General	June 30, 2021	June 30, 2022	Percent Increase
Cash	\$8,552,597	\$11,033,042	29%
Fund Balance	\$(2,466,941)	\$(1,306,438)	47%
Net Position	\$34,721,997	\$37,492,089	8%

# City Wide FY 2021 vs. FY 2022

City Wide	June 30, 2021	June 30, 2022	Percent Increase
Cash	\$9,978,114	\$12,658,677	28.86%
Fund Balance	\$5,197,703	\$7,480,936	43.93%
Net Position	\$53,212,532	\$55,578,775	4.45%



# Questions on the Audit



**Fiscal Year 2023 – 2024 Operating  
Budget and the Fiscal Years  
2024 – 2029 Five-Year Capital  
Improvement Plan**

# General Fund Revenues

## One-time Revenues

- Senator Hurtado: \$2M
- McDermont Sale: \$897K

## One-time Expenses

- Lewis Response \$350K

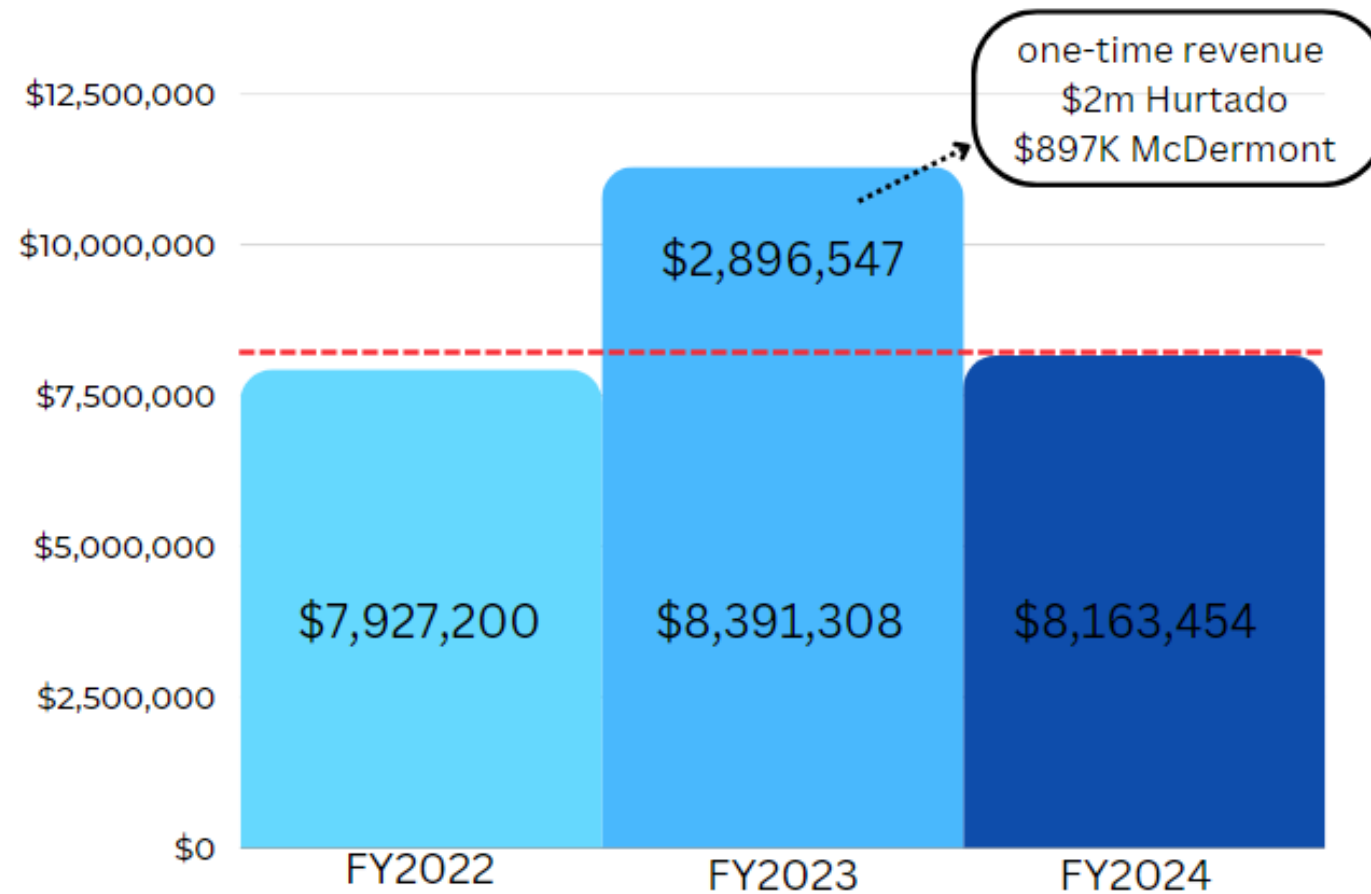
	2023	2024
Revenues	\$11,287,855	\$8,163,454
Expenses	\$7,730,546	\$8,159,875

# General Fund Revenues

## 101-GENERAL FUND | INFLOW BY SOURCE

CLASSIFICATION	ACTUAL FY 2020	ACTUAL FY 2021	UNAUDITED FY 2022	ADOPTED FY 2023	PROJECTED FY 2023	PROPOSED FY 2024
TAXES & FEES	5,103,234	6,219,034	5,893,300	6,934,288	7,047,003	7,177,225
LICENSES & PERMITS	234,728	241,244	208,900	238,200	390,095	359,500
MONEY AND PROPERTY USE	282,175	19,620	24,400	91,270	957,135	109,500
CHARGES FOR SERVICE	18,686	13,553	15,300	25,109	38,529	25,250
FINES	30,520	15,528	8,500	24,781	19,790	16,000
INTERGOVERNMENTAL	259,734	451,241	514,200	1,531,829	446,289	359,979
OTHER SOURCES & USES	142,812	210,398	1,262,600	113,642	2,389,015	116,000
<b>TOTAL INFLOW   GENERAL FUND</b>	<b>6,071,889</b>	<b>7,170,618</b>	<b>7,927,200</b>	<b>8,959,119</b>	<b>11,287,855</b>	<b>8,163,454</b>

# General Fund Revenue



# General Fund Expenses by Department

101-GENERAL FUND   EXPENSES							
	ACTUAL	ACTUAL	UNAUDITED	ADOPTED	PROJECTED	PROPOSED	
CLASSIFICATION	FY 2020	FY 2021	FY 2022	FY 2023	FY 2023	FY 2024	
CITY ATTORNEY	50,883	89,366	75,000	90,000	90,021	94,500	
CITY COUNCIL	14,583	12,835	41,500	69,000	41,265	139,500	
CITY MANAGER / HUMAN RESOURC	119,538	158,649	187,750	214,210	338,178	361,901	
FINANCE	287,980	326,800	292,600	254,393	320,845	367,464	
NON-DEPARTMENTAL	144,889	255,506	261,100	347,180	322,953	315,176	
COVID-19 EMERGENCY FUND	75,834	127,444	-	-	138,377	-	
COVID-19 ARPA FUND	-	-	-	86,629	141,371	-	
PUBLIC SAFETY	2,994,060	3,081,427	3,264,700	3,826,932	4,385,602	4,394,906	
CITY SERVICES	528,640	596,500	553,100	690,403	621,576	806,569	
COMMUNITY DEVELOPMENT	124,367	88,026	172,500	417,460	283,765	358,380	
PARKS	166,039	159,219	208,300	239,669	255,080	378,237	
STREETS	188,764	252,281	319,500	340,254	282,497	354,879	
IT/CITY CLERK	-	-	-	-	-	117,000	
DEBT SERVICE	231,724	239,523	328,900	333,900	317,693	318,365	
CAPITAL OUTLAY	30,819	83,117	935,500	1,108,000	191,322	153,000	
<b>TOTAL OUTFLOW   GENERAL FUND</b>	<b>4,958,120</b>	<b>5,470,693</b>	<b>6,640,450</b>	<b>8,018,030</b>	<b>7,730,546</b>	<b>8,159,875</b>	

# General Fund Additions/ Changes



(\$882K) Insurance Rates



Administrative Assistant for Human Resources



Firefighter/Fire Prevention Specialist



Council Approved SEIU & LPOA Labor agreements



2% COLA for Mid-management & Contract

# Wellness Center Fund

**FY 23/24**

**Projects**

<b>Revenue</b>	<b>\$799,000</b>
<b>Expenses</b>	<b>\$1,348,863</b>
<b>Total</b>	<b>(\$549,863)</b>

<b>Project</b>	<b>Total (\$)</b>	<b>Funding Source</b>
<b>Bird Netting</b>	\$23,000	Lindsay Hospital District
<b>ADA Front &amp; Back Doors</b>	\$27,000	Lindsay Hospital District
<b>Camera System</b>	\$25,000	Lindsay Hospital District/ PRISM Grant <i>(pending board approval: October 17, 2023)</i>
<b>Facility Water Softener System</b>	\$15,000	Lindsay Hospital District <i>(pending board approval: October 17, 2023)</i>
<b>Upgrade Drinking Fountain w/ Bottle Filler</b>	\$8,000	Lindsay Hospital District <i>(pending board approval: October 17, 2023)</i>

Reclassified Position

- Recreation I to Pool Manager



# Water Fund

**FY 23/24**

<b>Revenue</b>	<b>\$1,703,500</b>
<b>Expenses</b>	<b>\$3,003,652</b>
<b>Total</b>	<b>(\$1,300,152)</b>

New Positions

- Utility Operator II
- Utility Operator Trainee

**Projects**

<b>Project</b>	<b>Total (\$)</b>	<b>Funding Source</b>
<b>Water Main Line Replacement Lafayette/Sycamore Ave</b>	<b>\$131,800</b>	<b>General Fund/ARPA</b>
<b>Generators Well 14 &amp; Well 15</b>	<b>\$250,000</b>	<b>CALOES/FEMA</b>
<b>Bank D Filtration Renovation</b>	<b>\$398,280</b>	<b>MCDERMONT SALE</b>
<b>BBP Disinfecting Byproduct</b>	<b>\$498,280</b>	<b>MCDERMONT SALE</b>

# Sewer Fund

FY23/24

<b>Revenue</b>	<b>\$1,485,000</b>
<b>Expenses</b>	<b>\$1,634,287</b>
<b>Total</b>	<b>(\$149,287)</b>

New Position

- Utility Operator I

## Projects

Projects	Total (\$)	Funding Sources
Generators	\$250,000	CALOES/FEMA
Orange Ave/Tulare Rd Valving Project	\$130,000	General Fund/ARPA
Oxidation Ditch Repairs(2)	\$100,000	General Fund/ARPA

# Streets Projects – FY 23/24

## On agenda for 9/26

CATEGORY	DEPARTMENT	FUNDING SOURCE	FUND	PROPOSED 2024
<b>STREETS/PEDESTRIAN PATHWAYS/BIKEWAYS</b>				
Rehabilitation: Burem Lane Renovation	STREETS	SB1	260	23,000
Rehabilitation: Samoa - Olive to Mt. Vernon	STREETS	STREET IMPROVEMENT FUND	200	23,500
Rehabilitation: Eastwood - Kern to Mariposa	STREETS	STREET IMPROVEMENT FUND	200	39,000
Intersection Rehab: Foothill/Tulare	STREETS	SB1 - \$45K STREET IMPROVEMENT FUND - \$45K	260/200	90,000
Rehabilitation: Linda Vista Loop	STREETS	STREET IMPROVEMENT FUND - \$116,791 MEASURE R -\$116,791	200/263	233,582
Kern St from Westwood to Eastwood	STREETS	LTF-ART 8 STREETS & ROADS	266	461,000
Lindmore St from Lindsay Blvd to Harvard Ave-Agreement with Tulare County	STREETS	LTF-ART 8 STREETS & ROADS	266	581,200
Van Ness Ave from Hermosa to Mariposa	STREETS	LTF-ART 8 STREETS & ROADS	266	438,000
Central Ave from Hermosa to Mariposa	STREETS	LTF-ART 8 STREETS & ROADS	266	438,000
Tulare Rd no Sidewalk from Foothill to Strathmore Ave	STREETS	LTF-ART 8 STREETS & ROADS	266	231,500
Foothill Ave from Tulare Rd to Sierra View St	STREETS	LTF-ART 8 STREETS & ROADS	266	424,000
Westwood Ave from Hermosa St to Tulare Rd	STREETS	SB1 ROAD - \$258,500 / LTF-ART 8 STREETS & ROADS - \$258,500	260/266	517,000
Fresno St from Hwy 65 to Westwood Ave	STREETS	LTF-ART 8 STREETS & ROADS	266	263,000
Ashland Ave from Hermosa to Apia	STREETS	LTF-ART 8 STREETS & ROADS	266	260,000
<b>EQUIPMENT</b>				
Plastic Dividers-Water Filled	STREETS	STREET IMPROVEMENT FUND	200	10,000
<b>STREETS/PEDESTRIAN PATHWAYS/BIKEWAYS TOTAL:</b>				<b>4,032,782</b>

# Carry Over Projects

PROJECT NAME	DEPARTMENT	FUNDING SOURCE	ADOPTED FY 22-23 BUDGET
SCBA	PUBLIC SAFETY	GENERAL FUND	50,000
Olive Bowl/Kaku Park Construction	PARKS	STATE PARKS GRANT	3,450,000
Olive Bowl/Kaku Park Upgrades	PARKS	CLEAN CA GRANT (CALTRANS)	3,151,000
Rehabilitation: Burem Lane Renovation <sup>(5)</sup>	STREETS	SB1	98,000
Rehabilitation: Samoa - Olive to Mt. Vernon <sup>(5)</sup>	STREETS	STREET IMPROVEMENT FUND	94,500
Rehabilitation: Eastwood - Kern to Mariposa <sup>(5)</sup>	STREETS	STREET IMPROVEMENT FUND	120,000
Rehabilitation: Center - Sweet Brier to Elmwood <sup>(5)</sup>	STREETS	STREET IMPROVEMENT FUND	134,000
Intersection Rehab: Foothill/Tulare <sup>(5)</sup>	STREETS	SB1 - \$190K STREET IMPROVEMENT FUND - \$70K	210,000
Rehabilitation: Linda Vista Loop	STREETS	STREET IMPROVEMENT FUND - \$1.2M MEASURE R -\$600K	1,200,000
Hermosa/Westwood Roundabout Landscaping	STREETS	LOCAL TRANSPORTATION FUND	200,000
Transit Center Design	TRANSPORTATION	MEASURE R	250,000
Urban Water Management Plan	WATER	GENERAL FUND/ARPA	40,000
Fire Flow Study	WATER	GENERAL FUND/ARPA	50,000
Scada Expansion	WATER	GENERAL FUND/ARPA	60,000
WWTP - Clarifier Gate Valves <sup>(3)</sup>	SEWER/STORM DRAIN	GENERAL FUND/ARPA	42,500
Fleet Vehicles	CITYWIDE	GENERAL FUND	45,000
Flatbed 2500 Truck	STREETS	STREET IMPROVEMENT FUND	35,000
<b>TOTAL</b>			<b>\$9,230,000</b>

# Questions?

