



2018

Comprehensive
Annual Financial
Report



COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED JUNE 30, 2018
City of Dinuba, California

Prepared by the Finance Department

Introductory Section



CITY OF DINUBA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2018

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City Manager's Office
559/591-5904

Development Services
559/591-5906

Parks & Community Services
559/591-5940

City Attorney
559/734-6729

Public Works Services
559/591-5924

Fire/Ambulance Services
559/591-5931

Administrative Services
559/591-5900

Engineering Services
559/591-5906

Police Services
559/591-5914

June 19, 2019

To the Honorable Mayor, City Council and Citizens of the City of Dinuba:

The Comprehensive Annual Financial Report (CAFR) of the City of Dinuba, for the fiscal year ended June 30, 2018, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City of Dinuba issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants. The accounting firm of Lance, Soll & Lunghard, LLP of Sacramento, California, was retained by the City to perform the audit of financial records for the fiscal year ended June 30, 2018. The audit was designed to meet the requirements of the federal Single Audit Act of 1984, as amended and related OMB Circular Uniform Guidance. The auditors report on the fair presentation of the financial statements, the internal controls, and compliance with legal requirements and have issued an unmodified opinion on Dinuba's financial statements.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the City. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

Management's discussion and analysis (MD&A) follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Government Profile

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City of Dinuba as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable.

Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government; the Dinuba Financing Authority qualifies as a blended component unit in this regard. City Council members serve as the governing board of the Authority, and the City Manager also serves as the Executive Director of the Authority.

The City of Dinuba is situated in the northern part of Tulare County, near the Fresno County line. Roughly 180 miles north of Los Angeles and 200 miles south of San Francisco, the City lies in the heart of California's agriculturally-rich San Joaquin Valley, near the Sierra Nevada Mountain Range. It is the service center for a large farming area that extends into both Tulare and Fresno Counties.

Dinuba was established in 1888 with the coming of the railroad and was incorporated in 1906. Because of Dinuba's rich agricultural area, it grew quickly into a thriving community as people from outlying areas moved closer to the railroad shipping area. Since its founding, Dinuba has had consistent growth, increasing from 970 persons in 1910 to a 2018 population of 24,873. Among the eight incorporated cities of Tulare County, Dinuba ranks fourth in population.

The City, until 1994, operated under the General Laws of the State of California. A City Charter was adopted by the voters on June 4, 1994, and by the Secretary of State on July 7, 1994. The Charter gives the City government greater latitude in carrying out its operations and enables the City to operate more efficiently.

Springtime in Dinuba is filled with the fragrance of blossoms from the surrounding orchards. Dinuba's warm summer days bring forth the abundance of produce that keeps the packing houses and shippers busy during the summer months. Mild temperatures year-round enhance the dairy industry in the surrounding area as well.

The Dinuba area is one of the San Joaquin Valley's most productive agricultural spots. The variety of crops includes cotton, nuts, vegetables, and fruits, such as grapes, raisins, plums, peaches, nectarines, and citrus. Raisins are a major product in the Dinuba area, where 40 percent of the world's raisins are grown and dried, a total of approximately 300,000 tons annually. Table grapes and wine are also major products. The City of Dinuba is in Tulare County; a table in the Statistical Section lists the major crops raised in Tulare County and the gross value of the crops in the previous calendar year.

Although agriculture is Dinuba's predominant activity, the community has had a modest commercial and industrial base for many years. Dinuba is home to the headquarters of Ruiz Food Products, Incorporated, which prepares frozen Mexican foods and distributes them worldwide. It is also home to the West Coast Distribution Facility for Best Buy, Inc. and Patterson Logistics, Inc. This concentration of employers attracts more residents which in turn draws additional commercial businesses. This has been evidenced through continued strength of the building sector in Dinuba. Because of its unparalleled agricultural base and its expanding industrial site, Dinuba is a community with a progressive and diverse economy.

The City has a Council-Manager form of government. There are five Council members who serve overlapping terms of four years and the Council in turn elects one of the Council members to serve as the Mayor for a term of two years. The Council engages a City Manager and a City Attorney. The Manager is the chief executive officer of the City, and it is the City Manager's responsibility to hire department managers for each of the City functions. Such person also proposes the annual budgets, coordinates and oversees all activities of the organization, and implements the policies, budgets, and laws adopted by the City Council. The Dinuba Redevelopment Agency was created on June 12, 1984, by an Ordinance of the City Council, pursuant to the California Community Redevelopment Law. With the dissolution of redevelopment agencies by the state, the City Council has assumed the role of the board to the Successor Agency of the City of Dinuba.

Local Economy

The economic climate in Dinuba is stabilizing. Over the past 5 years sales tax from the top 10 non-Internet businesses grew from approximately \$1,433,000 to approximately \$1,630,000. During the past year non-Internet sales tax from the same sources grew by \$50,000.

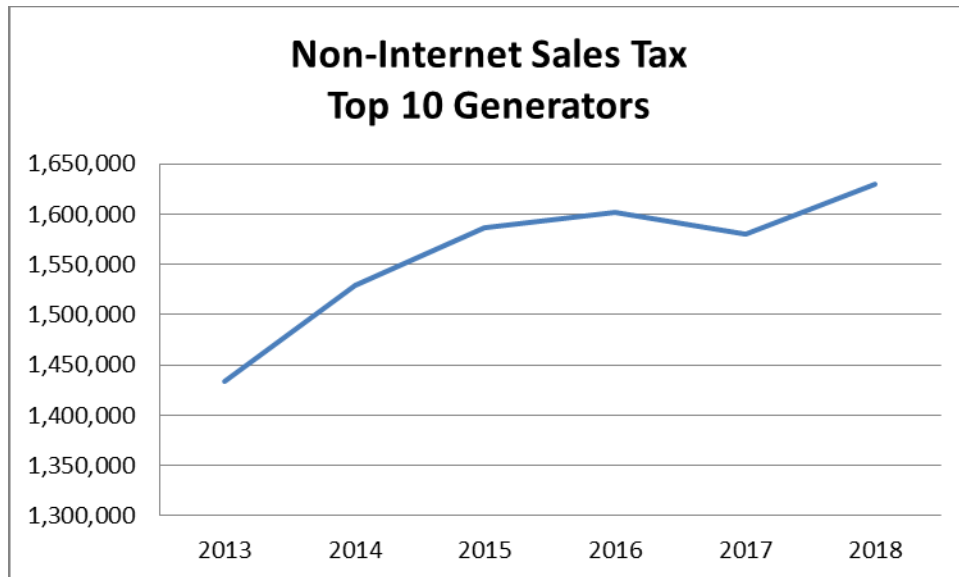
In the 2017/2018 Fiscal Year the City of Dinuba’s Public Works Department issued a total of 754 building permits. A total of 590 of those permits were residential and 164 were for commercial projects. The total valuation for all permits issued was \$31,539,649. There are currently five residential developments that are building in Dinuba. These include developments that are below market, market, and above market. There are several other residential developments (single family and multi-family) that are working their way through the development process.

While the economic climate has improved, there was a significant reduction in the Public Safety sales tax revenue. The City was notified by the State Board of Equalization that the public safety tax revenue (Measure F) was overstated. The correction was made beginning with the 4th Quarter of 2016. As a result, the City is expected to lose approximately \$1.5 million in annual public safety tax revenue in Measure F fund. In addition, the BOE “clawed” back 3rd and 4th Quarter 2016 public safety tax revenue in the amount of \$593,242.

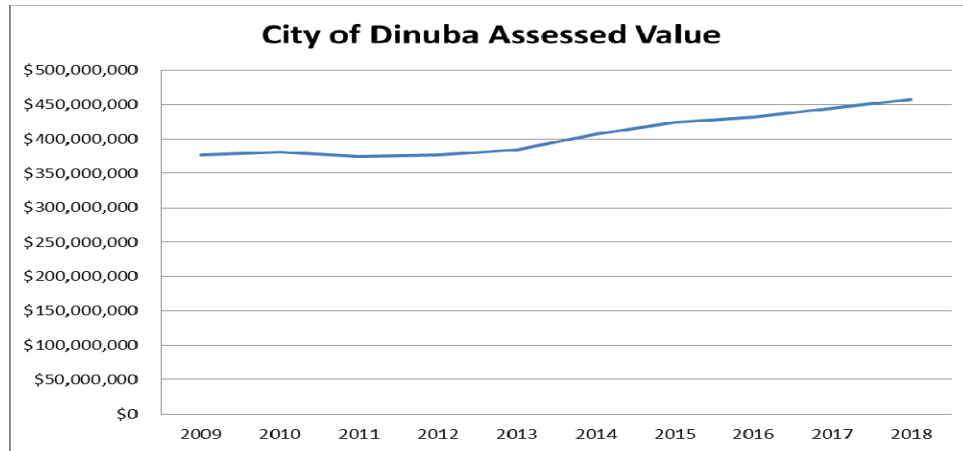
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The Board of Equalization had agreed to allow the City to repay this amount over 8 quarters and completed the last repayment on the last quarter of 2018. Furthermore, in order to transition the loss of public safety tax revenue, staff has come up with an agreement with Best Buy for deferral of its share of the sales tax growth under the Operating Agreement over three years. This has given the City some time to absorb the loss of public safety tax revenue with an increase in the Bradley-Burns 1% sales tax revenue. The City will repay the deferred amount over a five-year period.

The City was notified of this reduction in fiscal year 2016-17 which prompted quick action by staff to reduce the effects of the loss by adjusting staffing levels in the Public Safety Fund (Measure F), by moving personnel in to the General Fund and the Ambulance Fund.



After years of stagnant growth in assessed values, property values saw a slight uptick in fiscal year 2018. The continued growth in new residential and commercial permits is anticipated to continue to reflect in the assessed values going forward and will be apparent in the property tax rolls in future years.



Current Major Initiatives.

During fiscal year 2018 the City’s Public Works Department completed several capital improvements projects. In terms of scale, budget, and resources the Avenue 416/ El Monte Way Widening Project was by far the largest Project completed. The completion of this Project resulted in a full four-lane urban arterial thoroughfare from Road 56 to Road 80 (Alta Avenue). This project was completed with Measure R, State SLPP and local funds.

The Public Works Department also completed a Class II and III Bike Lane Project that installed bike lane signage and striping along many City streets, refurbished some visitor welcome signage and constructed a wayfinding monument for the Dinuba Transit Center. The funding for this project came from an ATP grant, Measure R and local money.

The Hayes Avenue Improvements Project was also completed during the identified fiscal year. This Project reconstructed Hayes Avenue from Saginaw Avenue to North Way. The scope of the project included new streetlights, curb, gutter, sidewalk, and wet utilities. This project was made possible primarily with local transportation money and some Measure R funds. Additionally, a variety of smaller scale projects were also completed such as sidewalk and ADA improvements.

Construction of the Randle Avenue Improvement Project is now complete. The scope of this Project included street construction, curbs and gutters, sidewalks, storm drain system, streetlights and wet utilities primarily on Randle Avenue from Sierra Way to Franzen Way. This Project is funded with CDBG and local funds.

The City also completed its first Road Repair & Accountability Act (SB1) Project, the Downtown Pavement Rehabilitation Project. This Project removed and replaced the damaged sections of pavement around the decorative concrete traffic circles located at five different intersections and rehabilitate three decorative crosswalks.

While wrapping up those Projects the Public Works Department also began work or continued working on several other capital improvement projects. These include finalizing the design of the Signal Synchronization Project that will install a wireless signal synchronization system along El Monte Way and Alta Avenue to improve air quality and assist with traffic control. The funding for this project is a CMAQ grant and local transportation funds.

The City’s Public Work Department also initiated design on the Kamm/Green Bulb-out Project. Once completed this Project will provide enhanced safety measures for pedestrians and motorist

in the intersection of Kamm Avenue and Greene Street. This Project is funded with HSIP and local funds. Construction is anticipated for the summer 2019.

The design for the Alta/Nebraska Roundabout Project was also started during the 2018 fiscal year. The completion of this Project will improve traffic control, air quality, and pedestrian safety. The design and ROW acquisition for this Project is funded with Measure R money and construction, which is anticipated in the fall of 2019, will be funded with a CMAQ grant.

Design of the Dinuba Green Median Improvements Project has also begun. This Project is funded with an Environmental Enhancement and Mitigation Grant and will remove concrete on medians in El Monte Way and South Alta Avenue and replace with drought-tolerant plants and trees. The goal of this grant funding is to mitigate the environmental effects of transportation facilities. Construction is slated for summer 2019.

The City also began work on the Roosevelt Paseo Project. This Project will improve an existing dirt pathway that runs along the south side of Roosevelt Elementary School connecting Viscaya Parkway and Euclid Avenue. This pathway is currently used by students to walk to and from the Roosevelt Elementary School site. The completed Project includes the construction of a 10 foot concrete pathway and a variety of pedestrian amenities such as solar lighting and landscaping. Design for this Project is already complete and project delivery is scheduled before the start of the next school year.

The Entertainment Plaza Improvements Project is currently underway and will soon be complete. The completion of this Project will protect an important City resource. The scope of the Project includes the installation of new lighting, removal and replacement of the damaged concrete caps located around the planter bed islands, resurfacing of the damaged fountain and miscellaneous electrical upgrades. Completion is scheduled for summer 2019.

Finally, the City has started work on the South College Railroad Improvements Project to reconstruct existing asphalt concrete at South College Avenue railroad crossing, replace and construct curb, gutter, sidewalks and concrete drive approaches along the intersection of South College Avenue and South Uruapan Way. This Project is funded with a grant from the Rail and Mass Transportation Section 130 and has an estimated completion date of September 2020.

Financial Information

It is recognized that City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. This should provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation costs and benefits require estimates and judgments by management.

As a recipient of federal, state, and local financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

The City maintains budgetary controls with the objective of ensuring compliance with legal provision embodied in the annual appropriated budget approved by the City Council. Activities of most funds are included in the annual appropriated budget and both revenues and expenses are categorized into either recurring or one-time. Project-length financial plans are adopted for long-term capital projects in a five-year Capital Improvement Plan. As a component of capital projects future operating costs are analyzed and projected and then incorporated into future budget forecasts.

Budgets are prepared for the individual departments within specific funds as management control devices, but the level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) remains at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end. However, encumbrances outstanding at the year end are generally reappropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the City of Dinuba continues to meet its responsibility for sound financial management. For further analysis of the City's financial position, please refer to the Management Discussion and Analysis report in the Financial Section.

Awards

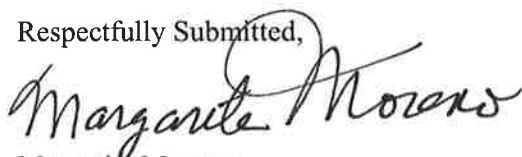
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dinuba for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. This was the twenty-fifth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation, cooperation, and assistance of the Finance Department and the auditing firm of Lance, Soll & Lunghard, LLP is greatly appreciated in the publication of this document. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire finance staff. We also thank the Dinuba City Council for their dedicated service in guiding and directing the management of the City of Dinuba.

Respectfully Submitted,



Margarita Moreno
Administrative Services Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Dinuba
California**

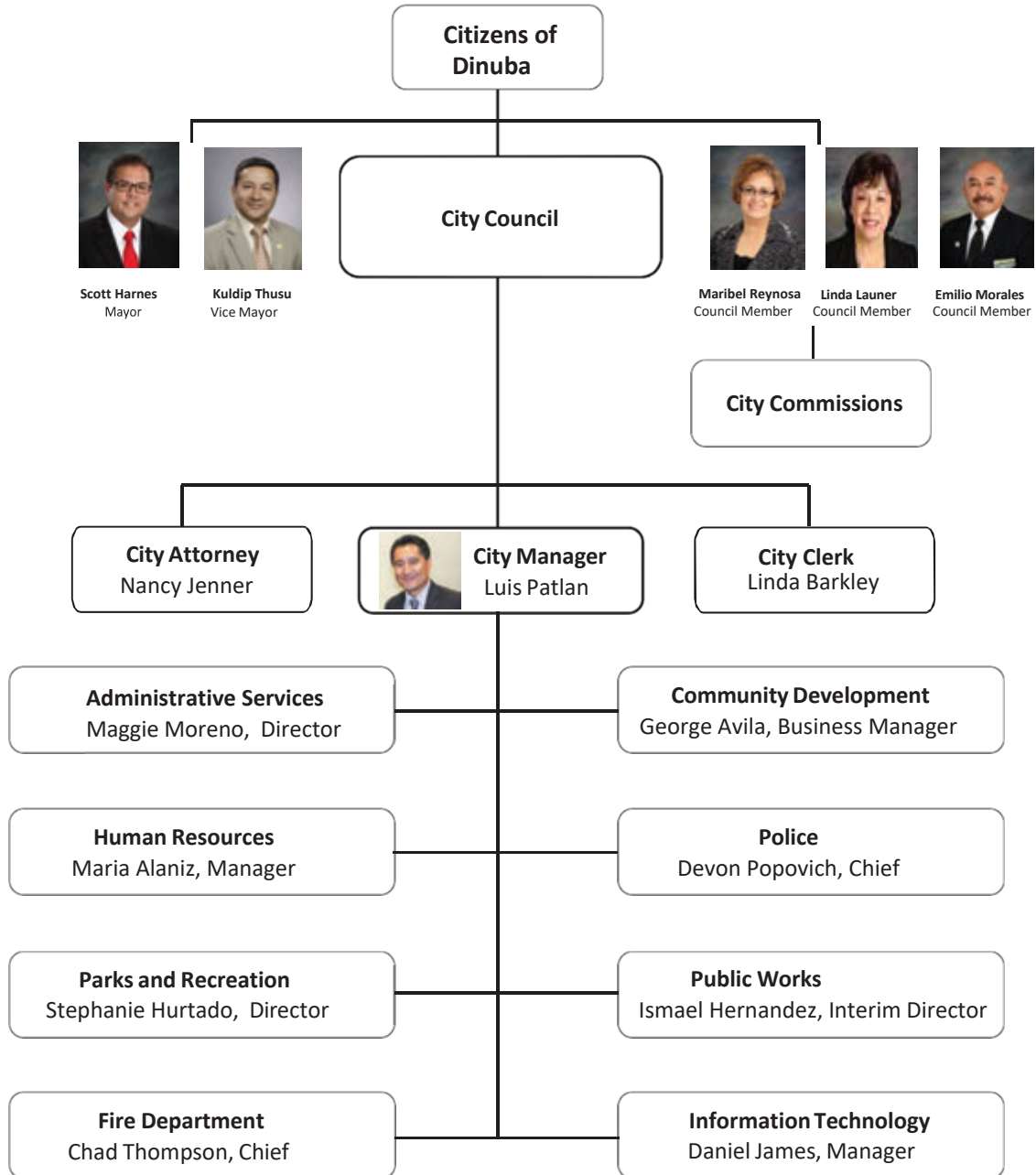
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

Organizational Chart and Principal Officials



Financial Section





INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Dinuba, California, (the City) as of and for the year ended June 30, 2018, 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 entity'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 entity'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.



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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dinuba, California, as of June 30, 2018, 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.

Change in Accounting Principle

As discussed in Note 10 to the financial statements, in 2018 the City adopted new accounting guidance, *GASB Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund and HUD grants fund, the schedule of proportionate share of the net pension liability, the schedule of plan contributions, and the schedule of changes in the total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and 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 and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.



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

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 June 19, 2019 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 the City's effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lance, Solt & Lughard, LLP

Sacramento, California
June 19, 2019



Management's Discussion and Analysis ***Fiscal Year Ended June 30, 2018***

This management's discussion and analysis provides an overview of financial activities of the City of Dinuba (City) for the fiscal year ended June 30, 2018. Please read this discussion and analysis in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to the basic financial statements.

FINANCIAL HIGHLIGHTS

City-Wide

- City total assets increased by \$25 million to \$332.8 million, of which \$256.3 million represented governmental assets and \$76.5 million represented business-type assets.
- City total liabilities increased by \$22.3 million to \$98.3 million, of which \$72.3 million were governmental liabilities and \$26.1 million were business-type liabilities.
- The City's total net position increased by \$1.5 million to \$242.4 million.
- City-wide revenues were \$66.6 million, of which \$42.8 million were generated by governmental activities and \$15.2 were generated by business-type activities.
- City-wide expenses were \$47.114 million, of which \$28.9 million were incurred by governmental activities and \$18.2 were incurred by business-type activities.

Fund Level

- Governmental Fund balances increased \$23.3 million to \$45.6 million. Of this amount \$1.1 million was unassigned fund balance and available for spending at the City's discretion.
- Governmental Fund revenues were \$24.3 million, a decrease of \$1.5 million from the previous year.
- Governmental Fund expenditures decreased by \$5.8 million to \$27.3 million in fiscal year 2018.
- Enterprise net position increased by \$2.8 million to \$53.5 million. Of this amount, \$1.3 million was unrestricted net position and available for spending at the City's discretion.
- Enterprise Fund operating revenues increased by \$0.7 million to \$13.4 million compared to the previous fiscal year.
- Enterprise Fund operating expenses were \$17.5 million in fiscal year 2018, an increase of \$2.7 million compared to the previous fiscal year.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Comprehensive Annual Financial Report is composed of the following:

1. Introductory section, including the Transmittal Letter
2. Management's Discussion and Analysis
3. Basic Financial Statements, which include the Government-wide and the Fund financial statements
4. Notes to the financial statements
5. Combining statements for Non-Major Governmental, Internal Service and Fiduciary Funds
6. Statistical information

Basic Financial Statements

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

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

The **Statement of Net Position** provides information about the financial position of the City as a whole, including all of its capital assets, liabilities and long-term liabilities with the difference between the two reported as net position. The full accrual basis of accounting is used, thus the flow of all economic resources are measured.

The **Statement of Activities** presents financial information reporting how the City's net position changed during the fiscal year by listing the revenues and expenses of each of the City's major activities. The full accrual basis of accounting is also used, thereby all changes to net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus revenues and expenses are reported in this statement for some items that will result in cash flows in a future fiscal period.

The fund financial statements report the City's operations in more detail than the City-wide statement and focus primarily on the short-term activities of the City's General Fund and other Major Funds. The Fund Financial Statements measure only current revenues and expenditures, current assets, liabilities and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

City-wide Financial Statements

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

City-wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the City as a whole.

Fund Financial Statements

The fund financial statements are designed to report information about related accounts that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the City's funds are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

The Fund Financial Statements provide detailed information about each of the City's most significant funds called Major Funds. Major Funds account for the major financial activities of the City and are presented individually, while the activities of the Non-major funds are presented in summary as Other Governmental Funds. Subordinate schedules of the Non-major funds present detailed financial information of the City's smaller funds.

Governmental Funds

Most of the City’s basic services are reported in governmental funds. These funds focus on reporting the flow of money into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). “Measurable” means that the amount of the transaction can be determined and “available” means that it is collectible within the current period or soon enough thereafter to be used.

The governmental fund financial statements provide a detailed short-term view of the City’s general government operations and the basic services provided. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. The differences between the Governmental Fund Financial Statements and the Government-Wide Financial Statements are explained in a reconciliation following the Governmental Funds’ Financial Statements.

Proprietary Funds

When the City charges customers for services - whether to outside customers or to programs of the City - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way in that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Fund Net Position. The City’s enterprise funds are the same as the business-type activities reported in the Government-Wide Financial Statements, but provide more detail and additional information, such as cash flows for each enterprise fund. The City also uses internal service funds to report activities that provide supplies and services for the City’s internal program and activities, such as the City’s self-insurance.

Fiduciary Funds

The City is the trustee, or fiduciary, for certain funds established to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, and other governmental units. The City’s fiduciary activities are reported in separate Statements of Fiduciary Net Position. These activities are excluded from the City’s Government-Wide Financial Statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their specified purposes.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statement can be found following the fund financial statements in this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The net position and changes in net position of the City’s Governmental Activities (Tables 1 and 2) and Business-Type Activities (Tables 3 and 4) are presented in the City-wide Statement of Net Position and Statement of Activities.

Governmental Activities

Table 1			
Governmental Net Position at June 30, 2017 and 2018			
(in Thousands)			
	<u>FY 2018</u>	<u>FY 2017</u>	<u>Change</u>
Current and other assets	55,219	48,576	6,642
Capital Assets	201,142	189,336	11,806
Total Assets	<u>256,360</u>	<u>237,912</u>	<u>18,448</u>
Deferred outflows	7,738	7,026	712
Total deferred outflow	<u>7,738</u>	<u>7,026</u>	<u>712</u>
Current and other liabilities	9,191	1,807	7,384
Long-term obligations outstanding	63,080	51,857	11,222
Total liabilities	<u>72,270</u>	<u>53,664</u>	<u>18,606</u>
Deferred inflows	3,018	1,166	1,852
Total deferred inflow	<u>3,018</u>	<u>1,166</u>	<u>1,852</u>
Net Position			
Net investment in capital assets	175,428	162,951	12,477
Restricted	40,668	33,548	7,120
Unrestricted	<u>(27,286)</u>	<u>(6,392)</u>	<u>(20,895)</u>
Total net position	<u>188,810</u>	<u>190,107</u>	<u>(1,298)</u>

Net Position

As shown in Table 1, the City’s governmental Total Net Position is \$189 million. During fiscal year 2018, the overall net position decreased by \$1.3 million, or 1%. During fiscal year 2015, the City implemented GASB 68 & 71, which required the recording of net pension liability and pension related deferred inflows and outflows.

The largest portion of the City’s net position, approximately \$175 million, reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings, equipment, infrastructure, and construction in progress); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves rarely are used to liquidate these liabilities.

Resources that are subject to restriction that may only be used to construct specified capital projects, debt service or other special revenue programs represent 22.5% of the City’s Governmental Net Position. These are external restrictions and cannot be changed by the City.

Unrestricted net position can be used to finance day-to-day operation without constraints. Due to the restrictions mentioned and the implementation GASB 68 & 71, the unrestricted net position was (\$27.3) million at year end.

Changes in Net Position

The Statement of Activities provides information regarding the entirety of the City's governmental revenues and expenses. The Statement describes in detail the changes in net position from the previous year.

The City's Governmental Net Position increased by \$13 million in fiscal year 2018. Revenues increased \$9.6 million and expenses decreased by \$3.6 million. The increase in revenues is primarily due to an increase in capital contributions and grants for projects.

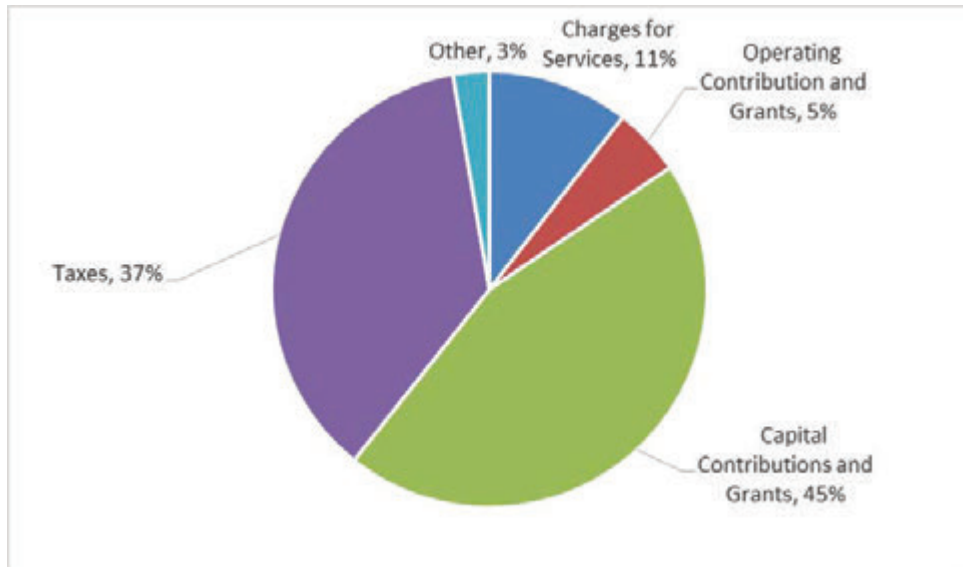
As part of the increase in total revenue from the previous year, tax revenues increased by \$1.3 million. Property tax revenue had an increase of \$0.2 million with the largest increase in overall revenue being from Sales Taxes.

The rise in Governmental expenses was primarily focused in the general government functions of the City and partially due to restructuring of the funds by the suggestion of the new auditors.

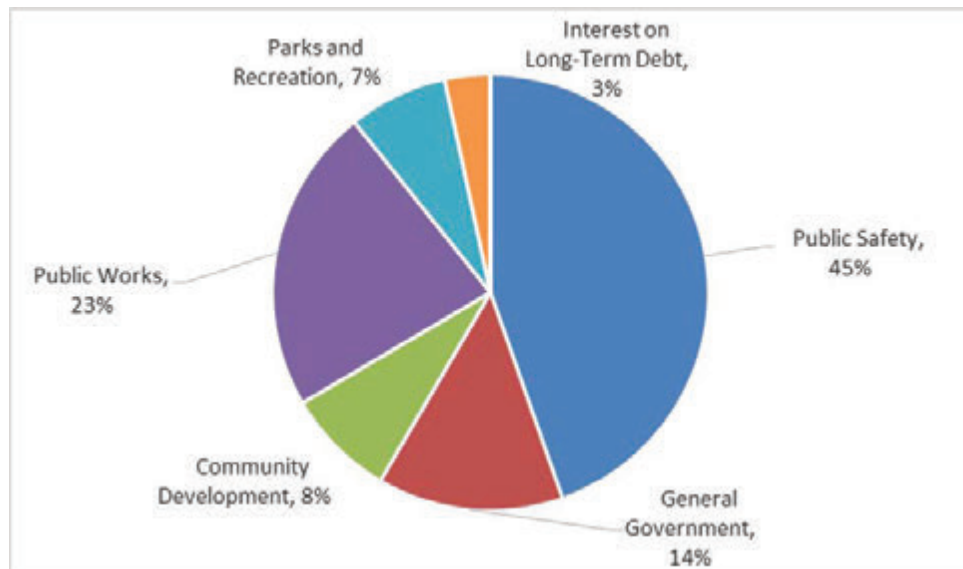
Table 2			
Changes in Governmental Net Position			
(in Thousands)			
	<u>FY 2018</u>	<u>FY 2017</u>	<u>Change</u>
Revenues			
Program Revenues			
Charges for services	4,495	9,860	(5,365)
Operating contribution and grants	2,168	5,264	(3,095)
Capital contributions and grants	19,290	3,012	16,278
General Revenues			
Taxes			
Sales Tax	9,926	9,081	845
Motor Vehicle in Lieu	1,841	1,848	(7)
Utility Users Tax	1,492	1,482	10
Property Tax	1,167	1,149	18
Other	1,238	771	468
Investment Earnings	454	201	253
Miscellaneous	698	540	158
Total Revenues	<u>42,770</u>	<u>33,207</u>	<u>9,563</u>
Expenses			
Public Safety	12,920	13,898	(977)
General Government	3,989	7,661	(3,672)
Community Development	2,351	638	1,713
Public Works	6,578	3,752	2,825
Parks and Recreation	2,128	2,008	120
Interest on Long-Term Debt	978	1,604	(626)
Unallocated Depreciation	-	3,012	(3,012)
Total Expenses	<u>28,944</u>	<u>32,573</u>	<u>(3,628)</u>
Transfers & Special Items			
Total Transfers & Special Items	<u>817</u>	<u>989</u>	<u>(172)</u>
Change in Net Position	14,643	1,623	13,020
Net Position- Beginning, Restated	188,484	178,654	9,830
Net Position- Ending	203,127	180,277	22,850

The following charts display the City's governmental activities for fiscal year 2018, highlighting the makeup of the governmental revenues and expenses.

Revenues by Source Governmental Activities



Expenses by Function Governmental Activities



Business Type Activities

The statement of Business-Type Net Position (Table 3) and statement of Business-Type Activities (Table 4) are presented below.

Net Position

The business-type activities of the City showed a minor increase \$2.7 million in total assets. Of the total net position, 97.6% was net investment in capital assets and 2.4% percent was unrestricted, which was available for future operations.

Table 3			
Business-Type Net Position at June 30, 2017 and 2018			
(in Thousands)			
	<u>FY 2018</u>	<u>FY 2017</u>	<u>Change</u>
Current and other assets	9,818	8,382	1,436
Capital Assets	66,641	61,538	5,103
Total Assets	<u>76,459</u>	<u>69,920</u>	<u>6,539</u>
Deferred outflows	2,353	2,081	272
Total deferred outflow	<u>2,353</u>	<u>2,081</u>	<u>272</u>
Current and other liabilities	1,485	1,341	144
Long-term obligations outstanding	24,600	21,087	3,513
Total liabilities	<u>26,085</u>	<u>22,428</u>	<u>3,657</u>
Deferred inflows	663	146	517
Total deferred inflow	<u>663</u>	<u>146</u>	<u>517</u>
Net Position			
Net investment in capital assets	52,250	46,126	6,123
Restricted	-	-	-
Unrestricted	1,299	4,642	(3,343)
Total net position	<u>53,548</u>	<u>50,768</u>	<u>2,780</u>

Changes in Net Position

As shown in Table 4, net revenues for business-type activities were \$23.8 million in fiscal year 2018, an increase of \$8.7 million over the prior year. The increase was primarily attributable to having received operating and grants in various funds including the Transit Fund.

Expenses for business-type activities increased by \$2.5 million compared to the previous fiscal year. The primary increase expenses came from a shift of the Compressed Natural Gas (CNG) Station from the General Fund. This is part of management's restructuring of capital assets to accurately reflect the reporting of assets.

Table 4			
Business-Type Activities			
(in Thousands)			
	<u>FY 2018</u>	<u>FY 2017</u>	<u>Change</u>
Revenues			
Program Revenues			
Charges for services	13,311	12,624	687
Operating contribution and grants	3,890	2,496	1,393
Capital contributions and grants	6,585	-	6,585
General Revenues			
Investment Earnings	59	51	8
Miscellaneous	-	-	-
Total Revenues	<u>23,845</u>	<u>15,171</u>	<u>8,673</u>
Expenses			
Disposal	3,431	3,207	224
Golf Course	3,132	3,491	(360)
Sewer	4,553	3,156	1,397
Water	2,965	2,978	(12)
Ambulance	2,761	1,523	1,237
Transit	1,147	1,138	10
Engineering	-	-	-
Compressed Natural Gas	182	141	41
Total Expenses	<u>18,170</u>	<u>15,634</u>	<u>2,495</u>
Transfers			
Total Transfers	<u>817</u>	<u>(989)</u>	<u>1,805</u>
Change in Net Position	4,857	526	4,332
Net Position- Beginning, Restated	48,691	52,220	(3,529)
Net Position- Ending	53,548	52,745	803

FINANCIAL ANALYSIS OF CITY'S MAJOR FUNDS

Table 5 summarizes the Governmental balances at the fund level.

Table 5			
Financial Highlights at Fund Level at June 30, 2017 and 2018			
(in Thousands)			
	<u>FY 2018</u>	<u>FY 2017</u>	<u>Change</u>
Total Assets	56,862	50,537	6,325
Total Liabilities	10,750	3,330	7,420
Total Fund Balances	45,596	22,299	23,297
Total Revenues	24,311	25,811	(1,500)
Total Expenditures	27,292	33,100	(5,808)
Total Other Financing Sources (Uses)	1,263	7,762	(6,499)

General Fund

The General Fund accounts for all financial resources traditionally associated with government activities that are not accounted for reported in another fund.

Fund balance in the General Fund increased by 18.3% to end the fiscal year at a balance of \$5.4 million. The increase was due to additional revenue but partially offset by additional costs.

The final budget amount for General Fund expenditures totaled \$16.5 million excluding transfers out. In comparison, actual expenditures excluding transfers out totaled \$15.8 million. The variance in expenditures was \$0.7 million. Total revenues were budgeted at \$17.0 million; actual revenues in the General Fund were \$15.9 million. With the variance of \$2.0 million.

Other Major Funds

HUD Grants

The fund accounts for the Community Development Block Grants (CDBG) and Home Investment Partnership Program (HOME). The fund's assets include \$23.6 million in notes and loans receivable. The loans are offset by deferred inflows as the loans are not expected to be repaid within the next year. The notes and loans receivable are for housing acquisition assistance and housing rehabilitation.

Net activity on housing remained virtually the same compared to the previous year as evidenced by the slight increase in fund balance from the previous year by \$1.6 million.

Transportation Construction:

Revenue in the Transportation Construction fund came to nearly \$0.6 million. The revenue is primarily composed of intergovernmental revenues originating with the Tulare County Association of Governments.

Other Governmental Funds:

These funds (referred to as Non-major Funds) are not presented separately in the Basic Financial Statements, but are individually presented in Supplementary Information. Combined they received \$6.6 million in revenue and have a combined Fund Balance at year-end of \$10.6 million.

Business-Type Funds

The business-type funds account for operations that are financed and operated in a manner similar to private business enterprises, wherein the cost of goods and services to the general public are financed or recovered primarily through user charges.

Water

The net position in the water fund increased by \$0.8 million to \$12.1 million. The unrestricted portion of the net position totaled \$0.1 million. Increases in development and the increase in water rates resulted in a slight increase.

Sewer

The sewer fund ended the year with a net position of \$12.5 million of which (\$0.2) million was unrestricted. Operating revenues exceeded operating expenses by (\$0.6) million. After accounting for interest expense on long-term debt, the fund's net position decreased by \$1.6 million.

Disposal

Operating revenues and expenses were virtually flat when compared to the previous fiscal year. The fund ended the year with a net position of \$1.0 million of which \$0.4 million was unrestricted.

Ambulance

In 2018, the City continued to participate in the Inter-governmental Transfer funding provided by the State and as a result the revenue remains at \$1.5 million in 2018. As of June 30, 2018 the fund had net position of 2.7 million.

Golf Course

Operating revenues increased by \$0.1 million from the prior fiscal year. Operating expenses decreased by \$0.2 million from the prior year. The revenues in the Golf Fund are sufficient to cover ongoing operating expenses outside of depreciation. However, the fund is not currently able to set aside funds for capital replacement. The net position of the Golf Course at the end of the fiscal year was \$22.4 million.

CAPITAL ASSETS

A summary of the City’s capital assets is shown below in Table 6. More detail regarding the assets can be found in Note 7 of the financial statements.

	FY 2018	FY 2017	Change
Governmental Activities			
Land	111,663	111,671	(8)
Artwork	69	69	-
Construction in Progress	22,901	25,110	(2,209)
Buildings	16,037	6,445	9,592
Improvements	673	10,448	(9,775)
Equipment and Machinery	704	1,384	(680)
Infrastructure	49,095	34,210	14,886
Total	<u>201,142</u>	<u>189,336</u>	<u>11,806</u>
Business-Type Activities			
Land	8,610	8,610	-
Construction in Progress	-	-	-
Buildings and Improvements	22,453	22,034	419
Equipment and Machinery	1,880	1,598	283
Infrastructure	33,698	29,296	4,402
Total	<u>66,641</u>	<u>61,538</u>	<u>5,103</u>

The net increase of \$11.8 million for governmental activity assets is comprised of the construction in progress which is for Infrastructure additions offset by depreciation expense. Other changes include the reclassification by the type of asset in the Governmental Activities which is apparent by the changes in building and improvements.

The net increase of \$5.1 million for business-type activity assets is made up of a few additions, with the majority of the changes being attributed to prior period adjustments.

For Government-wide Financial Statements, capital asset purchases for governmental activities are capitalized and depreciated. In contrast, in the Fund Financial Statements capital asset purchases for governmental activities are recorded as expenditures. More information concerning the City’s investment in capital assets is available in Note 7 in the Notes to Basic Financial Statements section later in this document.

DEBT ADMINISTRATION

Each debt is discussed in more detail in Note 8 to the financial statements.

The City's total long-term debt decreased by \$2.8 million compared to the prior fiscal year. The decrease was primarily due OPEB and Net Pension Liability being reported in the statement of net position instead of in the debt section as in prior years.

The following table provides a breakdown of the City's outstanding indebtedness as of June 30, 2018:

Table 7			
Outstanding Debt			
(in Thousands)			
	FY 2018	FY 2017	Change
Governmental Activity Debt			
Revenue Bonds Payable	16,350	17,151	(801)
Notes and Capital Leases Payable	10,005	9,907	98
Retiree Health Obligation	-	8,627	(8,627)
Pension Obligation	-	15,011	(15,011)
Compensated Absences	1,164	1,161	4
Total	<u>27,519</u>	<u>51,857</u>	<u>(24,338)</u>
Business-Type Debt			
Revenue Bonds Payable	9,845	10,085	(240)
Notes and Capital Leases Payable	5,332	5,559	(228)
Installment Purchase & Loans Payable	347	645	(298)
Retiree Health Obligation	-	1,393	(1,393)
Pension Obligation	-	1,877	(1,877)
Compensated Absences	138	141	(2)
Original Issue Premium	44	46	(2)
Total	<u>15,705</u>	<u>19,746</u>	<u>(4,041)</u>
Total Long-Term Obligations	43,224	71,603	(28,379)

BUDGETING

The City's annual budget is the legally adopted expenditure control document of the City. Budgetary comparison statements are required for the General Fund and all major special revenue funds and may be found immediately following the Government-wide financial statements in this Financial Section of the CAFR. These statements compare the original adopted budget, the budget as amended throughout the fiscal year, and the actual expenditures for each fund, prepared on a budgetary basis. Budgets are prepared on the modified accrual

basis of accounting consistent with GAAP, except that encumbrances are included in budgeted expenditures.

Appropriations lapse at fiscal year-end. The City Council generally reauthorizes appropriations for continuing projects and activities. The City Council has the legal authority to amend the budget of any fund at any time during the fiscal year. The budgetary legal level of control (the level on which expenditures may not legally exceed appropriations) is generally at the fund level. For budgeting purposes, the General Fund is composed of several departments while all other budgeted funds (special revenue funds included) are considered a single department. Budgeted expenditures may be reallocated within a division and between divisions within a department without City Council approval.

ECONOMIC OUTLOOK

Based upon sales tax revenues, it appears that the local business climate has increased slightly. Excluding revenues from the Internet Sales Tax, sales tax from the top 10 sources increased by 3.14% from fiscal year 2017 to 2018. This slight increase could be attributed to increases in retail and fuel stations.

The local economy has remained stable over the course of the year. In June of 2017 the unemployment rate for Tulare County was 9.7%; in June of 2018 the rate dropped slightly to 9.6%.

There was a slight increase in the construction of new homes. There were 65 permits issued in 2017 for single family residential homes. In 2018, 94 permits were issued for single family residential homes.

CONTACT THE CITY'S FINANCIAL MANAGEMENT

This management's discussion and analysis is designed to provide the City's residents, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about this document, separate reports of the City's component unit, or wish any additional financial information, contact:

Administrative Services Director
405 East El Monte Way
Dinuba, California 93618
Phone (559) 591-5900

Basic Financial Statements



CITY OF DINUBA

STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets:			
Cash and investments	\$ 12,420,265	\$ 5,827,926	\$ 18,248,191
Receivables:			
Accounts	348,029	2,337,391	2,685,420
Notes and loans	24,944,670	313,219	25,257,889
Accrued interest	41,656	16,627	58,283
Internal balances	1,623,046	(1,623,046)	-
Prepaid costs	61,499	71,109	132,608
Due from other governments	3,553,417	536,275	4,089,692
Inventories	-	121,348	121,348
Advances to Sucessor Agency	11,409,298	1,350,000	12,759,298
Restricted assets:			
Cash with fiscal agent	816,633	866,727	1,683,360
Capital assets not being depreciated	134,632,819	8,610,415	143,243,234
Capital assets, net of depreciation	66,508,827	58,030,557	124,539,384
Total Assets	256,360,159	76,458,548	332,818,707
Deferred Outflows of Resources:			
Deferred charge on refunding	641,042	1,175,263	1,816,305
Deferred pension related items	6,521,849	1,058,632	7,580,481
Deferred OPEB related items	575,122	118,799	693,921
Total Deferred Outflows of Resources	7,738,013	2,352,694	10,090,707
Liabilities:			
Accounts payable	4,917,844	684,940	5,602,784
Accrued liabilities	4,008,924	52,096	4,061,020
Accrued interest	261,984	200,131	462,115
Unearned revenue	1,975	290,341	292,316
Deposits payable	-	256,998	256,998
Noncurrent liabilities:			
Due within one year	1,417,595	1,091,925	2,509,520
Due in more than one year	26,101,378	14,613,244	40,714,622
Net pension liability	15,930,816	3,355,729	19,286,545
Total OPEB liability	19,629,905	4,054,827	23,684,732
Total Liabilities	72,270,421	24,600,231	96,870,652
Deferred Inflows of Resources:			
Deferred pension related items	518,218	146,474	664,692
Deferred OPEB related items	2,499,898	516,389	3,016,287
Total Deferred Inflows of Resources	3,018,116	662,863	3,680,979
Net Position:			
Net investment in capital assets	175,427,868	52,249,502	227,677,370
Restricted for:			
Community development projects	29,396,537	-	29,396,537
Public safety	737,560	-	737,560
Parks and recreation	220,719	-	220,719
Public works	4,155,335	-	4,155,335
Capital projects	3,817,537	-	3,817,537
Debt service	2,340,547	-	2,340,547
Unrestricted	(27,286,468)	1,298,646	(25,987,822)
Total Net Position	\$ 188,809,635	\$ 53,548,148	\$ 242,357,783

CITY OF DINUBA

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 3,989,322	\$ 1,500,372	\$ 141,077	\$ -
Public safety	12,920,443	549,566	261,632	-
Community development	2,350,919	115,498	1,247,844	-
Parks & Rec	2,127,602	352,536	-	-
Public works	6,577,677	1,977,090	517,885	19,289,803
Interest on long-term debt	978,293	-	-	-
Total Governmental Activities	28,944,256	4,495,062	2,168,438	19,289,803
Business-Type Activities:				
Water	2,965,352	2,962,303	-	-
Sewer	4,553,169	3,368,250	-	-
Golf Course	3,131,513	2,072,902	-	-
Disposal	3,430,622	3,105,381	6,486	-
Ambulance	2,760,551	1,487,640	2,911,054	-
Transit	1,147,311	103,623	971,992	-
Compressed Natural Gas	181,928	210,677	-	-
Total Business-Type Activities	18,170,446	13,310,776	3,889,532	-
Total Primary Government	\$ 47,114,702	\$ 17,805,838	\$ 6,057,970	\$ 19,289,803

General Revenues:

Taxes:

- Property taxes, levied for general purpose
- Transient occupancy taxes
- Sales taxes
- Franchise taxes
- Business licenses taxes
- Utility users tax
- Other taxes
- Motor vehicle in lieu - unrestricted
- Use of money and property
- Other
- Contributions

Transfers

Total General Revenues, Contributions, and Transfers

Change in Net Position

Net Position at Beginning of Year

Restatement of Net Position

Net Position at End of Year

Net (Expenses) Revenues and Changes in Net Position
Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (2,347,873)	\$ -	\$ (2,347,873)
(12,109,245)	-	(12,109,245)
(987,577)	-	(987,577)
(1,775,066)	-	(1,775,066)
15,207,101	-	15,207,101
(978,293)	-	(978,293)
(2,990,953)	-	(2,990,953)
-	(3,049)	(3,049)
-	(1,184,919)	(1,184,919)
-	(1,058,611)	(1,058,611)
-	(318,755)	(318,755)
-	1,638,143	1,638,143
-	(71,696)	(71,696)
-	28,749	28,749
-	(970,138)	(970,138)
(2,990,953)	(970,138)	(3,961,091)
1,166,971	-	1,166,971
291,190	-	291,190
9,926,107	-	9,926,107
234,815	-	234,815
233,387	-	233,387
1,491,791	-	1,491,791
478,877	-	478,877
1,841,147	-	1,841,147
454,092	59,094	513,186
698,424	-	698,424
-	6,585,197	6,585,197
816,888	(816,888)	-
17,633,689	5,827,403	23,461,092
14,642,736	4,857,265	19,500,001
190,107,195	50,767,908	240,875,103
(15,940,296)	(2,077,025)	(18,017,321)
\$ 188,809,635	\$ 53,548,148	\$ 242,357,783

CITY OF DINUBA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	<u>Special Revenue Funds</u>		
	<u>General</u>	<u>HUD Grants</u>	<u>Housing Authority</u>
Assets:			
Pooled cash and investments	\$ 4,807,116	\$ 1,074,988	\$ 5,966
Receivables:			
Accounts	331,338	-	-
Notes and loans	-	23,592,482	85,050
Accrued interest	20,415	976	-
Prepaid costs	22,434	-	-
Due from other governments	1,878,663	527,057	-
Due from other funds	1,079,627	-	-
Advances to other funds	1,134,405	-	116,904
Restricted assets:			
Cash and investments with fiscal agents	-	-	-
Advances to Successor Agency	2,689,955	-	3,769,767
Total Assets	11,963,953	25,195,503	3,977,687
Liabilities, Deferred inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	1,611,328	77,315	-
Accrued liabilities	3,905,207	-	-
Unearned revenues	1,975	-	-
Due to other funds	-	-	-
Advances from other funds	1,031,663	-	-
Total Liabilities	6,550,173	77,315	-
Deferred inflows of resources:			
Unavailable revenues	33,247	-	85,050
Total Deferred Inflows of Resources	33,247	-	85,050
Fund Balances:			
Nonspendable:			
Prepaid costs	22,434	-	-
Advances to other funds	3,824,360	-	-
Restricted for:			
Community development projects	-	25,118,188	3,892,637
Public safety	-	-	-
Parks and recreation	-	-	-
Public works	-	-	-
Capital Projects	-	-	-
Debt service	-	-	-
Unassigned	1,533,739	-	-
Total Fund Balances	5,380,533	25,118,188	3,892,637
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 11,963,953	\$ 25,195,503	\$ 3,977,687

CITY OF DINUBA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Capital Projects Funds		
	Transportation Construction	Other Governmental Funds	Total Governmental Funds
Assets:			
Pooled cash and investments	\$ 1,303,326	\$ 5,019,853	\$ 12,211,249
Receivables:			
Accounts	-	510	331,848
Notes and loans	-	1,267,138	24,944,670
Accrued interest	4,416	15,530	41,337
Prepaid costs	-	1,298	23,732
Due from other governments	189,609	958,088	3,553,417
Due from other funds	-	-	1,079,627
Advances to other funds	-	1,260,000	2,511,309
Restricted assets:			
Cash and investments with fiscal agents	-	755,539	755,539
Advances to Successor Agency	530,576	4,419,000	11,409,298
Total Assets	2,027,927	13,696,956	56,862,026
Liabilities, Deferred inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	1,465,971	1,675,554	4,830,168
Accrued liabilities	-	90,408	3,995,615
Unearned revenues	-	-	1,975
Due to other funds	-	561,569	561,569
Advances from other funds	-	328,904	1,360,567
Total Liabilities	1,465,971	2,656,435	10,749,894
Deferred inflows of resources:			
Unavailable revenues	-	397,398	515,695
Total Deferred Inflows of Resources	-	397,398	515,695
Fund Balances:			
Nonspendable:			
Prepaid costs	-	1,298	23,732
Advances to other funds	-	-	3,824,360
Restricted for:			
Community development projects	-	385,712	29,396,537
Public safety	-	737,560	737,560
Parks and recreation	-	220,719	220,719
Public works	-	4,155,335	4,155,335
Capital Projects	561,956	3,255,581	3,817,537
Debt service	-	2,340,547	2,340,547
Unassigned	-	(453,629)	1,080,110
Total Fund Balances	561,956	10,643,123	45,596,437
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,027,927	\$ 13,696,956	\$ 56,862,026



CITY OF DINUBA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

Fund balances of governmental funds		\$ 45,596,437
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		201,141,646
Long-term debt, pension liabilities, OPEB liabilities and compensated absences that have not been included in the governmental fund activity:		
Bonds payable	\$ (16,425,000)	
Unamortized bond premiums/discounts	75,032	
Unamortized deferred charges	641,042	
Notes payable	(4,616)	
Capital leases payable	(10,000,236)	
Net pension liability	(14,589,414)	
Total OPEB Liability	(17,723,285)	
Compensated Absences	<u>(1,098,703)</u>	(59,125,180)
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.		(261,984)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		515,695
Deferred outflows related to pension items that are not included in governmental fund activity		6,098,677
Deferred inflows related to pension items that are not included in governmental fund activity		(459,667)
Deferred outflows related to OPEB items that are not included in governmental fund activity		519,262
Deferred inflows related to OPEB items that are not included in governmental fund activity		(2,257,087)
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.		<u>(2,958,164)</u>
Net Position of Governmental Activities		<u>\$ 188,809,635</u>

CITY OF DINUBA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Special Revenue Funds</u>		
	<u>General</u>	<u>HUD Grants</u>	<u>Housing Authority</u>
Revenues:			
Taxes	\$ 11,007,844	\$ -	\$ -
Assessments	1,553,351	-	-
Intergovernmental	1,982,224	768,126	-
Charges for services	1,121,811	-	-
Use of money and property	21,911	372,488	-
Fines and forfeitures	90,953	-	-
Miscellaneous	165,103	-	-
Total Revenues	15,943,197	1,140,614	-
Expenditures:			
Current:			
General government	3,811,893	-	-
Public safety	8,893,588	-	-
Community development	1,060,438	850,796	-
Parks and recreation	1,780,297	-	-
Public works	-	-	-
Capital outlay	150,542	95,827	-
Debt service:			
Principal retirement	56,582	-	-
Interest and fiscal charges	624	-	-
Total Expenditures	15,753,964	946,623	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	189,233	193,991	-
Other Financing Sources (Uses):			
Transfers in	248,324	334,567	-
Transfers out	(980,121)	(28,972)	-
Proceeds from sale of capital asset	434,848	-	-
Total Other Financing Sources (Uses)	(296,949)	305,595	-
Net Change in Fund Balances	(107,716)	499,586	-
Fund Balances, Beginning of Year, as previously reported	4,549,299	129,636	4,079,888
Restatements	938,950	24,488,966	(187,251)
Fund Balances, Beginning of Year, as restated	5,488,249	24,618,602	3,892,637
Fund Balances, End of Year	\$ 5,380,533	\$ 25,118,188	\$ 3,892,637

CITY OF DINUBA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Capital Projects Funds</u>		
	<u>Transportation Construction</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Taxes	\$ -	\$ 2,815,294	\$ 13,823,138
Assessments	-	-	1,553,351
Intergovernmental	583,124	1,766,425	5,099,899
Charges for services	-	1,696,193	2,818,004
Use of money and property	17,376	42,317	454,092
Fines and forfeitures	-	144,513	235,466
Miscellaneous	-	161,549	326,652
Total Revenues	600,500	6,626,291	24,310,602
Expenditures:			
Current:			
General government	-	12,769	3,824,662
Public safety	-	1,892,777	10,786,365
Community development	-	-	1,911,234
Parks and recreation	-	-	1,780,297
Public works	2,997,634	3,074,747	6,072,381
Capital outlay	144,818	347,871	739,058
Debt service:			
Principal retirement	-	1,100,024	1,156,606
Interest and fiscal charges	-	1,020,306	1,020,930
Total Expenditures	3,142,452	7,448,494	27,291,533
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,541,952)	(822,203)	(2,980,931)
Other Financing Sources (Uses):			
Transfers in	188,155	2,136,144	2,907,190
Transfers out	-	(1,072,628)	(2,081,721)
Proceeds from sale of capital asset	-	2,631	437,479
Total Other Financing Sources (Uses)	188,155	1,066,147	1,262,948
Net Change in Fund Balances	(2,353,797)	243,944	(1,717,983)
Fund Balances, Beginning of Year, as previously reported	2,915,753	10,624,906	22,299,482
Restatements	-	(225,727)	25,014,938
Fund Balances, Beginning of Year, as restated	2,915,753	10,399,179	47,314,420
Fund Balances, End of Year	\$ 561,956	\$ 10,643,123	\$ 45,596,437



CITY OF DINUBA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018**

Net change in fund balances - total governmental funds		\$ (1,717,983)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	\$ 969,136	
Depreciation	(2,644,864)	
Contributed capital assets	<u>17,654,064</u>	15,978,336
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Principal repayments	1,152,290	
Amortization of bond premiums/discounts	(3,692)	
Amortization of deferred charges	(49,931)	
Loan repayments	<u>4,316</u>	1,102,983
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		
		98,519
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
		(17,182)
OPEB obligation expenses are expenditures in the governmental funds, but reduce the total OPEB liability in the statement of net position.		
		(1,199,758)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		
		367,959
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.		
		(197,940)
Pension obligation expenses are expenditures in the governmental funds, but reduce to the net pension liability in the statement of net position.		
		<u>227,802</u>
Change in Net Position of Governmental Activities		<u><u>\$ 14,642,736</u></u>

CITY OF DINUBA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf Course	Disposal
Assets:				
Current:				
Cash and investments	\$ 338,336	\$ 30,132	\$ 179,375	\$ 548,573
Receivables:				
Accounts	684,700	632,534	139,783	291,285
Accrued interest	2,167	1,516	432	1,717
Prepaid costs	1,348	1,351	7,765	60,096
Due from other governments	-	-	-	66,486
Inventories	-	-	121,348	-
Restricted:				
Cash with fiscal agent	48,580	818,147	-	-
Total Current Assets	1,075,131	1,483,680	448,703	968,157
Noncurrent:				
Notes and loans	18,096	-	228,337	66,786
Advances to other funds	-	-	-	212,000
Advances to Successor Agency	1,350,000	-	-	-
Capital assets - net of accumulated depreciation	17,184,410	21,789,771	22,777,940	343,942
Total Noncurrent Assets	18,552,506	21,789,771	23,006,277	622,728
Total Assets	19,627,637	23,273,451	23,454,980	1,590,885
Deferred Outflows of Resources:				
Deferred charge on refunding	-	1,175,263	-	-
Deferred pension related items	221,470	170,825	-	130,096
Deferred OPEB related items	37,194	25,883	-	12,213
Total Deferred Outflows of Resources	258,664	1,371,971	-	142,309
Liabilities, Deferred Inflows of Resources, and Net Position:				
Liabilities:				
Current:				
Accounts payable	56,958	174,939	256,911	100,132
Accrued liabilities	6,429	5,456	19,674	3,250
Accrued interest	68,101	132,030	-	-
Unearned revenues	-	-	290,341	-
Deposits payable	256,998	-	-	-
Due to other funds	-	-	-	-
Accrued compensated absences	8,476	2,866	-	4,393
Accrued claims and judgments	-	-	-	-
Bonds, notes, and capital leases	424,709	544,133	79,576	-
Total Current Liabilities	821,671	859,424	646,502	107,775
Noncurrent:				
Advances from other funds	-	-	1,362,742	-
Accrued compensated absences	29,722	4,973	-	13,140
Net Pension Liability	702,032	541,493	-	412,387
Total OPEB Liability	1,269,502	883,441	-	416,851
Bonds, notes, and capital leases	4,721,150	9,691,042	106,123	-
Total Noncurrent Liabilities	6,722,406	11,120,949	1,468,865	842,378
Total Liabilities	7,544,077	11,980,373	2,115,367	950,153
Deferred Inflows of Resources:				
Deferred pension related items	30,643	23,636	-	18,000
Deferred OPEB related items	161,673	112,508	-	53,087
Total Deferred Inflows of Resources	192,316	136,144	-	71,087
Net Position:				
Net investment in capital assets	12,038,551	12,729,859	22,592,241	343,942
Unrestricted	111,357	(200,954)	(1,252,628)	368,012
Total Net Position	12,149,908	12,528,905	21,339,613	711,954
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 19,886,301	\$ 24,645,422	\$ 23,454,980	\$ 1,733,194

CITY OF DINUBA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Ambulance	Other Enterprise Funds	Totals	
Assets:				
Current:				
Cash and investments	\$ 4,298,085	\$ 433,425	\$ 5,827,926	\$ 209,016
Receivables:				
Accounts	587,899	1,190	2,337,391	16,181
Accrued interest	9,258	1,537	16,627	319
Prepaid costs	450	99	71,109	37,767
Due from other governments	-	469,789	536,275	-
Inventories	-	-	121,348	-
Restricted:				
Cash with fiscal agent	-	-	866,727	61,094
Total Current Assets	4,895,692	906,040	9,777,403	324,377
Noncurrent:				
Notes and loans	-	-	313,219	-
Advances to other funds	-	-	212,000	-
Advances to Successor Agency	-	-	1,350,000	-
Capital assets - net of accumulated depreciation	664,171	3,880,738	66,640,972	-
Total Noncurrent Assets	664,171	3,880,738	68,516,191	-
Total Assets	5,559,863	4,786,778	78,293,594	324,377
Deferred Outflows of Resources:				
Deferred charge on refunding	-	-	1,175,263	-
Deferred pension related items	516,220	20,021	1,058,632	423,172
Deferred OPEB related items	41,150	2,359	118,799	55,860
Total Deferred Outflows of Resources	557,370	22,380	2,352,694	479,032
Liabilities, Deferred Inflows of Resources, and Net Position:				
Liabilities:				
Current:				
Accounts payable	25,635	70,365	684,940	37,676
Accrued liabilities	14,994	2,293	52,096	13,309
Accrued interest	-	-	200,131	-
Unearned revenues	-	-	290,341	-
Deposits payable	-	-	256,998	-
Due to other funds	-	472,304	472,304	45,754
Accrued compensated absences	27,772	-	43,507	12,553
Accrued claims and judgments	-	-	-	50,000
Bonds, notes, and capital leases	-	-	1,048,418	-
Total Current Liabilities	68,401	544,962	3,048,735	159,292
Noncurrent:				
Advances from other funds	-	-	1,362,742	-
Accrued compensated absences	47,094	-	94,929	52,897
Net Pension Liability	1,636,353	63,464	3,355,729	1,341,402
Total OPEB Liability	1,404,505	80,528	4,054,827	1,906,620
Bonds, notes, and capital leases	-	-	14,518,315	-
Total Noncurrent Liabilities	3,087,952	143,992	23,386,542	3,300,919
Total Liabilities	3,156,353	688,954	26,435,277	3,460,211
Deferred Inflows of Resources:				
Deferred pension related items	71,425	2,770	146,474	58,551
Deferred OPEB related items	178,866	10,255	516,389	242,811
Total Deferred Inflows of Resources	250,291	13,025	662,863	301,362
Net Position:				
Net investment in capital assets	664,171	3,880,738	52,249,502	-
Unrestricted	2,046,418	226,441	1,298,646	(2,958,164)
Total Net Position	2,710,589	4,107,179	53,548,148	(2,958,164)
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 6,117,233	\$ 4,809,158	\$ 80,646,288	\$ 803,409

CITY OF DINUBA

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018**

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf Course	Disposal
Operating Revenues:				
Sales and service charges	\$ 2,962,303	\$ 3,368,250	\$ 2,072,902	\$ 3,105,381
Miscellaneous	77,201	-	-	827
Total Operating Revenues	3,039,504	3,368,250	2,072,902	3,106,208
Operating Expenses:				
Salaries and benefits	987,526	2,038,822	1,482,785	560,756
Contractual services	173,158	233,420	153,820	1,971,091
Materials and supplies	180,913	134,103	496,373	61,797
Insurance	-	-	-	-
Employee health insurance	-	-	-	-
Repairs and maintenance	30,875	44,825	60,631	5,931
Utilities	366,911	591,397	200,587	8,957
Allocated costs	596,265	538,976	-	743,962
Depreciation expense	490,599	456,837	709,095	78,128
Total Operating Expenses	2,826,247	4,038,380	3,103,291	3,430,622
Operating Income (Loss)	213,257	(670,130)	(1,030,389)	(324,414)
Nonoperating Revenues (Expenses):				
Intergovernmental	-	-	-	6,486
Interest revenue	6,265	27,988	1,424	5,469
Interest expense	(139,105)	(514,789)	(28,222)	-
Contributions	2,606,526	2,383,590	-	-
Total Nonoperating Revenues (Expenses)	2,473,686	1,896,789	(26,798)	11,955
Income (Loss) Before Transfers	2,686,943	1,226,659	(1,057,187)	(312,459)
Transfers in	-	75,375	-	-
Transfers out	(322,518)	(493,659)	-	(16,370)
Changes in Net Position	2,364,425	808,375	(1,057,187)	(328,829)
Net Position:				
Beginning of Year, as previously reported	11,303,920	10,907,215	22,620,179	1,385,956
Restatements	(1,518,437)	813,315	(223,379)	(345,173)
Beginning of Fiscal Year, as restated	9,785,483	11,720,530	22,396,800	1,040,783
End of Fiscal Year	\$ 12,149,908	\$ 12,528,905	\$ 21,339,613	\$ 711,954

CITY OF DINUBA

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Ambulance	Other Enterprise Funds	Totals	
Operating Revenues:				
Sales and service charges	\$ 1,487,640	\$ 314,300	\$ 13,310,776	\$ 6,363,765
Miscellaneous	-	10,606	88,634	35
Total Operating Revenues	1,487,640	324,906	13,399,410	6,363,800
Operating Expenses:				
Salaries and benefits	1,624,082	104,338	6,798,309	1,719,891
Contractual services	78,897	568,152	3,178,538	93,152
Materials and supplies	314,068	96,748	1,284,002	103,345
Insurance	-	-	-	1,600,106
Employee health insurance	-	-	-	2,705,267
Repairs and maintenance	134,390	79,506	356,158	213,623
Utilities	3,674	59,054	1,230,580	51,449
Allocated costs	472,119	204,328	2,555,650	64,067
Depreciation expense	133,321	217,113	2,085,093	-
Total Operating Expenses	2,760,551	1,329,239	17,488,330	6,550,900
Operating Income (Loss)	(1,272,911)	(1,004,333)	(4,088,920)	(187,100)
Nonoperating Revenues (Expenses):				
Intergovernmental	2,911,054	971,992	3,889,532	-
Interest revenue	18,772	(824)	59,094	(2,259)
Interest expense	-	-	(682,116)	-
Contributions	-	1,506,447	6,496,563	-
Total Nonoperating Revenues (Expenses)	2,929,826	2,477,615	9,763,073	(2,259)
Income (Loss) Before Transfers	1,656,915	1,473,282	5,674,153	(189,359)
Transfers in	-	3,354	78,729	-
Transfers out	-	(63,070)	(895,617)	(8,581)
Changes in Net Position	1,656,915	1,413,566	4,857,265	(197,940)
Net Position:				
Beginning of Year, as previously reported	1,970,632	2,580,006	50,767,908	(765,210)
Restatements	(916,958)	113,607	(2,077,025)	(1,995,014)
Beginning of Fiscal Year, as restated	1,053,674	2,693,613	48,690,883	(2,760,224)
End of Fiscal Year	\$ 2,710,589	\$ 4,107,179	\$ 53,548,148	\$ (2,958,164)

CITY OF DINUBA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Disposal</u>
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 2,908,212	\$ 3,292,133	\$ 2,185,519	\$ 3,105,375
Cash received from/(paid to) interfund service provided	-	-	-	-
Cash paid to suppliers for goods and services	(1,329,761)	(1,442,618)	(835,323)	(2,825,915)
Cash paid to employees for services	(671,560)	(556,289)	(1,482,785)	(354,060)
Cash received from (payments to) others	77,201	-	-	827
Net Cash Provided (Used) by Operating Activities	984,092	1,293,226	(132,589)	(73,773)
Cash Flows from Non-Capital Financing Activities:				
Cash transfers in	-	75,375	-	-
Cash transfers out	(322,518)	(493,659)	-	(16,370)
Short-term loans received from other funds	-	-	-	-
Intergovernmental revenue	-	-	-	6,486
Repayments (made)/received on notes/loans	5,435	-	-	36,000
Advance from other funds	-	-	411,405	-
Repayments received/(made) on advances	(11,221)	-	-	33,616
Net Cash Provided (Used) by Non-Capital Financing Activities	(328,304)	(418,284)	411,405	59,732
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	-	-	(244,350)	-
Principal paid on capital debt	(413,585)	(538,298)	(79,586)	-
Interest paid on capital debt	(144,079)	(408,606)	(28,222)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(557,664)	(946,904)	(352,158)	-
Cash Flows from Investing Activities:				
Interest received	4,811	27,368	1,079	4,662
Net Cash Provided (Used) by Investing Activities	4,811	27,368	1,079	4,662
Net Increase (Decrease) in Cash and Cash Equivalents	102,935	(44,594)	(72,263)	(9,379)
Cash and Cash Equivalents at Beginning of Year	283,981	892,873	251,638	557,952
Cash and Cash Equivalents at End of Year	\$ 386,916	\$ 848,279	\$ 179,375	\$ 548,573
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 213,257	\$ (670,130)	\$ (1,030,389)	\$ (324,414)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	490,599	456,837	709,095	78,128
Changes in Pension related items	234,596	1,441,945	-	174,974
Changes in OPEB related items	85,938	59,805	-	28,218
(Increase) decrease in accounts receivable	(54,091)	(76,117)	76,043	3
(Increase) decrease in due from other governments	-	-	-	(9)
(Increase) decrease in prepaid expense	851	(1,241)	(5,769)	130
(Increase) decrease in inventory	-	-	19,655	-
Increase (decrease) in accounts payable & accrued liabilities	(2,849)	101,344	62,202	(34,307)
Increase (decrease) in deposits payable	20,359	-	-	-
Increase (decrease) in unearned revenue	-	-	36,574	-
Increase (decrease) in compensated absences	(4,568)	(19,217)	-	3,504
Total Adjustments	770,835	1,963,356	897,800	250,641
Net Cash Provided (Used) by Operating Activities	\$ 984,092	\$ 1,293,226	\$ (132,589)	\$ (73,773)
Non-Cash Investing, Capital, and Financing Activities:				
Restatement due to GASB 75 Implementation	\$ (987,315)	\$ (463,353)	\$ -	\$ (345,173)
Restatements due to corrections of prior year errors	(531,122)	1,276,668	(223,379)	-
Amortization of premiums/discounts	-	(2,150)	-	-
Amortization of deferred charges	-	113,233	-	-
Contributed assets	2,606,526	2,383,590	-	-

CITY OF DINUBA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Ambulance	Other Enterprise Funds	Totals	
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 1,474,453	\$ 440,057	\$ 13,405,749	\$ -
Cash received from/(paid to) interfund service provided	-	-	-	6,356,988
Cash paid to suppliers for goods and services	(981,694)	(993,268)	(8,408,579)	(4,833,293)
Cash paid to employees for services	(918,536)	(52,674)	(4,035,904)	(1,280,922)
Cash received from (payments to) others	-	10,606	88,634	35
Net Cash Provided (Used) by Operating Activities	(425,777)	(595,279)	1,049,900	242,808
Cash Flows from Non-Capital Financing Activities:				
Cash transfers in	-	3,354	78,729	-
Cash transfers out	-	(63,070)	(895,617)	(8,581)
Short-term loans received from other funds	-	472,304	472,304	45,754
Intergovernmental revenue	2,911,054	710,366	3,627,906	-
Repayments (made)/received on notes/loans	-	-	41,435	-
Advance from other funds	-	-	411,405	-
Repayments received/(made) on advances	-	-	22,395	-
Net Cash Provided (Used) by Non-Capital Financing Activities	2,911,054	1,122,954	3,758,557	37,173
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(394,256)	(119,709)	(758,315)	-
Principal paid on capital debt	-	-	(1,031,469)	-
Interest paid on capital debt	-	-	(580,907)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(394,256)	(119,709)	(2,370,691)	-
Cash Flows from Investing Activities:				
Interest received	14,123	(1,768)	50,275	(3,031)
Net Cash Provided (Used) by Investing Activities	14,123	(1,768)	50,275	(3,031)
Net Increase (Decrease) in Cash and Cash Equivalents	2,105,144	406,198	2,488,041	276,950
Cash and Cash Equivalents at Beginning of Year	2,192,941	27,227	4,206,612	(6,840)
Cash and Cash Equivalents at End of Year	\$ 4,298,085	\$ 433,425	\$ 6,694,653	\$ 270,110
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (1,272,911)	\$ (1,004,333)	\$ (4,088,920)	\$ (187,100)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	133,321	217,113	2,085,093	-
Changes in Pension related items	592,286	46,213	2,490,014	323,570
Changes in OPEB related items	95,077	5,451	274,489	129,067
(Increase) decrease in accounts receivable	(4,015)	33,910	(24,267)	(6,777)
(Increase) decrease in due from other governments	-	99,990	99,981	-
(Increase) decrease in prepaid expense	(450)	3,260	(3,219)	1,130
(Increase) decrease in inventory	-	-	19,655	-
Increase (decrease) in accounts payable & accrued liabilities	21,904	11,260	159,554	(3,414)
Increase (decrease) in deposits payable	-	-	20,359	-
Increase (decrease) in unearned revenue	(9,172)	(8,143)	19,259	-
Increase (decrease) in compensated absences	18,183	-	(2,098)	(13,668)
Total Adjustments	847,134	409,054	5,138,820	429,908
Net Cash Provided (Used) by Operating Activities	\$ (425,777)	\$ (595,279)	\$ 1,049,900	\$ 242,808
Non-Cash Investing, Capital, and Financing Activities:				
Restatement due to GASB 75 Implementation	\$ (916,958)	\$ (71,988)	\$ (2,784,787)	\$ (1,964,504)
Restatements due to corrections of prior year errors	-	185,595	707,762	(30,510)
Amortization of premiums/discounts	-	-	-	-
Amortization of deferred charges	-	-	-	-
Contributed assets	-	1,506,447	6,496,563	-

CITY OF DINUBA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2018

	Agency Funds	Redevelopment Successor Agency Private-Purpose Trust Fund
Assets:		
Pooled cash and investments	\$ 710,798	\$ 2,217,564
Receivables:		
Accounts	3,779	-
Accrued interest	-	5,382
Prepaid costs	-	186
Land held for resale	-	2,038,463
Restricted assets:		
Cash and investments with fiscal agents	-	106,166
Capital assets:		
Capital assets, not being depreciated	-	2,730,606
Capital assets, net of accumulated depreciation	-	61,664
Total Assets	\$ 714,577	7,160,031
Deferred Outflows of Resources:		
Deferred charge on refunding		3,661,042
Total Deferred Outflows of Resources		3,661,042
Liabilities:		
Accounts payable	\$ 2,099	\$ 4,926
Accrued liabilities	-	6,206
Accrued interest	-	636,922
Unearned revenues	36,118	25,000
Deposits payable	632,381	-
Due to other governments	-	186
Advances from City	-	12,759,298
Due to external parties/other agencies	43,979	-
Long-term liabilities:		
Due in one year	-	1,430,000
Due in more than one year	-	46,887,974
Total Liabilities	\$ 714,577	61,750,512
Net Position:		
Held in trust for other purposes		(50,929,439)
Total Net Position		\$ (50,929,439)

CITY OF DINUBA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2018

	Redevelopment Successor Agency Private-Purpose Trust Fund
Additions:	
Taxes	\$ 3,832,812
Interest and change in fair value of investments	19,689
Miscellaneous	17,235
	<hr/>
Total Additions	3,869,736
	<hr/>
Deductions:	
Administrative expenses	248,409
Contractual services	210,927
Interest expense	2,210,447
Depreciation expense	5,560
	<hr/>
Total Deductions	2,675,343
	<hr/>
Changes in Net Position	1,194,393
	<hr/>
Net Position - Beginning of the Year, as previously reported	(52,170,996)
Restatements	47,164
	<hr/>
Net Position - Beginning of the Year, as restated	(52,123,832)
	<hr/>
Net Position - End of the Year	\$ (50,929,439)
	<hr/> <hr/>



Note 1: Summary of Significant Accounting Policies

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

a. Reporting Entity

The City of Dinuba is a political subdivision provided for by the General Law of the State of California and, as such, can exercise the powers specified by the Constitution and laws of the State of California. The City was incorporated in 1906 as a general law city. On June 4, 1994, the voters of the City approved a Charter which gives the City Council greater self-rule, and the Charter was accepted by the Secretary of State on July 7, 1994. The City operates under a council-manager form of government.

The City of Dinuba is a municipal corporation governed by an elected five-member City Council who, in turn, elects one of its members to serve as the Mayor. As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the City. The blended component units have a June 30 fiscal year end to coincide with the City's.

Blended Component Unit. In addition, in May 1994, the Dinuba Financing Authority (Authority) was formed in order to provide a funding vehicle for necessary street improvements within the City. The governing board of the Dinuba Financing Authority is the City Council, and the City Manager acts as Executive Director. A separate financial report is not being issued for the Dinuba Financing Authority. The activity of the Authority is reported in the Financing Authority Debt Service Fund of the City.

b. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Note 1: Summary of Significant Accounting Policies (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

In the Fund Financial Statements, fiduciary funds are presented using the accrual basis of accounting. The private-purpose trust funds use the economic resources measurement focus. The agency funds do not have a measurement focus.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

HUD Grants Fund – This fund accounts for certain designated projects paid for the HUD Grant Federal program monies received from the State, along with repayments of loans.

Housing Authority Fund – This fund is used for account for activities of the former low and moderate income housing fund of the former Dinuba Redevelopment Agency.

Transportation Construction Fund – This fund accounts for other major street construction projects.

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major proprietary funds:

The Water Enterprise Fund – This fund accounts for the operation and maintenance of the City's water distribution system.

The Sewer Enterprise Fund – This fund accounts for the operation and maintenance of the City's wastewater collection system including operating costs of the wastewater treatment facility.

The Golf Course Fund – This fund accounts for the operation and maintenance of the City's golf course.

The Disposal Enterprise Fund – This fund accounts for the collection and disposal of solid waste from industrial, commercial, and residential users throughout the Dinuba area.

The Ambulance Enterprise Fund – This fund accounts for ambulance service fees and all costs associated with providing ambulance service throughout the City.

Additionally, the City reports the following fund types:

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

The Internal Service Funds account for financial transactions related to the City's billing and collections, maintenance and repairs, and self-insurance programs. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

The Fiduciary Funds are used to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. These funds are not included in the government-wide financial statements. These assets include refundable and expendable cash deposits, and retentions withheld pending satisfactory project completion. Please see page 124 for description of activities for each Agency Fund. The Private-Purpose Trust Funds are used to account for the assets of the former City of Dinuba Redevelopment Agency during the wind down period.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds and of the Internal Service Fund are charges to customers for sales and services. Operating expenses for the Enterprises Funds and the Internal Service Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Note 1: Summary of Significant Accounting Policies (Continued)

d. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Net Position or Equity

Cash and Investments

In order to maximize the flexibility of its investment program and to aid in cash budgeting, the City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the City's cash and investment pool. As the City places no restrictions on the deposit or withdrawal of a particular fund's equity in the pool, the pool operates like a demand deposit account for the participating funds.

Interest income earned on pooled cash and investments is allocated monthly to the various funds based on month-end balances and is adjusted at fiscal year-end. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund.

In accordance with the State of California Government Code, the City adopts an investment policy annually that, among other things, authorizes types and concentrations of investments and maximum investment terms.

The City's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC- registered securities exchanges or NASDAQ dealers. LAIF determines the fair value of its portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost to fair value. Changes in fair value are allocated to each participating fund.

For purposes of the statement of cash flows, the City has defined cash and cash equivalents to be change and petty cash funds, equity in the City's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

Property Taxes

Assessed values for purposes of property taxes are determined on an annual basis for the period July 1 to June 30 by the Tulare County Assessor as of January 1. Taxes are levied annually on July 1 and become a lien on real property at January 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively, at which time applicable penalties and interest are assessed. Unsecured taxes became delinquent if not paid by August 31.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 1: Summary of Significant Accounting Policies (Continued)

Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets

Certain proceeds of the City's long-term debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

In the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, these bond monies may be invested in accordance with the ordinance; resolutions and indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions, and indentures are generally more restrictive than the City's general investment policy. In no instance have additional types of investments been authorized that are not permitted by the City's general investment policy.

Capital Assets

Capital assets, which include property, plant, equipment, fine art, and infrastructure assets (e.g., roads, bridges, sidewalks, traffic lights and signals, street lights, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$2,500 or more and an estimated useful life in excess of one year. Such capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital asset, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the fiscal year ended June 30, 2018.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30
Improvements other than buildings	30
Infrastructure	20 to 40
Utility systems	40 to 75
Vehicles	5 to 15
Computer equipment	7
Other equipment and furnishings	7

Note 1: Summary of Significant Accounting Policies (Continued)

The City's art collection is not depreciated. Periodic restoration and maintenance costs on particular items are charged to expense as incurred.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. All vacation and sick leave benefits are accrued as earned by employees. A portion of unused sick leave benefits, varying by employee bargaining unit, vests and is payable upon retirement. For proprietary funds, a current liability is reported for that portion of the estimated value of vacation and sick leave benefits to be used during the subsequent fiscal year, and the estimated value of vested sick leave benefits of employees approaching or at their respective retirement ages.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Initial-issue bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method (which approximates the effective interest method). The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the life of the refunding debt or remaining life of the refunded debt. Amortization of bond premiums or discounts, and deferred amounts on refunding is included in interest expense.

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

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Other Post-Employment Benefits (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 1: Summary of Significant Accounting Policies (Continued)

Generally accepted accounting principles require that the reported results must pertain to liability information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	July 1, 2017
Measurement Date	June 30, 2017
Measurement Period	June 30 2016 to June 30, 2017

Deferred Outflows and 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 that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City reports deferred charges on bond refundings as well as deferred outflows relating to the net pension liability and total OPEB liability reported in the government-wide statement of net position for governmental and business-type activities.

In addition to liabilities, the statement of net position and governmental balance sheet 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 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 three items that qualify for reporting in the category. The first item are deferred inflows relating to the net pension liability reported in the government-wide statement of net position for governmental and business-type activities. The second item relates to revenues earned, but not yet available for resources. The third item is deferred inflows relating to the total OPEB liability reported in the government-wide statement of net position for governmental and business-type activities.

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans are 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 government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, 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, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are 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.

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position and Fund Equity

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consist of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

- *Nonspendable fund balance* – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- *Restricted fund balance* – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* – amounts that can only be used for specific purposes determined by formal action of the City Council which includes the City Charter, ordinances and resolutions and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- *Assigned fund balance* – amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Such intent should be expressed by the City Council or its designated officials to assign amounts to be used. Constraints imposed on the use of assigned amounts can be removed with no formal Council actions.
- *Unassigned fund balance* – the residual classification for the City's General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The City Council establishes, modifies or rescinds fund balance commitments and assignments by passage of a resolution or other formal action. This is done through adoption of the budget, subsequent budget amendments, resolution or other formal actions when necessary that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, followed by unrestricted committed, assigned and unassigned resources as they are needed.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 1: Summary of Significant Accounting Policies (Continued)

e. Use of Estimates

The preparation of basic 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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Note 2: Stewardship, Compliance, and Accountability

a. General Budget Policies

- a. The annual budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and the means of financing them.
- b. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the fiscal year. All amendments made during the fiscal year are included in the budgetary amounts reported herein. The “appropriated budget” covers all City expenditures, with the exception of debt service on bond issues and capital improvement projects carried forward from prior fiscal years, which expenditures constitute legally authorized “non-appropriated budget”. Actual expenditures may not exceed budgeted appropriations at the fund level, which is the legal level of control.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

- c. Formal budgetary integration is employed as a management control device during the fiscal year. Commitments for materials and services, such as purchase orders and contracts, are recorded as encumbrances to assist in controlling expenditures. Appropriations which are encumbered lapse at fiscal year-end, and then are added to the following fiscal year’s budgeted appropriations.
- d. Budgets for the General, Special Revenue, and Debt Service Funds are adopted on a basis substantially consistent with accounting principles generally accepted in the United States of America (USGAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items.

The Curb and Gutter Fund and the Housing Authority Fund do not have legally adopted budgets for the fiscal year ended June 30, 2018.

Budget comparisons are not presented for the Proprietary Funds, as the City is not legally required to adopt a budget for these type funds.

- e. Capital projects are budgeted through the Capital Projects Funds. Appropriations for capital projects authorized but not constructed or completed during the fiscal year are carried forward as continuing appropriations into the following fiscal year’s budget.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 2: Stewardship, Compliance, and Accountability (Continued)

f. Under Article XIII-B of the California constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset by a deficit in the following year. For the fiscal year ended June 30, 2018, based on calculations by City staff, proceeds of taxes did not exceed appropriations. Further, Section 5 of Article XIII-B allows the City to designate a portion of fund balance for general contingencies, to be used for any purpose.

b. Deficit Fund Balances and Net Position

The Vocational Center Fund has a deficit fund balance of \$453,629 which should be alleviated as additional revenues or transfers are received.

The Insurance, Billing and Collection, and Property and Equipment Internal Service Funds have deficit net positions of \$286,361, \$1,834,332 and \$837,471, respectively. These deficits should be alleviated as additional revenues are received by City departments.

Note 3: Cash and Investments

Cash and investments as of June 30, 2018, are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and investments	\$ 18,248,191
Restricted cash and investments with fiscal agents	1,683,360
Fiduciary funds:	
Cash and investments	2,928,362
Restricted cash and investments with fiscal agents	106,166
	<u>\$ 22,966,079</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 3: Cash and Investments (Continued)

Cash and investments as of June 30, 2018, consist of the following:

Cash on hand	\$ 8,845
Deposits with financial institutions	4,212,065
Investments	18,745,169
	<hr/>
Total cash and investments	<u>\$ 22,966,079</u>

a. 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 of Dinuba (City) by the California Government Code (or the City's investment 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. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State Pool)	N/A	None	\$50 million
U.S. Treasury Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	100,000
Certificates of Deposit	5 years	None	100,000
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Repurchase agreements	1 year	None	None

The investment policy allows for the above investments which have equal safety and liquidity as all other allowed investments. Maturity depends on the cash needs of the City.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 3: Cash and Investments (Continued)**b. Investments Authorized by Debt Agreements**

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State Pool)	N/A	None	\$50 million
U.S. Treasury Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	100,000
Certificates of Deposit	5 years	None	100,000
Commercial Paper			
Mutual Funds (must be comprised of eligible securities permitted under this policy)			
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Municipal Bonds (rated highest 2 categories)	N/A	None	None
Investment Agreements	N/A	None	None
Repurchase agreements	1 year	None	None

The investment policy allows for the above investments which have equal safety and liquidity as all other allowed investments. Maturity depends on the cash needs of the City.

c. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

CITY OF DINUBA

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018**

Note 3: Cash and Investments (Continued)

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	Totals	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 - 60 Months	More Than 60 Months
State Investment Pool	\$ 13,604,632	\$ 13,604,632	\$ -	\$ -	\$ -
Money Market Funds	3,164,400	3,164,400	-	-	-
Certificates of Deposit	247,526	247,526	-	-	-
Held by Bond Trustees:					
Federal Agency Securities	264,629	264,629	-	-	-
Money Market Funds	411,627	411,627	-	-	-
Certificates of Deposit	1,052,355	581,719	118,801	351,835	-
Total	<u>\$ 18,745,169</u>	<u>\$ 18,274,533</u>	<u>\$ 118,801</u>	<u>\$ 351,835</u>	<u>\$ -</u>

d. Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City has no investments (including investments held by bond trustees) that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

e. 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 fiscal year end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End			
				AAA	AA	A	Not Rated
State Investment Pool	\$ 13,604,632	N/A	\$ -	\$ -	\$ -	\$ -	\$ 13,604,632
Money Market Funds	3,164,400	N/A	-	-	-	-	3,164,400
Certificates of Deposit	247,526	N/A	-	-	-	-	247,526
Held by Bond Trustees:							
Federal Agency Securities	264,629	AAA	-	264,629	-	-	-
Money Market Funds	411,627	N/A	-	-	-	-	411,627
Certificates of Deposit	1,052,355	N/A	-	-	-	-	1,052,355
Total	<u>\$ 18,745,169</u>		<u>\$ -</u>	<u>\$ 264,629</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,480,540</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 3: Cash and Investments (Continued)

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. There are no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

f. Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government 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. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair 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.

As of June 30, 2018, all of the City's deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts. As of June 30, 2018, City investments in the following investment types were held by the same broker-dealer (counterparty) that was used by the City to buy the securities:

<u>Investment Type</u>	<u>Reported Amount</u>
Certificates of deposit	\$ 1,299,881
Money market funds	3,576,027
Federal Agency Securities	264,629

g. Investment in State Investment Pool

The City 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.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 3: Cash and Investments (Continued)

h. Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy establish by generally accepted accounting principles. These principles recognize a three tiered fair value hierarchy as follows: Level 1 – Investments reflect prices quoted in active markets; Level 2 – Investments reflect prices that are based on similar observable asset either directly or indirectly, which may include inputs in markets that are not considered active; and Level 3 – Investments reflect prices based upon unobservable sources. The City has marketable securities that are measured with recurring fair value measurements as of June 30, 2018 and are valued using quoted market prices (level 1 inputs).

Note 4: Notes and Loans Receivable

Notes receivable as of June 30, 2018, totaled \$25,257,889 and were recorded as follows:

Capital Projects Fund	\$ 131,872
Special Revenue Funds	24,812,798
Enterprise Funds	<u>313,219</u>
Total Notes and Loans Receivables	<u>\$ 25,257,889</u>

Notes and loans receivable by type are:

Home Loan Rehabilitation Program loans to assist low income residents to afford safe and sanitary housing, including improvements to the housing; non-interest bearing to 10 percent interest; principal and interest generally due at maturity or change of home ownership; secured by deeds of trust; proceeds are paid directly to the builder and a receivable is recorded from the home purchaser.	\$ 13,226,771
Note for the purchase of residential property related to the golf course at 4% interest, secured by a deed of trust. Note is payable in monthly installments of \$835.48 until May 4, 2017 at which time the entire unpaid balance will become due and payable.	228,337
Note to Pena's (disposal contractor) for purchase of green carts.	66,786
HOME program funds were used to loan to a developer for the construction of an affordable Senior housing complex.	3,100,000
Promissory notes from developers for the acquisition and development of property for housing projects within the City; interest rates from 3% to 4.81%; terms of the notes are thirty to forty years; notes secured by deeds of trust.	<u>8,635,995</u>
Totals	<u>\$ 25,257,889</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018
Note 5: Accounts Receivable

The following is a list of accounts receivable at June 30, 2018:

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Governmental Activities -			
Due from other governments	\$ 3,553,417	\$ -	\$ 3,553,417
Accounts	348,029	-	348,029
	<u>\$ 3,901,446</u>	<u>\$ -</u>	<u>\$ 3,901,446</u>
Business-type Activities -			
Due from other governments	\$ 536,275	\$ -	\$ 536,275
Accounts	4,190,899	1,853,508	2,337,391
	<u>\$ 4,727,174</u>	<u>\$ 1,853,508</u>	<u>\$ 2,873,666</u>
Fiduciary Funds			
Accounts	\$ 3,779	\$ -	\$ 3,779

Note 6: Interfund Transactions**a. Current Interfund Balances**

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. These balances normally represent loans to cover temporary shortages of cash in individual funds. The following presents a summary of current interfund balances at June 30, 2018.

<u>Due to Fund</u>	<u>Amount</u>	<u>Due From Fund</u>	<u>Amount</u>
Major Funds:		Non-Major Governmental Funds	\$ 561,569
General	\$ 1,079,627	Internal Service Fund	45,754
		Non-Major Enterprise Fund	472,304
Total	<u>\$ 1,079,627</u>	Total	<u>\$ 1,079,627</u>

b. Long-term Interfund Advances

At June 30, 2018, the funds below have made/received advances that were not expected to be repaid within one year.

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
Major Fund:		Major Fund:	
General	\$ 1,134,405	General	\$ 1,031,663
Housing Authority	116,904	Major Proprietary Fund:	
Major Proprietary Fund:		Golf Course	1,362,742
Disposal	212,000	Non-Major Governmental Funds	328,904
Non-Major Governmental Funds	<u>1,260,000</u>		
Total	<u>\$ 2,723,309</u>	Total	<u>\$ 2,723,309</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 6: Interfund Transactions (Continued)

Advances will be repaid to the advancing fund when revenue in the receiving fund is adequate. These usually occur as impact fees, operating, fees, tax revenues, or sales of property occur.

The City has loaned funds to the Successor Agency to the Redevelopment Agency in the amount of \$12,759,298. The City believes that these amounts should be repaid with future tax increment dollars received by SADRA.

c. Transfers Between Funds

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to cover operating costs and fund capital projects, less often, an equity transfers may be made to open or close a fund.

Transfers In	Amount	Transfers Out	Amount
Major Governmental:		Major Governmental:	
General	\$ 248,324	General	\$ 980,121
HUD Grants	334,567	HUD Grants	28,972
Transportation Construction	188,155	Major Proprietary:	
Major Proprietary:		Water	322,518
Sewer	75,375	Sewer	493,659
Non-major Enterprise Funds	3,354	Disposal	16,370
Non-major Governmental	2,136,144	Internal Service Funds	8,581
Totals	<u>\$ 2,985,919</u>	Non-major Enterprise Funds	63,070
		Non-major Governmental	1,072,628
			<u>\$ 2,985,919</u>

CITY OF DINUBA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 7: Capital Assets

a. Governmental Activities

Capital asset governmental activity for the fiscal year ended June 30, 2018 was as follows:

	Balance at July 1, 2017	Adjustments	Additions	Deletions	Transfers	Balance at June 30, 2018
Capital Assets not being depreciated:						
Land	\$ 105,876,494	\$ (187,250)	\$ 238,536	\$ -	\$ -	105,927,780
Artwork	68,641	-	-	-	-	68,641
Right of way s/easements	5,794,425	(59,365)	-	-	-	5,735,060
Construction in progress	25,110,057	(903,081)	200,809	-	(1,506,447)	22,901,338
Total	136,849,617	(1,149,696)	439,345	-	(1,506,447)	134,632,819
Capital Assets being depreciated:						
Buildings	11,144,522	7,865,925	486,658	-	1,506,447	21,003,552
Improvements other than buildings	12,081,679	(9,385,852)	-	-	-	2,695,827
Equipment and machinery	8,793,694	(196,822)	43,133	-	-	8,640,005
Infrastructure	58,524,199	(1,305,866)	17,654,064	-	-	74,872,397
Total	90,544,094	(3,022,615)	18,183,855	-	1,506,447	107,211,781
Less accumulated depreciation for:						
Buildings	(4,699,906)	-	(267,006)	-	-	(4,966,912)
Improvements other than buildings	(1,633,654)	-	(388,913)	-	-	(2,022,567)
Equipment and machinery	(7,409,919)	-	(526,467)	-	-	(7,936,386)
Infrastructure	(24,314,611)	-	(1,462,478)	-	-	(25,777,089)
Total	(38,058,090)	-	(2,644,864)	-	-	(40,702,954)
Total, net of accumulated depreciation	52,486,004	(3,022,615)	15,538,991	-	1,506,447	66,508,827
Total Capital Assets, Net	\$ 189,335,621	\$ (4,172,311)	\$ 15,978,336	\$ -	\$ -	\$ 201,141,646

Depreciation expense was charged to functions/programs of the City's governmental activities as follows:

General Government	\$ 528,973
Public Safety	528,973
Community Development	528,973
Parks & Rec	528,973
Public Works	528,972
Total	<u>\$ 2,644,864</u>

CITY OF DINUBA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 7: Capital Assets (Continued)

b. Business-type Activities

Capital asset business-type activity for the fiscal year ended June 30, 2018, was as follows:

	Balance at July 1, 2017	Adjustments	Additions	Deletions	Transfers	Balance at June 30, 2018
Water Fund:						
Capital Assets not being depreciated:						
Land	\$ 261,806	\$ -	\$ -	\$ -	\$ -	\$ 261,806
Total capital assets not being depreciated	261,806	-	-	-	-	261,806
Capital Assets being depreciated:						
Infrastructure	17,672,897	2,606,526	-	-	-	20,279,423
Buildings and improvements	5,762,180	(909,901)	-	-	-	4,852,279
Equipment and machinery	661,287	11,828	-	-	-	673,115
Total capital assets being depreciated	24,096,364	1,708,453	-	-	-	25,804,817
Less accumulated depreciation for:						
Infrastructure	(5,947,584)	-	(270,345)	-	-	(6,217,929)
Buildings and improvements	(2,406,955)	366,950	(192,831)	-	-	(2,232,836)
Equipment and machinery	(404,025)	-	(27,423)	-	-	(431,448)
Total accumulated depreciation	(8,758,564)	366,950	(490,599)	-	-	(8,882,213)
Total capital assets being depreciated, net	15,337,800	2,075,403	(490,599)	-	-	16,922,604
Water Fund Capital Assets, net	\$ 15,599,606	\$ 2,075,403	\$ (490,599)	\$ -	\$ -	\$ 17,184,410
Sewer Fund:						
Capital Assets not being depreciated:						
Land	\$ 4,388,142	\$ -	\$ -	\$ -	\$ -	\$ 4,388,142
Total capital assets not being depreciated	4,388,142	-	-	-	-	4,388,142
Capital Assets being depreciated:						
Infrastructure	16,835,087	-	2,383,590	-	-	19,218,677
Buildings and improvements	4,423,719	(20,001)	-	-	-	4,403,718
Equipment and machinery	610,482	-	-	-	-	610,482
Total capital assets being depreciated	21,869,288	(20,001)	2,383,590	-	-	24,232,877
Less accumulated depreciation for:						
Infrastructure	(3,800,859)	-	(318,106)	-	-	(4,118,965)
Buildings and improvements	(2,024,381)	8,173	(125,443)	-	-	(2,141,651)
Equipment and machinery	(557,344)	-	(13,288)	-	-	(570,632)
Total accumulated depreciation	(6,382,584)	8,173	(456,837)	-	-	(6,831,248)
Total capital assets being depreciated, net	15,486,704	(11,828)	1,926,753	-	-	17,401,629
Sewer Fund Capital Assets, net	\$ 19,874,846	\$ (11,828)	\$ 1,926,753	\$ -	\$ -	\$ 21,789,771
Disposal Fund:						
Capital Assets being depreciated:						
Equipment and machinery	\$ 620,428	\$ -	\$ -	\$ -	\$ -	\$ 620,428
Less accumulated depreciation for:						
Equipment and machinery	(198,358)	-	(78,128)	-	-	(276,486)
Disposal Fund Capital Assets, net	\$ 422,070	\$ -	\$ (78,128)	\$ -	\$ -	\$ 343,942

CITY OF DINUBA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 7: Capital Assets (Continued)

	Balance at July 1, 2017	Adjustments	Additions	Deletions	Transfers	Balance at June 30, 2018
Transit Fund:						
Capital Assets being depreciated:						
Buildings and improvements	\$ 1,721,578	\$ 137,361	\$ -	\$ -	\$ -	\$ 1,858,939
Equipment and machinery	1,590,228	(137,361)	119,709	-	-	1,572,576
Total capital assets being depreciated	3,311,806	-	119,709	-	-	3,431,515
Less accumulated depreciation for:						
Buildings and improvements	(156,418)	-	(62,539)	-	-	(218,957)
Equipment and machinery	(1,130,915)	-	(123,899)	-	-	(1,254,814)
Total accumulated depreciation	(1,287,333)	-	(186,438)	-	-	(1,473,771)
Total capital assets being depreciated, net	2,024,473	-	(66,729)	-	-	1,957,744
Transit Fund Capital Assets, net	\$ 2,024,473	\$ -	\$ (66,729)	\$ -	\$ -	\$ 1,957,744
Ambulance Fund:						
Capital Assets being depreciated:						
Equipment and machinery	\$ 976,001	\$ -	\$ 394,256	\$ -	\$ -	\$ 1,370,257
Less accumulated depreciation for:						
Equipment and machinery	(572,765)	-	(133,321)	-	-	(706,086)
Ambulance Fund Capital Assets, net	\$ 403,236	\$ -	\$ 260,935	\$ -	\$ -	\$ 664,171
Golf Course Fund:						
Capital Assets not being depreciated:						
Land	\$ 3,960,467	\$ -	\$ -	\$ -	\$ -	\$ 3,960,467
Total capital assets not being depreciated	3,960,467	-	-	-	-	3,960,467
Capital Assets being depreciated:						
Infrastructure	6,530,587	-	-	-	-	6,530,587
Buildings and improvements	20,861,139	-	-	-	-	20,861,139
Equipment and machinery	731,584	318,785	-	-	-	1,050,369
Total capital assets being depreciated	28,123,310	318,785	-	-	-	28,442,095
Less accumulated depreciation for:						
Infrastructure	(1,994,074)	-	-	-	-	(1,994,074)
Buildings and improvements	(6,147,121)	(12,946)	(693,014)	-	-	(6,853,081)
Equipment and machinery	(728,857)	-	(48,610)	-	-	(777,467)
Total accumulated depreciation	(8,870,052)	(12,946)	(741,624)	-	-	(9,624,622)
Total capital assets being depreciated, net	19,253,258	305,839	(741,624)	-	-	18,817,473
Golf Course Fund Capital Assets, net	\$ 23,213,725	\$ 305,839	\$ (741,624)	\$ -	\$ -	\$ 22,777,940
Compressed Natural Gas (CNG) Fund:						
Capital Assets being depreciated:						
Buildings and improvements	\$ -	\$ 2,858,458	\$ -	\$ 78,550	\$ -	\$ 2,779,908
Total capital assets being depreciated	-	2,858,458	-	78,550	-	2,779,908
Less accumulated depreciation for:						
Buildings and improvements	-	(826,239)	(30,675)	-	-	(856,914)
CNG Fund Capital Assets, net	\$ -	\$ 2,032,219	\$ (30,675)	\$ 78,550	\$ -	\$ 1,922,994
Total Business-type Capital Assets, net	\$ 61,537,956	\$ 4,401,633	\$ 779,933	\$ 78,550	\$ -	\$ 66,640,972

Depreciation expense was charged to functions/programs of the City's business-type activities as follows:

Business-Type Activities	
Water	\$ 490,599
Sewer	456,837
Disposal	78,128
Transit	186,438
Ambulance	133,321
Golf	741,624
CNG	30,675
Total	<u>\$ 2,117,622</u>

CITY OF DINUBA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Long-Term Liabilities

The following is a summary of changes in the City's long-term liabilities for the fiscal year ended June 30, 2018:

	Balance at July 1, 2017	Adjustments	Additions	Reductions	Balance at June 30, 2018	Due Within One Year
Governmental Activities:						
Capital leases payable	\$ 9,897,810	\$ 449,716	\$ -	\$ (347,290)	\$ 10,000,236	\$ 388,058
Compensated absences	1,160,638	-	909,982	(906,467)	1,164,153	239,921
Notes payable	8,932	-	-	(4,316)	4,616	4,616
Lease revenue bonds payable	17,230,000	-	-	(805,000)	16,425,000	785,000
Original issue discount	(257,571)	-	-	12,090	(245,481)	N/A
Original issue premium	178,847	-	-	(8,398)	170,449	N/A
Total Governmental Activities	<u>\$ 28,218,656</u>	<u>\$ 449,716</u>	<u>\$ 909,982</u>	<u>\$ (2,059,381)</u>	<u>\$ 27,518,973</u>	<u>\$ 1,417,595</u>
Business-type Activities:						
Capital leases payable	\$ -	\$ 265,285	\$ -	\$ (79,586)	\$ 185,699	\$ 79,576
Compensated absences	140,534	-	125,440	(127,538)	138,436	43,507
Revenue bonds and notes	10,085,000	-	-	(240,000)	9,845,000	240,000
Installment purchase	435,000	-	-	(215,000)	220,000	220,000
Water notes payable	5,559,444	-	-	(413,585)	5,145,859	424,709
Loan payable	209,814	-	-	(83,298)	126,516	84,133
Original issue premium	45,809	-	-	(2,150)	43,659	N/A
Total Business-type Activities	<u>\$ 16,475,601</u>	<u>\$ 265,285</u>	<u>\$ 125,440</u>	<u>\$ (1,161,157)</u>	<u>\$ 15,705,169</u>	<u>\$ 1,091,925</u>

a. Governmental Activities – Lease Revenue Bonds

2012 DFA Lease Revenue Bonds Payable. On November 7, 2012, the Dinuba Financing Authority issued \$11,270,000 of 2012 Lease Revenue Refunding Bonds. The proceeds of the bonds were used to refund the 2002 Lease Revenue Bonds in the amount of \$6,430,000, refund the \$3,825,000 remaining balance of the 2010 Lease Revenue Notes issued by the Redevelopment Agency, fund a reserve account, and pay costs of issuance. The bonds consist of \$5,285,000 of serial bonds with maturity dates from September 1, 2014 through 2024. Interest rates vary between 2.0%-3.0% with semi-annual payments due each March 1 and September 1. There are also \$4,650,000 of term bonds due September 1, 2032 and \$1,335,000 term bonds due September 1, 2038, which carry interest rates of 3.75% and 4.00%, respectively.

The principal balance outstanding on the 2012 bonds as of June 30, 2018 was \$9,600,000. The refunding of the 2002 bonds resulted in a cash savings over the repayment period of \$690,097 and an economic gain of \$481,729. The refunding of the 2010 bonds resulted in a cash deficit of \$2,361,946 as the 2010 bonds were due in 2017 whereas the 2012 bonds are due through 2038.

On September 20, 2012, the Dinuba Financing Authority issued \$1,500,000 of Lease Revenue Bonds. The proceeds of these bonds are to be used for financing and refinancing the purchase of certain land parcels within the City and pay costs of issuance. The bonds carry interest at 3.0%, interest is paid semi-annually each March 1 and September 1. Principal is due each September 1 through 2022. The outstanding balance of the 2012 Lease Revenue Bonds as of June 30, 2018 was \$900,000.

Note 8: Long-Term Liabilities (Continued)

2016 DFA Lease Revenue Refunding Bonds Payable. On October 12, 2016, the Dinuba Financing Authority issued \$6,580,000 of 2016 Lease Revenue Refunding Bonds. The proceeds of the bonds were used to refund the 2007 Lease Revenue Bonds in the amount of \$6,255,000 and pay costs of issuance.

The bonds consist of \$6,580,000 of serial bonds with maturity dates from September 1, 2018 through 2038. Interest rates vary between 2.0%-4.0% with semi-annual payments due each March 1 and September 1.

The refunding of the 2007 bonds resulted in a cash savings over the repayment period of \$1,529,810 and an economic loss of \$296,346.

The principal balance outstanding on the 2016 bonds as of June 30, 2018 was \$6,345,000.

b. Governmental Activities – Note Payable

On August 27, 2003, the City purchased a parcel of real estate. The City issued a note to the seller in the amount of \$45,000. The note is secured by a deed of trust, carries an interest rate of 7%, and is due in annual installments of \$4,941 through 2018. The outstanding principal balance of the note at June 30, 2018 was \$4,616.

c. Governmental Activities – Capital Leases Payable

On July 1, 2015 the City entered into a Site and Facility Lease with Compass Bank. The City determined it was necessary and desirable to repay a loan to the Successor Agency to the Dinuba Redevelopment Agency. The City will lease real property and improvements consisting of the Dinuba Transit Center to Compass in consideration for Compass's paying the City the sum of not to exceed \$1,300,000 in advance rental. Compass bank will then lease the site and facility back to the City at an interest rate not to exceed 5.25%. The site and facility lease will commence on July 1, 2015 and shall end on May 25, 2030. The outstanding principal balance of this lease at June 30, 2018 is \$1,146,298.

On October 15, 2013 the City entered into a Master Equipment Lease Purchase Agreement with Pinnacle Public Finance Inc. (Lessor) for the purpose of financing the purchase of Logos, net Software in the amount of \$548,623. The annual payments begin October 15, 2014 with a final maturity date of October 15, 2020. The interest rate is 3.38% and the annual payments are \$89,323. The outstanding balance of the lease obligation as of June 30, 2018 was \$250,827.

On December 1, 2013 the City entered into a lease purchase agreement with the Dinuba Financing Authority and Western Alliance Bank in the amount of \$8,433,377. The lease was executed to finance the costs associated with the acquisition, construction, and installation of solar energy improvements to City facilities. The funds are to be deposited into a project fund (\$8,146,742), a capitalized interest fund (\$176,785) and a delivery costs fund (\$109,850). Lease payments are made semi-annually on June 12 and December 12. Interest is 4.1925%. The lease term matures on December 12, 2033. The City has the right to prepay the lease at any time. The outstanding balance as of June 30, 2018 is \$8,277,655.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 8: Long-Term Liabilities (Continued)

On February 1, 2017 the City entered into an agreement with De Lage Landen Public Finance LLC (Lessor) for the purpose of financing the purchase of 6 Dodge Charger Patrol Vehicles in the amount of \$250,486. The annual payments begin February 1, 2017 with a final maturity date of February 1, 2021. The interest rate is 3.24% and the annual payments are \$53,341. The outstanding balance of the lease obligation as of June 30, 2018 was \$150,191.

On January 1, 2015 the City entered into an agreement with De Lage Landen Public Finance LLC (Lessor) for the purpose of financing the purchase 5 Ford Explorers in the amount of \$153,143. The annual payments begin January 1, 2015 with a final maturity date of January 1, 2019. The interest rate is 2.66% and the annual payments are \$26,389. The outstanding balance of the lease obligation as of June 30, 2018 was \$150,191.

On July 1, 2016 the City entered into an agreement with Ray Morgan Company (RMC) for the purpose leasing a City Hall copy machine in the amount of \$159,000. The monthly payments begin July 1, 2016 with a final maturity date of June 1, 2021. The agreement has no stated interest rate and the monthly payments are \$2,650. The outstanding balance of the lease obligation as of June 30, 2018 was \$95,113.

On October 15, 2015 the City entered into an agreement with US Bank Equipment Finance for the purpose leasing multiple copiers for the Police Department in the amount of \$52,140. The monthly payments begin October 15, 2015 with a final maturity date of October 15, 2020. The agreement has no stated interest rate and the monthly payments are \$869. The outstanding balance of the lease obligation as of June 30, 2018 was \$24,332.

On July 1, 2016 the City entered into an agreement with Ray Morgan Company (RMC) for the purpose leasing a Public Works copy machine in the amount of \$50,190. The monthly payments begin July 1, 2016 with a final maturity date of June 1, 2021. The agreement has no stated interest rate and the monthly payments are \$837. The outstanding balance of the lease obligation as of June 30, 2018 was \$30,114.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 8 Long-Term Liabilities (Continued)

d. Long-Term Debt Amortization – Governmental Activities

The annual requirements to amortize long-term debt outstanding at June 30, 2018 (other than compensated absences) are as follows:

<u>2012 DFA Lease Revenue Refunding Bonds</u>			
Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 420,000	\$ 309,738	\$ 729,738
2020	435,000	300,644	735,644
2021	445,000	290,188	735,188
2022	455,000	277,800	732,800
2023	470,000	263,925	733,925
2024-2028	2,550,000	1,080,713	3,630,713
2029-2033	3,070,000	563,250	3,633,250
2034-2038	1,090,000	161,400	1,251,400
2039	245,000	4,900	249,900
	<u>\$ 9,180,000</u>	<u>\$ 3,252,558</u>	<u>\$ 12,432,558</u>

<u>2012 Lease Revenue Bonds</u>			
Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 150,000	\$ 49,500	\$ 199,500
2020	175,000	39,750	214,750
2021	175,000	29,250	204,250
2022	200,000	18,000	218,000
2023	200,000	6,000	206,000
	<u>\$ 900,000</u>	<u>\$ 142,500</u>	<u>\$ 1,042,500</u>

<u>2016 DFA Lease Revenue Refunding Bonds</u>			
Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 215,000	\$ 199,150	\$ 414,150
2020	220,000	194,850	414,850
2021	230,000	188,250	418,250
2022	240,000	181,350	421,350
2023	240,000	174,150	414,150
2024-2028	1,345,000	741,150	2,086,150
2029-2033	1,595,000	485,400	2,080,400
2034-2038	1,855,000	231,000	2,086,000
2039	405,000	12,150	417,150
	<u>\$ 6,345,000</u>	<u>\$ 2,407,450</u>	<u>\$ 8,752,450</u>

CITY OF DINUBA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Long-Term Liabilities (Continued)

Fiscal Year Ended June 30,	Site and Facility Lease		
	Principal	Interest	Total
2019	\$ 67,198	\$ 58,519	\$ 125,717
2020	70,724	54,994	125,718
2021	74,435	51,282	125,717
2022	78,340	47,377	125,717
2023	82,452	43,266	125,718
2024-2028	481,873	170,738	652,611
2029-2031	291,276	42,261	333,537
	<u>\$ 1,146,298</u>	<u>\$ 468,437</u>	<u>\$ 1,614,735</u>

Fiscal Year Ended June 30,	Master Equipment Lease		
	Principal	Interest	Total
2019	\$ 80,845	\$ 8,478	\$ 89,323
2020	83,578	5,745	89,323
2021	86,401	2,921	89,322
	<u>\$ 250,824</u>	<u>\$ 17,144</u>	<u>\$ 267,968</u>

Fiscal Year Ended June 30,	Solar Energy Lease		
	Principal	Interest	Total
2019	\$ 113,568	\$ 345,863	\$ 459,431
2020	173,126	340,484	513,610
2021	213,609	332,805	546,414
2022	257,476	323,395	580,871
2023	304,955	312,108	617,063
2024-2028	2,381,049	1,314,185	3,695,234
2029-2033	4,266,800	648,889	4,915,689
2034	567,072	11,887	578,959
	<u>\$ 8,277,655</u>	<u>\$ 3,629,616</u>	<u>\$ 11,907,271</u>

Fiscal Year Ended June 30,	Vehicle Lease - Dodge Chargers		
	Principal	Interest	Total
2019	\$ 48,475	\$ 4,866	\$ 53,341
2020	50,046	3,295	53,341
2021	51,670	1,671	53,341
	<u>\$ 150,191</u>	<u>\$ 9,832</u>	<u>\$ 160,023</u>

CITY OF DINUBA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Long-Term Liabilities (Continued)

Vehicle Lease - Ford Explorers			
Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 25,706	\$ 683	\$ 26,389
	<u>\$ 25,706</u>	<u>\$ 683</u>	<u>\$ 26,389</u>

RMC City Hall Copier Lease			
Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 31,800	\$ -	\$ 31,800
2020	31,800	-	31,800
2021	31,513	-	31,513
	<u>\$ 95,113</u>	<u>\$ -</u>	<u>\$ 95,113</u>

US Bank Police Department Copier Lease			
Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 10,428	\$ -	\$ 10,428
2020	10,428	-	10,428
2021	3,476	-	3,476
	<u>\$ 24,332</u>	<u>\$ -</u>	<u>\$ 24,332</u>

RMC Public Works Copier Lease			
Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 10,038	\$ -	\$ 10,038
2020	10,038	-	10,038
2021	10,038	-	10,038
	<u>\$ 30,114</u>	<u>\$ -</u>	<u>\$ 30,114</u>

Notes Payable			
Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 4,616	\$ 323	\$ 4,939
	<u>\$ 4,616</u>	<u>\$ 323</u>	<u>\$ 4,939</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 8: Long-Term Liabilities (Continued)

Fiscal Year Ended June 30,	Total Governmental Activities		
	Principal	Interest	Total
2019	\$ 1,177,674	\$ 977,120	\$ 2,154,794
2020	1,259,740	939,762	2,199,502
2021	1,321,142	896,367	2,217,509
2022	1,230,816	847,922	2,078,738
2023	1,297,407	799,449	2,096,856
2024-2028	6,757,922	3,306,786	10,064,708
2029-2033	9,223,076	1,739,800	10,962,876
2034-2038	3,512,072	404,287	3,916,359
2039	650,000	17,050	667,050
	<u>\$ 26,429,849</u>	<u>\$ 9,928,543</u>	<u>\$ 36,358,392</u>

e. Business-Type Activities**Capital Leases**

On April 29, 2016 the City entered into an agreement with PNC Equipment Finance, LLC (Lessor) for the purpose of financing the purchase of 75 Golf Carts in the amount of \$259,596. The monthly payments begin November 3, 2016 with a final maturity date of November 3, 2020. The agreement has no stated interest rate and the monthly payments are \$5,408. The outstanding balance of the lease obligation as of June 30, 2018 was \$151,431.

On April 29, 2016 the City entered into an agreement with PNC Equipment Finance, LLC (Lessor) for the purpose of financing the purchase of 5 Utility Vehicles in the amount of \$58,746. The monthly payments begin January 5, 2017 with a final maturity date of January 5, 2021. The agreement has no stated interest rate and the monthly payments are \$1,224. The outstanding balance of the lease obligation as of June 30, 2018 was \$34,268.

2007 DFA Wastewater System Revenue Bonds

On September 12, 2007, the Dinuba Financing Authority issued \$3,150,000 of Revenue bonds. The proceeds of the bonds were issued by the purpose of financing wastewater system improvements within the City. The installment purchase payments are secured by a separate pledge, charge and lien upon the net revenues of the wastewater system.

Interest rates vary between 4.0% and 5.375% and are payable semi-annually on September 1 and March 1. Principal is paid annually on September 1 through 2038. Bonds maturing after 2017 are subject to optional redemption. The principal balance outstanding at June 30, 2018 is \$2,575,000.

Note 8: Long-Term Liabilities (Continued)

2012 Wastewater Revenue Refunding Bonds

On November 7, 2012, the City issued \$8,145,000 of Series 2012 Wastewater Revenue Refunding Bonds. The bonds were issued to refund \$3,005,000 of outstanding 1998A Refunding Certificates of Participation, \$3,845,000 of outstanding 2008 Lease Revenue Bonds, fund a reserve fund, and pay the costs of issuance.

These bonds will be payable from and secured by net revenues and certain funds and accounts of the City's wastewater system.

The bonds consist of \$1,880,000 of service bonds at an interest rate of 2% and maturing between 2014 and 2020. The issue also includes \$6,265,000 of term bonds with interest rates ranging from 2.50% to 5.00% and maturing between 2022 and 2038. Interest is payable semi-annually each March 1 and September 1. Principal is due annually each September 1.

The outstanding principal balance of the bonds as of June 30, 2018 was \$7,270,000. The City advance refunded the 1998A Refunding Certificates of Participation of the 2008 Lease Revenue Bonds to reduce its total debt service over the next 25 years by \$416,788 and \$869,754 respectively. These refundings also provided an economic gain of \$311,941 and \$561,370 respectively.

Installment Purchase Agreement

On December 1, 2010, the City of Dinuba entered into a \$1,615,000 Installment Purchase Agreement with the Dinuba Financing Authority, for the purpose of currently refunding a portion of the City's Refunding Certificates of Participation, Series 109A maturing on August 1, 2018, and to pay for the costs of issuance. The Installment Purchase Payments bear interest at a rate of 3% and is payable semi-annually. Principal is repaid at a graduated rate beginning August 1, 2011 and maturing August 1, 2018. The principal amount due at June 30, 2018 is \$220,000.

The obligations are being issued in part for purpose of providing present value debt service savings to the City. The refunding of the currently refunded obligation does not involve a device employed to obtain a material financial advantage.

Water Notes Payable

The State of California Department of Water Resources granted a loan to the Water Fund of the City for construction of water facilities in the amount of \$2,700,000. Of this amount, \$1,924,399 was drawn down from the State. The note calls for semiannual payments of \$54,710 including interest at 2.955% until January 2024. The balance at June 30, 2018 is \$550,515.

The State of California Department of Water Resources granted a loan to the Water Fund of the City for construction of water facilities in the amount of \$7,462,450. Of this amount, \$6,956,217 was drawn down from the State. The note calls for semiannual payments of \$224,125 including interest at 2.60% until January 2029. The balance at June 30, 2018 is \$4,595,344.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 8: Long-Term Liabilities (Continued)**Loan Payable**

In September, 2011, the City received a loan of \$611,334 from the California Energy Commission for various energy conservation measures to their Wastewater System. The loan calls for semiannual payments of \$42,595 including interest at 1.00% until December, 2019. The balance at June 30, 2018 is \$126,516.

f. Long-Term Debt Amortization – Business-type Activities

The annual requirements to amortize enterprise long-term debt outstanding at June 30, 2018 are as follows:

Fiscal Year Ended June 30,	Golf Cart Lease		
	Principal	Interest	Total
2019	\$ 64,889	\$ -	\$ 64,889
2020	64,889	-	64,889
2021	21,653	-	21,653
	<u>\$ 151,431</u>	<u>\$ -</u>	<u>\$ 151,431</u>

Fiscal Year Ended June 30,	Utility Vehicle Lease		
	Principal	Interest	Total
2019	\$ 14,687	\$ -	\$ 14,687
2020	14,687	-	14,687
2021	4,894	-	4,894
	<u>\$ 34,268</u>	<u>\$ -</u>	<u>\$ 34,268</u>

Fiscal Year Ended June 30,	2007 Revenue Bonds		
	Principal	Interest	Total
2019	\$ 70,000	\$ 134,873	\$ 204,873
2020	75,000	131,382	206,382
2021	80,000	127,554	207,554
2022	80,000	123,554	203,554
2023	85,000	119,386	204,386
2024-2028	500,000	522,607	1,022,607
2029-2033	650,000	369,264	1,019,264
2034-2038	840,000	169,851	1,009,851
2039	195,000	5,241	200,241
	<u>\$ 2,575,000</u>	<u>\$ 1,703,712</u>	<u>\$ 4,278,712</u>

CITY OF DINUBA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Long-Term Liabilities (Continued)

Fiscal Year Ended June 30,	2012 Lease Revenue Bonds		
	Principal	Interest	Total
2019	\$ 170,000	\$ 255,338	\$ 425,338
2020	415,000	249,488	664,488
2021	420,000	241,138	661,138
2022	430,000	231,563	661,563
2023	440,000	220,688	660,688
2024-2028	2,420,000	882,756	3,302,756
2029-2033	1,390,000	503,688	1,893,688
2034-2038	1,290,000	240,500	1,530,500
2039	295,000	7,375	302,375
	<u>\$ 7,270,000</u>	<u>\$ 2,832,534</u>	<u>\$ 10,102,534</u>

Fiscal Year Ended June 30,	Installment Purchase		
	Principal	Interest	Total
2019	\$ 220,000	\$ 3,300	\$ 223,300
	<u>\$ 220,000</u>	<u>\$ 3,300</u>	<u>\$ 223,300</u>

Fiscal Year Ended June 30,	1998 Water Note Payable		
	Principal	Interest	Total
2019	\$ 93,800	\$ 15,604	\$ 109,404
2020	96,592	12,822	109,414
2021	99,468	9,946	109,414
2022	102,429	12,134	114,563
2023	158,226	-	158,226
	<u>\$ 550,515</u>	<u>\$ 50,506</u>	<u>\$ 601,021</u>

CITY OF DINUBA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 8: Long-Term Liabilities (Continued)

Fiscal Year Ended June 30,	2005 Water Note Payable		
	Principal	Interest	Total
2019	\$ 330,908	\$ 117,342	\$ 448,250
2020	339,568	108,682	448,250
2021	348,454	99,796	448,250
2022	357,572	90,678	448,250
2023	366,930	81,320	448,250
2024-2028	1,983,807	257,443	2,241,250
2029	868,105	28,396	896,501
	<u>\$ 4,595,344</u>	<u>\$ 783,657</u>	<u>\$ 5,379,001</u>

Fiscal Year Ended June 30,	California Energy Commission Loan Payable		
	Principal	Interest	Total
2019	\$ 84,134	\$ 1,057	\$ 85,191
2020	42,382	212	42,594
	<u>\$ 126,516</u>	<u>\$ 1,269</u>	<u>\$ 127,785</u>

Fiscal Year Ended June 30,	Total Business-type Activities		
	Principal	Interest	Total
2019	\$ 1,048,418	\$ 527,514	\$ 1,575,932
2020	1,048,118	502,586	1,550,704
2021	974,469	478,434	1,452,903
2022	970,001	457,929	1,427,930
2023	1,050,156	421,394	1,471,550
2024-2028	4,903,807	1,662,806	6,566,613
2029-2033	2,908,105	901,348	3,809,453
2034-2038	2,130,000	410,351	2,540,351
2039	490,000	12,616	502,616
	<u>\$ 15,523,074</u>	<u>\$ 5,374,978</u>	<u>\$ 20,898,052</u>

g. Compensated Absences

Compensated absences in governmental activities have been liquidated in the past fiscal year in the general fund, the gas tax, transportation, public safety sales tax and community enhancement grant, (Special Revenue Funds) and general construction, vocational center, and public works management (Capital Projects funds).

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

Note 9: Pension Plan

Plan Description

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

Benefits Provided

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

The rate plan provisions and benefits in effect at June 30, 2018, are summarized as follows:

	Miscellaneous Cost-Sharing Rate Plans	
	Tier 1*	PEPRA
	Prior to	On or after
Hire date	January 1, 2013	January 1, 2013
Benefit formula	2.5% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 52 yrs
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	7.000%	6.250%
Required employer contribution rates	18.404%	6.837%

*Plan is closed to new entrants

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 9: Pension Plan (Continued)

	Safety Cost-Sharing Rate Plans	
	Tier 1*	PEPRA
	Prior to	On or after
Hire date	January 1, 2013	January 1, 2013
Benefit formula	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	9.000%	11.500%
Required employer contribution rates	29.916%	12.385%/12.619%

*Plan is closed to new entrants

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) 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. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2018, the employer contributions recognized as a reduction to the net pension liability for the Plan was \$2,178,259.

Pension Liabilities, Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of June 30, 2018, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Plan of \$19,286,545.

	<u>Net Pension Liability</u>
Proportion - June 30, 2016	\$ 16,888,543
Proportion - June 30, 2017	19,286,545
Change - Increase(Decrease)	<u>\$ 2,398,002</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 9: Pension Plan (Continued)

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, 2017, 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, 2016 rolled forward to June 30, 2017, 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, 2016 and 2017, was as follows:

	<u>Net Pension Liability</u>
Proportion - June 30, 2016	0.48615%
Proportion - June 30, 2017	0.39667%
Change - Increase(Decrease)	<u>-0.08948%</u>

For the year ended June 30, 2018, the City recognized a total pension expense of \$3,586,814 for the plan. At June 30, 2018, the City reported deferred outflows and deferred inflows of resources related to pensions as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Current year contributions that occurred after the measurement date of June 30, 2017	\$ 2,289,428	\$ -
Change of Assumption	2,838,240	217,117
Difference between Expected and Actual Experiences	112,981	183,469
Net Difference between Projected and Actual Earnings on Pension Plan Investments	629,878	-
Adjustment due to differences in proportions	833,705	200,672
Difference in proportionate share	876,249	63,434
Total	\$ 7,580,481	\$ 664,692

The \$2,289,428 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, 2019. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Measurement Period ended June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2018	\$ 1,497,220
2019	2,208,974
2020	1,291,368
2021	(371,201)
	<u>\$ 4,626,361</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 9: Pension Plan (Continued)***Actuarial Methods and Assumptions Used to Determine Total Pension Liability***

For the measurement period ended June 30, 2017, the total pension liability was determined by rolling forward the June 30, 2016 total pension liability. The June 30, 2016 and the June 30, 2017 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Change of Assumptions

In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent and reflects the long-term expected rate of return for the Plan net of investment expenses and without reduction for administrative expenses. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15 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 7.15 percent is applied to all plans in the Public Employees' Retirement Fund (PERF C). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB 68 section.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 9: Pension Plan (Continued)

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

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF C) cash flows. Taking into account historical returns of all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF C 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 equal to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects 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.

Asset Class	Current Target Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	47.0%	4.90%	5.38%
Global Debt Securities	19.0	0.80	2.27
Inflation Assets	6.0	0.60	1.39
Private Equity	12.0	6.60	6.63
Real Estate	11.0	2.80	5.21
Infrastructure and Forestland	3.0	3.90	5.36
Liquidity	2.0	(0.40)	(0.90)

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

(2) 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 the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

	Discount Rate - 1%	Current Discount	Discount Rate +1%
	6.15%	7.15%	8.15%
Plan Net Pension Liability	\$ 28,652,997	\$ 19,286,545	\$ 11,581,719

Pension Plan Fiduciary Net Position

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

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 10: Other Post-Employment Benefits (OPEB)

Description of the Plan

The City sponsors and administers a single-employer health care plan (HC Plan) for its employees. The plan provides medical, dental and vision plan coverage. Medical coverage is provided through CalPERS under the Public Employees' Medical and Hospital Care Act (PEMHCA), also referred to as PERS Health. Children are eligible for coverage until age 26. As the City's OPEB benefits are administered by City personnel, no separate financial statements are issued.

The City participates in the CalPERS Health Program, a community-rated program for its medical coverage.

Employees Covered

As of the July 1, 2017 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Active	128
Inactive employees or beneficiaries currently receiving benefits	21
	<hr/>
	149

Contributions

The HC Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The City is funding the benefits as a "Pay-as-you-go", meaning the City only contributes the required benefits when due. Total contributions were \$459,273, which include the City's cash contributions of \$328,001 and implied subsidy of \$131,272.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 10: Other Post-Employment Benefits (OPEB) (Continued)**Total OPEB Liability**

The City's Total OPEB liability was measured as of June 30, 2017 and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation dated July 1, 2017 that was used to determine the June 30, 2017 total OPEB liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	3.56% at June 30, 2017 Bond Buyer Index
Inflation	2.75%
Salary Increases	3.25% per year
Mortality Improvement	Bickmore Scale 2017 applied generationally
Medical Trend	Pre-Medicare – 8.5% for 2018, decreasing to 5.00% for 2025 and later PEMHCA Minimum Increase – 4.25%

Discount Rate

The discount rate used to measure the total OPEB liability was 3.56 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. The City does not participate in a trust fiduciary fund.

Changes in the OPEB Liability

The changes in the Total OPEB liability for the HC Plan are as follows:

	<u>Increase(Decrease)</u>
	<u>Total OPEB Liability</u>
Balance at June 30, 2017 (measurement date 6/30/2016)	\$ 24,731,785
Changes recognized over the measurement period:	
Service Cost	1,508,388
Interest	759,508
Change of assumptions	475,464
Difference between expected and actual experience	(3,331,140)
Benefit payments	(459,273)
Net Changes	<u>(1,047,053)</u>
Balance at June 30, 2018 (measurement date 06/30/2017)	<u>\$ 23,684,732</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2017:

	1% Decrease	Current	1% Increase
	(2.56%)	Discount Rate	(4.56%)
	(2.56%)	(3.56%)	(4.56%)
Total OPEB Liability	\$ 28,250,188	\$ 23,684,732	\$ 20,077,243

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 10: Other Post-Employment Benefits (OPEB) (Continued)

Sensitivity of the total OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the Total OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2017:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	\$ 19,216,097	\$ 23,684,732	\$ 29,630,801

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2018, the City recognized OPEB expense of \$1,997,983. As of fiscal year ended June 30, 2018, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions subsequent to the measurement date	\$ 263,397	\$ -
Changes of assumptions	430,524	-
Differences between expected and actual experiences	-	3,016,287
	<u>\$ 693,921</u>	<u>\$ 3,016,287</u>

The \$263,397 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2017 measurement date will be recognized as a reduction of the Total OPEB Liability during the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows or deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Fiscal Year ended June 30:	Deferred Outflows/(Inflows) of Resources
2019	\$ (269,913)
2020	(269,913)
2021	(269,913)
2022	(269,913)
2023	(269,913)
Thereafter	(1,236,198)
	<u>\$ (2,585,763)</u>

Note 11: Deferred Compensation

The City has established a Deferred Compensation Plan and Trust as provided in Section 457 of the Internal Revenue Code of 1986, as amended. The City, acting as trustee of this plan, has agreed to perform its services as trustee in accordance with, and, as necessary, limited to comply with, applicable law. All amounts of compensation deferred pursuant to the plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights shall be held in trust for the exclusive benefit of participants and beneficiaries under the plan.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 12: Risk Management/Joint Venture

The City's risk management activities are recorded in the internal service fund. The purpose of the fund is to administer the employee life, health, property and liability, and workers' compensation insurance programs of the City.

The City participates with other public entities in a joint venture under a joint powers agreement which establishes the Central San Joaquin Valley Risk Management Authority (CSJVRMA). The relationship between the City and CSJVRMA is such that CSJVRMA is not a component unit of the City for financial reporting purposes.

The City is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each worker's compensation claim through the CSJVRMA. The City has the right to receive dividends or the obligation to pay assessments based on a formula which among other expenses, charges the City's account for liability losses under \$50,000 and workers' compensation losses under \$50,000. The CSJVRMA purchases excess reinsurance from \$1,000,000 to \$29,000,000. The CSJVRMA participates in an excess pool which provides Workers' Compensation coverage from \$500,000 to \$1,500,000 and purchases excess reinsurance above \$5,000,000 to the statutory limit.

The CSJVRMA is a consortium of fifty-five (55) cities in San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500 et seq. The CSJVRMA is governed by a Board of Directors, which meets three times per year, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by the CSJVRMA. The financial statements of CSJVRMA can be obtained at 1831 K Street, Sacramento, California 95814.

The financial position and results of operations for the CSJVRMA as of June 30, 2018 are presented below:

Total Assets	<u>\$ 110,234,633</u>
Total Liabilities	<u>\$ 92,209,231</u>
Total Net Position	<u>18,025,402</u>
Total Liabilities and Net Position	<u>\$ 110,234,633</u>
Revenues for Fiscal Year	\$ 47,652,408
Expenses for Fiscal Year	<u>47,601,577</u>
Change in Position	<u>\$ 50,831</u>

At the termination of the joint powers agreement and after all claims have been settled, any excess or deficit will be divided among the cities in accordance with its governing documents.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 12: Risk Management/Joint Venture (Continued)

The City is self-insured for health insurance for its employees. Each department and division is charged an actuarially determined amount for health insurance expenses based on its employees. All claims are administered by an independent insurance processor; the City is responsible for reimbursing the company for all claims up to \$50,000 per covered individual, with any expenses greater than that being covered by the insurance provider.

The claims liability of \$50,000 for health insurance at June 30, 2018 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The claims liability was estimated from the average amount of claims paid per lag reports provided by the administrator. Settlements have not exceeded coverages for each of the past three fiscal years.

Changes in health claim liabilities at June 30, 2018 and 2017, were as follows:

	2018	2017
Liability - beginning of fiscal year	\$ 50,000	\$ 50,000
Current year claims and changes in estimates	2,705,267	2,568,544
Claim payments	<u>(2,705,267)</u>	<u>(2,568,544)</u>
Liability - end of fiscal year	<u>\$ 50,000</u>	<u>\$ 50,000</u>

Note 13: Commitments

The City is committed to pay the local Chamber of Commerce 60% of the annual business license fees collected. For the fiscal year ended June 30, 2018 this amount is approximately \$87,500. The budgeted amount for fiscal year June 30, 2018 is \$87,500.

Note 14: Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The City is subject to various lawsuits and claims involving public liability and other actions incidental to the ordinary course of City operations. In the aggregate, those claims seek monetary damages in significant amounts. To the extent the outcome of such litigation may be determined to result in financial loss to the City, in the opinion of City management, any potential liability for these actions is adequately provided for in the basic financial statements. The timing of potential payment of such losses cannot presently be determined.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 15: Prior Period Adjustments

Adjustments were made to net position in the governmental activities in the amount of (\$15,940,296) respectively due to the implementation of GASB 75, the removal of unavailable revenue incorrectly associated with loan balances, and corrections to capital asset and compensated absences balances not previously properly reconciled.

Adjustments were made to fund balance in the General Fund in the amount of \$938,950 to correct errors made in previous years to record the sale of land and the transfer of funds to the Golf Course that should have been classified as an advance.

Adjustments were made to fund balance in the HUD Grants Fund in the amount of \$24,488,966 due to the removal of unavailable revenue incorrectly associated with loans balances.

Adjustments were made to fund balance in the Housing Authority Fund in the amount of (\$187,251) to remove land held for resale that the City does not have records of.

Adjustments were made to fund balance in Other Nonmajor Governmental Funds in the amount of (\$225,727) due to TDA receipts that were duplicated and accrued twice incorrectly in previous years.

Adjustments were made to net position in the Water Fund in the amount of (\$1,518,437) due to the implementation of GASB 75 and corrections to capital asset balances not previously properly reconciled.

Adjustments were made to net position in the Sewer Fund in the amount of \$813,315 due to the implementation of GASB 75 and corrections to capital asset balances not previously properly reconciled.

Adjustments were made to net position in the Golf Course Fund in the amount of (\$223,379) due to the transfer of funds from the General Fund that should have been classified as an advance, the removal of CIP balances that were double counted and to record capital leases that were not previously recorded.

Adjustments were made to net position in the Disposal Fund in the amount of (\$345,173) due to the implementation of GASB 75.

Adjustments were made to net position in the Ambulance Fund in the amount of (\$916,958) due to the implementation of GASB 75.

Adjustments were made to net position Other Nonmajor Enterprise Funds in the amount of (\$113,607) due to the implementation of GASB 75 and corrections to capital asset balances not previously properly reconciled.

Adjustments were made to net position in Internal Service Funds in the amount of (\$1,995,014) due to the implementation of GASB 75 and corrections to capital asset balances not previously properly reconciled.

Adjustments were made to net position in the Redevelopment Successor Agency Private-Purpose Trust Fund in the amount of \$47,164 due to correcting accrued interest and long term debt amounts not properly recorded or reconciled in previous years.

Note 16: Successor Agency Trust for Assets of the Former Redevelopment Agency (SADRA)

On December 29, 2011, the California Supreme Court upheld AB X1 26 that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

AB X1 26 provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. The City Council elected to become the Successor Agency for the former redevelopment agency in accordance with AB X1 26.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the 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.

AB X1 26 directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by AB X1 26.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. Prior to that date, the final seven months of the activity of the redevelopment agency continued to be reported in the Low-Moderate Income Housing, Tax Allocation and Redevelopment Agency governmental funds of the City. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

CITY OF DINUBA

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2018

**Note 16: Successor Agency Trust for Assets of the Former Redevelopment Agency (SADRA)
 (Continued)**

a. Capital Assets Held by SADRA

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Capital assets, not depreciated:				
Land	\$ 2,730,606	\$ -	\$ -	\$ 2,730,606
Total capital assets, not depreciated	<u>2,730,606</u>	<u>-</u>	<u>-</u>	<u>2,730,606</u>
Capital assets, depreciated:				
Buildings and structures	167,848	-	-	167,848
Total capital assets, depreciated	<u>167,848</u>	<u>-</u>	<u>-</u>	<u>167,848</u>
Less accumulated depreciation for:				
Buildings and structures	(100,624)	(5,560)	-	(106,184)
Total accumulated depreciation	<u>(100,624)</u>	<u>(5,560)</u>	<u>-</u>	<u>(106,184)</u>
Total capital assets, depreciated, net	<u>67,224</u>	<u>(5,560)</u>	<u>-</u>	<u>61,664</u>
Total capital assets, net	<u>\$ 2,797,830</u>	<u>\$ (5,560)</u>	<u>\$ -</u>	<u>\$ 2,792,270</u>

Depreciation expense for the fiscal year ended June 30, 2018 was \$5,560.

b. Summary of SADRA's Long-Term Debt

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018	Current Portion
Advances from City of Dinuba	\$ 12,759,297	\$ -	\$ -	\$ 12,759,297	\$ -
Notes payable	175,000	-	175,000	-	-
Tax allocation bonds	48,150,000	-	1,215,000	46,935,000	1,430,000
Original issue premium	1,505,145	-	84,878	1,420,267	N/A
Original issue discount	(39,037)	-	(1,744)	(37,293)	N/A
Total long-term liabilities, net	<u>\$ 62,550,405</u>	<u>\$ -</u>	<u>\$ 1,473,134</u>	<u>\$ 61,077,271</u>	<u>\$ 1,430,000</u>

Notes Payable

In 2010, the Agency purchased land with the issuance of a note secured by the real property for \$375,000. The note is secured by a deed of trust and the terms of the note call for interest only at 7.00% annually beginning January 1, 2010 with principal payable in installments of \$50,000 or more beginning January 21, 2014. The note was paid off during the fiscal year.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

**Note 16: Successor Agency Trust for Assets of the Former Redevelopment Agency (SADRA)
(Continued)**

2012 Subordinate Tax Allocation Refunding Bonds. On December 6, 2012, SADRA issued \$1,700,000 Subordinate Tax Allocation Refunding Bonds bearing interest of 2.0% to 4.25% payable semi-annually on March 1 and September 1 commencing March 1, 2014. The bonds mature annually at various amounts through September 2039. The bonds are payable from and secured by incremental tax revenues. Bonds outstanding as of June 30, 2018 were \$1,470,000.

The Bonds were issued to refinance the Agency's previously issued \$1,370,000, 2009 Tax Allocation Notes. As a result, the 2009 Tax Allocation Notes are considered to be defeased and the liability for those bonds have been removed from the long-term liabilities.

The aggregate debt service payments of the new debt is \$1,406,600 more than the old debt.

After using funds remaining from the 2001 and 2003 issues, recognizing an original issue premium, paying costs of issuance, and paying an escrow agent for the refunding, the SADRA recognized a deferred loss on refunding in the amount of \$495,141.

2014 Tax Allocation Refunding Bonds. On May 14, 2014, the Successor Agency to the Dinuba Redevelopment Agency issued \$14,650,000 Tax Allocation Refunding Bonds bearing interest of 3% payable semi-annually on March 1 and September 1 commencing September 1, 2014. The bonds mature annually at various amounts through September 1, 2033. The bonds are payable from and secured by incremental tax revenues. Bonds outstanding as of June 30, 2018 were \$12,750,000.

The Bonds are being issued to refinance the outstanding amount (\$9,630,000) of the Agency's previously issued 2001 Tax Allocation Bonds and outstanding amount (\$6,465,000) of the Agency's 2003 Tax Allocation Bonds. As a result, the 2001 and 2003 Tax Allocation Bonds are considered to be defeased and the liability for those bonds have been removed from the long-term liabilities of the Private Purpose Trust Fund.

2015 Tax Allocation Refunding Bonds. On October 1, 2015, the Successor Agency to the Dinuba Redevelopment Agency issued \$15,055,000 Tax Allocation Refunding Bonds bearing interest of 3% payable semi-annually on March 1 and September 1 commencing March 1, 2017. The bonds mature annually at various amounts through September 1, 2036. The bonds are payable from and secured by incremental tax revenues. Bonds outstanding as of June 30, 2018 were \$14,055,000.

The Bonds were issued to refinance the outstanding amount (\$4,440,000) of the Agency's previously issued 2005 Tax Allocation Refunding Bonds and outstanding amount (\$11,375,000) of the Agency's 2006 Tax Allocation Refunding Bonds. As a result, the 2005 Tax Allocation Refunding Bonds are considered to be defeased and the liability for the bonds have been removed from the long-term liabilities of the Private Purpose Trust Fund.

As a result of this refunding, the SADRA recognized a deferred loss on refunding in the amount of \$828,923.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note 16: Successor Agency Trust for Assets of the Former Redevelopment Agency (SADRA)
(Continued)

2017 Tax Allocation Refunding Bonds. On February 22, 2017, the Successor Agency to the Dinuba Redevelopment Agency issued \$18,875,000 Tax Allocation Refunding Bonds bearing interest of 2%-4% payable semi-annually on March 1 and September 1 commencing September 1, 2017. The bonds mature annually at various amounts through September 1, 2041. The bonds are payable from and secured by incremental tax revenues. Bonds outstanding as of June 30, 2018 were \$18,660,000.

The Bonds were issued to refinance the outstanding amount (\$3,000,000) of the Agency's previously issued 2006 Tax Allocation Refunding Bonds, outstanding amount (\$10,365,000) of the Agency's previously issued 2011A Tax Allocation Refunding Bonds and outstanding amount (\$4,325,000) of the Agency's 2011B Tax Allocation Refunding Bonds. As a result, the 2006, 2011A, and 2011B Tax Allocation Refunding Bonds are considered to be defeased and the liability for the bonds have been removed from the long-term liabilities of the Private Purpose Trust Fund.

As a result of this refunding, the SADRA recognized a deferred loss on refunding in the amount of \$2,820,201.

The annual requirements to amortize long-term debt outstanding at June 30, 2018 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2019	\$ 1,430,000	\$ 1,915,163	\$ 3,251,247
2020	1,475,000	1,868,544	3,478,913
2021	1,520,000	1,815,938	3,343,545
2022	1,505,000	1,756,182	3,335,938
2023	1,570,000	1,691,082	3,261,181
2024-2028	8,960,000	7,307,416	16,276,116
2029-2033	10,990,000	5,181,506	16,139,520
2034-2038	12,760,000	2,539,982	16,053,458
2039-2042	6,725,000	442,425	9,681,320
	<u>\$ 46,935,000</u>	<u>\$ 24,518,238</u>	<u>\$ 74,821,238</u>

Note 17: Subsequent Events

On August 30, 2018 the City settled litigation regarding the construction of Ave 416 El Monte Way in the amount of \$3,700,000, with the City being required to pay \$3,000,000 immediately upon settlement, and the remainder in July 2019. As the condition existed as of the balance sheet date of June 30, 2018, the full settlement amount has been accrued as a liability in the financial statements.

The City has evaluated all events through June 19, 2019, and noted no other items requiring disclosure in these financial statements.

Required Supplementary

Information



CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 12,436,700	\$ 9,173,835	\$ 11,007,844	\$ 1,834,009
Assessments	1,753,807	1,553,807	1,553,351	(456)
Intergovernmental	1,971,300	1,971,300	1,982,224	10,924
Charges for services	788,703	948,575	1,121,811	173,236
Use of money and property	7,500	7,500	21,911	14,411
Fines and forfeitures	92,200	92,200	90,953	(1,247)
Miscellaneous	-	162,655	165,103	2,448
Total Revenues	17,050,210	13,909,872	15,943,197	2,033,325
Expenditures:				
General government				
City Council	167,209	172,409	140,017	32,392
City Manager	118,903	396,903	377,553	19,350
City Attorney	286,121	286,121	276,227	9,894
Human Resources	282,829	282,829	353,328	(70,499)
General Services	3,158,566	1,395,728	2,129,523	(733,795)
Finance Administration	569,302	569,302	535,245	34,057
Public safety				
Police Services	6,229,812	6,229,812	6,029,808	200,004
Fire Control	2,818,728	2,818,728	2,863,780	(45,052)
Community development				
Engineering	187,200	181,590	183,959	(2,369)
Planning	183,655	183,655	219,565	(35,910)
Code Enforcement	91,311	91,311	97,114	(5,803)
Building	520,180	520,180	506,255	13,925
Housing	56,770	56,770	53,545	3,225
Parks and recreation				
Community Services	513,220	513,220	488,608	24,612
Parks	550,972	550,972	565,596	(14,624)
Special Events	51,703	51,703	42,801	8,902
Youth Events	203,470	203,470	216,077	(12,607)
Game Day	14,360	3,339	3,339	-
Sportplex	121,351	121,351	102,653	18,698
Sports	154,971	154,971	162,690	(7,719)
Senior Citizens	204,563	204,563	198,533	6,030
Capital outlay	12,931	19,677	150,542	(130,865)
Debt service:				
Principal retirement	4,316	4,316	56,582	(52,266)
Interest and fiscal charges	625	625	624	1
Total Expenditures	16,503,068	15,013,545	15,753,964	(740,419)
Excess of Revenues Over (Under) Expenditures	547,142	(1,103,673)	189,233	2,773,744
Other Financing Sources (Uses):				
Transfers in	301,990	264,320	248,324	(15,996)
Proceeds from sale of capital asset	-	434,848	434,848	-
Transfers out	(753,985)	(711,623)	(980,121)	268,498
Total Other Financing Sources (Uses)	(451,995)	(12,455)	(296,949)	252,502
Net Change in Fund Balance	95,147	(1,116,128)	(107,716)	3,026,246
Fund Balance, Beginning of Fiscal Year, as previously reported	4,549,299	4,549,299	4,549,299	-
Restatements	938,950	938,950	938,950	-
Fund Balance, Beginning of Fiscal Year, as restated	5,488,249	5,488,249	5,488,249	-
Fund Balance, End of Fiscal Year	\$ 5,583,396	\$ 4,372,121	\$ 5,380,533	\$ 3,026,246

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 HUD GRANTS
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,045,052	\$ 2,045,052	\$ 768,126	\$ (1,276,926)
Use of money and property	23,827	23,827	372,488	348,661
Total Revenues	2,068,879	2,068,879	1,140,614	(928,265)
Expenditures:				
Community development	1,790,414	2,240,414	850,796	1,389,618
Capital outlay	-	-	95,827	(95,827)
Total Expenditures	1,790,414	2,240,414	946,623	1,293,791
Excess of Revenues Over (Under) Expenditures	278,465	(171,535)	193,991	(2,222,056)
Other Financing Sources (Uses):				
Transfers in	250,000	700,000	334,567	(365,433)
Transfers out	(16,634)	(91,634)	(28,972)	(62,662)
Total Other Financing Sources (Uses)	233,366	608,366	305,595	(428,095)
Net Change in Fund Balance	511,831	436,831	499,586	(2,650,151)
Fund Balance, Beginning of Fiscal Year, as previously reported	129,636	129,636	129,636	-
Restatements	24,488,966	24,488,966	24,488,966	-
Fund Balances, Beginning of Fiscal Year, as Restated	24,618,602	24,618,602	24,618,602	-
Fund Balance, End of Fiscal Year	\$ 25,130,433	\$ 25,055,433	\$ 25,118,188	\$ (2,650,151)

CITY OF DINUBA

**COST SHARING MULTIPLE-EMPLOYER PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, 2018**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Miscellaneous Rate Plan				
Rate Plan's Proportion of the Net Pension Liability	0.09025%	0.08449%	0.08530%	0.08633%
Rate Plan's Proportionate Share of the Net Pension Liability	\$ 5,615,605	\$ 5,799,429	\$ 7,380,757	\$ 8,561,182
Rate Plan's Covered Payroll	\$ 4,337,752	\$ 4,535,654	\$ 4,950,525	\$ 4,855,630
Rate Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	129.46%	127.86%	149.09%	176.31%
Safety Rate Plan				
Rate Plan's Proportion of the Net Pension Liability	0.12534%	0.11578%	0.10988%	0.10815%
Rate Plan's Proportionate Share of the Net Pension Liability	\$ 7,798,956	\$ 7,946,896	\$ 9,507,786	\$ 10,725,363
Rate Plan's Covered Payroll	\$ 4,361,016	\$ 4,579,907	\$ 4,837,830	\$ 4,868,573
Rate Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	178.83%	173.52%	196.53%	220.30%
Total Plan				
Plan Proportion of the Net Pension Liability	0.21558%	0.20027%	0.19517%	0.19447%
Plan Proportionate Share of the Net Pension Liability	\$ 13,414,561	\$ 13,746,325	\$ 16,888,543	\$ 19,286,545
Plan Covered Payroll	\$ 8,698,768	\$ 9,115,561	\$ 9,788,355	\$ 9,724,203
Plan Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	154.21%	150.80%	172.54%	198.34%
The Pension Plan's (PERF-C) Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	74.06%	73.31%

Notes to Schedule:

Benefit Changes: There were no changes to benefit terms. However, the figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2016. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amount reported were based on the 7.5 percent discount rate.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

CITY OF DINUBA

**COST SHARING MULTIPLE-EMPLOYER PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, 2018**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Miscellaneous Rate Plan				
Actuarially Determined Contribution	\$ 558,710	\$ 588,950	\$ 699,287	\$ 801,836
Contribution in Relation to the Actuarially Determined Contribution	(558,710)	(588,950)	(699,287)	(801,836)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 4,535,654	\$ 4,950,525	\$ 4,855,630	\$ 4,623,761
Contributions as a Percentage of Covered-Employee Payroll	12.32%	11.90%	14.40%	17.34%
Safety Rate Plan				
Actuarially Determined Contribution	1,170,656	1,201,260	1,211,650	1,487,592
Contribution in Relation to the Actuarially Determined Contribution	(1,170,656)	(1,201,260)	(1,211,650)	(1,487,592)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 4,579,907	\$ 4,837,830	\$ 4,868,573	\$ 5,340,189
Contributions as a Percentage of Covered-Employee Payroll	25.56%	24.83%	24.89%	27.86%
Total Plan				
Actuarially Determined Contribution	1,729,366	1,790,210	1,910,937	2,289,428
Contribution in Relation to the Actuarially Determined Contribution	(1,729,366)	(1,790,210)	(1,910,937)	(2,289,428)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 9,115,561	\$ 9,788,355	\$ 9,724,203	\$ 9,963,950
Contributions as a Percentage of Covered-Employee Payroll	18.97%	18.29%	19.65%	22.98%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

Note to Schedule:

Valuation Date:	June 30, 2015
Methods and assumptions used to determine contribution rates:	
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll, closed
Assets valuation method	Market Value
Discount Rate	7.50% (net of administrative expenses)
Projected Salary Increases	3.30% to 14.20% depending on Age, Service, and type of employment.
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation of 2.75% and an annual production growth of 0.25%.

CITY OF DINUBA

**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 1,508,388
Interest on the total OPEB liability	759,508
Differences between expected and actual experiences	(3,331,140)
Changes in assumptions	475,464
Benefit payments	<u>(459,273)</u>
Net change in total OPEB liability	(1,047,053)
Total OPEB liability - beginning	<u>24,731,785</u>
Total OPEB liability - ending (a)	<u>\$ 23,684,732</u>

Plan fiduciary net position as a percentage of the total OPEB liability 0.00%

Covered-employee payroll \$ 9,168,252

Net OPEB liability as a percentage of covered-employee payroll 258.33%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

(2) Total employer contributions consist of \$328,001 explicit contributions and \$131,272 implicit contributions.

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018**

Note 1: Budgets and Budgetary Data

The annual budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and the means of financing them.

Budgets for the General and Special Revenue Funds are adopted on a basis substantially consistent with the accounting principles generally accepted in the United States of America (US GAAP). Accordingly, actual revenues and expenditures can be compared with the related budgeted amounts without any significant reconciling items.

Additional information concerning the General Budget policies is explained more thoroughly in the Notes to the Basic Financial Statements.

The Housing Authority Fund does not present a budget schedule as it does not have a legally adopted budget.

Note 2: Excess Expenditures over Appropriations

The following are major funds in which certain expenditures exceeded appropriations for the fiscal year ended June 30, 2018:

Fund/Function	Final Appropriation	Expenditures	Excess
Major Funds:			
General Fund			
General Government	\$ 3,103,292	\$ 3,811,893	\$ (708,601)
Community Development	1,033,506	1,060,438	(26,932)
Capital Outlay	19,677	150,542	(130,865)
Debt Service	4,941	57,206	(52,265)
HUD Grants Fund			
Capital Outlay	-	95,827	(95,827)

Other Supplemental Information



CITY OF DINUBA
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenue (other than those for major capital projects) that are restricted legally to expenditures for particular purposes.

PUBLIC SAFETY SALES TAX FUND - This fund accounts for 3/4% add-on sales tax approved by voters in November 2005 for enhanced public safety services.

GAS TAX FUND - This fund accounts for street projects paid for out of the City's share of the gas tax monies received from the state.

PARKS RESERVE FUND – Monies received from developers for the purpose of acquiring additional parklands are accounted for in this fund.

TRANSPORTATION FUND – This fund accounts for monies received under the Transportation Development Act for street and road projects, and for planning purposes.

SYSTEM DEVELOPMENT CHARGES FUND – This fund accounts for developer deposits for expanding existing water, sewer, and/or transportation systems, and to provide new systems necessary in new real

COMMUNITY ENHANCEMENT GRANTS FUND – This fund accounts for various State and Federal grants awards to the City.

CURB AND GUTTER FUND – This fund is for the purpose of accounting for deposits made for future curb and gutter improvements in new areas.

ASSESSMENT DISTRICTS FUND – This fund accounts for the lighting and maintenance district costs of various medians and landscape areas in the City. Funding is provided by assessments charged to property owners within the district.

FIRE IMPACT FEES FUND – This fund accounts for fees collected from developers and saved for future capital outlays for fire equipment.

ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 FUND – This fund accounts for fees collected from developers and saved for future capital outlays for fire equipment.



CITY OF DINUBA
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

GENERAL CONSTRUCTION FUND – This fund accounts for other major construction projects.

DRAINAGE DISTRICTS FUND – This fund accounts for all the capital projects which have been, or will be, established in the City's drainage districts.

VOCATIONAL CENTER FUND – This fund accounts for the expenditures associated with the operation of the Vocational Center.

MTBE FUND – This fund accounts for the revenue received as part of the MTBE Settlement Litigation. Revenue is received in this fund and allocated-out to the appropriate funds and capital projects that have expenditures associated with MTBE.

PUBLIC WORKS MANAGEMENT FUND – This fund accounts for the management costs of the Public Works Services Department. The source of funding is a charge against the Water, Sewer, Disposal, and Transportation funds as well as reimbursement received from Tulare County for the Road 80 Expansion Project.

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for, and the retirement of, long-term debt principal and interest.

FINANCING AUTHORITY DEBT SERVICE FUND – This fund accounts for the accumulation of resources for, and the retirement of, the Authority's long-term debt issue for capital investments.

GENERAL DEBT SERVICE FUND – This fund was set up to account for servicing general long-term debt incurred in Governmental Funds through equipment lease-purchases and/or loans, along with its commitment to fund the long-term portion of employee vacation, sick leave, and compensatory time benefits.

CITY OF DINUBA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds			
	Public Safety Sales Tax	Gas Tax	Parks Reserve	Transportation
Assets:				
Pooled cash and investments	\$ 215,250	\$ 813,911	\$ 97,493	\$ 1,358,683
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	116,735	-
Accrued interest	524	2,698	473	4,509
Prepaid costs	-	1,298	-	-
Due from other governments	360,386	302,858	-	255,121
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Advances to Successor Agency	-	-	150,000	-
Total Assets	576,160	1,120,765	364,701	1,618,313
Liabilities:				
Accounts payable	3,703	325,422	-	1,085,449
Accrued liabilities	73,146	5,818	-	1,923
Due to other funds	-	-	-	-
Advances from other funds	-	-	116,904	-
Total Liabilities	76,849	331,240	116,904	1,087,372
Deferred inflows of resources:				
Unavailable revenues	-	-	27,078	-
Total Deferred inflows of Resources	-	-	27,078	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	1,298	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	499,311	-	-	-
Parks and recreation	-	-	220,719	-
Public works	-	788,227	-	530,941
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	499,311	789,525	220,719	530,941

CITY OF DINUBA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds			
	System Development Charges	Community Enhancement Grants	Curb and Gutter	Assessment Districts
Assets:				
Pooled cash and investments	\$ 1,663,798	\$ 43,899	\$ 7,375	\$ 11,908
Receivables:				
Accounts	-	-	-	510
Notes and loans	1,018,531	-	-	-
Accrued interest	5,232	71	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	9,876	-	8,228
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Advances to Successor Agency	365,000	-	-	104,000
Total Assets	3,052,561	53,846	7,375	124,646
Liabilities:				
Accounts payable	220,000	-	-	21,732
Accrued liabilities	-	3,303	-	1,478
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	220,000	3,303	-	23,210
Deferred inflows of resources:				
Unavailable revenues	301,280	26,824	-	-
Total Deferred inflows of Resources	301,280	26,824	-	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	23,719	-	-
Parks and recreation	-	-	-	-
Public works	2,531,281	-	7,375	101,436
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	2,531,281	23,719	7,375	101,436

CITY OF DINUBA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds		Capital Projects Funds	
	Fire Impact Fees	Road Repair and Accountability	General Construction	Drainage Districts
Assets:				
Pooled cash and investments	\$ 213,938	\$ 175,315	\$ 84,920	\$ 301,509
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	131,872
Accrued interest	592	-	274	1,157
Prepaid costs	-	-	-	-
Due from other governments	-	21,619	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Advances to Successor Agency	-	-	-	-
Total Assets	214,530	196,934	85,194	434,538
Liabilities:				
Accounts payable	-	859	3,038	6,610
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	12,000	-
Total Liabilities	-	859	15,038	6,610
Deferred inflows of resources:				
Unavailable revenues	-	-	-	42,216
Total Deferred inflows of Resources	-	-	-	42,216
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Community development projects	-	-	-	385,712
Public safety	214,530	-	-	-
Parks and recreation	-	-	-	-
Public works	-	196,075	-	-
Capital Projects	-	-	70,156	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	214,530	196,075	70,156	385,712

CITY OF DINUBA

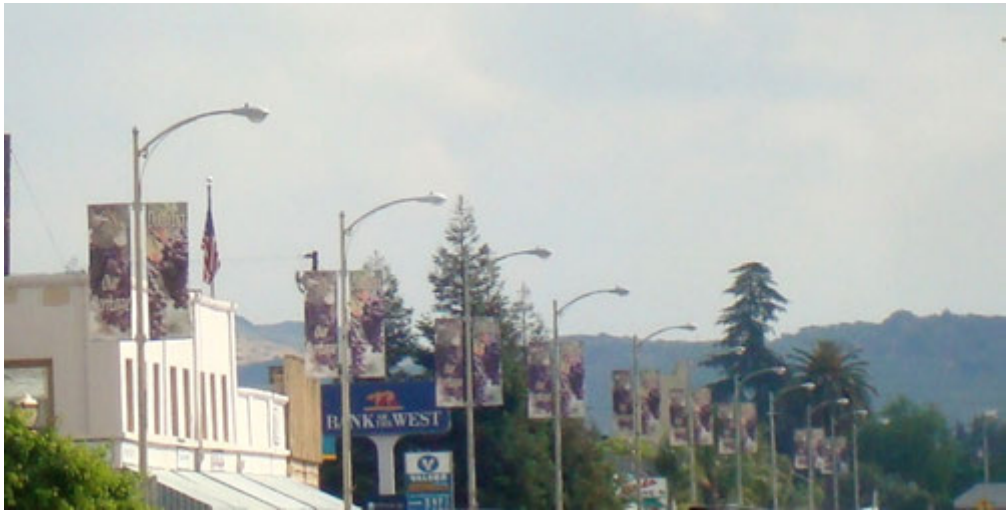
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Capital Projects Funds		Debt Service Funds	
	Vocational Center	MTBE	Financing Authority	General Debt Service
Assets:				
Pooled cash and investments	\$ -	\$ -	\$ 31,854	\$ -
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Accrued interest	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	1,260,000
Restricted assets:				
Cash and investments with fiscal agents	-	-	755,539	-
Advances to Successor Agency	-	3,300,000	500,000	-
Total Assets	-	3,300,000	1,287,393	1,260,000
Liabilities:				
Accounts payable	87	7,404	1,250	-
Accrued liabilities	1,516	371	2,853	-
Due to other funds	452,026	106,800	-	2,743
Advances from other funds	-	-	200,000	-
Total Liabilities	453,629	114,575	204,103	2,743
Deferred inflows of resources:				
Unavailable revenues	-	-	-	-
Total Deferred inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital Projects	-	3,185,425	-	-
Debt service	-	-	1,083,290	1,257,257
Unassigned	(453,629)	-	-	-
Total Fund Balances	(453,629)	3,185,425	1,083,290	1,257,257

CITY OF DINUBA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2018

	Total Governmental Funds
Assets:	
Pooled cash and investments	\$ 5,019,853
Receivables:	
Accounts	510
Notes and loans	1,267,138
Accrued interest	15,530
Prepaid costs	1,298
Due from other governments	958,088
Advances to other funds	1,260,000
Restricted assets:	
Cash and investments with fiscal agents	755,539
Advances to Successor Agency	4,419,000
	<hr/>
Total Assets	13,696,956
	<hr/>
Liabilities:	
Accounts payable	1,675,554
Accrued liabilities	90,408
Due to other funds	561,569
Advances from other funds	328,904
	<hr/>
Total Liabilities	2,656,435
	<hr/>
Deferred inflows of resources:	
Unavailable revenues	397,398
	<hr/>
Total Deferred inflows of Resources	397,398
	<hr/>
Fund Balances:	
Nonspendable:	
Prepaid costs	1,298
Restricted for:	
Community development projects	385,712
Public safety	737,560
Parks and recreation	220,719
Public works	4,155,335
Capital Projects	3,255,581
Debt service	2,340,547
Unassigned	<u>(453,629)</u>
	<hr/>
Total Fund Balances	10,643,123
	<hr/>



CITY OF DINUBA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	Special Revenue Funds			
	Public Safety Sales Tax	Gas Tax	Parks Reserve	Transportation
Revenues:				
Taxes	\$ 1,956,189	\$ -	\$ -	\$ 414,454
Intergovernmental	-	777,865	-	517,885
Charges for services	-	-	-	-
Use of money and property	2,634	8,646	1,027	14,913
Fines and forfeitures	-	-	144,513	-
Miscellaneous	-	-	-	109
Total Revenues	1,958,823	786,511	145,540	947,361
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	1,704,657	-	-	-
Public works	-	919,172	-	1,427,527
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	71,994	-	-	-
Interest and fiscal charges	7,736	-	-	-
Total Expenditures	1,784,387	919,172	-	1,427,527
Excess (Deficiency) of Revenues Over (Under) Expenditures	174,436	(132,661)	145,540	(480,166)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(3,832)	(37,371)	-	(595,835)
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	(3,832)	(37,371)	-	(595,835)
Net Change in Fund Balances	170,604	(170,032)	145,540	(1,076,001)
Fund Balances, Beginning of Year, as previously reported	328,707	959,557	75,179	1,832,669
Restatements	-	-	-	(225,727)
Fund Balances, Beginning of Year, as restated	328,707	959,557	75,179	1,606,942
Fund Balances, End of Year	\$ 499,311	\$ 789,525	\$ 220,719	\$ 530,941

CITY OF DINUBA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	Special Revenue Funds			
	System Development Charges	Community Enhancement Grants	Curb and Gutter	Assessment Districts
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 444,651
Intergovernmental	-	195,925	-	-
Charges for services	1,468,131	-	-	-
Use of money and property	15,375	(631)	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	1,483,506	195,294	-	444,651
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	188,120	-	-
Public works	220,000	-	-	508,048
Capital outlay	-	6,119	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	220,000	194,239	-	508,048
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,263,506	1,055	-	(63,397)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(435,388)	(202)	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	(435,388)	(202)	-	-
Net Change in Fund Balances	828,118	853	-	(63,397)
Fund Balances, Beginning of Year, as previously reported	1,703,163	22,866	7,375	164,833
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as restated	1,703,163	22,866	7,375	164,833
Fund Balances, End of Year	\$ 2,531,281	\$ 23,719	\$ 7,375	\$ 101,436

CITY OF DINUBA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	Special Revenue Funds		Capital Projects Funds	
	Fire Impact Fees	Road Repair and Accountability	General Construction	Drainage Districts
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	114,600	160,150	-
Charges for services	112,564	-	-	115,498
Use of money and property	1,509	-	842	3,372
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	114,073	114,600	160,992	118,870
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	858	162,485	22,551
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	858	162,485	22,551
Excess (Deficiency) of Revenues Over (Under) Expenditures	114,073	113,742	(1,493)	96,319
Other Financing Sources (Uses):				
Transfers in	-	82,333	14,562	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	2,631
Total Other Financing Sources (Uses)	-	82,333	14,562	2,631
Net Change in Fund Balances	114,073	196,075	13,069	98,950
Fund Balances, Beginning of Year, as previously reported	100,457	-	57,087	286,762
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as restated	100,457	-	57,087	286,762
Fund Balances, End of Year	\$ 214,530	\$ 196,075	\$ 70,156	\$ 385,712

CITY OF DINUBA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	Capital Projects Funds		Debt Service Funds	
	Vocational Center	MTBE	Financing Authority	General Debt Service
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	(1,942)	(1,226)	(2,210)	8
Fines and forfeitures	-	-	-	-
Miscellaneous	-	161,440	-	-
Total Revenues	(1,942)	160,214	(2,210)	8
Expenditures:				
Current:				
General government	12,769	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	155,858	-	-
Debt service:				
Principal retirement	-	-	735,983	292,047
Interest and fiscal charges	-	-	879,259	133,311
Total Expenditures	12,769	155,858	1,615,242	425,358
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,711)	4,356	(1,617,452)	(425,350)
Other Financing Sources (Uses):				
Transfers in	12,094	-	1,601,115	426,040
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	12,094	-	1,601,115	426,040
Net Change in Fund Balances	(2,617)	4,356	(16,337)	690
Fund Balances, Beginning of Year, as previously reported	(451,012)	3,181,069	1,099,627	1,256,567
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as restated	(451,012)	3,181,069	1,099,627	1,256,567
Fund Balances, End of Year	\$ (453,629)	\$ 3,185,425	\$ 1,083,290	\$ 1,257,257

CITY OF DINUBA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	<u>Total Governmental Funds</u>
Revenues:	
Taxes	\$ 2,815,294
Intergovernmental	1,766,425
Charges for services	1,696,193
Use of money and property	42,317
Fines and forfeitures	144,513
Miscellaneous	161,549
	<hr/>
Total Revenues	6,626,291
	<hr/>
Expenditures:	
Current:	
General government	12,769
Public safety	1,892,777
Public works	3,074,747
Capital outlay	347,871
Debt service:	
Principal retirement	1,100,024
Interest and fiscal charges	1,020,306
	<hr/>
Total Expenditures	7,448,494
	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(822,203)
	<hr/>
Other Financing Sources (Uses):	
Transfers in	2,136,144
Transfers out	(1,072,628)
Proceeds from sale of capital asset	2,631
	<hr/>
Total Other Financing Sources (Uses)	1,066,147
	<hr/>
Net Change in Fund Balances	243,944
	<hr/>
Fund Balances, Beginning of Year, as previously reported	10,624,906
Restatements	(225,727)
	<hr/>
Fund Balances, Beginning of Year, as restated	10,399,179
	<hr/>
Fund Balances, End of Year	\$ 10,643,123
	<hr/> <hr/>



CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 PUBLIC SAFETY SALES TAX
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,126,800	\$ 2,126,800	\$ 1,956,189	\$ (170,611)
Use of money and property	-	-	2,634	2,634
Total Revenues	2,126,800	2,126,800	1,958,823	(167,977)
Expenditures:				
Public safety	1,765,287	1,765,287	1,704,657	60,630
Capital outlay	70,000	70,000	-	70,000
Debt service:				
Principal retirement	71,993	71,993	71,994	(1)
Interest and fiscal charges	7,738	7,738	7,736	2
Total Expenditures	1,915,018	1,915,018	1,784,387	130,631
Excess of Revenues Over (Under) Expenditures	211,782	211,782	174,436	(298,608)
Other Financing Sources (Uses):				
Transfers out	(3,832)	(3,832)	(3,832)	-
Total Other Financing Sources (Uses)	(3,832)	(3,832)	(3,832)	-
Net Change in Fund Balance	207,950	207,950	170,604	(298,608)
Fund Balance, Beginning of Fiscal Year	328,707	328,707	328,707	-
Fund Balance, End of Fiscal Year	\$ 536,657	\$ 536,657	\$ 499,311	\$ (298,608)

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 GAS TAX
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 743,529	\$ 743,529	\$ 777,865	\$ 34,336
Use of money and property	2,500	2,500	8,646	6,146
Total Revenues	746,029	746,029	786,511	40,482
Expenditures:				
Public works	564,161	564,161	919,172	(355,011)
Total Expenditures	564,161	564,161	919,172	(355,011)
Excess of Revenues Over (Under) Expenditures	181,868	181,868	(132,661)	395,493
Other Financing Sources (Uses):				
Transfers out	(419,403)	(419,403)	(37,371)	(382,032)
Total Other Financing Sources (Uses)	(419,403)	(419,403)	(37,371)	(382,032)
Net Change in Fund Balance	(237,535)	(237,535)	(170,032)	13,461
Fund Balance, Beginning of Fiscal Year	959,557	959,557	959,557	-
Fund Balance, End of Fiscal Year	\$ 722,022	\$ 722,022	\$ 789,525	\$ 13,461

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 PARKS RESERVE
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 100	\$ 100	\$ 1,027	\$ 927
Fines and forfeitures	61,968	61,968	144,513	82,545
Total Revenues	62,068	62,068	145,540	83,472
Excess of Revenues Over (Under) Expenditures	62,068	62,068	145,540	83,472
Net Change in Fund Balance	62,068	62,068	145,540	83,472
Fund Balance, Beginning of Fiscal Year	75,179	75,179	75,179	-
Fund Balance, End of Fiscal Year	\$ 137,247	\$ 137,247	\$ 220,719	\$ 83,472

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 TRANSPORTATION
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 380,970	\$ 380,970	\$ 414,454	\$ 33,484
Intergovernmental	129,813	129,813	517,885	388,072
Use of money and property	2,000	2,000	14,913	12,913
Miscellaneous	4,800	4,800	109	(4,691)
Total Revenues	517,583	517,583	947,361	429,778
Expenditures:				
Public works	411,801	410,835	1,427,527	(1,016,692)
Total Expenditures	411,801	410,835	1,427,527	(1,016,692)
Excess of Revenues Over (Under) Expenditures	105,782	106,748	(480,166)	1,446,470
Other Financing Sources (Uses):				
Transfers in	40,000	40,000	-	(40,000)
Transfers out	(392,260)	(567,260)	(595,835)	28,575
Total Other Financing Sources (Uses)	(352,260)	(527,260)	(595,835)	(11,425)
Net Change in Fund Balance	(246,478)	(420,512)	(1,076,001)	1,435,045
Fund Balance, Beginning of Fiscal Year, as previously reported	1,832,669	1,832,669	1,832,669	-
Restatements	(225,727)	(225,727)	(225,727)	-
Fund Balances, Beginning of Fiscal Year, as Restated	1,606,942	1,606,942	1,606,942	-
Fund Balance, End of Fiscal Year	\$ 1,360,464	\$ 1,186,430	\$ 530,941	\$ 1,435,045

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SYSTEM DEVELOPMENT CHARGES
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 519,336	\$ 519,336	\$ 1,468,131	\$ 948,795
Use of money and property	1,600	1,600	15,375	13,775
Total Revenues	520,936	520,936	1,483,506	962,570
Expenditures:				
Public works	135,000	135,000	220,000	(85,000)
Capital outlay	3,500	3,500	-	3,500
Total Expenditures	138,500	138,500	220,000	(81,500)
Excess of Revenues Over (Under) Expenditures	382,436	382,436	1,263,506	1,044,070
Other Financing Sources (Uses):				
Transfers out	(337,434)	(537,434)	(435,388)	(102,046)
Total Other Financing Sources (Uses)	(337,434)	(537,434)	(435,388)	(102,046)
Net Change in Fund Balance	45,002	(154,998)	828,118	942,024
Fund Balance, Beginning of Fiscal Year	1,703,163	1,703,163	1,703,163	-
Fund Balance, End of Fiscal Year	\$ 1,748,165	\$ 1,548,165	\$ 2,531,281	\$ 942,024

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 COMMUNITY ENHANCEMENT GRANTS
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 141,667	\$ 141,667	\$ 195,925	\$ 54,258
Use of money and property	1,000	1,000	(631)	(1,631)
Total Revenues	142,667	142,667	195,294	52,627
Expenditures:				
Public safety	142,320	142,320	188,120	(45,800)
Capital outlay	-	-	6,119	(6,119)
Total Expenditures	142,320	142,320	194,239	(51,919)
Excess of Revenues Over (Under) Expenditures	347	347	1,055	104,546
Other Financing Sources (Uses):				
Transfers out	-	-	(202)	202
Total Other Financing Sources (Uses)	-	-	(202)	202
Net Change in Fund Balance	347	347	853	104,748
Fund Balance, Beginning of Fiscal Year	22,866	22,866	22,866	-
Fund Balance, End of Fiscal Year	\$ 23,213	\$ 23,213	\$ 23,719	\$ 104,748

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 ASSESSMENT DISRICTS
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 421,341	\$ 421,341	\$ 444,651	\$ 23,310
Total Revenues	421,341	421,341	444,651	23,310
Expenditures:				
Public works	461,424	491,424	508,048	(16,624)
Total Expenditures	461,424	491,424	508,048	(16,624)
Excess of Revenues Over (Under) Expenditures	(40,083)	(70,083)	(63,397)	39,934
Net Change in Fund Balance	(40,083)	(70,083)	(63,397)	39,934
Fund Balance, Beginning of Fiscal Year	164,833	164,833	164,833	-
Fund Balance, End of Fiscal Year	\$ 124,750	\$ 94,750	\$ 101,436	\$ 39,934

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FIRE IMPACT FEES
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 33,660	\$ 33,660	\$ 112,564	\$ 78,904
Use of money and property	187	187	1,509	1,322
Total Revenues	33,847	33,847	114,073	80,226
Excess of Revenues Over (Under) Expenditures	33,847	33,847	114,073	80,226
Net Change in Fund Balance	33,847	33,847	114,073	80,226
Fund Balance, Beginning of Fiscal Year	100,457	100,457	100,457	-
Fund Balance, End of Fiscal Year	\$ 134,304	\$ 134,304	\$ 214,530	\$ 80,226

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 FUND (SB 1)
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 140,000	\$ 114,600	\$ (25,400)
Total Revenues	-	140,000	114,600	(25,400)
Expenditures:				
Capital outlay	-	140,000	858	139,142
Total Expenditures	-	140,000	858	139,142
Excess of Revenues Over (Under) Expenditures	-	-	113,742	(164,542)
Other Financing Sources (Uses):				
Transfers in	-	-	82,333	82,333
Total Other Financing Sources (Uses)	-	-	82,333	82,333
Net Change in Fund Balance	-	-	196,075	(82,209)
Fund Balance, Beginning of Fiscal Year	-	-	-	-
Fund Balance, End of Fiscal Year	\$ -	\$ -	\$ 196,075	\$ (82,209)

CITY OF DINUBA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRANSPORTATION CONSTRUCTION
YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 461,954	\$ 889,354	\$ 583,124	\$ (306,230)
Use of money and property	1,067	1,067	17,376	16,309
Total Revenues	463,021	890,421	600,500	(289,921)
Expenditures:				
Public works	-	-	2,997,634	(2,997,634)
Capital outlay	514,200	1,547,100	144,818	1,402,282
Total Expenditures	514,200	1,547,100	3,142,452	(1,595,352)
Excess of Revenues Over (Under) Expenditures	(51,179)	(656,679)	(2,541,952)	1,305,431
Other Financing Sources (Uses):				
Transfers in	50,000	50,000	188,155	138,155
Total Other Financing Sources (Uses)	50,000	50,000	188,155	138,155
Net Change in Fund Balance	(1,179)	(606,679)	(2,353,797)	1,443,586
Fund Balance, Beginning of Fiscal Year	2,915,753	2,915,753	2,915,753	-
Fund Balance, End of Fiscal Year	\$ 2,914,574	\$ 2,309,074	\$ 561,956	\$ 1,443,586

CITY OF DINUBA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL CONSTRUCTION
YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 160,150	\$ 160,150	\$ 160,150	\$ -
Use of money and property	-	-	842	842
Total Revenues	160,150	160,150	160,992	842
Expenditures:				
Capital outlay	512,300	277,800	162,485	115,315
Total Expenditures	512,300	277,800	162,485	115,315
Excess of Revenues Over (Under) Expenditures	(352,150)	(117,650)	(1,493)	(114,473)
Other Financing Sources (Uses):				
Transfers in	284,500	50,000	14,562	(35,438)
Total Other Financing Sources (Uses)	284,500	50,000	14,562	(35,438)
Net Change in Fund Balance	(67,650)	(67,650)	13,069	(149,911)
Fund Balance, Beginning of Fiscal Year	57,087	57,087	57,087	-
Fund Balance, End of Fiscal Year	\$ (10,563)	\$ (10,563)	\$ 70,156	\$ (149,911)

CITY OF DINUBA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DRAINAGE DISTRICTS
YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 47,217	\$ 47,217	\$ 115,498	\$ 68,281
Use of money and property	500	500	3,372	2,872
Total Revenues	47,717	47,717	118,870	71,153
Expenditures:				
Capital outlay	-	-	22,551	(22,551)
Total Expenditures	-	-	22,551	(22,551)
Excess of Revenues Over (Under) Expenditures	47,717	47,717	96,319	93,704
Other Financing Sources (Uses):				
Proceeds from sale of capital asset	500	500	2,631	2,131
Total Other Financing Sources (Uses)	500	500	2,631	2,131
Net Change in Fund Balance	48,217	48,217	98,950	95,835
Fund Balance, Beginning of Fiscal Year	286,762	286,762	286,762	-
Fund Balance, End of Fiscal Year	\$ 334,979	\$ 334,979	\$ 385,712	\$ 95,835

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 VOCATIONAL CENTER
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ (1,942)	\$ (1,942)
Total Revenues	-	-	(1,942)	(1,942)
Expenditures:				
General government	25,985	25,985	12,769	13,216
Total Expenditures	25,985	25,985	12,769	13,216
Excess of Revenues Over (Under) Expenditures	(25,985)	(25,985)	(14,711)	(15,158)
Other Financing Sources (Uses):				
Transfers in	30,000	30,000	12,094	(17,906)
Total Other Financing Sources (Uses)	30,000	30,000	12,094	(17,906)
Net Change in Fund Balance	4,015	4,015	(2,617)	(33,064)
Fund Balance, Beginning of Fiscal Year	(451,012)	(451,012)	(451,012)	-
Fund Balance, End of Fiscal Year	\$ (446,997)	\$ (446,997)	\$ (453,629)	\$ (33,064)

CITY OF DINUBA

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 MTBE
 YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ (1,226)	\$ (1,226)
Miscellaneous	100,000	100,000	161,440	61,440
Total Revenues	100,000	100,000	160,214	60,214
Expenditures:				
Capital outlay	100,000	100,000	155,858	(55,858)
Total Expenditures	100,000	100,000	155,858	(55,858)
Excess of Revenues Over (Under) Expenditures	-	-	4,356	116,072
Net Change in Fund Balance	-	-	4,356	116,072
Fund Balance, Beginning of Fiscal Year	3,181,069	3,181,069	3,181,069	-
Fund Balance, End of Fiscal Year	\$ 3,181,069	\$ 3,181,069	\$ 3,185,425	\$ 116,072

CITY OF DINUBA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FINANCING AUTHORITY
YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 9,115	\$ 9,115	\$ (2,210)	\$ (11,325)
Total Revenues	9,115	9,115	(2,210)	(11,325)
Expenditures:				
Debt service:				
Principal retirement	735,983	735,983	735,983	-
Interest and fiscal charges	880,234	880,234	879,259	975
Total Expenditures	1,616,217	1,616,217	1,615,242	975
Excess of Revenues Over (Under) Expenditures	(1,607,102)	(1,607,102)	(1,617,452)	(12,300)
Other Financing Sources (Uses):				
Transfers in	1,619,876	1,619,876	1,601,115	(18,761)
Total Other Financing Sources (Uses)	1,619,876	1,619,876	1,601,115	(18,761)
Net Change in Fund Balance	12,774	12,774	(16,337)	(31,061)
Fund Balance, Beginning of Fiscal Year	1,099,627	1,099,627	1,099,627	-
Fund Balance, End of Fiscal Year	\$ 1,112,401	\$ 1,112,401	\$ 1,083,290	\$ (31,061)

CITY OF DINUBA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL DEBT SERVICE
YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 8	\$ 8
Total Revenues	-	-	8	8
Expenditures:				
Debt service:				
Principal retirement	292,050	292,050	292,047	3
Interest and fiscal charges	133,990	133,990	133,311	679
Total Expenditures	426,040	426,040	425,358	682
Excess of Revenues Over (Under) Expenditures	(426,040)	(426,040)	(425,350)	(674)
Other Financing Sources (Uses):				
Transfers in	426,040	426,040	426,040	-
Total Other Financing Sources (Uses)	426,040	426,040	426,040	-
Net Change in Fund Balance	-	-	690	(674)
Fund Balance, Beginning of Fiscal Year	1,256,567	1,256,567	1,256,567	-
Fund Balance, End of Fiscal Year	\$ 1,256,567	\$ 1,256,567	\$ 1,257,257	\$ (674)



CITY OF DINUBA
NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for the financing of goods or services provided to customers.

TRANSIT ENTERPRISE FUND – This fund accounts for the operation of the City's transit system, which is accomplished by a private contractor. The principal source of funding for this activity is SB325 money.

COMPRESSED NATURAL GAS FUND – This fund accounts for the sale of compressed natural gas and related costs to outside entities.

CITY OF DINUBA

**COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
JUNE 30, 2018**

	Business-Type Activities - Enterprise Funds		
	Transit	Compressed Natural Gas	Totals
Assets:			
Current:			
Cash and investments	\$ -	\$ 433,425	\$ 433,425
Receivables:			
Accounts	517	673	1,190
Accrued interest	-	1,537	1,537
Prepaid costs	99	-	99
Due from other governments	469,789	-	469,789
Total Current Assets	470,405	435,635	906,040
Noncurrent:			
Capital assets - net of accumulated depreciation	1,957,744	1,922,994	3,880,738
Total Noncurrent Assets	1,957,744	1,922,994	3,880,738
Total Assets	2,428,149	2,358,629	4,786,778
Deferred Outflows of Resources:			
Deferred pension related items	14,783	5,238	20,021
Deferred OPEB related items	-	2,359	2,359
Total Deferred Outflows of Resources	14,783	7,597	22,380
Liabilities, Deferred Inflows of Resources, and Net Position:			
Liabilities:			
Current:			
Accounts payable	64,223	6,142	70,365
Accrued liabilities	2,086	207	2,293
Due to other funds	472,304	-	472,304
Total Current Liabilities	538,613	6,349	544,962
Noncurrent:			
Net pension liability	46,861	16,603	63,464
Total OPEB Liability	-	80,528	80,528
Total Noncurrent Liabilities	46,861	97,131	143,992
Total Liabilities	585,474	103,480	688,954
Deferred Inflows of Resources:			
Deferred pension related items	2,045	725	2,770
Deferred OPEB related items	-	10,255	10,255
Total Deferred Inflows of Resources	2,045	10,980	13,025
Net Position:			
Net investment in capital assets	1,957,744	1,922,994	3,880,738
Unrestricted	(102,331)	328,772	226,441
Total Net Position	1,855,413	2,251,766	4,107,179
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,442,932	\$ 2,366,226	\$ 4,809,158

CITY OF DINUBA

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2018**

	Business-Type Activities - Enterprise Funds		
	Transit	Compressed Natural Gas	Totals
Operating Revenues:			
Charges for services	\$ 103,623	\$ 210,677	\$ 314,300
Miscellaneous	-	10,606	10,606
Total Operating Revenues	103,623	221,283	324,906
Operating Expenses:			
Salaries and benefits	69,877	34,461	104,338
Contractual services	535,645	32,507	568,152
Materials and supplies	96,748	-	96,748
Repairs and maintenance	78,452	1,054	79,506
Utilities	5,690	53,364	59,054
Allocated costs	174,461	29,867	204,328
Depreciation expense	186,438	30,675	217,113
Total Operating Expenses	1,147,311	181,928	1,329,239
Operating Income (Loss)	(1,043,688)	39,355	(1,004,333)
Nonoperating Revenues (Expenses):			
Intergovernmental	971,992	-	971,992
Interest revenue	(5,448)	4,624	(824)
Contributions	-	1,506,447	1,506,447
Total Nonoperating Revenues (Expenses)	966,544	1,511,071	2,477,615
Income (Loss) Before Transfers	(77,144)	1,550,426	1,473,282
Transfers in	3,354	-	3,354
Transfers out	(3,563)	(59,507)	(63,070)
Changes in Net Position	(77,353)	1,490,919	1,413,566
Net Position:			
Beginning of Year, as originally reported	2,194,392	385,614	2,580,006
Restatements	(261,626)	375,233	113,607
Beginning of Fiscal Year, as restated	1,932,766	760,847	2,693,613
End of Fiscal Year	\$ 1,855,413	\$ 2,251,766	\$ 4,107,179

CITY OF DINUBA

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2018

	Business-Type Activities - Enterprise Funds		
	Transit	Compressed Natural Gas	Totals
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 198,681	\$ 241,376	\$ 440,057
Cash paid to suppliers for goods and services	(875,804)	(117,464)	(993,268)
Cash paid to employees for services	(35,754)	(16,920)	(52,674)
Cash received from (payments to) others	-	10,606	10,606
Net Cash Provided (Used) by Operating Activities	(712,877)	117,598	(595,279)
Cash Flows from Non-Capital Financing Activities:			
Cash transfers out	(3,563)	(59,507)	(63,070)
Cash transfers in	3,354	-	3,354
Short-term loans received from other funds	472,304	-	472,304
Intergovernmental revenue	710,366	-	710,366
Net Cash Provided (Used) by Non-Capital Financing Activities	1,182,461	(59,507)	1,122,954
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(119,709)	-	(119,709)
Net Cash Provided (Used) by Capital and Related Financing Activities	(119,709)	-	(119,709)
Cash Flows from Investing Activities:			
Interest received	(5,448)	3,680	(1,768)
Net Cash Provided (Used) by Investing Activities	(5,448)	3,680	(1,768)
Net Increase (Decrease) in Cash and Cash Equivalents	344,427	61,771	406,198
Cash and Cash Equivalents at Beginning of Year	(344,427)	371,654	27,227
Cash and Cash Equivalents at End of Year	\$ -	\$ 433,425	\$ 433,425

CITY OF DINUBA

COMBINING STATEMENT OF CASH FLOWS
 NON-MAJOR ENTERPRISE FUNDS
 YEAR ENDED JUNE 30, 2018

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Transit</u>	<u>Compressed Natural Gas</u>	<u>Totals</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (1,043,688)	\$ 39,355	\$ (1,004,333)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:			
Depreciation	186,438	30,675	217,113
Changes in Pension related items	34,123	12,090	46,213
Changes in OPEB related items	-	5,451	5,451
(Increase) decrease in accounts receivable	3,211	30,699	33,910
(Increase) decrease in due from other governments	99,990	-	99,990
(Increase) decrease in prepaid expense	3,257	3	3,260
Increase (decrease) in accounts payable & accrued liabilities	11,935	(675)	11,260
Increase (decrease) in unearned revenue	(8,143)	-	(8,143)
Total Adjustments	330,811	78,243	409,054
Net Cash Provided (Used) by Operating Activities	\$ (712,877)	\$ 117,598	\$ (595,279)
Non-Cash Investing, Capital, and Financing Activities:			
Restatement due to GASB 75 Implementation	\$ -	\$ (71,988)	\$ (71,988)
Restatements due to corrections of prior year errors	(261,626)	447,221	185,595
Contributed assets	-	1,506,447	1,506,447



CITY OF DINUBA
INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided to departments or agencies of the government and to other government units, on a cost reimbursement basis.

INSURANCE FUND – This fund was set up to account for the cost of general liability, property damage, and employee related health insurance costs. The City is involved in a self-insurance program through a joint powers authority with other local municipalities. The source of funding for the City’s program is a charge to all operating departments through a budgeting of the estimated costs to be allocated.

BILLING AND COLLECTION SERVICES FUND – This fund was set up to account for the costs and revenue for billing and collections of General, Utility, and Ambulance funds. The source of funding is a charge against the aforementioned funds.

PROPERTY AND EQUIPMENT SERVICE FUND – This fund was set up to account for the costs of maintenance and repairs for both buildings and equipment throughout the City. The source of this funding is a charge against the departments for services rendered.

CITY OF DINUBA

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018**

	Governmental Activities - Internal Service Funds			Totals
	Insurance Fund	Billing and Collection Service Fund	Property and Equipment Service Fund	
Assets:				
Current:				
Cash and investments	\$ 163,018	\$ -	\$ 45,998	\$ 209,016
Receivables:				
Accounts	15,482	-	699	16,181
Accrued interest	49	-	270	319
Prepaid costs	34,850	-	2,917	37,767
Restricted:				
Cash with fiscal agent	61,094	-	-	61,094
Total Current Assets	274,493	-	49,884	324,377
Total Noncurrent Assets	-	-	-	-
Total Assets	274,493	-	49,884	324,377
Deferred Outflows of Resources:				
Deferred pension related items	59,433	179,896	183,843	423,172
Deferred OPEB related items	9,437	35,251	11,172	55,860
Total Deferred Outflows of Resources	68,870	215,147	195,015	479,032
Liabilities, Deferred Inflows of Resources, and Net Position:				
Liabilities:				
Current:				
Accounts payable	7,064	8,017	22,595	37,676
Accrued liabilities	128	7,068	6,113	13,309
Due to other funds	-	45,754	-	45,754
Accrued compensated absences	1,460	4,711	6,382	12,553
Accrued claims and judgments	50,000	-	-	50,000
Total Current Liabilities	58,652	65,550	35,090	159,292
Noncurrent:				
Accrued compensated absences	11,320	32,380	9,197	52,897
Net pension liability	188,395	570,247	582,760	1,341,402
Total OPEB liability	322,112	1,203,184	381,324	1,906,620
Total Noncurrent Liabilities	521,827	1,805,811	973,281	3,300,919
Total Liabilities	580,479	1,871,361	1,008,371	3,460,211
Deferred Inflows of Resources:				
Deferred pension related items	8,223	24,891	25,437	58,551
Deferred OPEB related items	41,022	153,227	48,562	242,811
Total Deferred Inflows of Resources	49,245	178,118	73,999	301,362
Net Position:				
Unrestricted	(286,361)	(1,834,332)	(837,471)	(2,958,164)
Total Net Position	(286,361)	(1,834,332)	(837,471)	(2,958,164)
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 343,363	\$ 215,147	\$ 244,899	\$ 803,409

CITY OF DINUBA

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2018**

	Governmental Activities - Internal Service Funds			Totals
	Insurance Fund	Billing and Collection Service Fund	Property and Equipment Service Fund	
Operating Revenues:				
Charges for services	\$ 4,707,104	\$ 701,128	\$ 955,533	\$ 6,363,765
Miscellaneous	-	35	-	35
Total Operating Revenues	4,707,104	701,163	955,533	6,363,800
Operating Expenses:				
Salaries and benefits	141,316	776,601	801,974	1,719,891
Contractual services	37,004	45,245	10,903	93,152
Materials and supplies	290	24,842	78,213	103,345
Insurance	1,600,106	-	-	1,600,106
Employee health insurance	2,705,267	-	-	2,705,267
Repairs and maintenance	-	-	213,623	213,623
Utilities	-	47,915	3,534	51,449
Allocated costs	-	22,543	41,524	64,067
Depreciation expense	-	-	-	-
Total Operating Expenses	4,483,983	917,146	1,149,771	6,550,900
Operating Income (Loss)	223,121	(215,983)	(194,238)	(187,100)
Nonoperating Revenues (Expenses):				
Interest revenue	(2,034)	(774)	549	(2,259)
Total Nonoperating Revenues (Expenses)	(2,034)	(774)	549	(2,259)
Income (Loss) Before Transfers	221,087	(216,757)	(193,689)	(189,359)
Transfers out	-	-	(8,581)	(8,581)
Changes in Net Position	221,087	(216,757)	(202,270)	(197,940)
Net Position:				
Beginning of Year, as originally reported	(175,557)	(377,863)	(211,790)	(765,210)
Restatements	(331,891)	(1,239,712)	(423,411)	(1,995,014)
Beginning of Fiscal Year, as restated	(507,448)	(1,617,575)	(635,201)	(2,760,224)
End of Fiscal Year	\$ (286,361)	\$ (1,834,332)	\$ (837,471)	\$ (2,958,164)

CITY OF DINUBA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2018**

	Governmental Activities - Internal Service Funds			
	Insurance Fund	Billing and Collection Service Fund	Property and Equipment Service Fund	Totals
Cash Flows from Operating Activities:				
Cash received from/(paid to) interfund service provided	\$ 4,701,026	\$ 701,128	\$ 954,834	\$ 6,356,988
Cash paid to suppliers for goods and services	(4,344,981)	(140,217)	(348,095)	(4,833,293)
Cash paid to employees for services	(145,820)	(542,649)	(592,453)	(1,280,922)
Cash received from (payments to) others	-	35	-	35
Net Cash Provided (Used) by Operating Activities	210,225	18,297	14,286	242,808
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	-	-	(8,581)	(8,581)
Short-term loans received from other funds	-	45,754	-	45,754
Net Cash Provided (Used) by Non-Capital Financing Activities	-	45,754	(8,581)	37,173
Cash Flows from Investing Activities:				
Interest received	(2,406)	(773)	148	(3,031)
Net Cash Provided (Used) by Investing Activities	(2,406)	(773)	148	(3,031)
Net Increase (Decrease) in Cash and Cash Equivalents	207,819	63,278	5,853	276,950
Cash and Cash Equivalents at Beginning of Year	16,293	(63,278)	40,145	(6,840)
Cash and Cash Equivalents at End of Year	\$ 224,112	\$ -	\$ 45,998	\$ 270,110
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 223,121	\$ (215,983)	\$ (194,238)	\$ (187,100)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Changes in Pension related items	(15,241)	156,690	182,121	323,570
Changes in OPEB related items	21,806	81,448	25,813	129,067
(Increase) decrease in accounts receivable	(6,078)	-	(699)	(6,777)
(Increase) decrease in prepaid expense	3,155	-	(2,025)	1,130
Increase (decrease) in accounts payable & accrued liabilities	(5,469)	328	1,727	(3,414)
Increase (decrease) in compensated absences	(11,069)	(4,186)	1,587	(13,668)
Total Adjustments	(12,896)	234,280	208,524	429,908
Net Cash Provided (Used) by Operating Activities	\$ 210,225	\$ 18,297	\$ 14,286	\$ 242,808
Non-Cash Investing, Capital, and Financing Activities:				
Restatement due to GASB 75 Implementation	\$ (331,891)	\$ (1,239,712)	\$ (392,901)	\$ (1,964,504)
Restatements due to corrections of prior year errors	-	-	(30,510)	(30,510)

CITY OF DINUBA

AGENCY FUNDS

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other agencies, and/or other funds.

CASH DEPOSITS FUND – This fund was set up to be a revolving cash deposits fund. Monies are held here (cleaning deposits, construction bonds, etc.) until they are expended or a refund is authorized by the City when the depositor has met all the necessary requirements.

RETIREE'S INSURANCE FUND – To account for funds set aside and due to retirees for future health insurance benefits.

DPOA TRUST FUND – This fund accumulates donations from several non-profit entities for the repair and maintenance of the Dinuba Police Officers' Association practice pistol-shooting range.

SPECIAL COMMUNITY EVENTS FUND – Donations to community services (recreation) for special recreation equipment or services are accounted for in this fund.

POST TRAINING REVOLVING FUND – This fund is a revolving fund set up for specific types of police officer training.

ABANDONED VEHICLES FUND – For the purpose of beautification of the City, donations to this fund are used for the removal of abandoned vehicles from private properties in the City.

POLICE ACTIVITIES FUND – Donations to the Police Activities Fund are used to pay for uniforms and equipment for citizen volunteers of the police department.

CITY OF DINUBA

COMBINING STATEMENT OF NET POSITION
 ALL AGENCY FUNDS
 JUNE 30, 2018

	<u>Cash Deposits</u>	<u>Retiree's Insurance</u>	<u>DPOA Trust</u>	<u>Special Community Events</u>
Assets:				
Pooled cash and investments	\$ 587,186	\$ 23,900	\$ 1,474	\$ 69,193
Receivables:				
Accounts	-	79	-	3,700
Total Assets	<u>\$ 587,186</u>	<u>\$ 23,979</u>	<u>\$ 1,474</u>	<u>\$ 72,893</u>
Liabilities:				
Accounts payable	\$ 120	\$ -	\$ -	\$ 1,979
Unearned revenues	-	-	-	36,118
Deposits payable	587,066	-	806	16,456
Due to external parties/other agencies	-	23,979	668	18,340
Total Liabilities	<u>\$ 587,186</u>	<u>\$ 23,979</u>	<u>\$ 1,474</u>	<u>\$ 72,893</u>

CITY OF DINUBA

COMBINING STATEMENT OF NET POSITION
 ALL AGENCY FUNDS
 JUNE 30, 2018

	<u>Post Training Revolving</u>	<u>Abandoned Vehicles</u>	<u>Police Activities</u>	<u>Totals</u>
Assets:				
Pooled cash and investments	\$ 992	\$ -	\$ 28,053	\$ 710,798
Receivables:				
Accounts	-	-	-	3,779
Total Assets	<u>\$ 992</u>	<u>\$ -</u>	<u>\$ 28,053</u>	<u>\$ 714,577</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 2,099
Unearned revenues	-	-	-	36,118
Deposits payable	-	-	28,053	632,381
Due to external parties/other agencies	992	-	-	43,979
Total Liabilities	<u>\$ 992</u>	<u>\$ -</u>	<u>\$ 28,053</u>	<u>\$ 714,577</u>

CITY OF DINUBA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2018

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2018</u>
<u>Cash Deposits</u>				
Assets:				
Pooled cash and investments	\$ 1,258,312	\$ 72,885	\$ 744,011	\$ 587,186
Total Assets	<u>\$ 1,258,312</u>	<u>\$ 72,885</u>	<u>\$ 744,011</u>	<u>\$ 587,186</u>
Liabilities:				
Accounts payable	\$ -	\$ 684	\$ 564	\$ 120
Deposits payable	556,889	72,979	42,802	587,066
Due to external parties/other agencies	701,423	-	701,423	-
Total Liabilities	<u>\$ 1,258,312</u>	<u>\$ 73,663</u>	<u>\$ 744,789</u>	<u>\$ 587,186</u>
<u>Retiree's Insurance</u>				
Assets:				
Pooled cash and investments	\$ 23,690	\$ 210	\$ -	\$ 23,900
Receivables:				
Accounts	38	79	38	79
Total Assets	<u>\$ 23,728</u>	<u>\$ 289</u>	<u>\$ 38</u>	<u>\$ 23,979</u>
Liabilities:				
Due to external parties/other agencies	\$ 23,728	\$ 289	\$ 38	23,979
Total Liabilities	<u>\$ 23,728</u>	<u>\$ 289</u>	<u>\$ 38</u>	<u>\$ 23,979</u>
<u>DPOA Trust</u>				
Assets:				
Pooled cash and investments	\$ 1,474	\$ -	\$ -	\$ 1,474
Total Assets	<u>\$ 1,474</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,474</u>
Liabilities:				
Deposits payable	\$ 806	\$ -	\$ -	\$ 806
Due to external parties/other agencies	668	-	-	668
Total Liabilities	<u>\$ 1,474</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,474</u>
<u>Special Community Events</u>				
Assets:				
Pooled cash and investments	\$ 30,704	\$ 107,408	\$ 68,919	\$ 69,193
Receivables:				
Accounts	-	3,700	-	3,700
Total Assets	<u>\$ 30,704</u>	<u>\$ 111,108</u>	<u>\$ 68,919</u>	<u>\$ 72,893</u>
Liabilities:				
Accounts payable	\$ -	\$ 19,510	\$ 17,531	\$ 1,979
Unearned revenues	-	36,118	-	36,118
Deposits payable	16,412	16,490	16,446	16,456
Due to external parties/other agencies	14,292	62,371	58,323	18,340
Total Liabilities	<u>\$ 30,704</u>	<u>\$ 134,489</u>	<u>\$ 92,300</u>	<u>\$ 72,893</u>

CITY OF DINUBA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
<u>Post Training Revolving</u>				
Assets:				
Pooled cash and investments	\$ 1,339	\$ 23,646	\$ 23,993	\$ 992
Prepaid costs	310	-	310	-
Total Assets	\$ 1,649	\$ 23,646	\$ 24,303	\$ 992
Liabilities:				
Accounts payable	\$ 889	\$ 22,362	\$ 23,251	\$ -
Due to external parties/other agencies	760	47,248	47,016	992
Total Liabilities	\$ 1,649	\$ 69,610	\$ 70,267	\$ 992
<u>Abandoned Vehicles</u>				
Assets:				
Pooled cash and investments	\$ 60,749	\$ 3,669	\$ 64,418	\$ -
Total Assets	\$ 60,749	\$ 3,669	\$ 64,418	\$ -
Liabilities:				
Accounts payable	\$ 480	\$ 480	\$ 960	\$ -
Due to external parties/other agencies	60,269	75,324	135,593	-
Total Liabilities	\$ 60,749	\$ 75,804	\$ 136,553	\$ -
<u>Police Activities</u>				
Assets:				
Pooled cash and investments	\$ 34,270	\$ 25,684	\$ 31,901	\$ 28,053
Total Assets	\$ 34,270	\$ 25,684	\$ 31,901	\$ 28,053
Liabilities:				
Deposits payable	\$ 34,270	\$ 25,985	\$ 32,202	\$ 28,053
Total Liabilities	\$ 34,270	\$ 25,985	\$ 32,202	\$ 28,053
<u>Totals - All Agency Funds</u>				
Assets:				
Pooled cash and investments	\$ 1,410,538	\$ 233,502	\$ 933,242	\$ 710,798
Receivables:				
Accounts	38	3,779	38	3,779
Prepaid costs	310	-	310	-
Total Assets	\$ 1,410,886	\$ 237,281	\$ 933,590	\$ 714,577
Liabilities:				
Accounts payable	\$ 1,369	\$ 43,036	\$ 42,306	\$ 2,099
Unearned revenues	-	36,118	-	36,118
Deposits payable	608,377	115,454	91,450	632,381
Due to external parties/other agencies	801,140	185,232	942,393	43,979
Total Liabilities	\$ 1,410,886	\$ 379,840	\$ 1,076,149	\$ 714,577



Statistical Section



CITY OF DINUBA
STATISTICAL SECTION

This part of the City's comprehensive annual financial report presents detailed information in a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity

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

Demographic and Economic Information

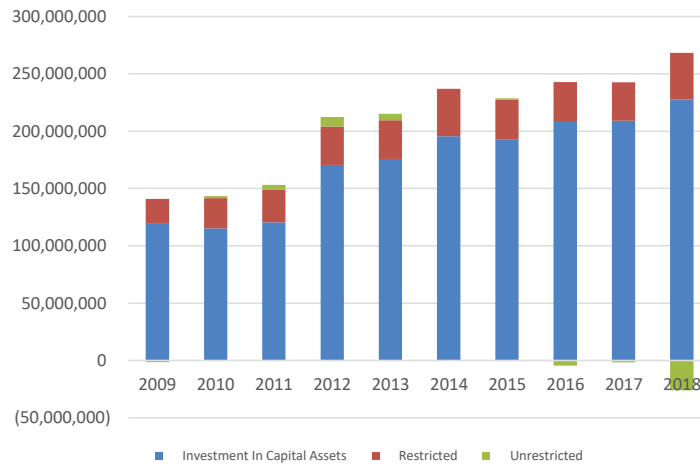
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.



CITY OF DINUBA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (Accrual Basis of Accounting)



	2009	2010	2011	2012	2013
Governmental Activities					
Investment In Capital Assets	\$78,101,303	\$71,460,042	\$75,360,279	\$125,564,573	\$125,814,202
Restricted	17,821,984	26,213,026	28,285,199	33,514,558	33,633,364
Unrestricted	(4,713,906)	(1,553,334)	(401,603)	2,903,128	468,534
Total Governmental Activities Net Position	91,209,381	96,119,734	103,243,875	161,982,259	159,916,100
Business-Type Activities					
Investment In Capital Assets	41,646,753	43,840,754	45,170,204	45,077,861	49,997,905
Restricted	3,471,175				
Unrestricted	3,262,807	3,305,499	4,741,445	5,348,820	5,179,596
Total Business-Type Activities Net Position	48,380,735	47,146,253	49,911,649	50,426,681	55,177,501
Primary Government					
Investment In Capital Assets	119,748,056	115,300,796	120,530,483	170,642,434	175,812,107
Restricted	21,293,159	26,213,026	28,285,199	33,514,558	33,633,364
Unrestricted	(1,451,099)	1,752,165	4,339,842	8,251,948	5,648,130
Total Primary Government Net Position	\$139,590,116	\$143,265,987	\$153,155,524	\$212,408,940	\$215,093,601

	2014	2015	2016	2017	2018
Governmental Activities					
Investment In Capital Assets	\$148,079,509	\$145,008,916	\$162,419,353	\$162,951,223	\$175,427,868
Restricted	41,313,341	34,836,273	33,955,040	33,547,768	40,668,235
Unrestricted	(6,418,737)	(1,260,101)	(9,391,284)	(6,391,796)	(27,286,468)
Total Governmental Activities Net Position	182,974,113	178,585,088	186,983,109	190,107,195	188,809,635
Business-Type Activities					
Investment In Capital Assets	47,545,851	47,536,365	46,474,326	46,126,105	52,249,502
Restricted					
Unrestricted	6,046,622	2,514,439	4,986,126	4,641,804	1,298,646
Total Business-Type Activities Net Position	53,592,473	50,050,804	51,460,452	50,767,909	53,548,148
Primary Government					
Investment In Capital Assets	195,625,360	192,545,281	208,893,679	209,077,328	227,677,370
Restricted	41,313,341	34,836,273	33,955,040	33,547,768	40,668,235
Unrestricted	(372,115)	1,254,338	(4,405,158)	(1,749,992)	(25,987,822)
Total Primary Government Net Position	\$236,566,586	\$228,635,892	\$238,443,561	\$240,875,104	\$242,357,783

Source: City of Dinuba Financial Services Division

CITY OF DINUBA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	2009	2010	2011	2012	2013
Expenses					
Governmental Activities					
General Government	\$2,282,735	\$3,131,533	\$4,009,529	\$3,439,679	\$4,339,158
Public Safety	8,287,871	8,171,242	8,107,881	8,167,990	8,990,013
Public Works	4,138,568	2,312,028	3,632,361	1,826,602	2,197,625
Community Development	3,158,746	3,417,402	1,763,309	1,007,987	636,986
Parks and Recreation	1,700,474	1,584,698	1,152,007	1,796,570	1,136,847
Interest on Long-Term Debt	4,196,778	4,144,345	4,192,595	1,720,593	1,020,371
Unallocated Depreciation	917,172	987,607	879,409	953,544	823,524
Total Governmental Activities Expenses	<u>24,682,344</u>	<u>23,748,855</u>	<u>23,737,091</u>	<u>18,912,965</u>	<u>19,144,524</u>
Business-Type Activities					
Water	1,923,758	2,047,214	2,152,856	2,159,494	2,963,788
Sewer	2,087,637	2,007,892	2,292,341	2,427,747	2,459,666
Disposal	1,865,780	1,988,441	2,030,223	2,109,008	2,922,065
Ambulance	1,011,197	1,069,365	1,185,992	1,150,496	1,450,622
Transit	486,482	531,162	575,289	639,059	699,102
Golf Course	3,625,806	3,338,040	2,965,176	3,244,707	3,250,394
Compressed Natural Gas		86,736	115,775	120,212	137,950
Engineering					506,333
Total Business-Type Activities Expenses	<u>11,000,660</u>	<u>11,068,850</u>	<u>11,317,652</u>	<u>11,850,723</u>	<u>14,389,920</u>
Total Primary Government Net Expenses	<u>\$35,683,004</u>	<u>\$34,817,705</u>	<u>\$35,054,743</u>	<u>\$30,763,688</u>	<u>\$33,534,444</u>
Program Revenues					
Governmental Activities					
Charges for Services					
General Government	\$31,086	\$32,430	\$27,409	\$52,073	\$4,688
Public Safety	664,374	477,189	446,219	519,454	423,329
Public Works	1,276,563	2,566,382	2,489,475	2,320,459	2,313,306
Community Development	394,960	95,741	178,106	38,410	11,941
Parks and Recreation	283,008	154,307	117,807	184,657	146,557
Operating Contributions and Grants	2,137,570	1,753,052	1,877,718	3,279,460	4,462,789
Capital Contributions and Grants	10,798,269	3,768,170	6,195,826	2,436,154	5,669,203
Total Governmental Activities Program Revenues	<u>15,585,830</u>	<u>8,847,271</u>	<u>11,332,560</u>	<u>8,830,667</u>	<u>13,031,813</u>
Business-Type Activities					
Charges for Services					
Water	2,394,252	2,410,323	2,569,449	2,647,422	2,847,344
Sewer	2,294,266	2,263,518	2,603,345	2,610,812	2,574,505
Disposal	2,713,404	2,799,914	2,891,914	2,980,135	3,324,925
Ambulance	1,253,128	1,260,263	1,219,352	1,078,428	1,281,703
Transit	23,549	31,189	39,601	46,089	44,959
Golf Course	2,175,135	1,940,722	1,948,101	2,239,576	2,255,964
Compressed Natural Gas		177,966	149,916	188,775	217,120
Engineering					486,415
Operating Contributions and Grants	635,672	345,078	1,001,190	627,400	868,397
Capital Contributions and Grants	1,122,094	172,758	2,506,420	969,433	1,188,785
Total Business-Type Activities Program Revenues	<u>12,611,500</u>	<u>11,401,731</u>	<u>14,929,288</u>	<u>13,388,070</u>	<u>15,090,117</u>
Total Primary Government Program Revenues	<u>\$28,197,330</u>	<u>\$20,249,002</u>	<u>\$26,261,848</u>	<u>\$22,218,737</u>	<u>\$28,121,930</u>

Source: City of Dinuba Financial Services Division

Fiscal Year

2014	2015	2016	2017	2018
\$4,703,501	\$5,345,434	\$4,802,762	\$7,661,240	\$3,989,322
9,591,236	13,275,052	13,746,235	13,897,596	12,920,443
2,761,922	3,334,975	3,943,500	3,752,225	6,577,677
548,112	1,641,605	1,178,906	637,522	2,350,919
1,224,454	1,682,401	1,824,431	2,007,951	2,127,602
1,521,663	1,204,781	1,278,342	1,604,463	978,293
1,018,182	2,635,342	3,029,796	3,011,661	
<u>21,369,070</u>	<u>29,119,590</u>	<u>29,803,972</u>	<u>32,572,658</u>	<u>28,944,256</u>
2,970,062	2,931,923	3,204,634	2,977,849	2,965,352
2,914,729	3,182,025	3,247,602	3,156,499	4,553,169
3,320,744	3,336,842	3,239,137	3,206,889	3,430,622
1,386,124	1,377,304	1,368,670	1,523,498	2,760,551
875,313	1,044,207	1,243,710	1,137,529	1,147,311
3,422,866	3,335,866	3,560,260	3,491,319	3,131,513
174,521	165,208	159,572	140,572	181,928
662,791	658,837	738,550		
<u>15,727,150</u>	<u>16,032,212</u>	<u>16,762,135</u>	<u>15,634,155</u>	<u>18,170,446</u>
<u>\$37,096,220</u>	<u>\$45,151,802</u>	<u>\$46,566,107</u>	<u>\$48,206,813</u>	<u>\$47,114,702</u>
\$1,509,801	\$3,055,054	\$5,470,676	\$8,259,877	\$1,500,372
276,308	898,323	274,181	30,863	549,566
3,226,541	3,824,832	1,808,508	1,530,664	1,977,090
70,343	120,322	22,282	0	115,498
162,281	183,922	174,473	38,475	352,536
6,248,747	3,274,094	3,375,630	5,263,630	2,168,438
25,473,768	10,114,120	12,075,630	3,011,810	19,289,803
<u>36,967,789</u>	<u>21,470,667</u>	<u>23,201,380</u>	<u>18,135,319</u>	<u>25,953,303</u>
2,763,415	2,604,665	2,510,596	2,648,278	2,962,303
2,719,638	2,751,349	2,838,956	2,947,782	3,368,250
3,080,017	3,081,958	3,175,398	3,088,068	3,105,381
1,288,620	1,271,302	1,332,373	1,396,312	1,487,640
53,507	61,929	85,333	120,565	103,623
2,343,736	2,346,921	2,441,531	2,223,355	2,072,902
214,162	262,922	284,800	199,896	210,677
591,278	493,851	710,226		
885,831	1,705,461	3,178,252	2,496,256	3,889,532
715,188	449,819	1,165,634		
<u>14,655,392</u>	<u>15,030,177</u>	<u>17,723,099</u>	<u>15,120,512</u>	<u>17,200,308</u>
<u>\$51,623,181</u>	<u>\$36,500,844</u>	<u>\$40,924,479</u>	<u>\$33,255,831</u>	<u>\$43,153,611</u>

CITY OF DINUBA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	2009	2010	2011	2012
Net (Expense)/Revenue				
Governmental Activities	(\$9,096,514)	(\$14,901,584)	(\$12,404,531)	(\$10,082,298)
Business-Type Activities	1,610,840	332,881	3,611,636	1,537,347
Total Primary Government Net Expense	<u>(\$7,485,674)</u>	<u>(\$14,568,703)</u>	<u>(\$8,792,895)</u>	<u>(\$8,544,951)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes				
Property Taxes	\$5,438,046	\$5,248,441	\$5,078,633	\$3,461,506
Transient Occupancy Taxes	96,622	91,251	144,780	133,920
Sales Taxes	3,642,808	5,569,620	5,803,277	9,843,519
Franchise Taxes	248,553	214,722	233,109	230,613
Business Licenses Taxes				
Utility Users Tax	1,462,789	1,522,951	1,560,074	1,600,423
Other Taxes	583,716	611,305	784,070	870,086
Motor Vehicle Tax	1,670,198	1,641,929	1,636,167	1,565,696
Use of Money and Property	534,225	533,961	360,997	288,456
Other	508,758	335,350	174,494	946,090
Gain (Loss) on Sale of Capital Assets	259,983	448,216	159,698	(2,019,092)
Transfers	733,966	1,581,736	855,678	703,133
Total Governmental Activities	<u>15,179,664</u>	<u>17,799,482</u>	<u>16,790,977</u>	<u>17,624,350</u>
Business-Type Activities				
Use of Money and Property	47,626	14,373	9,438	19,536
Other/Contributions				(338,718)
Transfers	(733,966)	(1,581,736)	(855,678)	(703,133)
Total Business-Type Activities	<u>(686,340)</u>	<u>(1,567,363)</u>	<u>(846,240)</u>	<u>(1,022,315)</u>
Extraordinary Item - Litigation Settlement				
Extraordinary Item - Gain on Foreclosure of Property				
Extraordinary Item - RDA Dissolution				51,196,332
Total Primary Government	<u>\$14,493,324</u>	<u>\$16,232,119</u>	<u>\$15,944,737</u>	<u>\$67,798,367</u>
Change in Net Position				
Governmental Activities	\$6,083,150	\$2,897,898	\$4,386,446	\$58,738,384
Business-Type Activities	924,500	(1,234,482)	2,765,396	515,032
Total Primary Government	<u>\$7,007,650</u>	<u>\$1,663,416</u>	<u>\$7,151,842</u>	<u>\$59,253,416</u>

Source: City of Dinuba Financial Services Division

2013	2014	2015	2016	2017	2018
(\$6,112,711)	\$15,598,719	(\$7,648,923)	(\$6,602,592)	(\$14,437,339)	(\$2,990,953)
<u>700,197</u>	<u>(1,071,758)</u>	<u>(1,002,035)</u>	<u>960,964</u>	<u>(513,643)</u>	<u>(970,138)</u>
<u>(\$5,412,514)</u>	<u>\$14,526,961</u>	<u>(\$8,650,958)</u>	<u>(\$5,641,628)</u>	<u>(\$14,950,982)</u>	<u>(\$3,961,091)</u>
\$645,437	\$742,122	\$846,306	\$1,260,845	\$1,149,426	\$1,166,971
171,817	184,211	226,817	248,579	281,005	291,190
3,677,282	3,700,400	5,461,810	9,729,414	9,080,769	9,926,107
226,904	243,956	256,883	252,761	216,407	234,815
					233,387
1,622,049	1,612,836	1,630,654	1,683,265	1,482,077	1,491,791
240,387	249,602	292,650	487,363	273,161	478,877
1,553,701	1,571,490	1,633,128	1,754,885	1,847,746	1,841,147
287,977	262,191	113,494	262,770	201,154	454,092
1,552,988	18,522	109,931	552,748	539,928	698,424
400,323	266,189	261,425			
<u>(4,065,884)</u>	<u>195,877</u>	<u>391,944</u>	<u>(269,724)</u>	<u>988,600</u>	<u>816,888</u>
6,312,981	9,047,396	11,225,042	15,962,906	16,060,273	17,633,689
	37,243	18,524	37,175	50,643	59,094
45,845	92,839				6,585,197
<u>4,065,884</u>	<u>(195,877)</u>	<u>(391,944)</u>	<u>269,724</u>	<u>(988,600)</u>	<u>(816,888)</u>
4,111,729	(65,795)	(373,420)	306,899	(937,957)	5,827,403
145,910	104,921				
<u>\$10,570,620</u>	<u>\$9,086,522</u>	<u>\$10,851,622</u>	<u>\$16,269,805</u>	<u>\$15,122,316</u>	<u>\$23,461,092</u>
\$346,180	\$24,751,036	\$3,576,119	\$9,360,314	\$1,622,934	\$14,642,736
<u>4,811,926</u>	<u>(1,137,553)</u>	<u>(1,375,455)</u>	<u>1,267,863</u>	<u>(1,451,600)</u>	<u>4,857,265</u>
<u>\$5,158,106</u>	<u>\$23,613,483</u>	<u>\$2,200,664</u>	<u>\$10,628,177</u>	<u>\$171,334</u>	<u>\$19,500,001</u>



CITY OF DINUBA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2009	2010	2011	2012	2013
General Fund					
Reserved	\$452,000	\$769,541			
Unreserved	2,105,415	2,321,648			
Nonspendable			\$2,869,745	\$3,005,321	\$2,742,077
Unassigned			(700,688)	1,587,709	1,217,109
Total General Fund	\$2,557,415	\$3,091,189	\$2,169,057	\$4,593,030	\$3,959,186
All Other Governmental Funds					
Reserved	\$11,465,614	\$12,125,161			
Unreserved, Reported In:					
Special Revenue Funds	420,661	1,165,296			
Debt Service Funds					
Capital Projects Funds	(6,021,033)	(9,673,971)			
Nonspendable Funds			14,759,706	5,792,649	21,170
Restricted Funds			8,352,350	6,840,553	16,917,455
Assigned Funds			206,798	4,478,409	147,627
Unassigned Funds			(11,089,450)	(484,580)	(312,176)
Total All Other Governmental Funds	\$5,865,242	\$3,616,486	\$12,229,404 (b)	\$16,627,031	\$16,774,076
Total Governmental Funds	\$8,422,657	\$6,707,675	\$14,398,461	\$21,220,061	\$20,733,262

	2014	2015	2016	2017	2018
General Fund					
Reserved					
Unreserved					
Nonspendable	\$2,736,489	\$2,699,439	\$3,082,112	\$3,436,060	\$3,846,794
Unassigned	1,894,697	2,255,325	1,219,528	1,113,239	1,533,739
Total General Fund	\$4,631,186	\$4,954,764	\$4,301,640	\$4,549,299	\$5,380,533
All Other Governmental Funds					
Reserved					
Unreserved, Reported In:					
Special Revenue Funds					
Debt Service Funds					
Capital Projects Funds					
Nonspendable Funds	572,060	8,957,449	10,334,283	5,045,407	1,298
Restricted Funds	24,668,685	10,838,675	7,636,453	13,091,326	40,668,235
Assigned Funds	184,506	103,142	55,075	64,462	0
Unassigned Funds	(1,215,832)	(618,061)	(695,780)	(451,012)	(453,629)
Total All Other Governmental Funds	\$24,209,419	\$19,281,205	\$17,330,031 (a)	\$17,750,183	\$40,215,904
Total Governmental Funds	\$28,840,605	\$24,235,969	\$21,631,671	\$22,299,482	\$45,596,437

(a) The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.

(b) Effective fiscal 2010-11, the City implemented GASB 54 which changed fund balance reporting

CITY OF DINUBA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2009	2010	2011	2012
Revenues				
Taxes and Assessments	\$11,142,476	\$12,969,873	\$13,333,324	\$15,763,647
Licenses and Permits	473,177	585,481	663,034	490,803
Assessments				
Intergovernmental	6,177,846	7,078,568	9,592,560	6,873,909
Charges for Services	1,383,468	2,423,067	2,031,815	2,297,156
Use of Money and Property	557,746	360,312	219,523	615,073
Fines and Forfeitures	180,620	104,321	165,482	393,113
Reimbursements	3,303,675	2,932,039	2,223,521	1,983,721
Miscellaneous	774,390	109,001	195,544	280,827
Total Revenues	23,993,398	26,562,662	28,424,803	28,698,249
Expenditures				
Current				
General Government	1,859,569	2,493,169	3,424,510	3,198,893
Public Safety	7,384,568	7,297,586	6,900,645	7,622,470
Public Works ²	4,390,130	2,110,634	2,047,171	2,305,236
Community development	2,882,010	2,972,937	1,480,571	1,254,396
Parks and Recreation ¹	1,457,338	1,369,056	871,568	1,595,747
Capital Outlay	4,578,430	3,664,017	5,822,476	5,230,041
Debt Service				
Principal Retirement	2,253,167	2,600,226	17,796,703	2,209,513
Interest and Fiscal Charges	3,820,469	3,800,906	3,947,999	1,967,183
Debt Issuance Costs	167,679	2,342	734,435	
Total Expenditures	28,793,360	26,310,873	43,026,078	25,383,479
Excess of Revenues Over (Under) Expenditures	(4,799,962)	251,789	(14,601,275)	3,314,770
Other Financing Sources (Uses)				
Proceeds from Issuance of debt				
Transfers In	10,491,067	6,526,362	6,959,476	7,319,087
Transfers Out	(12,004,060)	(7,373,175)	(8,231,685)	(8,270,637)
Sales of Property	251,240	309,537	159,698	291,150
Issuance of Long Term Debt	1,370,000		16,312,340	
Original issuance discount				
Payment to Refunded Bond Escrow Agent				
Total Other Financing Sources (Uses)	108,247	(537,276)	15,199,829	(660,400)
Net Change in Fund Balances before Extraordinary Item	(4,691,715)	(285,487)	598,554	2,654,370
Extraordinary Item - Litigation Settlement				
Extraordinary Item - Gain on Property Foreclosure				
Net Change In Fund Balances	(\$4,691,715)	(\$285,487)	\$598,554	\$2,654,370
Debt Service as a percentage of non-capital expenditures	25.1%	28.3%	58.4%	21.5%

Source: City of Dinuba Financial Services Division

Fiscal Year

2013	2014	2015	2016	2017	2018
\$10,054,422	\$10,127,924	\$14,673,041	\$15,417,110	\$17,699,777	\$13,823,138
533,126	388,248	825,421	410,496	269,630	
					1,553,351
8,840,363	13,389,637	10,254,854	9,817,361	3,885,183	5,099,899
1,842,951	2,611,700	2,629,858	1,386,822	1,275,159	2,818,004
105,029	372,987	116,046	265,203	205,154	454,092
118,693	83,015	83,345	96,196	113,012	235,466
1,993,316	1,866,721	773,948	2,560,957	2,205,415	
183,644	193,101	26,586	46,056	157,286	326,652
<u>23,671,544</u>	<u>29,033,333</u>	<u>29,383,099</u>	<u>30,000,201</u>	<u>25,810,616</u>	<u>24,310,602</u>
3,567,574	3,062,629	3,221,524	3,504,184	6,363,752	3,824,662
8,512,170	9,155,928	9,573,198	10,454,857	10,820,834	10,786,365
2,108,997	2,497,426	2,361,778	2,880,100	2,299,448	6,072,381
3,077,272	1,813,416	1,205,315	813,013	270,174	1,911,234
1,108,050	1,140,903	1,235,269	1,458,541	1,640,604	1,780,297
5,070,355	12,419,958	14,428,933	11,512,821	2,811,519	739,058
1,814,520	991,156	1,001,685	980,865	7,131,417	1,156,606
816,403	1,010,139	1,177,009	1,216,247	1,762,202	1,020,930
331,022	106,924				
<u>26,406,363</u>	<u>32,198,479</u>	<u>34,204,711</u>	<u>32,820,628</u>	<u>33,099,950</u>	<u>27,291,533</u>
<u>(2,734,819)</u>	<u>(3,165,146)</u>	<u>(4,821,612)</u>	<u>(2,820,427)</u>	<u>(7,289,334)</u>	<u>(2,980,931)</u>
			1,300,000	6,764,759	437,479
2,330,637	6,091,537	10,198,943	3,115,598	5,091,147	2,907,190
(6,500,021)	(5,549,298)	(10,506,999)	(3,385,322)	(4,094,047)	(2,081,721)
500,687	402,248	368,524	148,146		
12,770,000	8,982,000				
(314,360)					
<u>(6,684,833)</u>					
<u>2,102,110</u>	<u>9,926,487</u>	<u>60,468</u>	<u>1,178,422</u>	<u>7,761,859</u>	<u>1,262,948</u>
(632,709)	6,761,341	(4,761,144)	(1,642,005)	472,525	(1,717,983)
145,910					
<u>(\$486,799)</u>	<u>\$6,761,341</u>	<u>(\$4,761,144)</u>	<u>(\$1,642,005)</u>	<u>\$472,525</u>	<u>(\$1,717,983)</u>
13.5%	10.1%	11.0%	11.5%	29.0%	8.8%

**CITY OF DINUBA
GOVERNMENT-WIDE REVENUES
LAST TEN FISCAL YEARS**

Fiscal Year	PROGRAM REVENUES				Total General Revenues	Total Government- Wide Revenues
	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Total Program Revenues		
2009	\$2,649,991	\$2,137,570	\$10,798,269	\$15,585,830	\$14,185,715	\$29,771,545
2010	\$3,326,049	\$1,753,052	\$3,768,170	\$8,847,271	\$15,769,530	\$24,616,801
2011	\$3,259,016	\$1,877,718	\$6,195,826	\$11,332,560	\$15,775,601	\$27,108,161
2012	\$3,115,053	\$3,279,460	\$2,436,154	\$8,830,667	\$18,940,309	\$27,770,976
2013	\$2,899,821	\$4,462,789	\$5,669,203	\$13,031,813	\$9,978,542	\$23,010,355
2014	\$5,245,274	\$6,248,747	\$25,473,768	\$36,967,789	\$8,585,330	\$45,553,119
2015	\$8,082,453	\$3,274,094	\$10,114,120	\$21,470,667	\$11,225,042	\$32,695,709
2016	\$7,750,120	\$3,375,630	\$12,075,630	\$23,201,380	\$16,232,630	\$39,434,010
2017	\$9,859,879	\$5,263,630	\$3,011,810	\$18,135,319	\$15,071,673	\$33,206,992
2018	\$4,495,062	\$2,168,438	\$19,289,803	\$25,953,303	\$16,583,414	\$42,536,717

Fiscal Year	GENERAL REVENUES					Total General Revenues
	Property Taxes	Sales Taxes	Utility Users Taxes	All Other Taxes	Use Of Money And Property	
2009	\$5,438,046	\$3,642,808	\$1,462,789	\$3,107,847	\$534,225	\$14,185,715
2010	\$5,248,441	\$5,569,620	\$1,522,951	\$2,894,557	\$533,961	\$15,769,530
2011	\$5,078,633	\$5,803,277	\$1,560,074	\$2,972,620	\$360,997	\$15,775,601
2012	\$3,461,506	\$9,843,519	\$1,600,423	\$3,746,405	\$288,456	\$18,940,309
2013	\$645,437	\$3,677,282	\$1,622,049	\$3,745,797	\$287,977	\$9,978,542
2014	\$742,122	\$3,700,400	\$1,612,836	\$2,267,781	\$262,191	\$8,585,330
2015	\$846,306	\$5,461,810	\$1,630,654	\$2,519,409	\$766,863	\$11,225,042
2016	\$1,260,845	\$9,729,414	\$1,683,265	\$3,296,336	\$262,770	\$16,232,630
2017	\$1,149,426	\$9,080,769	\$1,482,077	\$3,158,247	\$201,154	\$15,071,673
2018	\$1,166,971	\$9,926,107	\$1,491,791	\$3,544,453	\$454,092	\$16,583,414

Source: City of Dinuba Financial Services Division

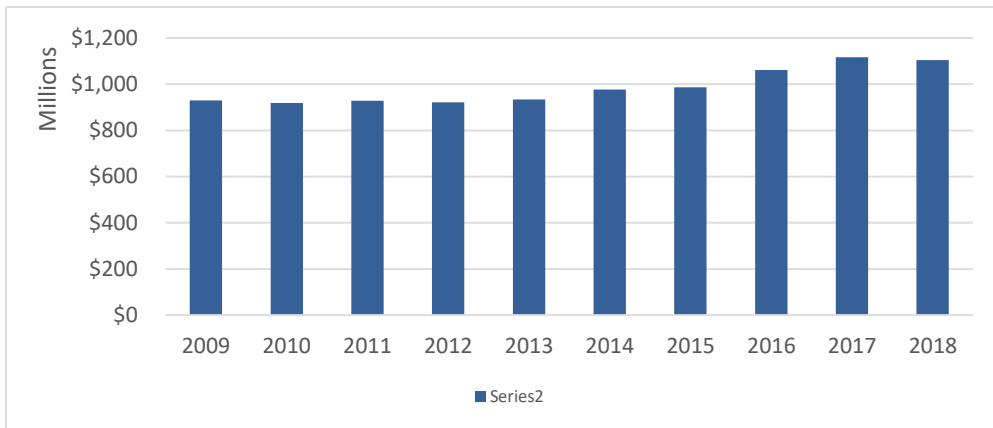
**CITY OF DINUBA
GENERAL GOVERNMENT REVENUES BY SOURCE ¹
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Taxes And Assessments</u>	<u>Licenses And Permits</u>	<u>Intergovernmental</u>	<u>Charges For Services</u>	<u>Use Of Money And Property</u>	<u>Fines And Forfeitures</u>
2009	\$11,142,476	\$473,177	\$6,177,846	\$1,383,468	\$557,746	\$180,620
2010	\$12,969,873	\$585,481	\$7,078,568	\$2,423,067	\$360,312	\$104,321
2011	\$13,333,324	\$663,034	\$9,592,560	\$2,031,815	\$219,523	\$165,482
2012	\$15,763,647	\$490,803	\$6,873,909	\$2,297,156	\$615,073	\$393,113
2013	\$10,054,422	\$533,126	\$8,840,363	\$1,842,951	\$105,029	\$118,693
2014	\$10,127,924	\$388,248	\$13,389,637	\$2,611,700	\$372,987	\$165,482
2015	\$14,673,041	\$825,421	\$10,254,854	\$2,629,858	\$116,046	\$83,345
2016	\$15,417,110	\$410,496	\$9,817,361	\$1,386,822	\$265,203	\$96,196
2017	\$17,699,777	\$269,630	\$3,885,183	\$1,275,159	\$205,154	\$113,012
2018	\$13,823,138	\$0	\$5,099,899	\$2,818,004	\$454,092	\$235,466

<u>Fiscal Year</u>	<u>Reimbursements</u>	<u>Miscellaneous</u>	<u>Total General Government Revenues</u>
2009	\$3,303,675	\$774,390	\$23,993,398
2010	\$2,932,039	\$109,001	\$26,562,662
2011	\$2,223,521	\$195,544	\$28,424,803
2012	\$1,983,721	\$280,827	\$28,698,249
2013	\$1,993,316	\$183,644	\$23,671,544
2014	\$1,866,721	\$193,101	\$29,115,800
2015	\$773,948	\$26,586	\$29,383,099
2016	\$2,560,957	\$46,056	\$30,000,201
2017	\$2,205,415	\$157,286	\$25,810,616
2018	\$0	\$326,652	\$22,757,251

Source: City of Dinuba Financial Services Division

CITY OF DINUBA
PROPERTY AD VALOREM TAX ASSESSED VALUES ¹
LAST TEN FISCAL YEARS



Year Ended June 30	Assessed Value ²	County Tax Rate Per \$100	City		
			Portion of Assessed Value	Tax Rate ³	Tax Levy
2009	\$929,595,416	1.1170	\$376,872,214	0.175%	\$661,346
2010	\$918,955,107	1.1170	\$381,194,928	0.152%	\$577,530
2011	\$928,720,115	1.1260	\$374,186,358	0.163%	\$608,653
2012	\$921,046,459	1.1160	\$376,464,415	0.174%	\$655,249
2013	\$933,234,251	1.1110	\$383,803,558	0.168%	\$645,437
2014	\$976,358,668	1.1110	\$406,708,703	0.182%	\$742,122
2015	\$985,816,882	1.2246	\$424,657,013	0.194%	\$823,237
2016	\$1,060,846,254	1.1285	\$431,998,964	0.287%	\$1,238,278
2017	\$1,116,863,014	1.1459	\$444,394,065	0.259%	\$1,149,426
2018	\$1,104,970,655	1.6906	\$457,636,600	0.255%	\$1,166,972

¹ Estimated Actual Value of Taxable Property is not available since passage of Proposition 13 in 1978. Property assessed values may rise only to a maximum of 2% per year unless there is new construction or when the property is sold. Consequently, estimated values are not available.

² Pursuant to chapter 1207 of the statutes of 1978, "Assessed Value" means 100% of full taxable value.

³ The City's total direct tax rate varies by tax rate area. The rate shown is the combined rate for the entire city and may not match the rate shown on the "Direct and Overlapping Property Tax Rates" schedule.

Source: Tulare County Auditor's Office
Source: California Municipal Statistics, Inc.

**CITY OF DINUBA
PRINCIPAL PROPERTY TAXPAYERS
AS OF JUNE 30, 2018 AND 2009**

Taxpayer	Type Of Business	Fiscal Year 2018			Fiscal Year 2009		
		Assessed Valuation	Percent Of Total Assessed Valuation	Rank	Assessed Valuation	Percent Of Total Assessed Valuation	Rank
Ruiz Foods Products Inc.	Frozen Food	\$ 66,878,416	6.30%	1	\$ 48,137,107	6.08%	2
Best Buy Stores, Inc.	Distribution Center	36,234,460	3.42%	2	\$ 57,178,499	7.23%	1
Wal-mart Store Inc	Retail Store	18,274,756	1.72%	3	19,808,811	2.50%	4
Patterson Dental Supply	Wholesaler	14,433,720	1.36%	4			
Gamestop	Retail Store	12,720,810	1.20%	5			
Dinuba Manor	Apartment Complex	8,959,000	0.84%	6	5,863,933	0.74%	6
Boscacci Group	Real Estate Investment	7,298,638	0.69%	7			
Red Rock Plaza Center LLC	Real Estate Investment	7,000,000	0.66%	8	\$ 8,899,250	1.12%	7
North Park Apartments	Apartment Complex	6,413,690	0.60%	9			
Aung San LLC	Holiday Inn	5,956,093	0.56%	10			
Odwalla, Inc.	Fruit Juices				37,619,668	4.75%	3
Kmart Corporation	Retail Store				6,611,003	0.84%	10
Dunmore Viscaya LLC	Real Estate Investment				18,962,550	2.40%	5
K Hovanian Forecast Home	Real Estate Investment				8,375,220	1.06%	8
Ennis Land Development	Real Estate Investment				7,095,554	0.90%	9
		<u>\$184,169,583</u>	<u>17.35%</u>		<u>\$218,551,595</u>	<u>27.62%</u>	

Source: Tulare County Auditor's Office

**CITY OF DINUBA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(Rate per \$100 of Assessed Value)
LAST FIVE FISCAL YEARS**

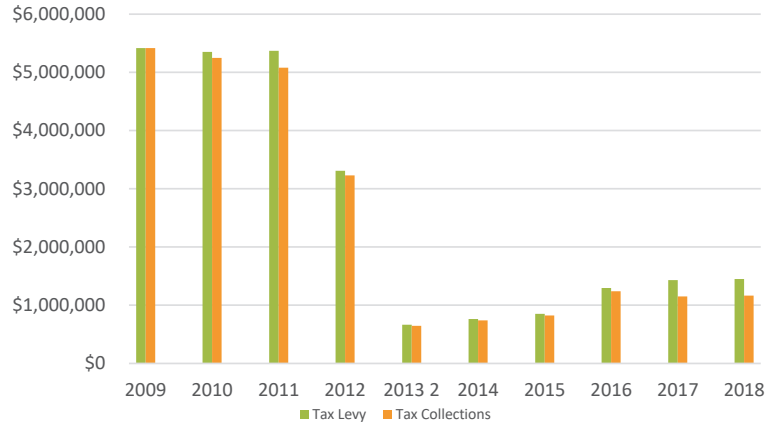
	2014	2015	2016	2017	2018
City Direct Rates:					
City basic rate	\$0.191	\$0.191	\$0.192	\$0.191	\$0.191
Total City Direct Rate	0.191	0.191	0.192	0.191	0.191
Overlapping Rates:					
Tulare County	0.177	0.177	0.178	0.177	0.177
Library	0.015	0.015	0.015	0.015	0.153
Dinuba School District	0.272	0.270	0.273	0.273	0.273
Community College District	0.046	0.046	0.046	0.046	0.456
Tulare County Schools	0.024	0.024	0.024	0.024	0.024
Alta Cemetery	0.008	0.008	0.008	0.008	0.008
Alta Hospital District	0.018	0.018	0.018	0.018	0.018
Delta Vector Control	0.014	0.014	0.014	0.014	0.014
Dinuba Memorial District	0.005	0.005	0.005	0.005	0.005
Tulare County Air Pollution District	0.000	0.000	0.000	0.000	0.000
Tulare County Flood District	0.002	0.002	0.002	0.002	0.002
Education Revenue Augmentation	0.226	0.226	0.224	0.227	0.226
Dinuba School District Bonds	0.103	0.114	0.120	0.120	0.120
Community College Bonds	0.009	0.114	0.008	0.026	0.023
Total Direct Rate ¹	1.111	1.224	1.127	1.146	1.690

NOTE: In 1978, California voters passed Proposition 13, which sets the property tax rate at a 1.000% fixed amount. This 1.000% is shared by all taxing agencies for which the subject property resides within. In addition to the fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of bonded debt service on the voter-approved School District and Community College bonds.

¹ The City's total direct tax rate varies by tax rate area. The rate provided comes from tax rate area 001-005 and is representative of other tax rate areas within the City.

Source: Tulare County Assessor's Office

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



<u>Year Ended June 30</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected ¹</u>
2009	\$5,415,758	\$5,415,758	100.00
2010	\$5,352,804	\$5,248,441	98.05
2011	\$5,368,533	\$5,078,633	94.60
2012	\$3,311,306	\$3,231,844	97.60
2013 ²	\$665,948	\$645,437	96.92
2014	\$763,029	\$742,122	97.26
2015	\$852,212	\$823,237	96.60
2016	\$1,295,812	\$1,238,278	95.56
2017	\$1,429,634	\$1,149,426	80.40
2018	\$1,451,593	\$1,166,972	80.39

¹ Through fiscal year 2009, under an arrangement with the County, 100% of property taxes billed by the County were forwarded to the City. Beginning in fiscal year 2010 the County began remitting to the City only the portion of property tax it collected.

² Previously, redevelopment tax increment was shown in this table. With the dissolution of redevelopment, only the City's property is being shown.

Source: Tulare County Auditor's Office

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

Governmental Activities					
Fiscal Year	General Bonded Debt Outstanding	Capital Leases	Contracts Payable	Notes Payable	Total Governmental Activities
2009	\$62,896,057	\$1,157,783		\$5,089,617	\$69,143,457
2010	\$64,332,754	\$976,254		\$3,360,920	\$68,669,928
2011	\$64,069,581	\$814,538		\$2,880,931	\$67,765,050
2012 ^z	\$11,291,970	\$932,596	\$190,471	\$1,247,879	\$13,662,916
2013	\$11,252,962	\$701,861	\$146,016	\$23,549	\$12,124,388
2014	\$18,895,000	\$9,442,497	\$99,516	\$20,257	\$28,457,270
2015	\$18,265,000	\$9,012,913	\$50,877	\$16,734	\$27,345,524
2016	\$17,590,000	\$10,085,195	\$0	\$12,965	\$27,688,160
2017	\$17,230,000	\$9,897,810	\$0	\$8,932	\$27,136,742
2018	\$16,425,000	\$10,000,236	\$0	\$4,616	\$26,429,852

Business-Type Activities					
Fiscal Year	Certificates Of Participation	Notes Payable	Capital Leases	Contracts Payable	Total Business-Type Activities
2009	\$4,840,000	\$8,912,559	\$2,224		\$13,754,783
2010	\$4,695,000	\$8,575,192	\$1,352		\$13,271,544
2011	\$3,005,000	\$8,087,419	\$413		\$11,092,832
2012	\$3,005,000	\$7,580,353		\$611,334	\$11,196,687
2013	\$11,030,000	\$7,108,030	\$292,146	\$534,813	\$18,964,989
2014	\$18,895,000	\$6,736,215	\$222,586	\$454,773	\$26,308,574
2015	\$10,540,000	\$7,194,326	\$150,758	\$373,930	\$18,259,014
2016	\$10,315,000	\$6,602,194	\$76,588	\$292,286	\$17,286,068
2017	\$10,085,000	\$5,994,444	\$0	\$209,814	\$16,289,258
2018	\$9,845,000	\$5,365,859	\$185,699	\$126,516	\$15,523,074

Fiscal Year	Primary Government	Per Capita ¹
2009	\$82,898,240	\$3,903
2010	\$81,941,472	\$3,804
2011	\$78,857,882	\$3,593
2012	\$24,859,603	\$1,099
2013	\$31,089,377	\$1,347
2014	\$54,765,844	\$2,315
2015	\$45,604,538	\$1,903
2016	\$44,974,228	\$1,824
2017	\$43,426,000	\$1,747
2018	\$41,952,926	\$1,687

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

¹ See the table of Population and Unemployment Rate later in this section for personal income and population data. Personal income data is not available.

² As of February 1, 2012, obligations of the former Redevelopment Agency were transferred to the Successor Agency resulting in a decrease in Government Bonds outstanding Tax Allocation Bonds, notes and loans, and other revenue bonds of the former Agency will be paid as enforceable obligations of the Successor Agency.

Source: City of Dinuba Financial Services Division

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

<u>Fiscal Year</u>	<u>Lease Revenue Bonds</u>	<u>Less: Amounts Available in Debt Service Funds</u>	<u>Total General Bonded Debt Outstanding</u>	<u>Percentage of Assessed Value of Property ¹</u>	<u>Per Capita</u>
2006	\$7,595,000	\$3,652,574	\$32,147,426	4.8%	\$1,642
2007	\$7,445,000	\$4,708,019	\$51,331,981	6.5%	\$2,566
2008	\$14,740,000	\$4,937,516	\$65,132,484	7.4%	\$3,089
2009	\$14,445,000	\$6,118,943	\$62,896,057	6.8%	\$2,962
2010	\$14,165,000	\$4,987,246	\$64,332,754	7.0%	\$2,986
2011	\$13,740,000	\$4,645,419	\$64,069,581	6.9%	\$2,919
2012 ²	\$13,455,000	\$2,163,030	\$11,291,970	1.2%	\$499
2013	\$13,160,000	\$1,907,038	\$11,252,962	1.2%	\$488
2014	\$18,895,000	\$739	\$18,894,261	1.9%	\$799
2015	\$18,265,000	\$2,952	\$18,262,048	1.9%	\$762
2016	\$17,590,000	\$1,260,186	\$16,329,814	1.5%	\$662
2017	\$17,230,000	\$1,256,567	\$15,973,433	1.4%	\$643
2018	\$16,425,000	\$1,257,257	\$15,167,743	1.4%	\$610

¹ Estimated Actual Value of Taxable Property is not available since passage of Proposition 13 in 1978. Property assessed values may rise only to a maximum of 2% per year unless there is new construction or when the property is sold. Consequently, estimated values are not available.

² As of February 1, 2012, obligations of the former Redevelopment Agency were transferred to the Successor Agency resulting in a decrease in Government Bonds outstanding Tax Allocation Bonds, notes and loans, and other revenue bonds of the former Agency will be paid as enforceable obligations of the Successor Agency.

Source: City of Dinuba Financial Services Division

CITY OF DINUBA
STATEMENT OF DIRECT AND OVERLAPPING DEBT
As of June 30, 2018

2017 - 2018 Assessed Valuation:	\$1,104,970,655		
Redevelopment Incremental Valuation:			

City Adjusted Assessed Valuation	\$1,104,970,655		
			ESTIMATED
	OUTSTANDING		SHARE OF
	DEBT		OUTSTANDING
	6/30/2018	% APPLICABLE ¹	DEBT
<hr/>			
<u>OVERLAPPING TAX AND ASSESSMENT DEBT</u>			
State Center Community College District	\$161,115,000	1.361%	\$2,192,775
Dinuba Joint Unified School District	21,854,327	67.951%	14,850,234
Kings Canyon Joint Unified School District	71,866,836	0.025%	17,967
	-----		-----
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT	254,836,163		17,060,976
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Tulare County Certificates of Participation	33,425,000	3.314%	1,107,705
Tulare County Pension Obligation Bonds	251,220,000	3.314%	8,325,431
Tulare County Board of Education Certificates of Participation	34,660,000	3.314%	1,148,632
Dinuba Joint Unified School District Certificates of Participation	4,890,000	67.951%	3,322,804
City of Dinuba General Fund Obligations	27,518,973	100.000%	27,518,973
	-----		-----
TOTAL OVERLAPPING GENERAL FUND OBLIGATION DEBT	351,713,973		41,423,545
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>	46,935,000	100.0000%	46,935,000
TOTAL DIRECT DEBT			27,518,973
TOTAL OVERLAPPING DEBT			77,900,548
COMBINED TOTAL DEBT			\$ 105,419,521 ²

Debt Ratios:

Ratios to 2016-17 Adjusted Valuation:

Total Overlapping Tax and Assessment Debt	1.54%
Total Direct Debt (\$25,848,952)	2.34%
Combined Total Debt	9.39%

Ratios to Redevelopment Increment Valuation (\$660,576,590):

Total Overlapping Tax Increment Debt	7.11%
--------------------------------------	-------

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. Qualified Zone Academy bonds are included based on principal due at maturity.

Source: California Municipal Statistics, Inc.

**CITY OF DINUBA
COMPUTATION OF LEGAL DEBT MARGIN
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

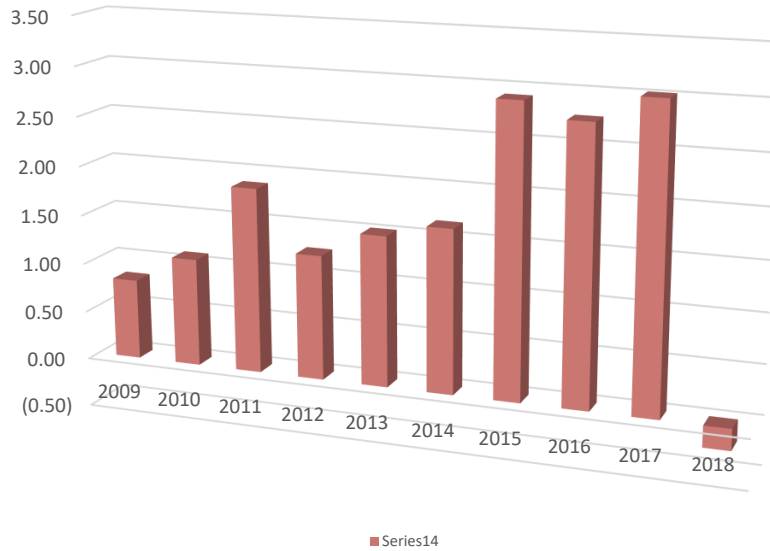
Total Assessed Valuation	<u>\$1,104,970,655</u>
Debt Limit - 15% of Total Assessed Valuation	\$165,745,598
Amount of Debt Applicable to the Limit	<u>43,426,000</u>
Legal Debt Margin	<u>\$122,319,598</u>

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Fiscal Year	Debt Limit	Total Debt Applicable	Legal Debt Margin	Total Debt Applicable As A Percentage Of Debt Limit
2009	\$139,439,312	\$82,898,240	\$56,541,072	59.5%
2010	\$137,843,266	\$81,941,472	\$55,901,794	59.4%
2011	\$139,308,017	\$78,857,882	\$60,450,135	56.6%
2012	\$138,156,969	\$24,859,603	\$113,297,366	18.0%
2013	\$139,985,138	\$31,089,377	\$108,895,761	22.2%
2014	\$146,453,800	\$54,765,844	\$91,687,956	37.4%
2015	\$147,872,532	\$45,604,538	\$102,267,994	30.8%
2016	\$159,126,938	\$44,974,228	\$114,152,710	28.3%
2017	\$167,529,452	\$43,426,000	\$124,103,452	25.9%
2018	\$165,745,598	\$41,952,926	\$123,792,672	25.3%

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA
PLEGGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**



Certificates of Participation (Sewer Fund)

Year Ended June 30	Sewer Charges And Other Contributions ¹	Less: Operating Expenses ²	Net Available Revenue	Principal	Interest	Total Debt Service	Debt Service Coverage
2009	\$2,591,374	\$1,945,535	\$645,839	\$215,000	\$578,089	\$793,089	0.81
2010	\$2,882,543	\$1,765,050	\$1,117,493	\$215,000	\$806,161	\$1,021,161	1.09
2011	\$3,545,791	\$1,547,768	\$1,998,023	\$270,000	\$796,668	\$1,066,668	1.87
2012	\$3,293,667	\$1,744,908	\$1,548,759	\$290,000	\$938,250	\$1,228,250	1.26
2013	\$2,945,488	\$1,641,917	\$1,303,571	\$240,000	\$618,372	\$858,372	1.52
2014	\$3,062,058	\$1,920,430	\$1,141,628	\$270,000	\$421,644	\$691,644	1.65
2015	\$3,915,684	\$2,063,218	\$1,852,466	\$220,000	\$415,412	\$635,412	2.92
2016	\$4,027,942	\$2,275,360	\$1,752,582	\$225,000	\$409,500	\$634,500	2.76
2017	\$4,067,626	\$2,155,155	\$1,912,471	\$230,000	\$403,355	\$633,355	3.02
2018	\$3,443,625	\$3,581,543	(\$137,918)	\$240,000	\$396,891	\$636,891	(0.22)

¹ Includes transfers from the Water Fund. Bond proceeds from the 2002 Refunding Bond were also used to fund certain Water projects. Therefore, the water fund pays a proportionate share of the debt service.

² Depreciation is eliminated for this calculation.

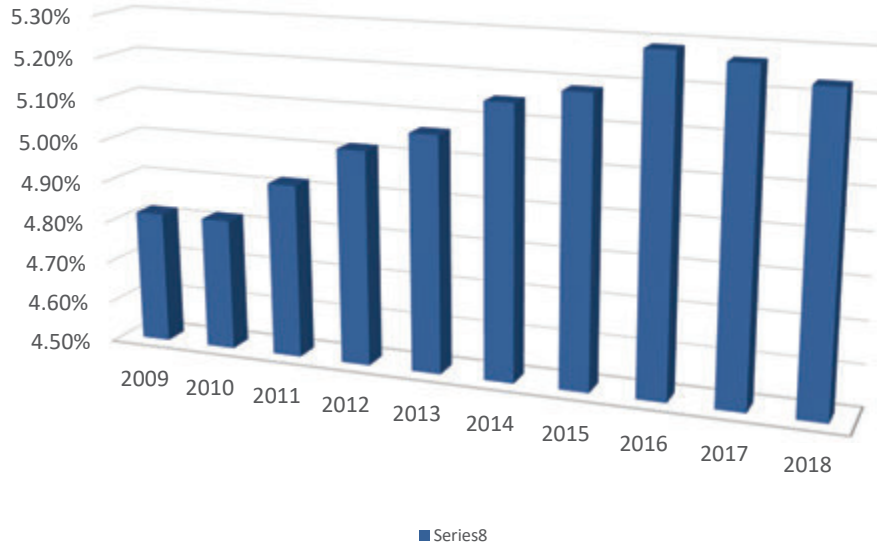
Source: City of Dinuba Financial Services Division

**CITY OF DINUBA
GENERAL BONDED INDEBTEDNESS
MATURITIES BY FISCAL YEAR**

Lease Revenue Bonds			
Fiscal Year	Principal	Interest	Total
2019	\$785,000	\$556,237.50	\$1,341,238
2020	\$830,000	\$531,943.75	\$1,361,944
2021	\$850,000	\$504,237.50	\$1,354,238
2022	\$895,000	\$474,450.00	\$1,369,450
2023	\$910,000	\$440,475.00	\$1,350,475
2024	\$725,000	\$412,950.00	\$1,137,950
2025	\$755,000	\$389,450.00	\$1,144,450
2026	\$775,000	\$361,962.50	\$1,136,963
2027	\$805,000	\$331,656.25	\$1,136,656
2028	\$835,000	\$300,193.75	\$1,135,194
2029	\$870,000	\$268,987.50	\$1,138,988
2030	\$900,000	\$238,087.50	\$1,138,088
2031	\$935,000	\$206,043.75	\$1,141,044
2032	\$960,000	\$172,931.25	\$1,132,931
2033	\$1,000,000	\$138,675.00	\$1,138,675
2034	\$550,000	\$111,950.00	\$661,950
2035	\$565,000	\$93,175.00	\$658,175
2036	\$595,000	\$73,625.00	\$668,625
2037	\$610,000	\$53,325.00	\$663,325
2038	\$625,000	\$32,500.00	\$657,500
2039	\$650,000	\$10,975.00	\$660,975
	\$16,425,000	\$5,703,831	\$22,128,834

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA
POPULATION AND UNEMPLOYMENT RATE
LAST TEN FISCAL YEARS**



Fiscal Year	City Population ¹	% Change	Tulare County Population	City Population as % of County Population	Unemployment Rate ³
2009	21,237	0.71%	440,749	4.82%	16.1%
2010	21,542	1.42%	447,141	4.82%	22.4%
2011	21,950	1.86%	446,180	4.92%	22.8%
2012	22,614	2.94%	450,840	5.02%	21.2%
2013	23,082	2.03%	455,599	5.07%	18.9%
2014	23,666	2.47%	459,446	5.15%	17.3%
2015	23,966	1.25%	462,189	5.19%	10.9%
2016	24,657	2.80%	466,339	5.29%	10.7%
2017	24,861	0.82%	471,842	5.27%	9.5%
2018	24,873	0.05%	475,479	5.23%	8.3%

¹ Source: California Department of Finance

³ Source: California Employment Development Department

Note: Per capita income and total personal income information not available.

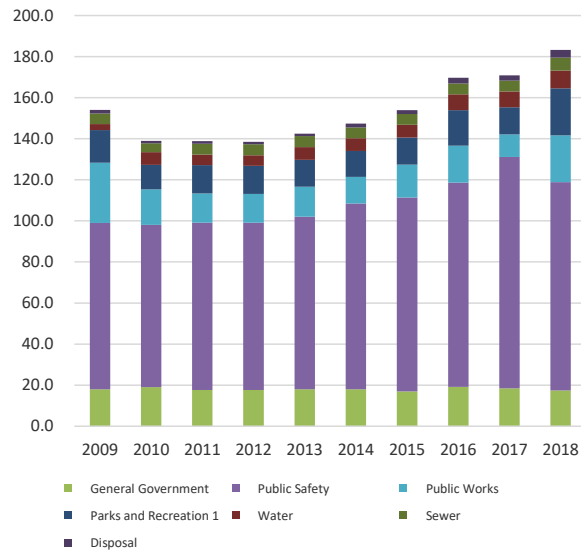
**CITY OF DINUBA
PRINCIPAL EMPLOYERS
AS OF JUNE 30, 2018 AND 2009**

Employer	Type of Business	Fiscal Year 2018			Fiscal Year 2009		
		Employees	Percent of Total City Employment	Rank	Employees	Percent of Total City Employment	Rank
Ruiz Foods Products Inc.	Frozen Food	1,653	38%	1	2,000	45%	1
Dinuba Public Schools	Education	700	16%	2	314	7%	4
Family Tree Farms	Produce Packing	650	15%	3			
Best Buy Stores, Inc.	Distribution Center	475	11%	4	425	10%	2
Wal-Mart	Retail Store	375	9%	5	425	10%	2
City of Dinuba	Local Government	175	4%	6	151	3%	6
Patterson Dental	Wholesaler	157	4%	7			
Corona College Heights	Produce Packing	60	1%	8			
United Market	Retail Store	42	1%	9			
Grocery Outlet	Retail Store	26	1%	10			
Pacific West	Produce/Packing				350	8%	3
Giannini Packing	Produce/Packing				200	5%	5
Apio Produce	Produce/Packing				150	3%	7
Surabian and Sons	Produce/Packing				150	3%	7
Odwalla ¹	Fruit Juices				100	2%	8
Sadoian Brothers	Produce/Packing				95	2%	9
Patterson Dental	Wholesaler				60	1%	10
		<u>4,313</u>	<u>100.00%</u>		<u>4,420</u>	<u>100.00%</u>	

Source: City of Dinuba and the U. S. Bureau of the Census

⁽¹⁾ Odwalla's parent company, Coca-Cola, closed the Dinuba Odwalla factory in April 2016.

**CITY OF DINUBA
EMPLOYEES BY FUNCTION (FULL TIME EQUIVALENTS)
LAST TEN FISCAL YEARS**



	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
General Government	18.0	19.0	17.6	17.6	18.0	18.0	17.0	19.1	18.5	17.4
Public Safety	81.0	79.0	81.5	81.5	84.0	90.4	94.4	99.5	112.7	101.5
Public Works	29.3	17.3	14.3	14.0	14.7	13.0	16.0	18.1	10.9	22.8
Parks and Recreation ¹	16.0	12.0	13.7	13.7	13.1	12.7	13.2	17.3	13.3	23.0
Water	2.9	6.2	5.2	5.2	6.2	6.2	6.2	7.7	7.7	8.7
Sewer	5.1	4.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	6.3
Disposal	1.7	1.2	1.2	1.2	1.2	1.9	1.9	2.8	2.6	3.7
Total Government-Wide Employees	154.0	139.0	138.8	138.5	142.5	147.5	154.0	169.8	171.0	183.4

**CITY OF DINUBA
CONSTRUCTION ACTIVITY
LAST TEN CALENDAR YEARS**

Calendar Year	Total Permits	Total Valuation	Commercial and Office		Residential Single	
			Number Permits	Valuation	Number Permits	Valuation
2009	267	\$20,117,464	5	\$3,003,030	49	\$5,961,770
2010 ²	327	\$26,119,325	2	\$1,398,078	116	\$14,622,391
2011	407	\$28,265,284	3	\$2,507,500	171	\$21,658,886
2012	543	\$43,487,055	13	\$9,295,706	161	\$20,246,430
2013	430	\$20,466,026	4	\$1,488,000	99	\$11,149,388
2014	437	\$16,722,112	5	\$8,448,970	41	\$4,244,435
2015	552	\$14,559,111	2	\$490,000	78	\$8,286,981
2016	689	\$7,134,510	2	\$1,110,000	57	\$5,565,450
2017	712	\$15,863,961	5	\$1,517,700	62	\$5,777,900
2018	754	\$31,539,649	1	\$60,000	70	\$9,485,662

Calendar Year	Residential Multi-Units		All Other	
	Number Permits	Valuation	Number Permits	Valuation
2009	1	\$7,604,520	212	\$3,548,143
2010 ²	1	\$7,604,520 ⁴	208	\$2,494,335
2011	0	\$0	233	\$4,098,898
2012	0	\$0	382	\$13,944,919
2013	1	\$2,450,000	326	\$5,378,638
2014	0	\$0	391	\$4,028,707
2015	0	\$0	472	\$5,782,130
2016	0	\$0	630	\$459,060
2017	0	\$0	645	\$8,568,361
2018	3	\$8,522,081	680	\$13,471,903

² Euclid apartment's 2009 permit expired renew in 2010.

⁴ Euclid Apartment's 2009 permit expired and renew in 2010.

Source: City of Dinuba Annual Building Report

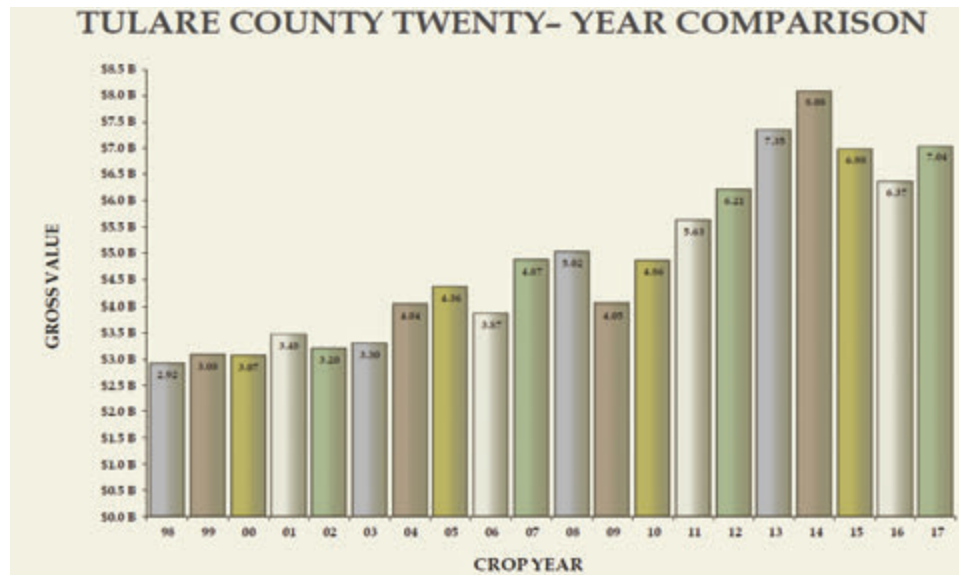
TULARE COUNTY CROP STATISTICS FOR THE CALENDAR YEAR 2017

Dinuba lies in the heart of the farming area of Tulare County, California, which currently ranks second in the nation in agricultural productivity. The following list comprises the major cash crops in the county from farming and ranching for 2016

<u>PRODUCT</u>	<u>GROSS VALUE</u>
1. Milk	\$1,776,855,000
2. Grapes	\$904,758,000
3. Oranges - Navels & Valencias	\$770,955,000
4. Cattle & Calves	\$637,056,000
5. Tangerines - Fresh	\$462,840,000
6. Pistachio Nuts	\$342,846,000
7. Almonds Meats & Hulls	\$328,632,000
8. Peach Cling & Freestone	\$269,158,000
9. Lemons - Fresh	\$171,360,000
10. Corn - Grain & Silage	\$164,545,000

Total Value of the Top Ten Tulare County Crops \$5,829,005,000

Total Value of All Tulare County Crops \$7,039,929,000



Source: Tulare County Agricultural Commissioner news release

**CITY OF DINUBA
CAPITAL ASSETS USED
LAST TEN FISCAL YEARS**

	Fiscal Year								
	2009	2010	2011	2012	2013	2014	2015	2016	2017
Water:									
Number Water Wells	8	8	8	8	8	8	8	8	8
Annual Production (Million Gal)	1,671	1,671	1,671	1,996	1,570	1,790	1,578	1,218	1,274
Service Connections	5,030	5,094	5,459	5,581	5,633	5,937	5,742	5,862	5,964
Police:									
Stations	2	2	2	2	2	2	2	2	1
Sworn Officers	40	38	35	35	34	33	36	28	27
Support Personnel	12	11	10	10	10	9	11	11	13
Part-Time Support Personnel	3	3	7	8	3	3	2	2	2
Police Vehicles	34	32	34	35	37	36	40	38	43
Motorcycles	2	2	2	2	2	4	4	4	4
Fire:									
Stations	1	1	1	1	1	1	1	1	1
Firefighters	24	23	24	24	23	26	26	26	26
Fire and Rescue Vehicles	5	5	5	5	5	5	5	5	6
Ambulances	3	3	4	4	4	5	5	5	6
Staff Vehicles	5	4	4	5	6	6	4	5	5
Parks and Recreation:									
Parks	13	13	13	13	13	13	13	13	13
Acres of Park land	66	66	66	66	66	66	66	66	66
Acres of Open Space	56	56	56	56	56	56	56	56	56
Recreation Centers	2	2	2	2	2	2	2	2	2
Other:									
City Land Area (Square Miles)	4.90	4.90	4.90	4.90	4.90	4.90	4.90	4.90	4.90
Miles of Water Main	74.0	74.0	74.0	74.0	74.0	74.0	74.0	74.0	74.0
Miles of Storm Drain	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0
Miles of Sewer Main	74.0	74.0	74.0	74.0	74.0	74.0	74.0	74.0	74.0
Miles of City Streets	65.7	65.7	65.7	65.7	65.7	65.7	65.7	65.7	65.7

Source: City of Dinuba Financial Services Division

**CITY OF DINUBA
DEMANDS FOR CITY SERVICES
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population</u>	<u>Number of Utility Customers</u>	<u>Number of Police Calls - Total</u>	<u>Number of 911 Emergency Calls</u>	<u>Number of Sworn Officers</u>
2009	21,237	5,107	41,824	5,855	37
2010	21,542	5,154	41,256	4,859	37
2011	21,950	5,459	40,486	4,713	35
2012	22,614	5,581	39,161	4,535	35
2013	23,082	5,633	38,550	5,967	34
2014	23,666	5,927	34,611	5,844	35
2015	23,966	5,742	38,637	13,397	34
2016	24,657	5,862	41,314	1,845	28
2017	24,861	5,964	42,319	1,487	37
2018	24,873	6,031	40,019	2,271	32

<u>Fiscal Year</u>	<u>Number of Fire Calls ¹</u>	<u>Number of Ambulance Runs</u>	<u>Number of Fire Fighters</u>
2009	137	2,897	24
2010	127	3,123	23
2011	200	3,163	24
2012	460	3,304	24
2013	572	3,594	23
2014	666	3,646	26
2015	887	3,647	24
2016	773	4,154	26
2017	861	3,968	26
2018	984	4,093	26

¹ Includes calls for fires, explosions, and hazardous conditions.

Source: City of Dinuba Financial Services Division, Fire Department, and Police Department

**CITY OF DINUBA
GENERAL GOVERNMENTAL
EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS ¹**

	Fiscal Year				
	2009	2010	2011	2012	2013
Governmental Activities					
General Government	\$2,282,735	\$3,131,533	\$4,009,529	\$3,439,679	\$4,339,158
Public Safety	8,287,871	8,171,242	8,107,881	8,167,990	8,990,013
Public Works ³	4,138,568	2,312,028	3,632,361	1,826,602	2,197,625
Community Development	3,158,746	3,417,402	1,763,309	1,007,987	636,986
Parks and Recreation ²	1,700,474	1,584,698	1,152,007	1,796,570	1,136,847
Debt Service	4,196,778	4,144,345	4,192,595	1,720,593	1,020,371
Unallocated Depreciation	917,172	987,607	879,409	953,544	823,524
Total Governmental Activities Expenses	<u>\$24,682,344</u>	<u>\$23,748,855</u>	<u>\$23,737,091</u>	<u>\$18,912,965</u>	<u>\$19,144,524</u>

	2014	2015	2016	2017	2018
Governmental Activities					
General Government	\$4,703,501	\$5,345,434	\$4,802,762	\$7,661,240	\$3,989,322
Public Safety	\$9,591,236	\$13,275,052	\$13,746,235	\$13,897,596	\$12,920,443
Public Works ³	\$2,761,922	\$3,334,975	\$3,943,500	\$3,752,225	\$6,577,677
Community Development	\$548,112	\$1,641,605	\$1,178,906	\$637,522	\$2,350,919
Parks and Recreation ²	\$1,224,454	\$1,682,401	\$1,824,431	\$2,007,951	\$2,127,602
Debt Service	\$1,521,663	\$1,204,781	\$1,278,342	\$1,604,463	\$978,293
Unallocated Depreciation	\$1,018,182	\$2,635,342	\$3,029,796	\$3,011,661	\$0
Total Governmental Activities Expenses	<u>\$21,369,070</u>	<u>\$29,119,590</u>	<u>\$29,803,972</u>	<u>\$32,572,658</u>	<u>\$28,944,256</u>

¹ Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

**CITY OF DINUBA
SALES TAX RATES
LAST TEN FISCAL YEARS**

<u>YEAR</u>	<u>EFFECTIVE DATE</u>	<u>STATE RATE</u>	<u>LOCAL RATE</u>
2009	4/1/2009	8.25%	9.50%
2010	4/1/2009	8.25%	9.50%
2011	7/1/2011	7.25%	8.50%
2012	7/1/2011	7.25%	8.50%
2013	1/1/2013	7.50%	8.75%
2014	1/1/2013	7.50%	8.75%
2015	1/1/2013	7.50%	8.75%
2016	1/1/2013	7.50%	8.75%
2017	1/1/2017	7.25%	8.50%
2018	1/1/2017	7.25%	8.50%

Source: California State Board of Equalization

**CITY OF DINUBA
TOP 25 SALES TAX GENERATORS
2017 CALENDAR YEAR
(in alphabetical order)**

ARCO AM/PM Mini Marts
AT & T Mobility
Autozone
Bestbuy.com
Big 5 Sporting Goods
Dinuba Auto Plaza
Dinuba Gas & Food Mart
Dinuba Lumber Company
EB M Auto Sales
Ed Dena's Auto Center
Jack in the Box Restaurant
Jim Manning Dodge Chrysler Jeep
Liquor Locker
Mcdonald's Restaurant
Panda Express
Patterson Dental Supply
Patterson Veterinary Supply
Quick N Handy Mart & Deli
Quick Shop Markets
R J Food & Gas
Rite Aid Drug Stores
Scott Belknap Pump Company
Scout Specialties
Tractor Supply Company
Wal Mart Stores

Source: MuniServices

**CITY OF DINUBA
ANNUAL SALES TAX BY CATEGORY
2013-2017 CALENDAR YEARS**

SBoE Category	2013	2014	2015	2016	2017
Apparel Stores	16,788	21,050	22,286	22,652	22,971
General Merchandise	637,595	632,199	628,975	648,027	611,399
Food Stores	104,550	108,721	124,293	133,431	132,754
Eating & Drinking Pl	238,467	252,152	268,165	288,010	293,195
Home Furnishings & A	1,380,333	1,894,746	1,850,659	4,504,022	7,343,271
Bldg. Matrl. & Farm	36,085	85,843	175,008	125,418	87,105
Auto Dealers & Auto	599,923	665,544	741,661	710,896	764,567
Service Station	366,319	364,612	292,287	251,796	308,095
Other Retail Stores	150,444	158,182	166,537	173,384	121,666
Total Retail	3,530,504	4,183,049	4,269,871	6,857,636	9,685,023
All Other Outlets	626,180	677,789	694,450	717,889	698,482
Total All Outlets	4,156,684	4,860,838	4,964,321	7,575,525	10,383,505

Source: MuniServices

Note: 2016 is latest available year.

**CITY OF DINUBA
SCHEDULE OF INSURANCE IN FORCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

TYPES AND DETAILS OF COVERAGE	AMOUNT
1. GENERAL LIABILITY	
a. Self-insured retention, \$1,000,000 limit	\$50,000
b. Liability excess coverage	\$19,000,000
2. AUTO PHYSICAL DAMAGE	
a. Comprehensive coverage, fire trucks, dump trucks, and ambulances, 5% of values at time of loss subject to \$1,000 minimum and \$10,000 maximum.	\$7,620,015
b. Comprehensive coverage, low value vehicles under \$25,000, \$500 deductible	\$1,172,325
3. PROPERTY COVERAGE	
a. Covers all owned buildings and contents at replacement cost, including data processing equipment and valuable papers, \$10,000 deductible.	\$67,204,124
b. Miscellaneous Property Floater	\$7,989,419
c. Special Equipment.	\$795,759
d. Extra Expense Associated with Physical Damage or Loss	\$562,000
e. Extra Expense Associated with Floater Equipment	\$10,000
4. WORKERS' COMPENSATION	
a. Self-insured retention \$500,000 limit	\$50,000
b. Workers' compensation excess coverage	\$4,500,000
5. OTHER	
a. Employee's fidelity dishonesty bond (Blanket)	\$250,000
b. Money & Securities	\$15,000
c. Wrongful Discharge, Discrimination, and Sexual Harrassment	\$1,000,000
d. Boiler & Machinery Property Coverage	\$100,000
e. Loss of Earnings/Extra Expense \$2,500 deductible	\$2,828,400

Source: City of Dinuba Risk Manager

