



**AGENDA
SELMA CITY COUNCIL
SPECIAL MEETING
May 6, 2025
4:30 p.m.**

Selma City Council Chambers
1710 Tucker Street
Selma, CA 93662
AND

Teleconference Location
Fracc Villa Neptuno, Carretera Transpeninsular Km 4, Col. El Tezal,
Cabo San Lucas, BCS Mexico 23454

Teleconference Phone Number: +1 301 715 8592
Webinar ID: 891 6864 5005 <https://zoom.us/j/89168645005>

***WHEN ON THE PHONE, IF YOU WISH TO ADDRESS COUNCIL DURING THE PUBLIC COMMENT
PORTION OF THE AGENDA, PRESS *9 TO "RAISE HAND" AND WE WILL SELECT YOU FROM THE
MEETING CUE. PRESS *6 TO UNMUTE AND MUTE YOURSELF.***

Notice to Meeting Attendees: Members of the audience shall not engage in disorderly or boisterous conduct including the utterance of threatening or abusive language or other acts which disturb, disrupt or impede or otherwise render the orderly conduct of a City Council meeting infeasible.

CALL TO ORDER

ROLL CALL: Council Members Avalos, Ocegüera, Trujillo, Mayor Pro Tem Guerra, and Mayor Robertson

POTENTIAL CONFLICTS OF INTEREST: Any council member who has a potential conflict of interest may now identify the item and recuse themselves from discussing and voting on the matter.

ORAL COMMUNICATIONS

NOTICE(S) TO THE PUBLIC: At this time, any member of the public may address the City Council regarding any item on the special meeting agenda over which the Council has jurisdiction. No action or discussion will be taken on any item not on the agenda. Issues raised will be referred to the City Manager for review. Members of the public should limit their remarks to three (3) minutes.

CLOSED SESSION

This item has been set aside for the City Council to meet in a closed session to discuss matters pursuant to Government Code Section 54956.9(d)(4). The City Attorney will provide an oral report regarding the Closed Session.

1. Government Code Section 54957.9(D)(1)
Conference with Legal Counsel – Existing Litigation
Name of Case: Frank Santillan v. City of Selma City Council, City of Selma
Fresno County Superior Court Case No. 21CECG00155
2. Government Code Section 54956.9(B)(2) and (3)
Conference with Legal Counsel – Significant Exposure to Litigation
Two Cases

3. Public Employee Appointment Pursuant to Government Code Section 54957
Title: Interim City Manager

ADJOURNMENT

Agendas for all City Council meetings are posted at least 72 hours prior to the meeting at the Council Chambers, 1710 Tucker Street. The City of Selma complies with the Americans with Disabilities Act (ADA of 1990) and Government Code Section 54953(g), and the City Council has adopted a reasonable accommodation policy to swiftly resolve accommodation requests. The policy can also be found on the City's website [here](#). Please contact the City Clerk's Office, (559) 891-2200, to make an accommodation request, or to obtain an electronic or printed copy of the policy.



**AGENDA
SELMA CITY COUNCIL
REGULAR MEETING
May 6, 2025
6:00 p.m.**

Selma City Council Chambers
1710 Tucker Street
Selma, CA 93662
AND

Teleconference Location
Fracc Villa Neptuno, Carretera Transpeninsular Km 4, Col. El Tezal,
Cabo San Lucas, BCS Mexico 23454

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CALL TO ORDER

INVOCATION:

PLEDGE OF ALLEGIANCE: Mayor Robertson

ROLL CALL: Council Members Avalos, Ocegüera, Trujillo, Mayor Pro Tem Guerra, and Mayor Robertson

POTENTIAL CONFLICTS OF INTEREST: Any council member who has a potential conflict of interest may now identify the item and recuse themselves from discussing and voting on the matter.

AGENDA CHANGES OR DELETIONS: To better accommodate members of the public or inconvenience in the order of presentation, items on the agenda may not be presented or acted upon in the order listed. Additions to Agenda may be added only pursuant to California Government Code Section 54954.2 (b).

ORAL COMMUNICATIONS

NOTICE(S) TO THE PUBLIC: At this time, any member of the public may address the City Council regarding any item on the regular meeting agenda over which the Council has jurisdiction. No action or discussion will be taken on any item not on the agenda. Issues raised will be referred to the City Manager for review. Members of the public should limit their remarks to three (3) minutes.

1-1	Recognition of Selma Community Outreach Ministries	Keene
1-2	Proclamation Recognizing Second Chance Animal Rescue	Oceguera
1-3	Proclamation of Public Works Week May 18-24, 2025	Honn
1-4	Introduction of New Staff	Keene
		Moreno
1-5	Fleet Enterprise Contact Update	Honn

2 - CONSENT CALENDAR

All items listed under the consent calendar category are considered routine. The complete consent calendar will be enacted by one motion by ROLL CALL VOTE. For purposes of discussion, any Council member may have an item removed from the consent calendar and made part of the regular agenda. The council can then approve the remainder of the consent calendar.

2-1	Approval – Minutes – Special and Regular Meeting – April 15, 2025	Venegas
2-2	Approval – Minutes – Special Meeting – April 22, 2025	Venegas
2-3	Approval – Consideration of Resolution 2025-27R Approving a Fee Waiver for Pride Flag	Keene
2-4	Approval – Consideration of Approval of Resolutions 2025-28R, 2025-4CEC, 2025-2PFA, 2025-2SRDA Approving Changes to Banking Authorized Signers for City of Selma, the Selma Successors Agency, Selma Community Enhancement Corporation and the Selma Public Financing Authority	Venegas
2-5	Approval – Consideration of Resolution 2025-29R Approving Changes to Banking Authorized Signers of City of Selma Monies in the Local Agency Investment Fund – CITY LAIF Account	Venegas
2-6	Approval – Consideration of Resolution 2025-30R Authorizing the City of Selma on behalf of the Selma Arts Center to Apply for a California Arts Council General Operating Support Grant and Approval of a Letter of Support	Rosales
2-7	Approval – Consideration of Resolution 2025-31R Authorizing Submittal of Grant Applications to the San Joaquin Valley Air Pollution Control District for the Purchase and Reimbursement of an Electric Utility Cart for the Community Services Department and an Electric Mower for the Public Works Department	Rosales
2-8	Approval – Check Register Dated April 16, 2025	Moreno

3 – PUBLIC HEARINGS

No Public Hearings

4 – NEW BUSINESS

4-1	Action Item – Consideration of Donation request from Selma High School Band	Keene
4-2	Action Item – Consideration of Resolution 2025-32R Approving and Authorizing Execution of the Interim City Manager Employment Agreement (John Kunkel)	Costanzo
4-3	Action Item – Consideration of Purchasing Policy Updates regarding Local Vendor Preference	Moreno
4-4	Action Item – Consideration of Resolution 2025-33R Approving the Update to the Investment Policy	Moreno
4-5	Action Item – Consideration of Acceptance of Audited Fiscal Year 2023/24 Financial Statements	Moreno
4-6	Information Item – Update on Existing and Upcoming Capital Improvement Projects	Horn

- 4-7 Information Item – Fire Station Campus Update and Aesthetic Preference Webster
4-8 Action Item – Introduction and First Reading of Ordinance 2025-05 of the City Costanzo
Council of the City of Selma Amending Selma Municipal Code (SMC) 1-8-1
Relating to Creation of the Office of City Clerk

5 - FUTURE AGENDA ITEMS

Council requests for future agenda items. Not subject to public comment. Items require a consensus.

6 – DEPARTMENTAL REPORTS

- City Manager
- City Attorney
- Deputy City Manager
(Development Services)
- Administrative Services
- Animal Services
- City Clerk
- Finance
- Fire
- Police
- Public Works

7 – COUNCIL REPORTS / COUNCIL COMMITTEE REPORTS

Brief report by Council members on City related functions as authorized by the Brown Act.

ORAL COMMUNICATIONS

NOTICE(S) TO THE PUBLIC: At this time, any member of the public may address the City Council regarding any item on the regular meeting agenda over which the Council has jurisdiction. No action or discussion will be taken on any item not on the agenda. Issues raised will be referred to the City Manager for review. Members of the public should limit their remarks to three (3) minutes.

ADJOURNMENT

Upcoming Council Meetings

- City Council Regular Meeting, Tuesday, May 20, 2025 – CANCELLED
- City Council Special Meeting, Wednesday, May 28, 2025 – Budget Workshop #2
- City Council Regular Meeting, Tuesday, June 3, 2025

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PUBLIC NOTIFICATION

I, Mary J. Venegas, Deputy City Clerk for the City of Selma, declare under penalty of perjury that I posted the above Special and Regular City Council Agenda for the meeting of May 6, 2025, near the front entrance of City Hall located at 1710 Tucker Street, Selma, CA and on the City's website www.cityofselma.com on May 1, 2025.

//s//

Mary J. Venegas, CMC
Deputy City Clerk

Item 1-1

Recognition of Selma Community
Outreach Ministries



CERTIFICATE OF APPRECIATION

This certificate is proudly presented to

Apostle Delfina Vazquez

*Presented to Selma Community Outreach Ministries
In heartfelt appreciation for your dedicated service in providing
spiritual, physical, and emotional support to individuals and families
facing hunger and homelessness.*

Date: May 6, 2025

JEROME KEENE
Acting City Manager

SCOTT ROBERTSON
Mayor at Large



CERTIFICATE OF APPRECIATION

This certificate is proudly presented to

Pastor Gabriel Vazquez

*Presented to Selma Community Outreach Ministries
In heartfelt appreciation for your dedicated service in providing
spiritual, physical, and emotional support to individuals and families
facing hunger and homelessness.*

Date: May 6, 2025

JEROME KEENE
Acting City Manager

SCOTT ROBERTSON
Mayor at Large

Item 1-2

Proclamation Recognizing Second Chance Animal Rescue

PROCLAMATION

SECOND CHANCE ANIMAL RESCUE

WHEREAS, part of the duties to the public imposed on City officials by law is the obligation of the Police Department to make reasonable efforts to control, lessen or mitigate the presence of stray, abandoned, or uncontrolled animals, primarily dogs and cats; and

WHEREAS, Second Chance Animal Rescue, formally known as Second Chance Animal Shelter, a non-profit corporation, performed, on behalf of the City of Selma, primarily through volunteers, the animal control function imposed on the City by law and also operated, primarily through volunteers, the animal shelter for the keeping and care of abandoned or stray, or injured animals, primarily dogs and cats; and

WHEREAS, Second Chance Animal Shelter successfully performed the animal control function of City government for a decade from 2013 to 2023 greatly mitigating the impact of stray or abandoned animals and on the quality of life in Selma; and

WHEREAS, since January 1, 2024, Second Chance Animal Rescue has actively placed dogs and cats in the Selma area for adoption.

NOW, THEREFORE, as the Mayor of the City of Selma, and on behalf of the Selma City Council, I do hereby recognize the contribution to the City of Selma of Second Chance Animal Rescue, formerly known as Second Chance Animal Shelter for a decade of service to the City of Selma in providing animal control services and rescue services for thousands of dogs and cats that have been housed, protected and rescued or cared for by Second Chance Animal Rescue.

Proclaimed this 6th day of May 2025.

Scott Robertson, Mayor
City of Selma

Item 1-3

Proclamation of Public Works Week
May 18-24, 2025

PROCLAMATION

NATIONAL PUBLIC WORKS WEEK

May 18-24, 2025

WHEREAS, public works professionals focus on infrastructure, facilities, and services that are of vital importance to sustainable and resilient communities and to public health, high quality of life, and well-being of the people of the City of Selma; and,

WHEREAS, the support of an understanding and informed community is vital to the efficient operation of public works systems and programs such as streets, storm drains, fleet maintenance, public buildings and parks maintenance; and

WHEREAS, the health, safety, and comfort of this community greatly depends on these facilities and services; and

WHEREAS, the quality and effectiveness of these facilities, as well as their planning, design, and construction, is vitally dependent upon the efforts and skill of public works officials; and

WHEREAS, the efficiency of the qualified and dedicated personnel who staff the Public Works Department is influenced by the people's attitude and understanding of the importance of the work they perform,

WHEREAS, the year 2025 marks the 65th annual National Public Works Week sponsored by the American Public Works Association/Canadian Public Works Association be it now,

NOW, THEREFORE, as the Mayor of the City of Selma, and on behalf of the Selma City Council, I do hereby designate the week of May 18-24, 2025, as "**NATIONAL PUBLIC WORKS WEEK.**" I urge all citizens and civic organizations to acquaint themselves with the issues involved in providing public works services to our community and to recognize the contributions which public works employees make every day to our health, safety, comfort, and quality of life.

AND BE IT FURTHER KNOWN, that the City Council of Selma does hereby recognize our own public works employees and commend their devotion, contribution, and service to the health and safety of our community.

Proclaimed this 6th day of May 2025.

Scott Robertson, Mayor
City of Selma

Item 2-1

Approval – Minutes – Special and Regular
Meeting – April 15, 2025

April 15, 2025
Selma City Council Special Meeting

CALL TO ORDER at 4:31 p.m.

ROLL CALL: Council Members Avalos, Ocegüera, Trujillo, Mayor Pro Tem Guerra, and Mayor Robertson

ORAL COMMUNICATIONS

A concerned citizen submitted a letter that was read by the City Clerk emphasizing the vital role of a strong and visionary city manager in maintaining the city's operations, stability, and growth. Concerns were raised about recent divisiveness, false accusations, and a misunderstanding of council roles, particularly regarding frequent evaluations of the city manager. The speaker urged the council to prioritize stability, unity, and long-term vision, and cautioned against making rash decisions that could negatively impact the city's future.

City Attorney Preface:

The City Attorney clarified that Item 2 could not be placed on the agenda without providing at least 24 hours' notice of charges or complaints to the affected employee, which was done on April 9. No request was received to hold the session in open session, as allowed under Government Code Section 54957(b)(2). The City Manager confirmed he wished to proceed with the item in closed session.

Adjourned to Closed Session at 4:39 p.m.

CLOSED SESSION:

1. Public Employee Performance Evaluation
Title: City Manager
2. Public Employee Discipline/Dismissal/Release
3. Government Code Section 54956.9(d)(4)
Conference with Legal Counsel – Anticipated Litigation
Three Cases, Initiation of Litigation

Adjourned out of Closed Session at 6:08 p.m.

REPORT OUT FROM CLOSED SESSION:

City Attorney reported the following:

In closed session, the City Council voted 4-1 (Trujillo voting no) to terminate City Manager Fernando Santillan's employment, effective upon receipt of his final paycheck, expected within the week or by next Friday. The Council voted to appoint Jerome Keene as Acting City Manager. The Council also voted 4-1 to publicly release the April 9, 2025, memorandum prepared by the City Attorney and John Kunkel outlining the reasons for the termination with cause. The memorandum will be made available immediately in response to a pending Public Records Act request.

The Mayor read a statement that emphasized the importance of restoring public trust in city government, citing past financial mismanagement and a lack of transparency. He pledged that moving forward, Selma's financial dealings would be open to the public, accountability would be restored, and city administration would prioritize the interests of residents. He called for community support in realigning city leadership to serve the people, reaffirming a commitment to transparency, integrity, and democracy in Selma.

ADJOURNMENT:

Council adjourned at 6:13 p.m.

April 15, 2025
Selma City Council Regular Meeting

CALL TO ORDER at 6:13 p.m.

INVOCATION: Pastor Jose Alvarez

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Guerra

ROLL CALL: Council Members Avalos, Ocegüera, Mayor Pro Tem Guerra, and
Mayor Robertson
Absent: Council Member Trujillo

AGENDA CHANGES OR DELETIONS

No Agenda Changes or Deletions

ORAL COMMUNICATIONS

Stella Ramirez requested extending future trash pickup events to more than one day, noting that a single partial day is inconvenient for some community members. Ms. Ramirez also thanked the Mayor, Council, and Mid Valley for accommodating trash pickup in the alley near the Salazar Center and expressed appreciation to the Mayor, new Council, and City Attorney for listening to citizen concerns and doing a great job.

Public Works Director Honn acknowledged the request for a week-long trash pickup event and explained that due to timing and site confirmation with Selma Unified, it was not possible for the April event. However, staff is planning for a week-long pickup during the November event.

Sarai Ramirez with Selma Cemetery provided an update on the cemetery district, which serves a population of 24,467 with three cemeteries. The district has 10-15 years of burial space left. The district is in the process of selling land purchased in 2014 and is interested in acquiring 38.67 acres of land near Rockwell Pond for expansion. Preliminary talks with Fresno County are underway, and the purchase process may take up to a year, with development taking 3-5 years. The cemetery district aims to work with the city to meet the community's needs.

Pastor Joe Alvarez requested that the mayor and city council consider releasing a check for the Legacy Youth Center that was allocated a couple of years ago. He emphasized the financial strain the center is facing due to borrowed funds and interest. He highlighted the ongoing youth activities, such as taking children to the movies, and urged the council to consider releasing the funds to support the center's summer programs and help address the needs of the youth in Selma.

The Legacy Youth Center to be added to the April 22, 2025, agenda as an action item.

1 - SPECIAL PRESENTATIONS

1-1 Introduction of New Staff

Police Commander Cannon introduced Sally Breyer as the new Animal Services Director.

2 - CONSENT CALENDAR

- 2-1 Approval – Minutes – Special and Regular Meeting – April 1, 2025
- 2-2 Approval – Consideration of Cancellation of May 20, 2025, Council Meeting
- 2-3 Approval – Consideration of Resolution 2025-26R Directing the City Engineer to Initiate and Prepare the Fiscal Year 2025-26 Engineer's Report for Landscaping Lighting and Maintenance District No. 1
- 2-4 Approval – Check Register Dated April 3, 2025

Council Member Ocegüera pulled Item 2-2 and Mayor Robertson pulled Item 2-4 for separate consideration.

Motion by Council Member Avalos, seconded by Mayor Pro Tem Guerra, to approve Consent Calendar, except Items 2-2 and 2-4.

Ayes: Avalos, Guerra, Ocegüera, Robertson
Noes: None
Absent: Trujillo

- 2-2 Approval – Consideration of Cancellation of May 20, 2025, Council Meeting

Motion by Council Member Ocegüera, seconded by Mayor Robertson, to approve Consent Calendar Item 2-2.

Ayes: Ocegüera, Robertson, Avalos, Guerra
Noes: None
Absent: Trujillo

- 2-4 Approval – Check Register Dated April 3, 2025

Motion by Council Member Avalos, seconded by Mayor Pro Tem Guerra, to approve Consent Calendar Item 2-4, except check #86656.

Ayes: Avalos, Guerra, Ocegüera, Robertson
Noes: None
Absent: Trujillo

3 – PUBLIC HEARINGS

- 3-1 Second Reading and Adoption of Ordinance 2025-04 Amending Section 6-21-6 of the Selma Municipal Code (SMC) Relating to the Removal of Graffiti

Public Hearing opened at 6:39 p.m.

Spoke: None

Public Hearing closed at 6:40 p.m.

Motion by Council Member Ocegüera, seconded by Council Member Avalos, to waive second reading and adopt Ordinance 2025-04 amending Section 6-21-6 of the Selma Municipal Code relating to Removal of Graffiti with change to 10 days.

Ayes: Ocegüera, Avalos, Guerra, Robertson

Noes: None
Absent: Trujillo

4 – NEW BUSINESS

- 4-1 Action Item – Second Reading and Adoption of Ordinance 2025-03 Amending Municipal Code Section 11-2-3(D) of the Selma Municipal Code Adding Development Regulations for Housing Development Projects Listed under Priority Housing Sites to Fulfill Housing Element Program 7 Objectives

Motion by Council Member Ocegura, seconded by Mayor Pro Tem Guerra, to waive the second reading and adopt Ordinance 2025-03 to amend Municipal Code Section 11-2-3(D) (Tabel 2-6) of the Selma Municipal Code, by adding development regulations for housing development projects listed under Priority Housing Site, to fulfill Housing Element, Program 7 objectives.

Ayes: Ocegura, Guerra, Avalos, Robertson
Noes: None
Absent: Trujillo

- 4-2 Discussion Item – Suggestions for use of Funding Available Through Fresno County Council of Governments (COG) Under Safe Routes to School Program

Spoke: Theresa Salas
Joyce Casin
Bryan Ramirez
Rose Robertson
Stella Ramirez

Consensus by Council to take the following list to the Fresno County COG:

- Flashing lights and flashing yellow lights
- Traffic calming measures
- Speed signs which show speed of vehicles
- Cameras
- Pedestrian crosswalk with button
- Walking trails
- Painted bike lanes
- Cameras on buses to capture vehicles that do not obey traffic rules
- More money for police officers in school zones
- Traffic dips; stop signs on Rose
- Reflectors on crosswalks for nighttime
- Schools resolving pickup situation

5 – FUTURE AGENDA ITEMS

Council Member Avalos

- 1- Check register; sort by department
- 2- Lights at Shaffer Park
- 3- Ponding basin by Shaffer Park – no trespassing signs

Council Member Ocegüera

- 1- Recognition for Second Chance – May 6th
- 2- Legacy Youth Center – April 22nd

Mayor Robertson

- 1- American Legion – city assist with KIA Memorial Day programs
- 2- Email from Selma Cinemas regarding the Sikh parade and requesting that Staff ensure double checking of public notification for road closures to ensure minimal impact to businesses.

Mayor Pro Tem Guerra had no future agenda items.

Council Member Trujillo was not present.

6 – DEPARTMENTAL REPORTS

Acting City Manager Keene provided an update on the first pilot project for the Tactical Urbanism Grant, which will take place at the intersection of Thompson and Lewis. The project involves painting a crosswalk and is a collaborative effort with Selma Unified School District, public works staff, and Selma High School students. Work will begin at 7 a.m. tomorrow with public works preparing the area. Detour signs will be placed for motorists, and the project aims to improve traffic flow and safety. A report with photos will be provided after the project is completed.

City Attorney Costanzo had nothing to report.

Administrative Services Director Venegas had nothing to report.

Deputy City Clerk Venegas had nothing to report.

Finance Director Moreno had nothing to report.

Council Member Ocegüera requested the year-to-date financials be sent via email.

Fire Chief Webster had nothing to report.

Police Commander Cannon had nothing to report.

The Mayor inquired about the fentanyl program, asking when it will be implemented in schools. Cannon mentioned seeing on the Chief's calendar that DA Smithcamp is scheduled to present at Heartland next week. The Mayor asked for more details on the event's attendance, suggesting it would be beneficial for all district students, not just Heartland, to participate. It was confirmed that the presentation will be a travel show for other campuses as well.

Public Works Director Honn provided updates on several ongoing projects:

1. The ADA access button at the Senior Center will be installed tomorrow.
2. The pilot program for traffic improvements will begin tomorrow at 5 AM with public works and engineering staff setting up traffic control. The program will involve student participation from Selma High School to paint crosswalks and install reflective channelizers to improve pedestrian safety.
3. Honn discussed the timeline for the permanent lights at Schaffer. The process will take several months, requiring design work and public bidding. Musco will assist with the design, but the project likely won't be completed before the end of summer.

4. Temporary light towers for softball fields are an option, but they are costly at \$1,700 per week per tower. The city will need to discuss funding and whether it is necessary to light all three fields.
5. Regarding the cafe lights project, the contractor will be responsible for removing stumps before installing poles for the cafe lights, which are expected to be bid in September.
6. Honn will not be attending the budget workshop on Tuesday due to a pre-planned trip but is willing to participate by phone if needed. He encouraged discussions on lighting and budget planning for the upcoming fiscal year.

7 – COUNCIL REPORTS / COUNCIL COMMITTEE REPORTS

Council Member Avalos provided updates on the Amberwood projects, confirming they are progressing as planned. He also highlighted the success of the Sikh parade, which drew over 8,000 attendees. He suggested recognizing local youth athletes for their hard work and proposed honoring an "unsung hero" in the community at the next council meeting.

Council Member Ocegüera shared his experience at the Sikh parade, highlighting the great hospitality and large turnout, with numerous food stands and community participation. He encouraged everyone to attend next year. He also mentioned a Chamber mixer happening tomorrow and a visit to the new Kaiser building under construction, which promises to improve healthcare services with more departments and pharmacies.

Mayor Pro Tem Guerra attended the CVTC Cohort 16 graduation, where 250 candidates completed the 10-week training, with many securing jobs with the state. She also attended the Sikh parade, celebrating its 31st year, with over 8,000 attendees, highlighting the unity and community spirit. Guerra thanked city staff for their hard work, noting the beautiful condition of the streets and parks. She also wished everyone a happy Easter, encouraging time spent with family.

Mayor Robertson reflected on the success of the Sikh parade, highlighting its cultural significance and the diversity it showcases in Selma. He expressed pride in the city's support for the event, noting its positive economic impact with 8,000-10,000 visitors. The Mayor also mentioned attending a BID meeting, where a concert will be held this Friday from 6-9 PM. He encouraged attendance, mentioning he would be volunteering by pressure washing downtown areas that evening. He also attended the CVTC graduation, celebrating the growth and involvement of the community in improving Selma.

Council Member Trujillo was not present.

ORAL COMMUNICATIONS

Adan Rodriguez suggested installing cameras on school buses in order to capture the cars that run stop signs.

Theresa Salas inquired about the status of the signal light on Duba and McCall Avenue, citing heavy traffic congestion that makes it difficult to turn left or exit the parking lot at certain times of the day. She also asked for an update on the sewer project along Dinuba Avenue, noting the progress on other projects like Floral Avenue and Amberwood, and expressed a desire for similar momentum on Dinuba Avenue.

Acting City Manager Keene stated the McCall and Dinuba signal light project is in the right-of-way acquisition stage, awaiting CALTRANS approval. A more detailed timeline will be provided. For

the Dinuba Avenue sewer line, the plans are under review, and once approved, the project will go to bid. It may be funded through a bond, requiring city council approval for any necessary adjustments. An update on the Clarkson lift station will also be provided.

Bryan Ramirez stated a Facebook post reported a cart with items, including a syringe, left by a homeless person, and despite a call to the police, no action was taken. There are ongoing issues with people dumping items behind alleys and homeless individuals crossing streets, creating safety concerns. He urged for stricter enforcement of related ordinances to address these issues and prevent potential harm or liabilities.

Stella Ramirez raised the question regarding the completion of the playground at Salazar Park, as caution tape was seen around it and concerns were raised on social media. The response confirmed that the playground is completed, with the wood chip fall protection installed yesterday, and it is now open for use.

ADJOURNMENT

Meeting adjourned at 7:38 p.m.

Approved the 6th day of May 2025.

APPROVED:

ATTEST:

Scott Robertson, Mayor

Mary J. Venegas, CMC
Deputy City Clerk

Item 2-2

Approval – Minutes – Special
Meeting – April 22, 2025

April 22, 2025
Selma City Council Special Meeting

CALL TO ORDER at 10:03 a.m.

ROLL CALL: Council Members Avalos, Ocegüera, Trujillo, Mayor Pro Tem Guerra, and Mayor Robertson

ORAL COMMUNICATIONS

No Oral Communications

REORDER OF AGENDA

Consensus by Council to change order of agenda items with Item 1-2 to be discussed first.

1 - NEW BUSINESS

- 1-2 Action Item - Consideration and Necessary Action on Release of Authorized Funding for Legacy Youth Center Improvements

Motion by Council Member Avalos, seconded by Council Member Ocegüera, to approve the release of funds for the Legacy Youth Center.

Ayes: Avalos, Ocegüera, Trujillo, Guerra, Robertson
Noes: None

- 1-1 Discussion Item - Fiscal Year 2025-26 Budget Workshop

Finance Director Moreno and Acting City Manager Keene led a budget workshop focusing on the upcoming fiscal year's budget. Acting City Manager Keene proposed moving the draft budget adoption to a special meeting due to administration changes.

Mayor Robertson requested financial reports that were not provided, citing concerns about the absence of the 2023-2024 audit by Mr. Jolly. Finance Director Moreno confirmed Mr. Jolly will present the audit on May 6th and explained the city's transition to new accounting software, Tyler ERP, which will improve future reports.

Council Members emphasized the need for timely financial data for informed decision-making, especially regarding staffing and departmental needs.

Finance Director Moreno outlined plans for quarterly reporting on budget vs. expenses starting in 2025-2026 and revising the investment policy with quarterly reports.

The workshop covered the city's mission, values, and priorities, including public safety, infrastructure, downtown revitalization, and parks. Council had the opportunity to add or adjust priorities but no changes were proposed.

Overview of the General Fund and Measure S:

- General Fund: The FY 24 adopted budget was \$21.2 million, with preliminary FY 25 numbers at \$21.9 million (a 3% increase). The estimated fund balance as of March 31st was \$12.9 million, which includes the policy-required 20% reserves (\$3 million).
- Measure S: The FY 24 adopted budget was \$2.6 million, with preliminary FY 25 numbers at \$3.4 million. The estimated balance as of March 31st was around \$3.5 million. Measure S is a restricted 1/2 cent sales tax.

Department Budget Highlights:

Police Department:

Chief Alcaarez presented budget requests, primarily funded by Measure S.

- License Plate Reader (LPR) Program: Caroline Fraher and Kristen MacLeod from Flock Safety presented the program, explaining its crime prevention and solving capabilities, focus on vehicle data (not people), audit capabilities, data ownership by the agency, and transparency portal. Pricing was discussed: \$3,000 per standard camera per year, plus installation costs. Council members expressed interest and asked about training, access during high-speed chases, and the selection of camera locations. The Chief noted the enhanced MDT hardware would support the technology. The possibility of integrating with car dealerships was discussed.
- Taser Lease: A 5-year lease for new tasers (\$36,000 total) was requested to replace the current outdated equipment, which is no longer manufactured. The new tasers would be compatible with body-worn cameras.
- Vehicle Lease: A request for leasing five patrol vehicles was made due to a lack of recent purchases. The annual estimated lease payment was not specified in the excerpt.

Spoke: Rose Robertson
Stella Ramirez

Adjourned at 11:07 a.m. for a break
Re-adjourned at 11:13 a.m.

Administrative Services

- The proposed budget includes a 13% increase. Administrative Services Director Venegas requested two new HR positions: one for risk management/benefits and another for front desk duties with both front desk positions to assist with payroll and city clerk responsibilities, aimed at improving department efficiency. Council Member Robertson suggested reallocating existing positions, such as the vacant Executive Assistant to the City Manager role.
- There was concern about the absence of an organization chart with salary details for easier review. Finance Director Moreno stated that detailed information would be provided at the May 6th meeting and discussed the Executive Assistant position. Venegas mentioned that the salary for the risk management/benefits position might be partially funded by the wellness fund. The proposed HR positions are additional and not already budgeted.

- Robertson inquired about staffing in the Finance Department to ensure timely check processing, with Moreno highlighting efforts to streamline procedures without extra costs.

Police Department (General Fund)

- Proposed budget shows a 7% increase.

Animal Services (Part of the Police Department):

- Council members raised concerns about the visibility and responsiveness of Animal Services, noting three vacant animal care technician positions out of a budgeted number of three, in addition to the Director and Field Manager. Questions were raised about the \$500,000 budget, the existing contracts with Fowler and Kingsburg, and the increasing number of animals being dropped off from outside Selma. Discussions included the need to improve call dispatching and tracking. Council member Ocegüera suggested exploring increased involvement of the advisory committee and Second Chance Rescue. The City Attorney mentioned working on an ordinance against animal dumping.

Fire Department:

Chief Webster presented the budget highlights for four divisions.

- Administration: A slight decrease (0.91%) was noted. A \$75,000 carryover expense for a standards of cover strategic plan and community risk assessment (split between general and ambulance funds) was included. An update on the new fire station campus design, funded by a Senator Herado earmark, was provided, with conceptual design underway. A request for a command vehicle replacement (non-general fund) to ensure all battalion chief vehicles are four-wheel drive was made.
- Operations: A 5.93% increase in the general fund portion was noted. Measure S funding requests included \$90,000 for fire equipment (including iPads with cooling mounts for dispatching), structural and wildland firefighting PPE replacement (due to stricter OSHA/NFPA standards), and fire hose replacement. A general fund request for improvements to Station 2 (sleeping quarters and cooling) was presented. A discussion item was the potential replacement of a 2006 fire engine (reserve), noting a 2.5-year build time and a potential prepayment discount. The use of Amberwood impact fees for the new truck was discussed. An update on the new fire station/EMS facility project was provided, including schematic and conceptual design phases, incorporating both facilities on one campus at Huntsman and Thompson, and a temporary relocation plan for EMS staff (possibly using portable classrooms). The long-term vision for the A Street station was also discussed.
- Prevention: A preliminary 21% increase was noted, but a miscalculation in salaries and internal service charges was identified, and the actual increase is expected to be lower. A code cycle update was planned.

Adjourned at 12:15 p.m. for a break

Re-adjourned at 12:40 p.m.

- Ambulance Division: A 2.13% increase in the ambulance fund was noted. Highlights included PPG/IGT wire payments to DHCS, a request for replacing cardiac monitors through a lease purchase for standardization, and the need for a sixth ambulance to meet call demand and potentially add a fourth 12-hour ambulance. The use of Per Diem Medics (PDMs) to manage overtime and the sharing of EMS resources with the CCMSA system were discussed.

Community Services:

Acting City Manager Keene presented the budget highlights.

- A proposed budget with a 14% increase was presented, covering recreation, senior center programs (including nutrition and cultural arts), and recreational sports. Council member Ocegüera asked about the reinstatement of the Kaiser Foundation grant for youth sports. Details on the allocation of Measure K funds to community services (historically 50%) and a breakdown of expenditures for the senior center and arts center were requested for the next meeting. Updates on youth programs, arts exposure initiatives, and potential improvements to the art center basement were provided. Discussions also covered Rockwell Pond as a regional park, the Pioneer Village/Cattlemen's agreement, and the Selma High School pool situation (lifeguard shortage). The possibility of splash parks in city parks was raised. Council member Ocegüera requested that Recreation Supervisor Martinez from the parks department provide future reports.

Community Development:

Acting City Manager Keene presented the budget highlights.

- A GIS analyst position was under review to assess cost-effectiveness compared to current consultant billing. The General Plan update, funded separately through building permit fees, was still planned. Contract planning services showed a potential reduction due to current staffing levels. Streamlining of the plan check process was highlighted, along with a revised contract with Rob Carsey resulting in savings. The Chamber of Commerce contract revision (fireworks funding) and the \$100,000 storefront improvement grant were noted under economic development. A pending budget request from the downtown BID was mentioned. Professional services for engineering were budgeted at \$450,000, with a review for potential staffing replacements. Updates on the standards and specs update and the Mitchell Avenue sidewalk project (CDBG funding) were given. The development of a GIS dashboard for CIP project information was underway. Internship programs with Fresno State were discussed. An update on the Thompson Park project (design near completion, coordination with CALR landscaping) was provided. Downtown revitalization efforts, including trees and lighting on Second Street, were discussed. Issues regarding trees in parking spaces and equitable distribution of BID benefits were raised. The condition of the old police station and potential reuses were briefly discussed.

Public Works/Streets:

Acting City Manager Keene presented the budget highlights.

- Budgeted items included supplies and equipment for graffiti abatement, pothole repairs, small tools for new vehicles, staff training, and a one-time purchase of a crack sealing machine (\$75,000).

Council Requests and Directives for the Next Budget Meeting:

- Much more detailed financial information, including FY 24-25 revenue numbers, comparison to projected FY 25-26 revenue, and a breakdown of line-item expenses per department.
- An organizational chart with positions and salaries.
- An action item to allow the council to review and propose changes to job descriptions, including the potential elimination of the Executive Assistant to the City Manager position.
- Information on the impact of last year's salary increases on the general fund, with historical comparisons for FY 23-24 and projections for FY 25-26.
- Inclusion of the wage analysis (comp class study) from the previous year.
- A breakdown of Measure K funds allocated to the senior center and arts center, including their uses.
- A balance sheet for every department.

Draft Budget Presentation Timeline:

Based on the extensive information requested, staff proposed pushing back the draft budget presentation from May 6th to a special meeting after the council's return from ICSC, with the additional information provided. The council agreed with this adjustment.

ORAL COMMUNICATIONS

Stella Ramirez inquired about the distance and red-light ticketing capabilities of the Flock cameras and the contract cancellation fee. These questions were addressed by the Flock representative, who clarified the camera's rear-facing capture and the need to review the contract terms

ADJOURNMENT

Meeting adjourned at 2:24 p.m.

Approved the 6th day of May 2025.

APPROVED:

ATTEST:

Scott Robertson, Mayor

Mary J. Venegas, CMC
Deputy City Clerk

Item 2-3

Approval – Consideration of Resolution
2025-27R Approving a Fee Waiver for
Pride Flag

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Consideration of Resolution 2025-27R Approving a Fee Waiver for Pride Flag

SUBMITTED Lupe Macias, Assistant Planner

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Consider approving Resolution 2025-27R and request from Fresno PFLAG to waive fees for their request to place a flag at the Selma Arts Center for 10 consecutive days pursuant to Section 11-28-7(C)(3) of the Municipal Code.

DISCUSSION:

Fresno PFLAG submitted an application requesting temporary placement, pursuant to the City Municipal Code Section 11-28-7(C)(3), of a Pride (LGBTQ+) flag on the Selma Arts Center building for 10 consecutive days during the month of June.

The Acting City Manager has referred this application to the City Council for approval to waive the \$235 Temporary Sign/Banner Permit Fee and \$265 Light Pole Banner Hanging Fee (total fee waiver of \$500).

FISCAL IMPACT:

If approved, \$500 would be the cost to the General Fund that would have otherwise been collected for the processing of the associated permits.

Attachments:

- ☒ Resolution 2025-27R
- ☐ Ordinance
- ☐ Map
- ☐ Agreement
- ☒ Other

List: Applicant Fee Waiver Application Materials
Non-Profit Registration

RESOLUTION NO. 2025 – 27R

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF SELMA, CALIFORNIA APPROVING A
REQUEST FOR A FEE WAIVER FOR FRESNO PFLAG**

WHEREAS, the Fresno PFLAG., a 501(c)(3) non-profit organization, requested that the City Council waive fees associated with placement of commemorative non-commercial flags on the Selma Arts Center Building for a period no longer than 10 consecutive days in the month of June; and

WHEREAS, the total fees associated with the placement of commemorative non-commercials at the Selma Arts Center Building are Five Hundred Dollars (\$500), which includes the fees the \$235 Temporary Sign/Banner Permit Fee and \$265 Light Pole Banner Hanging Fee; and

WHEREAS, the total amount the Fresno PFLAG is requesting the City Council to waive is Five Hundred Dollars (\$500); and

WHEREAS, while the City is proposing to waive certain fees associated with the request, Fresno PFLAG is still required to comply with all other provisions of the City's Municipal Code; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SELMA DOES
HEREBY RESOLVE AS FOLLOWS:**

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The fee waiver serves a public purpose by gathering the community.

Section 3. The City Council hereby approves the fee waiver for fees associated with the Event in the amount of Five Hundred Dollars (\$500).

Section 4. The Fresno PFLAG shall comply with the City's Municipal Code;

Section 5. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 6. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Scott Robertson
Mayor

ATTEST:

Mary J. Venegas, CMC
Deputy City Clerk



February 14, 2025

City of Selma
1710 Tucker Street
Selma, CA 93662

Hello,

Mayor Scott Robertson, Mayor Pro Tem Sarah Guerra, Council Members, Jim Avalos, John Trujillo, Santiago Ocegüero and City Manager Fernando Santillan.

I would like to take this opportunity again to thank you all for your support of our LGBTQ community members, their families and friends. Each day we continue to provide love and support for our LGBTQ loved ones and the amazing gesture of support having our pride flag flown for ten days in June during Pride Month in Selma is beyond amazing.

We hope you will consider our request for a fee waiver for the pride flag to be flown again this year and please know how much it means to so many.

Respectfully submitted,

A handwritten signature in black ink that reads "Leslie Nelson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Leslie Nelson

Fresno PFLAG member

Attachments: fee waiver application and letter from Fresno PFLAG President Drew Harbaugh

City of Selma
Application for Special Event Fee Waiver
or Fee Reduction

SELMA COMMUNITY SERVICES
2301 Selma St, Selma, CA 93662
(559) 891-2237

Policy:

The City of Selma (City) recognizes the value of partnering with other agencies and organizations in providing services that benefit the community and its residents. In an effort to provide support for organizations providing valuable services to the community, specific guidelines have been established for determining when permit fees may be reduced or waived (see "Fee Reduction or Waiver Policy for Special Events"). In order to request a reduction or waiver of fees, please complete this application and submit it with necessary documentation to the address provided on the last page.

Policy approved by City Council on March 4, 2019 (Resolution No. 2019-11R)

THIS APPLICATION IS DUE TO THE CITY 60 DAYS PRIOR TO THE EVENT

REQUESTING (Please check one)

☒ Fee waiver *exceeding \$500 or includes other City Service Fees outside of the Permit Fees
*approved by City Council

☐ Fee reduction *not exceeding \$500 *approved by City Manager

(Amount Requested: \$_____)

SPONSORING ORGANIZATION INFORMATION

Name of Organization: FRESNO PFLAG

Address: PO Box 27382 Fresno, Ca. 93729

Telephone: 559-434-6540 Cell: —

Email: pflagfresno@gmail.com

Event Coordinator: LESLIE NELSON

Telephone: 559-367-1565 Cell: _____

Email: glnelson073@yahoo.com

Nonprofit 501(c) (3) tax-exempt organization: FRESNO PFLAG 17-0405225

Located in Selma: _____

Has organization received any other financial assistance from the City this year? No

EVENT INFORMATION

Name of Event: PRIDE MONTH JUNE

Type of Event: Display of ONE PRIDE FLAG

Facility Requested or Event Location: Selma Art Center

Date of Event: 10 DAYS in JUNE (ANY DAYS ARE FINE)

Event Hours: _____

On which dates and at what times are you requesting permission to setup/clean up?

Set up: _____ Clean up: _____

Please describe the event, its purpose, and the activities that will take place:

Is the event open to the public: _____

Estimated number of participants/spectators: _____

Is this event a fundraiser: _____

Will there be an admission, entrance, user fee or cover charge for the event? If so, please explain: _____

How will the event benefit Selma: _____

Will promotional materials be used? How are you planning to market the event:

Will the event create revenue-generating opportunities for local Selma businesses? If so, how: _____

Can you commit to tracking event attendance and vendor sales to report the City's Economic Development Team following the event? Yes ☐ No ☐

If yes, please describe how you will track attendance and sales: _____

Has your organization put on this same event in the past: Yes ☐ No ☐

If not, has your organization put on other events in Selma? If so, please indicate which ones: _____

Other organizations participating in organization of the event: _____

Other organizations participating in event: _____

Will this event receive third party funding or sponsorship: _____

Name of Applicant (Print): LESLIE NELSON Date: 2/14/25

Signature of Applicant: Leslie Nelson

Please deliver completed application to (Selma Community Services, 2301 Selma Street, Selma, CA 93662, Administrative Assistant, 559-891-2237) along with a copy of your organization IRS 501(3)(c) determination letter. Incomplete applications or requests will not be considered.

Community Services Office Use Only

Date Received: _____

Received By: _____

Application Rcvd () IRS 501(3)(c) Rcvd ()

City Manager

Approved () Not Approved ()

Comments: _____

Signature: _____ Date: _____



February 1, 2025

Mr. Fernando Santillan
Selma City Manager
1710 Tucker St
Selma, CA 93662

Dear Mr. Santillan:

My name is Drew Harbaugh; I am the current chapter president of PFLAG Fresno. I am writing you today with an introduction to our organization, and a request.

PFLAG is an organization of LGBTQ+ people, parents, families, and allies who work together to create an equitable and inclusive world. Our national organization consists of hundreds of thousands of people and hundreds of chapters from coast to coast who are leading with love to support families, educate allies, and advocate for just, equitable, and inclusive legislation and policies. Since our founding in 1973, PFLAG works every day to ensure LGBTQ+ people everywhere are safe, celebrated, empowered and loved.

Our PFLAG Fresno chapter has existed for over thirty years. Under the umbrella of our national partners, we are a 501©3 organization. Here in the Central Valley, our work advocating for LGBTQ+ people is often uphill. The simple gesture of displaying the Pride flag is a powerful means of recognizing the inherent worth, dignity, and humanity of the people of our community. Flying the Pride flag is a way to acknowledge those who have faced hardship and discrimination based solely on their sexual orientation or gender identity. It also recognizes the difficult work that we and our friends, families, and allies have done to educate about, and advocate for, the people of our community— including the LGBTQ+ folks and our loved ones who live in Selma.

We at PFLAG Fresno therefore request the City of Selma to waive the \$500 fee to fly the Pride Flag over the Art Center during the month of June, our traditional Pride Month. Our representative, Selma resident and longtime PFLAG member, Leslie Nelson, is available to work with your office on our behalf; you may reach her at (559) 367-1565.

Thank you for your time and attention; we look forward to working with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Drew Harbaugh". The signature is fluid and cursive.

Drew Harbaugh, RN, CCRN (he/him/his)

Chapter President, PFLAG Fresno

Cc: Mayor Scott Robertson, Mayor Pro Tem Sarah Guerra, Council Members Jim Avalos, John Trujillo, Santiago Ocegüero

PO BOX 27382 Fresno CA 93722 | (559) 434-6540 | pflagfresno@gmail.com | www.pflagfresno.org

ROB BONTA
Attorney General

State of California
DEPARTMENT OF JUSTICE



1300 I Street
P. O. Box 903447
Sacramento, CA 94203-4470
eFax: (916) 454-8100
Delinquency@doj.ca.gov

July 19, 2024

PFLAG FRESNO CHAPTER
P.O. BOX 27382
FRESNO CA 93729

State Charity Registration Number:
101627

ORDER GRANTING REINSTATEMENT

The registrant, **PFLAG FRESNO CHAPTER** was issued registration number **101627** by the Registry of Charities and Fundraisers. The registration was revoked due to multiple failures to comply with the annual registration and reporting requirements of the Supervision of Trustees and Fundraisers for Charitable Purposes Act. (Gov. Code, § 12580, et seq.)

On **06/13/2024** the registrant petitioned for reinstatement of its registration. As part of the petition, the registrant provided the delinquent periodic written reports and has implemented controls to prevent future deficiencies. It is determined that there will be no threat to the public or to charitable assets if the petition is granted subject to the following terms and conditions:

Registration number **101627** is reinstated on a probationary basis. **The registration will remain subject to probation for three years (06/13/2027)** during which **PFLAG FRESNO CHAPTER** must fully comply with the Supervision of Trustees and Fundraisers for Charitable Purposes Act and the related regulations. If the registrant successfully completes its probation its registration will be fully restored. If the registrant violates its probation in any respect the Registrar may revoke its registration without further notice or proceeding.

This order shall become effective on **07/19/2024**.

IT IS SO ORDERED:

David Eller, Registrar
Registry of Charities and Fundraisers

For ROB BONTA
Attorney General



Item 2-4

Approval – Consideration of Approval of
Resolutions 2025-28R, 2025-4CEC,
2025-2PFA, 2022-2SRDA Approving
Changes to Banking Authorized Signers
for City of Selma, the Selma Successors
Agency, Selma Community Enhancement
Corporation and the Selma Public
Financing Authority

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Consideration of Resolutions 2025-28R, 2025-4CEC, 2025-2PFA and 2025-2SRDA Approving Changes to Banking Authorized Signers for City of Selma, the Selma Successors Agency, Selma Community Enhancement Corporation, and the Selma Public Financing Authority

SUBMITTED: Janie Venegas, Administrative Services Director

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Approve Resolutions 2022-28R, 2025-4CEC, 2025-2PFA and 2025-2SRDA to Update Banking Authorized Signers for City of Selma, the Selma Successors Agency, Selma Community Enhancement Corporation, and the Selma Public Financing Authority.

DISCUSSION:

With the recent staffing changes, documents have been prepared naming the following as authorized signers on the various accounts at US Bank:

Jerome Keene – Acting City Manager or Deputy City Manager
Mary J. Venegas – Administrative Services Director
Margarita Moreno – Finance Director/Treasurer

Two (2) signatures are still required on each check.

FISCAL IMPACT:

No known fiscal impact.

Attachments:

☒ Resolutions 2025 - 28R
2025- 4CEC
2025- 2PFA
2025- 2SRDA

☐ Ordinance

☐ Map

☐ Agreement

☐ Other

List:

RESOLUTION NO. 2025 – 28R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELMA RESCINDING RESOLUTION NO. 2025-10R AUTHORIZING AND DESIGNATING AUTHORIZED PERSONS TO ESTABLISH, DEPOSIT, AND WITHDRAW FROM BANK ACCOUNTS AT US BANK

WHEREAS, the City of Selma should designate certain persons and authorized persons to deposit into City Accounts and to withdraw on behalf of the City from said account; and

WHEREAS, on February 3, 2025, the City Council adopted Resolution No. 2025-10R designating said authorized persons and now wishes to revise said designations.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SELMA HEREBY FINDS, DETERMINES AND RESOLVES AS FOLLOWS:

Section 1. The City Council finds that the above recitals are true and correct and are incorporated herein by reference.

Section 2. The City Council hereby rescinds Resolution No. 2025-10R, and any other City Council resolution that designated authorized banking signatories for the City of Selma Accounts.

Section 3. The City Council hereby affirms that that US Bank, a national banking association (“Bank”), is hereby selected and designated as a depository of funds of the City, and that accounts are established and maintained by and in the name of the City at the Selma office of said Bank, upon and subject to such terms and conditions as the officers hereinafter designated, or any of them, may from time to time agree upon with said Bank.

Section 4. The City Council hereby designates that all checks, drafts and other instruments for the payment of money drawn or accepted by the City for payment from said account or at said office be signed on behalf of the City by any two (2) of the following officers of the City viz: **Scott Robertson** as Mayor, **Sarah Guerra** as Mayor Pro Tem, **Jerome Keene** as (Acting) City Manager or Deputy City Manager, **Mary J. Venegas** as Administrative Services Director and/or **Margarita Moreno** as Finance Director/Treasurer.

Section 5. The City Council hereby designates that any checks, drafts or other instruments for the payment of money, endorsed on behalf of this city for deposit with or collection by said Bank, may be so endorsed in the name of the City by written or stamped endorsement, without designation or signature of the person making such endorsement; and

Section 6. The City Council hereby directs that the City Clerk certify to said Bank that the Resolution has been duly adopted, and is in conformity with the by-laws of the City, and to further certify to said Bank that names and specimen signatures of the present officers of the City authorized to sign as aforesaid, and if and when any change be made in the personnel of said officers the fact of such change and the name and specimen signature of each new officer.

Section 7. The City Council hereby requests and authorizes the Bank to honor, receive, certify, and pay any such instrument signed or endorsed in accordance with the foregoing

resolution and the certification then in effect as above provided for, including any such instrument drawn or endorsed to the personal order of, or presented for negotiation or encashment by, any officer signing or endorsing the name.

Section 8. The City Council hereby finds and declares that this Resolution and each such certification shall remain in full force and effect, and said Bank is authorized and requested to reply and act thereon, until it shall receive at its office to which the certified copy of this Resolution is delivered, either a certified copy of a further resolution of the City of Selma amending or rescinding these resolutions or a further certification as above provided for, as the case may be.

Section 9. Severability. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 10. Effective Date. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED, AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Scott Robertson
Mayor

Mary J. Venegas, CMC
Deputy City Clerk

RESOLUTION NO. 2025 – 4CEC

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SELMA COMMUNITY ENHANCEMENT CORPORATION RESCINDING RESOLUTION NO. 2025-1CEC, AND AUTHORIZING AND DESIGNATING AUTHORIZED PERSONS TO ESTABLISH AND WITHDRAW FROM BANK ACCOUNTS AT US BANK

WHEREAS, the Selma Community Enhancement Corporation (“Corporation”) should designate certain persons and authorized persons to deposit in Corporation accounts and to withdraw on behalf of the Corporation from said accounts; and

WHEREAS, on February 3, 2025, the Corporation adopted Resolution No. 2025-1CEC designating said authorized persons and now wishes to revise said designations.

NOW, THEREFORE, THE COMMUNITY ENHANCEMENT CORPORATION HEREBY FINDS, DETERMINES AND RESOLVES AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The Corporation hereby rescinds Resolution No. 2025-1CEC, and any other Corporation resolution that designated authorized banking signatories for the Corporation account.

Section 3. The Corporation hereby affirms that US Bank, a national banking association (“Bank”), is hereby selected and designated as a depository of funds of this Corporation, and that accounts be established and maintained by and in the name of this Corporation at the Selma office of said Bank, upon and subject to such terms and conditions as the officers hereinafter designated, or any of them, may from time to time agree upon with said Bank.

Section 4. The Corporation hereby designates that all checks, drafts and other instruments for the payment of money drawn or accepted by the Corporation for payment from said account or at said office be signed on behalf of the Corporation by any two (2) of the following officers of the Corporation viz: **Scott Robertson** as Chairman, **Sarah Guerra** as Vice Chairman, **Jerome Keene** as Executive Director or Deputy City Manager, **Mary J. Venegas** as Administrative Services Director, and/or **Margarita Moreno** as Finance Director/Treasurer.

Section 5. The Corporation Board hereby designates that any checks, drafts or other instruments for the payment of money, endorsed on behalf of the Corporation for deposit with or collection by said Bank, may be so endorsed in the name of the Corporation by written or stamped endorsement, without designation or signature of the person making such endorsement.

Section 6. The Corporation Board hereby directs that the Secretary certify to said Bank that this Resolution has been duly adopted, and is in conformity with the by-laws of the Corporation, and to further certify to said Bank that names and specimen signatures of the present officers of the Corporation authorized to sign as aforesaid, and if and when any change be made in the personnel of said officers the fact of such change and the name and specimen signature of each new officer.

Section 7. The Corporation Board hereby requests and authorizes the Bank to honor, receive, certify, and pay any such instruments signed or endorsed in accordance with the foregoing Resolution and the certification then in effect as above provided for, including any such instrument drawn or endorsed to the personal order of, or presented for negotiation or encashment by, any officer signing or endorsing the name.

Section 8. The Corporation Board hereby finds and declares that this Resolution and each such certification shall remain in full force and effect, and said Bank is authorized and requested to reply and act thereon, until it shall receive at its office to which the certified copy of these resolutions is delivered, either a certified copy of a further resolution of the Selma Enhancement Corporation amending or rescinding these resolutions or a further certification as above provided for, as the case may be.

Section 9. Severability. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 10. Effective Date. That the Corporation Secretary shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED, AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Scott Robertson
Chairperson

Mary J. Venegas, CMC
Corporation Secretary

RESOLUTION NO. 2025 –2PFA

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SELMA PUBLIC FINANCING AUTHORITY RESCINDING RESOLUTION NO. 2025-1PFA, AND AUTHORIZING AND DESIGNATING AUTHORIZED PERSONS TO ESTABLISH AND WITHDRAW FROM BANK ACCOUNTS AT US BANK

WHEREAS, the Selma Public Financing Authority (“Authority”) should designate certain persons and authorized persons to deposit in Authority accounts and to withdraw on behalf of the Authority from said accounts; and

WHEREAS, on February 3, 2025, the Authority adopted Resolution No. 2025-1PFA designating said authorized persons and now wishes to revise said designations.

NOW, THEREFORE, THE SELMA PUBLIC FINANCING AUTHORITY HEREBY FINDS, DETERMINES AND RESOLVES AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The Authority hereby rescinds Resolution No. 2025-1PFA, and any other resolution that designated authorized banking signatories for the Authority account.

Section 3. The Authority hereby affirms that US Bank, a national banking association (“Bank”), is hereby selected and designated as a depository of funds of this Authority, and that accounts be established and maintained by and in the name of this Authority at the Selma office of said Bank, upon and subject to such terms and conditions as the officers hereinafter designated, or any of them, may from time to time agree upon with said Bank.

Section 4. The Authority hereby designates that all checks, drafts and other instruments for the payment of money drawn or accepted by the Authority for payment from said account or at said office be signed on behalf of the Authority by any two (2) of the following officers of the Authority viz: **Scott Robertson** as Chairman, **Sarah Guerra** as Vice Chairman, **Jerome Keene** as Executive Director or Deputy City Manager, **Mary J. Venegas** as Administrative Services Director and/or **Margarita Moreno** as Finance Director/Treasurer.

Section 5. The Authority Board hereby designates that any checks, drafts or other instruments for the payment of money, endorsed on behalf of the Authority for deposit with or collection by said Bank, may be so endorsed in the name of the Authority by written or stamped endorsement, without designation or signature of the person making such endorsement.

Section 6. The Authority Board hereby directs that the Secretary certify to said Bank that this Resolution has been duly adopted, and is in conformity with the by-laws of the Authority, and to further certify to said Bank that names and specimen signatures of the present officers of the Authority authorized to sign as aforesaid, and if and when any change be made in the personnel of said officers the fact of such change and the name and specimen signature of each new officer.

Section 7. The Authority Board hereby requests and authorizes the Bank to honor, receive, certify, and pay any such instruments signed or endorsed in accordance with the foregoing

Resolution and the certification then in effect as above provided for, including any such instrument drawn or endorsed to the personal order of, or presented for negotiation or encashment by, any officer signing or endorsing the name.

Section 8. The Authority Board hereby finds and declares that this Resolution and each such certification shall remain in full force and effect, and said Bank is authorized and requested to reply and act thereon, until it shall receive at its office to which the certified copy of these resolutions is delivered, either a certified copy of a further resolution of the Selma Enhancement Authority amending or rescinding these resolutions or a further certification as above provided for, as the case may be.

Section 9. Severability. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 10. Effective Date. That the Authority Secretary shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED, AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Scott Robertson
Chairperson

Mary J. Venegas, CMC
Authority Secretary

RESOLUTION NO. 2025 – 2SRDA

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SELMA SUCCESSOR AGENCY RESCINDING RESOLUTION NO. 2025-1SRDA, AND AUTHORIZING AND DESIGNATING AUTHORIZED PERSONS TO ESTABLISH AND WITHDRAW FROM BANK ACCOUNTS AT US BANK – SUCCESSOR RDA

WHEREAS, the Selma Successor Agency (“Agency”) should designate certain persons and authorized persons to deposit in Agency accounts and to withdraw on behalf of the Agency from said accounts; and

WHEREAS, on February 3, 2025, the Agency adopted Resolution No. 2025-1SRDA designating said authorized persons and now wishes to revise said designations.

NOW, THEREFORE, THE SUCCESSOR AGENCY DOES HEREBY FINDS, DETERMINES AND RESOLVES AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The Agency hereby rescinds Resolution No. 2025-1SRDA, and any other Agency resolution that designated authorized banking signatories for the Agency account.

Section 3. The Agency hereby affirms that US Bank, a national banking association (“Bank”), is hereby selected and designated as a depository of funds of this Agency, and that accounts be established and maintained by and in the name of this Agency at the Selma office of said Bank, upon and subject to such terms and conditions as the officers hereinafter designated, or any of them, may from time to time agree upon with said Bank.

Section 4. The Agency hereby designates that all checks, drafts and other instruments for the payment of money drawn or accepted by the Agency for payment from said account or at said office be signed on behalf of the Agency by any two (2) of the following officers of the Agency viz: **Scott Robertson** as Chairman, **Sarah Guerra** as Vice Chairman, **Jerome Keene** as Executive Director or Deputy City Manager, **Mary J. Venegas** as Administrative Services Director and/or **Margarita Moreno** as Finance Director/Treasurer.

Section 5. The Agency Board hereby designates that any checks, drafts or other instruments for the payment of money, endorsed on behalf of the Agency for deposit with or collection by said Bank, may be so endorsed in the name of the Agency by written or stamped endorsement, without designation or signature of the person making such endorsement.

Section 6. The Agency Board hereby directs that the Secretary certify to said Bank that this Resolution has been duly adopted, and is in conformity with the by-laws of the Agency, and to further certify to said Bank that names and specimen signatures of the present officers of the Agency authorized to sign as aforesaid, and if and when any change be made in the personnel of said officers the fact of such change and the name and specimen signature of each new officer.

Section 7. The Agency Board hereby requests and authorizes the Bank to honor, receive, certify, and pay any such instruments signed or endorsed in accordance with the foregoing Resolution and the certification then in effect as above provided for, including any such

instrument drawn or endorsed to the personal order of, or presented for negotiation or encashment by, any officer signing or endorsing the name.

The Agency Board hereby finds and declares that this Resolution and each such certification shall remain in full force and effect, and said Bank is authorized and requested to reply and act thereon, until it shall receive at its office to which the certified copy of these resolutions is delivered, either a certified copy of a further resolution of the Selma Successor Agency amending or rescinding these resolutions or a further certification as above provided for, as the case may be.

Section 9. Severability. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 10. Effective Date. That the Agency Secretary shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED, AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Scott Robertson
Chairperson

Mary J. Venegas, CMC
Agency Secretary

Item 2-5

Approval – Consideration of Resolution
2025-29R Approving Changes to Banking
Authorized Signers of City of Selma
Monies in the Local Agency Investment
Fund – CITY LAIF Account

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Consideration of Resolution 2025-29R Approving Changes to Banking Authorized Signers of City of Selma Monies in the Local Agency Investment Fund – CITY LAIF Account

SUBMITTED: Maggie Moreno, Finance Director/Treasurer

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Approve Resolution 2025-29R authorizing signers on the City of Selma's Local Agency Investment Fund (LAIF) Account.

DISCUSSION:

With changes in personnel, individuals authorizing the deposit and withdrawal of funds need to be changed.

Documents have been prepared naming the positions by title. The following positions have been identified as authorized signers on the City of Selma's LAIF Account:

(Acting) City Manager
Deputy City Manager
Administrative Services Director
Finance Director/Treasurer

FISCAL IMPACT:

No known fiscal impact.

Attachments:

- ☒ Resolution 2025-XX
 - ☐ Ordinance
 - ☐ Map
 - ☐ Agreement
 - ☐ Other
- List:

RESOLUTION NO. 2025 – 29R

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELMA
AUTHORIZING INVESTMENT OF CITY OF SELMA MONIES
IN THE LOCAL AGENCY INVESTMENT FUND – CITY LAIF**

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1 et. seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the City Council of the City of Selma hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein is in the best interests of the City of Selma;

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Selma hereby authorizes the deposit and withdrawal of City of Selma monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED, that the following City of Selma officers holding the title(s) specified herein below **or their successors in office** are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby:

Jerome Keene – (Acting) City Manager or Deputy City Manager
Mary J. Venegas - Administrative Services Director
Margarita Moreno - Finance Director/Treasurer

Section 1. This resolution shall remain in full force and effect until rescinded by City Council of the City of Selma by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office.

PASSED, APPROVED, AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Scott Robertson
Mayor

Mary J. Venegas, CMC
Deputy City Clerk

Item 2-6

Approval – Consideration of Resolution
2025-30R Authorizing the City of Selma
on behalf of the Selma Arts Center to
Apply for a California Arts Council
General Support Grant and Approval of a
Letter of Support

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2024

SUBJECT: Consideration of Resolution 2025-30R Authorizing the City of Selma on behalf of the Selma Arts Center to Apply for the California Arts Council General Operating Support Grant and Approval of a Letter of Support

SUBMITTED: Britnee Rosales, Grants Manager

APPROVED: Jerome Keene, City Manager

RECOMMENDATION:

Staff recommend that the City Council approve Resolution 2025-30R authorizing the City, on behalf of the Selma Arts Center, to submit a grant application to the California Arts Council for General Operating Support and approve the issuance of a Letter of Support on behalf of the City of Selma for the application.

DISCUSSION:

The Selma Arts Center is seeking to apply for a General Operating Support grant from the California Arts Council in the amount of \$30,000. This grant is designed to assist arts and cultural organizations across California in covering essential operational costs to sustain creative, cultural, and artistic programming that directly benefits local communities.

The Selma Arts Center's mission is to foster a thriving creative community by providing dynamic arts education, cultural engagement, and accessible opportunities for artistic expression. The Center serves as a cornerstone for Selma and surrounding communities by offering a variety of programs, including theatrical productions, visual art exhibitions, youth workshops, and community-centered events.

The Selma Arts Center plays an integral role in enriching the cultural landscape of Selma and the Central Valley region. The support provided by the California Arts Council grant would directly contribute to the continued delivery of accessible arts programming and strengthen the Center's ability to serve as a creative hub for residents of all ages.

Approval of the draft Resolution and Letter of Support would demonstrate the City's commitment to the sustainability of the Selma Arts Center and reinforce the strong community partnership that underpins its success.

FISCAL IMPACT:

There is no fiscal impact to the City for authorizing the grant application or providing the Letter of Support.

Attachments:

☒ Resolution 2025-30R

☐ Ordinance

☐ Map

☒ Agreement

☒ Other

List: Draft Letter of Support

RESOLUTION NO. 2025 – 30R

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELMA
AUTHORIZING THE SUBMISSION OF A LETTER OF SUPPORT FOR THE
SELMA ARTS CENTER'S GRANT APPLICATION TO THE
CALIFORNIA ARTS COUNCIL**

WHEREAS, the Selma Arts Center is an essential community institution dedicated to fostering a thriving creative community through arts education, cultural engagement, and accessible opportunities for artistic expression for the residents of Selma and the surrounding Central Valley region; and

WHEREAS, the Selma Arts Center offers a wide variety of cultural and artistic programming, including theatrical productions, visual art exhibitions, youth workshops, and community-centered events, which serve to enrich the quality of life for residents and visitors alike; and

WHEREAS, the Selma Arts Center seeks to apply for the California Arts Council's General Operating Support Grant to help cover essential operational costs to ensure the continuation of its creative, cultural, and artistic programs; and

WHEREAS, the City of Selma recognizes the important role the Selma Arts Center plays in strengthening the community's cultural identity and expanding equitable access to the arts, especially for underserved and rural populations; and

WHEREAS, the City Council of the City of Selma wishes to formally support the Selma Arts Center's grant application by authorizing the execution of a Letter of Support, which will accompany the grant submission to the California Arts Council;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Selma hereby authorizes the submittal of a grant application to the California Arts Council General Operating Support Grant and approves the issuance of a Letter of Support on behalf of the City of Selma to accompany said application.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to sign the Letter of Support and any related documents necessary to complete the endorsement of the grant application.

PASSED, APPROVED, AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

(Signatures on Next Page)

ATTEST:

Scott Robertson
Mayor

Mary J. Venegas, CMC
Deputy City Clerk

May 6, 2025

Subject: Letter of Support for Selma Art's Center Grant Application

Dear California Arts Council,

On behalf of the Selma City Council, I am writing to express our enthusiastic support for the Selma Arts Center's application for a \$30,000 General Operating Support grant through the California Arts Council. This vital funding will help ensure that the Selma Arts Center can continue to cover essential operational costs and sustain its mission of providing inclusive and accessible arts, creative, and cultural programming to the Selma community and beyond.

The Selma Arts Center's mission is to foster a thriving creative community through dynamic arts education, cultural engagement, and accessible opportunities for artistic expression. As a cornerstone of cultural life in Selma, the Arts Center offers a wide range of programming that serves not only our residents but also the greater Central Valley region.

Core programs and services at the Selma Arts Center include theatrical productions, visual art exhibitions, performing arts workshops, youth arts education, and community-centered cultural events. These programs are designed to cultivate creativity, build social connection, and celebrate the diversity of Selma and surrounding rural communities. Whether through youth theater camps, free public exhibitions, or collaborations with local schools and organizations, the Arts Center plays an essential role in fostering lifelong engagement with the arts, enhancing quality of life, and strengthening community identity.

The City of Selma has seen firsthand the transformative impact the Selma Arts Center has on our residents. From nurturing young talent and providing an inclusive space for self-expression, to bringing professional-quality productions to an underserved region, the Selma Arts Center has become a cultural anchor and an invaluable community resource.

For these reasons, the Selma City Council is proud to support the Selma Arts Center in its application for this important grant opportunity. We are confident that the California

Arts Council's investment will directly sustain and expand the Center's efforts to bring meaningful arts experiences to Selma and neighboring communities.

Should you have any questions or require additional information, please do not hesitate to contact the city at citymanager@cityofselma.com. Or (559)891-2200. Thank you for your consideration of this request and for your continued commitment to supporting arts and cultural organizations across California.

Sincerely,

Scott Robertson
Mayor

Item 2-7

Approval – Consideration of Resolution 2025-31R Authorizing Submittal of Grant Applications to the San Joaquin Valley Air Pollution Control District for the Purchase and Reimbursement of an Electric Utility Cart for the Community Services Department and an Electric Mower for the Public Works Department

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2024

SUBJECT: Consideration of Resolution 2025-31R Authorizing Submittal of Grant Applications to the San Joaquin Valley Air Pollution Control District for the Purchase and Reimbursement of an Electric Utility Cart for the Community Services Department and an Electric Mower for the Public Works Department

SUBMITTED: Britnee Rosales, Grants Manager

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2025-31R authorizing the City Manager or designee to submit two (2) grant applications to the San Joaquin Valley Air Pollution Control District (SJVAPCD) under both its Zero-Emission Electric Vehicle Replacement Incentive Program and its Zero Emission Landscaping Equipment (ZELE) Voucher Program for the purchase and reimbursement of one (1) electric utility cart for the Community Services Department and one (1) electric mower for the Public Works Department, and to execute all necessary documents upon approval of the grant.

DISCUSSION:

The San Joaquin Valley Air Pollution Control District (SJVAPCD) offers a suite of incentive programs designed to reduce air pollution and promote the use of zero-emission equipment by public agencies. Among these, the Zero-Emission Electric Vehicle Replacement Incentive Program provides funding assistance for the replacement of gasoline- and diesel-powered utility vehicles with electric alternatives, and the Zero Emission Landscaping Equipment (ZELE) Voucher Program supports the purchase of zero-emission electric landscaping equipment such as mowers.

The Community Services Department has identified the need for an electric utility cart to enhance operational efficiency and reduce environmental impact while supporting community programs, park maintenance, and event logistics. The Public Works Department similarly seeks to replace aging gas-powered mowing equipment with a zero-emission electric mower, improving air quality and reducing equipment maintenance costs.

The City intends to apply for:

- Up to \$20,000 in funding under the Zero-Emission Electric Vehicle Replacement Incentive Program for the purchase and reimbursement of an electric utility cart for the Community Services Department.
- Up to \$15,000 in funding under the Zero Emission Landscaping Equipment (ZELE) Voucher Program for the purchase and reimbursement of an electric mower for the Public Works Department.

Both the electric utility cart and electric mower purchases are expected to be at or below the program reimbursement limits. As a result, no financial impact is anticipated to the Community Services or Public Works Departments for the purchase of this equipment. These purchases will help the City transition toward cleaner, quieter, and more sustainable operational practices while taking full advantage of external funding resources.

FISCAL IMPACT:

There is no fiscal impact associated with submitting the grant application. Should the grant be awarded, the reimbursement amounts of up to \$20,000 for the electric utility cart and up to \$15,000 for the electric mower are expected to fully cover the purchase prices, resulting in no financial burden to the Community Services or Public Works Departments.

Attachments:

- ☒ Resolution 2025-31R
- ☐ Ordinance
- ☐ Map
- ☐ Agreement
- ☐ Other

List:

RESOLUTION NO. 2025 – 31R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELMA AUTHORIZING THE SUBMISSION OF GRANT APPLICATIONS TO THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT UNDER THE ZERO- EMISSION ELECTRIC VEHICLE REPLACEMENT INCENTIVE PROGRAM AND ZERO EMISSION LANDSCAPING EQUIPMENT (ZELE) VOUCHER PROGRAM FOR THE PURCHASE AND REIMBURSEMENT OF AN ELECTRIC UTILITY CART FOR THE COMMUNITY SERVICES DEPARTMENT AND AN ELECTRIC MOWER FOR THE PUBLIC WORKS DEPARTMENT

WHEREAS, the San Joaquin Valley Air Pollution Control District (SJVAPCD) administers incentive programs to reduce air pollution and support the transition to zero-emission technologies, including the Zero-Emission Electric Vehicle Replacement Incentive Program and the Zero Emission Landscaping Equipment (ZELE) Voucher Program; and

WHEREAS, the City of Selma Community Services Department has identified the need for an electric utility cart to support its operations and is eligible to apply for funding assistance through the Zero-Emission Electric Vehicle Replacement Incentive Program for up to \$20,000 toward the purchase of this equipment; and

WHEREAS, the City of Selma Public Works Department has identified the need to replace an aging gas-powered mower with a zero-emission electric mower and is eligible to apply for funding assistance through the Zero Emission Landscaping Equipment (ZELE) Voucher Program for up to \$15,000 toward the purchase of this equipment; and

WHEREAS, both purchases are expected to be at or below the maximum eligible reimbursement amounts, resulting in no financial impact to the Community Services or Public Works Departments.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SELMA DOES
HEREBY RESOLVE AS FOLLOWS:**

Section 1. The City Council authorizes the submission of a grant application to the San Joaquin Valley Air Pollution Control District under the Zero-Emission Electric Vehicle Replacement Incentive Program for the purchase and reimbursement of an electric utility cart for the Community Services Department.

Section 2. The City Council further authorizes the submission of a grant application to the San Joaquin Valley Air Pollution Control District under the Zero Emission Landscaping Equipment (ZELE) Voucher Program for the purchase and reimbursement of an electric mower for the Public Works Department.

Section 3. The City Council authorizes the City Manager, or their designee, to execute all necessary applications, contracts, agreements, amendments, and other related documents required to secure the grant funding and complete the purchase transactions.

Section 4. **Severability.** The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid,

unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the City Council of the City of Selma held on the 6th day of May 2025 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Scott Robertson
Mayor

ATTEST:

Mary J. Venegas, CMC
Deputy City Clerk

Item 2-8

Approval – Check Register Dated
April 16, 2025

CHECK REGISTER REPORT

CHECK NUMBER	CHECK DATE	STATUS	VENDOR NAME	CHECK DESCRIPTION	CATEGORY	AMOUNT
86719	04/16/25	Printed	AMERICAN LEGAL PUBLISHING	ADMIN -2024 S-16 SUPPLEMENT PAGES ORDINANCE 2024-5 AND 2024-6 CODIFICATION		6,586.60
86740	04/16/25	Printed	COLUMN SOFTWARE PBC	ADMIN -LEGAL NOTICE		99.44
86778	04/16/25	Printed	ODP BUSINESS SOLUTIONS LLC	ADMIN -PD -OFFICE SUPPLIES		1,445.65
86797	04/16/25	Printed	JAMES UHL / BREAKING THE CHAIN CONSULTING	ADMIN -STRENGTHS PLUS ORGANIZATIONAL DEVELOPMENT		10,119.98
86732	04/16/25	Printed	CENTRAL CALIFORNIA SPCA	ANML SVCS -VETERINARY SERVICES (1)		911.07
86756	04/16/25	Printed	GUGU & ISHER VETERINARY INC / SELMA PET CLINIC	ANML SVCS -VETERINARY SERVICES (2)		151.81
86791	04/16/25	Printed	SOUTH COUNTY VETERINARY	ANML SVCS -VETERINARY SERVICES (2)		967.00
86729	04/16/25	Printed	CALIFORNIA BUILDING STANDARDS COMMISSION	BLDG -BUILDING STANDARDS FEE 1/1/25-3/31/25	R	285.30
86731	04/16/25	Printed	ROD CARSEY / ROD CARSEY CONSULTING	BLDG -PLAN CHECKS MARCH 2025		7,314.43
86727	04/16/25	Printed	BRIGHTHOUSE LLC	BUSINESS LIC OVERPAYMENT REIMB (STALE DATED CHECK RE-ISSUE)		89.00
86798	04/16/25	Printed	VALLEY SHREDDING LLC	CH & PD -SHREDDING SERVICE CH & 96 GALLON RECYCLE SHREDDING		69.00
86773	04/16/25	Printed	LUPE MACIAS	COMM DEV -2025 AEP CONFERENCE PER DIEM & MILEAGE 4/6-4/9/25		413.86
86788	04/16/25	Printed	SANTA MARIA CALIFORNIA NEWS / HANFORD SENTINEL	COMM SERV -ADVERTISEMENT SELMA DIRECTORY		127.31
86739	04/16/25	Printed	CLASSIC CHARTER INC.	COMM SERV -CHARTER RENTAL FOR BLACK OAK CASINO TRIP (SENIOR CENTER)		1,360.75
86785	04/16/25	Printed	QUAD KNOPF, INC.	COMM SERV, ENG, & PLANNING -PARKS MASTER PLAN 12/22/24-1/18/25, STORM DRAIN MASTER PLAN 12/22/24-1/18/25 AND PROFESSIONAL SERVICES 12/22/24-1/18/25	PARTIAL R	8,918.80
86762	04/16/25	Printed	HOME DEPOT	ECO DEV & PW -CVTC CONSTRUCTION MATERIALS & BUILDING REPAIRS	PARTIAL R	4,764.34
86753	04/16/25	Printed	FRESNO COUNTY EDC	ECO DEV -CVTC FEBRUARY 2025	R	57,243.55
86717	04/16/25	Printed	AIRGAS USA LLC	ECO DEV -CVTC OXYGEN SUPPLIES	R	32.44
86763	04/16/25	Printed	HPS MECHANICAL, INC.	ENG -PROGRESS PAYMENT #5 CLARKSON LIFT STATION		219,687.50
86749	04/16/25	Printed	DIVISION OF THE STATE ARCHITECT	FIN -ADA FEE 1/1/25-3/31/25	R	140.80
86799	04/16/25	Printed	VERIZON WIRELESS	FIN -CELL PHONES & AIRCARDS 2/19/25-3/18/25		2,415.22
86776	04/16/25	Printed	MARGARITA MORENO	FIN -CMTA MILEAGE & PER DIEM 4/22/25-4/25/25		375.62
86796	04/16/25	Printed	U.S. BANK EQUIPMENT FINANCE	FIN -COPY MACHINE LEASES APRIL 2025		2,550.11
86789	04/16/25	Printed	SELMA LITTLE LEAGUE	FIN -DONATION		1,500.00
86766	04/16/25	Printed	BRYANT JOLLEY	FIN -FISCAL YEAR 2024 AUDIT SERVICES		55,000.00
86755	04/16/25	Printed	GABRIEL ROEDER SMITH & COMPANY	FIN -FY 2023-24 AUDIT IBNR ANALYSIS AND REPORT		6,000.00
86775	04/16/25	Printed	MID VALLEY DISPOSAL LLC	FIN -GARBAGE FEBRUARY 2025		143,493.88
86720	04/16/25	Printed	AT&T	FIN -PD FIRE ALARM 3/20/25-4/19/25		383.87
86721	04/16/25	Printed	AT&T	FIN -PD LOGGING RECORDER 3/23/25-4/22/25		484.37
86725	04/16/25	Printed	BANNER PEST CONTROL INC	FIN -PEST CONTROL MARCH 2025		496.00
86741	04/16/25	Printed	CORELOGIC SOLUTIONS LLC	FIN -REALQUEST MONTHLY SERVICE MARCH 2025		481.25
86760	04/16/25	Printed	HINDERLITER DE LLAMAS & ASSOCIATES	FIN -SALES TAX JAN-MARCH 2025		1,682.50
86722	04/16/25	Printed	AT&T	FIN -TELEPHONE 3/4/25-4/3/25		1,734.35
86723	04/16/25	Printed	AT&T	FIN -TELEPHONE 3/4/25-4/3/25		116.10
86724	04/16/25	Printed	AT&T	FIN -TELEPHONE 3/4/25-4/3/25		111.00
86780	04/16/25	Printed	PG&E	FIN -UTILITIES MARCH 2025		339.80
86781	04/16/25	Printed	PG&E	FIN -UTILITIES MARCH 2025		38,285.26
86782	04/16/25	Printed	PG&E	FIN -UTILITIES MARCH 2025		4,552.78
86794	04/16/25	Printed	SWANSON-FAHRNEY FORD SALES INC	FLEET -LATCH UNIT 190 & OIL CHANGE UNIT 8560		693.23
86779	04/16/25	Printed	PBM SUPPLY & MFG., INC.	FLEET -MESH FILTERS		130.75
86770	04/16/25	Printed	LES SCHWAB TIRE CENTERS OF CENTRAL CALIFORNIA	FLEET -VEHICLE/TIRE SERVICE		256.45
86746	04/16/25	Printed	DELTA DENTAL OF CALIFORNIA	HR -DENTAL CLAIMS 3/21/25-4/3/25		5,980.70
86765	04/16/25	Printed	JACKSON LEWIS PC	HR -LEGAL SERVICES INTERNAL AFFAIRS		284.00
86787	04/16/25	Printed	RSM US LLP	HR -PAYROLL AUDIT		15,225.00
86783	04/16/25	Printed	PIPKIN DETECTIVE AGENCY INC.	HR -PRE EMPLOYMENT BACKGROUND		297.00
86769	04/16/25	Printed	LABOR FIRST, LLC / RETIRE FIRST	HR -RETIREE POST 65 PREMIUMS MAY 2025		5,151.60
86786	04/16/25	Printed	ROBERT HALF FINANCE & ACCOUNTING	HR -SENIOR ACCOUNTANT & BOOKKEEPER WEEK ENDING 3/14-3/28/25		15,176.50
86745	04/16/25	Printed	DATAPATH LLC	IT -MANAGED SERVICES MARCH 2025		15,029.16
86751	04/16/25	Printed	FMCPCA / FRESNO MADERA CO CHIEFS ASSOCIATION	PD -2025 ANNUAL MEMBERSHIP		500.00
86759	04/16/25	Printed	HEALTHWISE SERVICES, LLC	PD -38 GALLON PHARM KIOSK CONTAINER	R	177.36
86747	04/16/25	Printed	DEPARTMENT OF JUSTICE	PD -BLOOD ALCOHOL ANALYSIS & FINGERPRINTS FEBRUARY 2025		242.00
86716	04/16/25	Printed	ADVENTIST HEALTH TULARE / ADVENTIST HEALTH TOXICOLOGY	PD -BLOOD SCREENING FEB 2025		464.00
86742	04/16/25	Printed	CRISTANDO HOUSE, INC.	PD -CIVILIAN POLICE LEADERSHIP TRAINING		480.00
86718	04/16/25	Printed	AMERICAN INTEGRATED SERVICES	PD -CLEAN UP OF VALLEY VIEW PONDING BASIN ENCAMPMENT		7,342.20
86752	04/16/25	Printed	FORTNERS AUTO SERV & TOWING	PD -CROWN VICTORIA TOW SERVICE		151.00
86793	04/16/25	Printed	SURVEILLANCE INTEGRATION INC.	PD -FULL SERVICE PROTECTION AGREEMENT 3/1/25-6/1/25 & CONNECTION TO OLD PD		13,012.14
86771	04/16/25	Printed	LEXIPOL LLC	PD -INVENTORY MANAGEMENT 1/1/25-6/30/26 & POLICEONE ACADEMY 1/1/25-6/30/26		2,421.90
86744	04/16/25	Printed	DATA TICKET, INC.	PD -MONTHLY PARKING CITATIONS FEBRUARY 2025		200.00
86772	04/16/25	Printed	LEXISNEXIS COPLOGIC SOLUTIONS	PD -ONLINE REPORTING SYSTEM 3/1/25-3/31/25		960.00
86784	04/16/25	Printed	PITNEY BOWES BANK INC / PURCHASE POWER	PD -POSTAGE REFILL		16.44

CHECK REGISTER REPORT

CHECK NUMBER	CHECK DATE	STATUS	VENDOR NAME	CHECK DESCRIPTION	CATEGORY	AMOUNT
86774	04/16/25	Printed	MADERA UNIFORM / METRO UNIFORM	PD -RAZOR BODY ARMOR & REVOLVING ACCT	PARTIAL R	1,774.58
86754	04/16/25	Printed	FRESNO COUNTY SHERIFF	PD -RMS/JMS/CAD ACCESS FEE MARCH 2025		487.42
86728	04/16/25	Printed	JAY W. BROCK / TOP DOG TRAINING CENTER	PD -SERVICE MAINTENANCE TRAINING 3/17/25		90.00
86792	04/16/25	Printed	STERICYCLE, INC.	PD -STERI SAFE OSHA COMPLIANCE		231.70
86764	04/16/25	Printed	J'S COMMUNICATION INC.	PD -TRUNK VAULT FOR CHEVROLET TRAVERSE		3,782.97
86750	04/16/25	Printed	ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.	PLANNING -SOFTWARE/MAINTENANCE LICENSING (ANNUAL) YEAR 2 OF 5		16,000.00
86795	04/16/25	Printed	THE SHERWIN-WILLIAMS CO., INC.	PW -3 GALLONS OF PAINT		214.37
86743	04/16/25	Printed	D&P ENTERPRISES / CRESCO RESCO	PW -60" OVEN -SALAZAR CENTER & SALAZAR CENTER		15,763.56
86768	04/16/25	Printed	KRC SAFETY CO INC	PW -GREEN & BLUE VINYL FILM FOR STREET SIGNS		5,630.88
86733	04/16/25	Printed	CENTRAL SANITARY SUPPLY, LLC.	PW -JANITORIAL SUPPLIES		1,039.21
86734	04/16/25	Printed	CENTRAL VALLEY LOCK & SAFE INC	PW -MASTER PADLOCKS, DUPLICATE KEYS		419.17
86790	04/16/25	Printed	SIERRA CONSTRUCTION & EXCAVATION, INC.	PW -PROGRESS PAY#9 STORM DRAIN IMPROVEMENT PROJECT	G	499,460.60
86767	04/16/25	Printed	JORGENSEN & COMPANY	PW -SEMI ANNUAL HOOD INSPECTION -SALAZAR CENTER & FIRE EXTINGUISHER RECHARGE E110		385.37
86748	04/16/25	Printed	DEPARTMENT OF TRANSPORTATION	PW -SIGNALS & LIGHTING OCT 2024-DECEMBER 2024		2,998.39
86726	04/16/25	Printed	LIANA J. BRIGHAM / PICTURE THIS EMBROIDERY	PW -SUMMER SHIRTS & CAPS		679.35
86730	04/16/25	Printed	CALIFORNIA TURF EQUIPMENT & SUPPLY INC.	PW -TRIMMER HEADS, EXMARK BLADES		1,045.72
86738	04/16/25	Printed	CINTAS CORPORATION NO. 2	PW -UNIFORMS/TOWELS/MOPS 3/5/25-3/31/25		3,473.19
86757	04/16/25	Printed	RAYMOND GUZMAN / RAY'S UPHOLSTERY	PW -UPHOLSTER BACK STOP AT BABE RUTH FIELD		950.00
86758	04/16/25	Printed	HAAKER EQUIPMENT CO / TOTAL CLEAN	PW -VACTOR TRUCK RENTAL 2/24/25-3/23/25		16,054.30
86800	04/16/25	Printed	WHITE CAP, L.P.	PW -WOOD STAKES & STRAW WATTLE FOR VACTOR TRUCK		106.90
					TOTAL	1,235,509.85

Grant: G Reimbursement: R

Item 4-1

Action Item – Consideration of Donation
Request from Selma High School Band

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Consideration of Donation Request for Selma High School Band

SUBMITTED: Janie Venegas, Administrative Services Director

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Discuss and provide direction and/or approval for donation request.

DISCUSSION:

Ms. Nancy Butterick submitted the attached donation request letter for Selma High School Band. Ms. Butterick will be in attendance for questions.

FISCAL IMPACT:

Unknown; Contingent on Council Action

Attachments:

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

List: Donation Request

April 29, 2025



Regarding: Donation for the Selma Band Members

To Whom It May Concern:

I am a Special Education Educator for the past 23 years. I am currently at Eric White Elementary School-Selma. I teach students with many different disabilities. Our band students who attend Selma High School performed in Dayton, Ohio for a percussion Ensemble on April 7th through April 12, 2025. I am writing this letter to ask for your assistance in donating any type of monetary or gift card(s) or anything you see fit for our Selma High School students. We would like to celebrate with our students, who practice all year long for many hours. The Freeway lanes in Selma has kindly open the bowling alley to our students to celebrate. The celebration will take place on Thursday, May 15, 2025. With that being said, our band students would appreciate your donation to celebrate their WORLD CHAMPIONSHIP.

With your support and donation our students will be able to enjoy a lifetime accomplishment and continue to perform to the best of their abilities. 60 students will be enjoying an evening of bowling and pizza. Our school ID# is 94-6002210.

Again, your generosity is greatly appreciated from Selma High School band members and band directors.

Cordially & Sincerely,

Nancy Butterick, M. Ed. (559) 285-1289 Cell Phone
Education Specialist Teacher
Eric White Elementary School (599) 898-6650
2001 Mitchell Avenue
Selma, CA 93662

You may also check my Education Credentials on www.ctc.ca.gov Public Search

Item 4-2

Action Item – Consideration of
Resolution 2025-32R Approving and
Authorizing Execution of the Interim City
Manager Employment Agreement
(John Kunkel)

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Consideration of Resolution 2025-32R Approving and Authorizing Execution of the Interim City Manager Employment Agreement (John Kunkel)

SUBMITTED: Neal E. Costanzo, City Attorney

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Adopt Resolution 2025-32R Approving Interim City Employment Agreement.

DISCUSSION:

Council is considering, in closed session, appointing a PERS Retired Annuitant as Interim City Manager. The terms of any agreement with a Retired Annuitant for employment with an agency that is a member of PERS is dictated by regulations of PERS. The Retired Annuitant must be paid at the rate applicable to the position he is filling in at the hourly rate equivalent to that dictated by the applicable approved salary schedule. The terms of this Agreement simply provide for compensation for hours worked at the applicable rate set by the approved salary schedule.

FISCAL IMPACT:

Equivalent pay rate for City Manager.

Attachments:

- ☒ Resolution 2025-32R
 - ☐ Ordinance
 - ☐ Map
 - ☒ Agreement
 - ☐ Other
- List:

RESOLUTION NO. 2025 – 32R

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SELMA APPROVING AND AUTHORIZING EXECUTION OF
INTERIM CITY MANAGER EMPLOYMENT AGREEMENT**

WHEREAS, the position of City Manager is vacant; and

WHEREAS, the City Council desires to fill that vacancy with an Interim City Manager to function as City Manager pending the City Council's selection of a City Manager.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SELMA DOES
HEREBY RESOLVE AS FOLLOWS:**

Section 1. The foregoing recitals are true and correct.

Section 2. The City Council hereby appoints John Kunkel as Interim City Manager to be employed as a retired annuitant of the California Public Employees Retirement System (PERS) according to the regulations of PERS relating to employment by a member agency of a PERS retired annuitant.

Section 3. The Council has reviewed and approves the Interim City Manager Employment Agreement attached and incorporated as Exhibit A and the Mayor is authorized to execute the agreement on behalf of the City.

PASSED, APPROVED, AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Scott Robertson
Mayor

Mary J. Venegas, CMC
Deputy City Clerk

INTERIM CITY MANAGER EMPLOYMENT AGREEMENT

This Interim City Manager Employment Agreement ("Agreement") is entered into as of May 6, 2025, between the City of Selma ("City") and John Kunkel ("Employee"). In consideration of the mutual promises and agreements set forth below, City and Employee agree as follows:

1. **Employment.** City agrees to employ Employee to render services as Interim City Manager of City on the terms and conditions set forth in this Agreement and Employee accepts such employment on the terms and conditions set forth in this Agreement.

2. **Term.** The term of this Agreement shall commence on May 6, 2025, and shall terminate in the event of any termination by either party as set forth in paragraph 4 below or until such time as the City Council selects and hires a City Manager, whichever shall occur first.

3. **Position and Duties.** Employee shall serve as Interim City Manager of the City. Employee shall have those powers and duties set forth for the position of City Manager in the City's Municipal Code. The City Council of the City ("City Council") shall have the power to determine such other specific duties and responsibilities which Employee must perform, including but not limited to economic development and executive direction of the Successor to the Dissolved Selma Redevelopment Agency, and the means and manner by which Employee must perform those duties and responsibilities.

4. **At-Will Employment Status, Exemption From Personnel System, and Termination.** Employees' employment is at will. Thus, Employee's employment is at the mutual consent of Employee and City and either Employee or City may terminate the employment at-will. City may terminate Employee at any time, with or without good cause, for any reason whatsoever that does not violate any law or public policy of the State of California. Termination shall be by at least three (3) affirmative votes of the City Council. Employee may terminate his employment at any time, with or without good cause, for any reason whatsoever. Employee is exempt from the City's Personnel System and holds no property right in his employment. Employee agrees that no representative of City has made or can make any promises, statements, or representations which state or imply that Employee is hired or retained under any terms other than at-will and with exemption from City's Personnel System, as set forth above. Employee agrees that no agreement can impliedly arise that Employee is employed under any terms other than at-will and with exemption from City's Personnel System, as set forth above. Employee's status as at-will and exemption from City's Personnel System may only be changed, revoked, amended, or superseded by a written document, signed by Employee and the Mayor following approval by the City Council.

5. **Compensation and Benefits.** Employee is a retired annuitant of the California Public Employees Retirement System (PERS) and is limited to employment with a PERS employer to a salary that is an hourly rate that falls within the regular salary schedule for the

position of City Manager, and to working a maximum of 960 hours in a fiscal year (July 1 to June 30). Employee shall receive the following compensation:

A. Salary. Employee shall receive the hourly equivalent of \$243,101.00 for a standard work year of 2080 hours, which is the hourly amount within the approved salary schedule for the City Manager position. The parties agree that the equivalent hourly rate for said salary is \$116.88 for each hour worked. Employee shall maintain and provide to the Finance Director of the city an accurate record of hours worked during the pay period applicable to regular employees of the city and Employee shall be paid for such hours at the hourly rate of \$116.88 each pay period. Employee is otherwise an exempt employee within the meaning of the Fair Labor Standards Act. Employee shall not be subject to deductions for income or other tax, and payments made to Employee each year shall be reflected by Form 1099, issued by City. Employee shall be responsible for the payment of State and Federal Income Taxes against all amounts paid to Employee by City.

B. Benefits. In addition to the salary provided in paragraph 5.A. hereinabove, Employee shall receive the following:

- (1) Employee will provide his own automobile for both business and personal use. City shall pay Employee the per mile allowance for business travel by Employee as reflected by mileage records maintained by Employee and provided to the City.
- (2) Reimbursement for all actual costs incurred by Employee in the discharge of duties required by the terms of this Agreement.

6. Notice of Termination. Neither City need provide with any prior notice of a decision to terminate this Agreement.

7. Non-Assignment. Employee's duties and obligations under this Agreement are personal and not assignable.

8. Entire Agreement. This Agreement contains the entire agreement and understanding between the parties and contains all of the terms and conditions of the parties' agreement. This Agreement is the complete and final expression of the parties' agreement and supersedes all prior or contemporaneous oral or written negotiations, discussions, representations, or agreements, if any. Employee acknowledges that he has not relied on any promises, statements, representations, or warranties except as set forth expressly in this document.

This Agreement, and any and all terms and conditions contained herein, may only be changed, revoked, amended, or superseded by a written document signed by both Employee and the Mayor following approval of the City Council.

9. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California.

10. No Waiver. No party's failure to enforce any provision or provisions of this Agreement will be construed in any way as a waiver of any such provision or provisions, or prevent that party thereafter from enforcing each and every provision of this Agreement.

11. Partial Invalidity. The invalidity or unenforceability of any provision or portion of this Agreement will not affect the validity or enforceability of the other provisions or portions of this Agreement.

12. Interpretation. No interpretation or construction of any provision or provisions of this Agreement will be influenced by the identity of the party drafting the Agreement.

13. Headings. Paragraph headings used in this Agreement are for convenience only and shall not be considered part of the terms of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

CITY OF SELMA

By: _____
Scott Robertson, Mayor

ATTEST:

Mary J. Venegas, CMC, Deputy City Clerk

APPROVED AS TO FORM:

Neal E. Costanzo, City Attorney

EMPLOYEE:

John Kunkle

Item 4-3

Action Item – Consideration of
Purchasing Policy Updates regarding
Local Vendor Preference

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Consideration of Purchasing Policy Updates regarding Local Vendor Preference

SUBMITTED: Margarita Moreno, Finance Director/Treasurer

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Accept report from staff and provide direction regarding revisions to the Purchasing Policy to include a Local Preference Policy to be within 2% to 5%.

DISCUSSION:

At the Council Meeting on April 1, 2025, the City Council requested information on local vendor preference applying a percentage preference.

City of Selma's Purchasing Policy includes provisions for local vendor preference. Staff researched similar preferences from other agencies where local preference typically ranged between 2% to 5%. Therefore, the following examples present scenarios of how a 2% and 5% local preference policy could ensure that local vendors receive fair consideration in procurement opportunities.

The first table below reflects a bid scenario where the lowest bidder is non-local and second lowest bidder is local. After applying a 5% local preference policy, the ranking was revised to the local bidder being the lowest bidder.

Bidder	Original Bid Amount	Ranking	Revised Bid with Local Preference (5%)	Revised Ranking
Bidder 1 (Non-Local)	\$99,000	1	\$99,000	3
Bidder 2 (Local)	\$100,250	2	\$95,238	1
Bidder 3 (Non-Local)	\$101,300	3	\$101,300	4
Bidder 4 (Local)	\$102,200	4	\$97,090	2
Bidder 5 (Non-Local)	\$103,000	5	\$103,000	5

The second table below reflects a bid scenario where the lowest bidder is non-local and second lowest bidder is local. After applying the 2% local preference policy, the ranking was revised to the local bidder again being the lowest bidder.

Bidder	Original Bid Amount	Ranking	Revised Bid with Local Preference (2%)	Revised Ranking
Bidder 1 (Non-Local)	\$99,000	1	\$99,000	2
Bidder 2 (Local)	\$100,250	2	\$98,245	1
Bidder 3 (Non-Local)	\$101,300	3	\$101,300	4
Bidder 4 (Local)	\$102,200	4	\$100,156	3
Bidder 5 (Non-Local)	\$103,000	5	\$103,000	5

FISCAL IMPACT:

None.

Attachments:

- ☐ Resolution
 - ☐ Ordinance
 - ☐ Map
 - ☐ Agreement
 - ☐ Other
- List:

Item 4-4

Action Item – Consideration of
Resolution 2025-33R Approving the
Update to the Investment Policy

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Consideration of Resolution 2025-33R Approving the Updated Investment Policy

SUBMITTED: Margarita Moreno, Finance Director/Treasurer

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Staff recommends Council approve Resolution 2025-33R updating the City of Selma Investment Policy.

DISCUSSION:

The City last updated the Investment Policy ("Policy") on July 6, 2004. This updated policy will guide Staff and the City Council to invest funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City, while conforming to all California laws and local statutes governing the investment of public funds.

The City's current investment policy has historically focused on safety, liquidity, and yield, as evidenced by its adherence to California Government Code, the use of Local Agency Investment Fund (LAIF), and other secure instruments. The new policy will give the City the ability to diversify into different investment pools, representing a strategic shift towards leveraging collective investment opportunities.

The Finance Department recommends an annual review of the policy with recommendations and revisions or updates presented to the City Council, if needed.

FISCAL IMPACT:

This action will result in increased interest income earnings for the City in various funds.

Attachments:

- ☒ Resolution 2025-33R
- ☐ Ordinance
- ☐ Map
- ☐ Agreement
- ☒ Other

List: Investment Policy

RESOLUTION NO. 2025 – 33R

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELMA,
CALIFORNIA APPROVING A REVISED INVESTMENT POLICY
FOR THE CITY OF SELMA**

WHEREAS, an investment policy establishes sound fiscal investment policies which serve as a foundation of ensuring that strong fiscal management policies guide future City decisions; and,

WHEREAS, an investment policy will assure proper controls are in place and assure the safety and liquidity of the City's cash assets; and,

WHEREAS, the City's approved Investment Policy is approximately 21 years old, and a proposed updated Investment Policy is attached to this Resolution and incorporated herein by reference.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SELMA DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The City Council finds that the above recitals are true and correct and are incorporated herein by reference.

Section 2. That the City Council of the City of Selma hereby adopts the updated Investment Policy attached to this Resolution to replace the previously approved Investment Policy

Section 3. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED, AND ADOPTED at a Regular Meeting of the City Council of the City of Selma held on the 6th day of May 2025 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Scott Robertson
Mayor

ATTEST:

Mary J. Venegas, CMC
Deputy City Clerk

CITY OF SELMA INVESTMENT POLICY

A. PURPOSE AND SCOPE

The purpose of this investment policy for the City of Selma California, is to provide guidelines for the prudent investment of the City's temporarily-idle cash and to outline the policies for maximizing the efficiency of the cash management system that concur with the provisions of California Government Code Sections 5921 and 53601. ~~The~~ ultimate goal is to enhance the economic status of the City while protecting its pooled cash. It is the intent that this policy cover all otherwise unrestricted funds and investment activities under the direct authority of the City Council, the Board of the Selma Redevelopment Agency, and the Board of the Selma Financing Authority.

~~The Treasurer or Fiscal Officer (Finance Director) of the City of Selma shall annually prepare and submit a statement of investment policy and any changes thereto.~~ Finance Director/Treasurer or Fiscal Officer (Finance Director) of the City of Selma shall annually prepare and submit a statement of investment policy and any changes thereto, which shall be considered by the City Manager and the City Council.

B. OBJECTIVE

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. ~~The~~ City attempts to obtain the highest yield obtainable as long as investments meet the criteria established for **safety** and **liquidity**. It is the primary duty of the Finance Director/Treasurer to protect, preserve, and maintain cash and investments placed in his/her trust on behalf of the citizens of the City.

C. CRITERIA FOR INVESTMENTS

The City of Selma operates its temporarily idle pooled cash investments under the prudent ~~person investor~~ investor rule. ~~The~~ rule states, in essence, that, "in investing property for the benefit of another, trustee shall exercise the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived."

The basic premise underlying the City's investment philosophy is, and will continue to be, to ensure that pecuniary assets are always safe and available when needed.

Therefore, the criteria for selecting investments, and the order of priorities,

are:

1. SAFETY - All "allowable investments" should be of a very high quality and be considered by a prudent person to be extremely safe and conservative.
2. LIQUIDITY - All "allowable investments" should have an active secondary market and the ability to be liquidated (converted to cash) easily and without loss of principal or accumulated interest.
3. RATE OF RETURN - ~~Rate of return is t~~The potential dollar earnings an investment can provide. ~~It is also known as "yield" or "interest."~~
~~T~~The ~~Treasurer~~ Finance Director/Treasurer will seek the highest rate of return available within the guidelines of the investment policy.
4. MATURITY - ~~The maturity of a~~All investments shall be selected to anticipate the cash needs of the City, thus avoiding forced liquidations.

D. DELEGATION OF AUTHORITY

Authority to manage the investment program is derived from California Government Code Sections 53600, et seq. Management responsibility for the investment program is hereby delegated to the City Finance Director/Treasurer of establishing written procedures for the operation of the investment program consistent with this investment policy. Procedures shall include references to:

safekeeping, ~~_phone transfer agreements,~~ wire transfer agreements collateral/depository agreements and banking services contracts as appropriate.

Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. ~~— No person may engage in an investment transaction except as provided under terms of this policy and the procedures as established by the _City Treasurer~~ Finance Director/Treasurer. The ~~City Treasurer~~ Finance Director/Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

~~In the event there is no City Treasurer appointed by the City Council the Fiscal Office of the City (Finance Director) shall be hereby delegated to assume all responsibilities of the City Treasurer.~~

E. INTERNAL CONTROLS

Internal controls shall be established and maintained to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees and officers of the City. Controls deemed most significant include segregation of duties, separation of transaction authority from accounting and record keeping, custodial

safekeeping, clear delegation of authority, specific limitations regarding securities losses and remedial action, control over wire transfers, minimizing the number of authorized investment officials, and documentation of transactions and strategies.

The Finance Director/Treasurer shall establish an annual independent review process. This review will provide internal control by assuring compliance with the policies and procedures outlined in this document.

EF. ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

GF. ALLOWABLE INVESTMENTS

1. Bonds issued by the City of Selma.
2. United States Treasury Bills, Notes & Bonds.
3. Registered state warrants or treasury notes or bonds issued by the State of California.
4. Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurers, other local agencies or Joint Powers Agencies.
5. Obligations issued by Agencies or Instrumentality of the US Government.
6. Bankers Acceptances with a term not to exceed 180 days. Not more than 40% of surplus funds can be invested in Bankers Acceptances and no more than 30% of surplus funds can be invested in the Bankers Acceptances of any single commercial bank.
7. ~~Prime~~ Commercial Paper of U.S. Corporations with assets greater than \$500 million with a term not to exceed 270 days and the highest ranking issued by Moody's Investors Service or Standard & Poor's Corp. Commercial paper cannot exceed 15% of total surplus funds, provided, that if the average maturity of all Commercial paper does not exceed 31 days, up to 30% of surplus funds can be invested in

Commercial paper.

8. Negotiable Certificates of Deposit issued by federally or state chartered banks or associations. Not more than 30% of surplus funds can be invested in certificates of deposit.
9. Repurchase/Reverse Repurchase Agreements of any securities authorized by this Section.
10. Medium term notes (not to exceed 5 Years) of US corporations rated "A" or better by Moody's' or S&P. Not more than 30% of surplus funds can be invested in medium term notes.
11. Shares of beneficial interest issued by diversified management companies (Money Market Mutual Funds) investing in the securities and obligations authorized by this Section. Such Funds must carry the highest rating— of at least two of the three largest national rating agencies. Not more than ~~45~~20% of surplus funds can be invested in Money Market Mutual Funds.
12. Funds held under the terms of a Trust Indenture or other contract or agreement may be invested according to the provisions of those indentures or agreements.
- ~~13. Collateralized bank deposits with a perfected security interest in accordance with the Uniform Commercial Code (UCC) or applicable federal security regulations.~~
- 13~~14~~. Any mortgage pass-through security, collateralized mortgage obligation, mortgaged backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable backed bond of a maximum maturity of five years. Securities in this category must be rated AA or better by a nationally recognized rating service. Not more than 30% of surplus funds may be invested in this category of securities.
- 14~~5~~. Any other investment security authorized under the provision of California Government Code Sections 5922 and 53601.

Also, see California Government Code Section 53601 for a detailed summary of the limitations and special conditions that apply to each of the above listed investment securities. ~~California Government Code Section 53601 is attached and included by reference in this investment policy.~~

- 15~~6~~. ~~—~~Joint Powers Authority Local Government Investments Pools
— Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and

obligations authorized in subdivisions (a) or (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained and investment adviser that meets the following criteria:

- A. The adviser is registered or exempt from registration with the Securities and Exchange Commission.
- B. The Adviser has not less than five years experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.
- C. The Adviser has assets under management in the excess of five hundred million dollars (\$500,000,000).

GH. INVESTMENTS NOT ALLOWED

Investments not specifically stated under "allowable Investments", such as common or preferred stock, convertible ~~or corporate~~ bonds, commodities, options, limited partnerships, ~~negotiable CD's~~, uninsured deposits, etc.

IH. INTEREST ALLOCATION

Interest earned by the City, the Agency, and the Authority on their pooled investments will be allocated to any fund in accordance with the policies set by the ~~City Treasurer~~ Finance Director/Treasurer.

J. REPORTING

The ~~City Treasurer~~ Finance Director/Treasurer shall prepare a report of City Investments quarterly, which is in accordance with California Government Code Section 53646(b)(1). This report will be submitted to the City Manager and City Council.

KJ. BANKING INSTITUTION PREFERENCE

As often as is practical, but in no case not less than once each five years, the ~~Treasurer~~ Finance Director/Treasurer will review the banking services provided to the City by its primary banking institution including, but not limited to, monthly service charges, charges for direct deposit, charges for account reconciliation, and interest earned on deposits. Other banking institutions will be consulted in order to obtain quality services for the City at the most reasonable cost to the City.- If a change of institutions is warranted, the ~~City Treasurer~~ Finance Director/Treasurer will recommend the change to the City Manager for concurrence. Preference will be given to banking institutions

having branch offices within the City of Selma. ¹

L. CUSTODY AND DELIVERY VS PAYMENT

Delivery vs. Payment: All Trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution before the release of funds. Custody: Securities will be held by a third-party custodian selected by the City and evidenced by custodial reports. Securities will be registered in the name of Selma, California.

M. APPROVAL

The City Council shall adopt the city's investment policy. The policy shall be reviewed annually by the Finance Director/Treasurer.

~~Preference will be given to banking institutions having branch offices within the City of Selma. ²~~

¹~~Investment Policy revised 5.6.2025~~

²~~Investment Policy revised 5.6.2025~~

Item 4-5

Action Item – Consideration of
Acceptance of Audited Fiscal Year
2023/24 Financial Statements

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Consideration of Acceptance of Audited Fiscal Year 2023/24 Financial Statements

SUBMITTED: Margarita Moreno, Finance Director/Treasurer

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Accept the fiscal year 2023-24 Financial Statements with Independent Auditor's Reports.

DISCUSSION:

The City is required to perform a Financial Audit for all its entities each year by an outside organization. The purpose of this service is to provide financial information to the public and investors for transparency. In addition, the auditors test for accuracy, internal controls, and compliance with fiscal policy. Once complete, a report called The Financial Statement is generated with the auditor's findings and all standard governmental financial reports. Lack of completion of the financial audit could result in State and Federal funds being withheld.

This annual report consists of a series of financial statements. The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements tell how City services are financed in the short term, as well as funding that remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside the government.

The Governmental Funds within the report consist of the General, Special Revenue, and Non-Major Governmental Funds. The combined governmental funds ended the fiscal year with a fund balance of \$50,341,985. The Major funds, which make up 68% of the governmental funds, had ending balances as follows:

General	\$21,459,109
State-Funded Capital Projects	\$12,572,808

Other fund types, like Proprietary, such as the Ambulance Fund, which is run like a service business, and Fiduciary, which the City holds in trust for an entity such as the Successor Agency (RDA), are also found in the report.

The financial audit for the fiscal year of 2023-24 was conducted and prepared by Bryant L. Jolley CPA Accountancy Corporation. Ryan Jolley will be presenting an overview of the report and answering questions from the Council.

In summary, the independent auditor's report reflects an unqualified audit, also known as a "clean opinion" or "unmodified opinion," of the City's financial statements for FY 2023-2024. An unqualified opinion is the most favorable type of audit report outcome and reflects that no material misstatements were found during the audit. Finance staff is pleased to present the independent audit report to the City Council for acceptance.

FISCAL IMPACT:

There is no immediate fiscal impact with acceptance of the auditor's report.

Attachments:

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

List: 1 – City of Selma Financial Statements FY24
2 – City of Selma Management Report FY24

City of Selma | CA

Financial Statements

For the Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the City Council of the
City of Selma
Selma, California

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison information on pages 66-69, the Schedule of Proportionate Share of Net Pension Liability on page 71, Schedule of Contributions on page 72, and the Schedule of Changes in Net OPEB Liability and Related Ratios on page 73 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with

management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to be "Kevin J. [unclear]", is written over a faint circular official stamp.

March 31, 2025

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF SELMA | JUNE 30, 2024
Statement of Net Position

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 44,126,650	\$ 2,775,459	\$ 46,902,109
Restricted cash with fiscal agents	7,779,196	-	7,779,196
Receivables:			
Accounts, net	284,944	2,457,419	2,742,363
Interest	263,033	15,241	278,274
Intergovernmental	5,751,416	279,115	6,030,531
Leases	241,517	192,479	433,996
Due from the Successor Agency	1,180,364	-	1,180,364
Prepaid expenses	106,478	96,879	203,357
Deposits	382,182	-	382,182
Internal balances	69,096	(69,096)	-
Capital assets (net of accumulated depreciation/amortization):			
Non-depreciable	13,139,200	554,025	13,693,225
Depreciable	54,864,670	831,226	55,695,896
Total assets	<u>128,188,746</u>	<u>7,132,747</u>	<u>135,321,493</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	11,182,110	2,380,749	13,562,859
OPEB related	<u>597,991</u>	<u>109,974</u>	<u>707,965</u>
Total deferred outflows of resources	<u>11,780,101</u>	<u>2,490,723</u>	<u>14,270,824</u>
LIABILITIES			
Current liabilities:			
Accounts payable	3,095,668	408,896	3,504,564
Retainage payable	93,630	-	93,630
Accrued wages and benefits	1,176,340	176,633	1,352,973
Deposits and other liabilities	33,930	-	33,930
Accrued interest payable	395,575	-	395,575
Claims payable	176,377	-	176,377
Noncurrent liabilities:			
Due within one year	1,515,569	104,595	1,620,164
Due in more than one year	28,321,902	110,281	28,432,183
Net pension liability	4,654,725	978,458	5,633,183
Net OPEB liability	<u>3,938,082</u>	<u>724,237</u>	<u>4,662,319</u>
Total liabilities	<u>43,401,798</u>	<u>2,503,100</u>	<u>45,904,898</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related	6,597,792	1,568,608	8,166,400
OPEB related	2,866,193	527,110	3,393,303
Lease related	<u>207,955</u>	<u>122,068</u>	<u>330,023</u>
Total deferred inflows of resources	<u>9,671,940</u>	<u>2,217,786</u>	<u>11,889,726</u>
NET POSITION			
Net investment in capital assets	61,808,316	1,385,251	63,193,567
Restricted for:			
Streets and roads	9,808,902	-	9,808,902
Public safety	546,686	-	546,686
Community development	2,989,245	-	2,989,245
Debt service	684,476	-	684,476
Capital projects	17,123,669	-	17,123,669
Pension trust	655,146	-	655,146
Unrestricted	<u>(6,721,331)</u>	<u>3,517,333</u>	<u>(3,203,998)</u>
Total net position	<u>\$ 86,895,109</u>	<u>\$ 4,902,584</u>	<u>\$ 91,797,693</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Statement of Activities

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 4,284,342	\$ -	\$ 612,266	\$ -	\$ (3,672,076)	\$ -	\$ (3,672,076)
Public safety	16,768,800	664,254	574,778	80,057	(15,449,711)	-	(15,449,711)
Public works	6,635,218	1,245,377	2,135,408	2,406,668	(847,765)	-	(847,765)
Community development	1,649,503	635,502	26,977	-	(987,024)	-	(987,024)
Parks and recreation	928,255	63,154	-	158,927	(706,174)	-	(706,174)
Interest and other charges	1,260,563	-	-	-	(1,260,563)	-	(1,260,563)
Total governmental activities	31,526,681	2,608,287	3,349,429	2,645,652	(22,923,313)	-	(22,923,313)
Business-type activities:							
Ambulance	5,008,663	6,207,619	-	-	-	1,198,956	1,198,956
Garbage	1,785,659	1,555,229	-	-	-	(230,430)	(230,430)
Pioneer Village	83,287	-	-	-	-	(83,287)	(83,287)
Transit service	907,582	1,176,397	-	-	-	268,815	268,815
Cultural arts	237,637	119,956	-	-	-	(117,681)	(117,681)
Total business-type activities	8,022,828	9,059,201	-	-	-	1,036,373	1,036,373
Total primary government	\$ 39,549,509	\$ 11,667,488	\$ 3,349,429	\$ 2,645,652	(22,923,313)	1,036,373	(21,886,940)
General revenues:							
Taxes					17,392,844	-	17,392,844
Licenses and permits					647,033	-	647,033
Fines					98,576	-	98,576
Franchise fees					1,171,830	-	1,171,830
Unrestricted investment earnings					1,135,257	88,351	1,223,608
Miscellaneous					496,714	11,358	508,072
Transfers					1,661,195	(1,661,195)	-
Total general revenues and transfers					22,603,449	(1,561,486)	21,041,963
Change in net position					(319,864)	(525,113)	(844,977)
Net position - beginning, as previously presented					87,163,401	5,427,697	92,591,098
Error correction					51,572	-	51,572
Net position - beginning (restated)					87,214,973	5,427,697	92,642,670
Net position - ending					\$ 86,895,109	\$ 4,902,584	\$ 91,797,693

The notes to the basic financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

CITY OF SELMA | JUNE 30, 2024
Governmental Funds
Balance Sheet

	Special Revenue Funds						
		Local	AB74	Capital	Nonmajor	Total	
	General	Transportation	Storm Drain	Projects Fund	Governmental	Governmental	
			Appropriation		Funds	Funds	
ASSETS							
Cash and investments	\$ 19,112,955	\$ 110,807	\$ 51,108	\$ 5,424,904	\$ 15,933,816	\$ 40,633,590	
Cash with fiscal agents	655,146	-	-	7,115,181	8,869	7,779,196	
Accounts receivable, net	278,080	-	-	-	6,418	284,498	
Interest receivable	134,027	-	-	32,723	75,510	242,260	
Interfund receivables	1,553,269	-	-	-	-	1,553,269	
Due from the Successor Agency	-	-	-	-	1,180,364	1,180,364	
Intergovernmental receivables	1,464,012	1,865,977	756,857	-	1,664,570	5,751,416	
Leases receivable	241,517	-	-	-	-	241,517	
Prepaid expenses	28,188	-	-	-	8,799	36,987	
Total assets	<u>\$ 23,467,194</u>	<u>\$ 1,976,784</u>	<u>\$ 807,965</u>	<u>\$ 12,572,808</u>	<u>\$ 18,878,346</u>	<u>\$ 57,703,097</u>	
LIABILITIES							
Accounts payable	\$ 611,314	\$ 2,043	\$ 729,681	\$ -	\$ 1,272,230	\$ 2,615,268	
Retainage payable	-	-	78,284	-	-	78,284	
Accrued wages and benefits	1,086,307	-	-	-	62,449	1,148,756	
Deposits	11,800	-	-	-	5,000	16,800	
Other liabilities	17,130	-	-	-	-	17,130	
Interfund payables	-	-	-	-	1,242,700	1,242,700	
Matured SBITA liability	45,843	-	-	-	-	45,843	
Matured lease liability	27,736	-	-	-	-	27,736	
Total liabilities	<u>1,800,130</u>	<u>2,043</u>	<u>807,965</u>	<u>-</u>	<u>2,582,379</u>	<u>5,192,517</u>	
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	-	1,865,977	-	-	94,663	1,960,640	
Lease related	207,955	-	-	-	-	207,955	
Total deferred inflows of resources	<u>207,955</u>	<u>1,865,977</u>	<u>-</u>	<u>-</u>	<u>94,663</u>	<u>2,168,595</u>	
FUND BALANCES							
Nonspendable:							
Leases receivable	33,562	-	-	-	-	33,562	
Restricted for:							
Streets and roads	-	108,764	-	-	7,834,161	7,942,925	
Public safety	-	-	-	-	452,023	452,023	
Community development	-	-	-	-	2,989,245	2,989,245	
Debt service	-	-	-	-	684,476	684,476	
Capital projects	-	-	-	12,572,808	4,763,094	17,335,902	
Pension trust	655,146	-	-	-	-	655,146	
Committed for:							
Streets and roads	-	-	-	-	35,759	35,759	
Community development	-	-	-	-	381,204	381,204	
Recreation	-	-	-	-	3,351	3,351	
Assigned for:							
Equipment replacement	863,504	-	-	-	-	863,504	
Unassigned	19,906,897	-	-	-	(942,009)	18,964,888	
Total fund balances	<u>21,459,109</u>	<u>108,764</u>	<u>-</u>	<u>12,572,808</u>	<u>16,201,304</u>	<u>50,341,985</u>	
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 23,467,194</u>	<u>\$ 1,976,784</u>	<u>\$ 807,965</u>	<u>\$ 12,572,808</u>	<u>\$ 18,878,346</u>	<u>\$ 57,703,097</u>	

The notes to the basic financial statements are an integral part of this statement.

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

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

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

Total fund balance - governmental funds balance sheet		\$ 50,341,985
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources; therefore, they are not reported in the governmental funds.		67,316,771
Long-term debt is not due and payable in the current period, and therefore, are not reported in the funds.		(27,990,066)
Leases and subscriptions payable are not due and payable in the current period, and therefore, are not reported in the funds.		(404,143)
Compensated absences are not due and payable in the current period, and therefore are not reported in the funds.		(1,300,611)
Interest accrued on long-term debt obligations is reported as a liability in the statement of net position but does not get reported in the fund statements.		(395,575)
Net pension liability and pension-related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. These amounts consist of:		
Net pension liability	(4,517,843)	
Deferred outflows of resources	10,844,550	
Deferred inflows of resources	<u>(6,378,773)</u>	(52,066)
Net OPEB liability and OPEB-related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. These amounts consist of:		
Net OPEB liability	(3,845,584)	
Deferred outflows of resources	583,946	
Deferred inflows of resources	<u>(2,798,873)</u>	(6,060,511)
Certain assets are not available to pay for current period expenditures; therefore, they are unavailable in the governmental funds.		1,960,640
Internal service funds are used by management to charge the costs of fleet maintenance services to individual funds. The assets and liabilities of the internal revenue service funds are included in the governmental activities in the statement of net position.		<u>3,478,685</u>
Net position of governmental activities - statement of net position		<u>\$ 86,895,109</u>

The notes to the basic financial statements are an integral part of this statement.

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

	Special Revenue Funds				Capital Projects Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General	Local Transportation	Formerly Nonmajor Fund	Formerly Major Fund	Formerly Nonmajor Fund	Formerly Major Fund		
			AB74					
			Storm Drain Appropriation	Street Maintenance	Capital Projects Fund	State-Funded Capital Projects		
REVENUES								
Taxes	\$ 13,990,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 637,848	\$ 14,628,111
Licenses and permits	647,033	-	-	-	-	-	-	647,033
Intergovernmental	185,200	-	1,471,002	-	-	-	6,860,546	8,516,748
Charges for services	1,285,494	-	-	-	-	-	835,828	2,121,322
Fines	99,347	-	-	-	-	-	13,771	113,118
Franchise fees	1,171,830	-	-	-	-	-	-	1,171,830
Use of money and property	578,352	-	-	-	196,345	-	315,724	1,090,421
Assessments	-	-	-	-	-	-	497,243	497,243
Loan repayments	-	-	-	-	-	-	1,170	1,170
Miscellaneous	184,809	-	-	-	-	-	315,330	500,139
Total revenues	18,142,328	-	1,471,002	-	196,345	-	9,477,460	29,287,135
EXPENDITURES								
Current:								
General government	3,342,309	-	-	-	-	-	546,547	3,888,856
Public safety	12,964,123	-	-	-	-	-	675,518	13,639,641
Public works	1,738,822	-	-	-	506,639	-	1,950,130	4,195,591
Community development	1,383,954	-	-	-	-	-	106,381	1,490,335
Recreation	985,787	-	-	-	-	-	-	985,787
Capital outlay	995,689	15,278	1,469,816	-	20,515	-	5,068,946	7,570,244
Debt Service:								
Principal	493,065	-	-	-	-	-	379,546	872,611
Interest and fiscal charges	126,357	-	-	-	-	-	1,358,780	1,485,137
Total expenditures	22,030,106	15,278	1,469,816	-	527,154	-	10,085,848	34,128,202
Excess (deficiency) of revenues over (under) expenditures	(3,887,778)	(15,278)	1,186	-	(330,809)	-	(608,388)	(4,841,067)
OTHER FINANCING SOURCES (USES)								
Proceeds from long-term debt	356,818	-	-	-	-	-	7,421,355	7,778,173
Operating transfers in	5,087,619	-	-	-	7,680,649	-	941,462	13,709,730
Operating transfers out	(2,394,996)	-	-	-	-	-	(9,611,650)	(12,006,646)
Total other financing sources (uses)	3,049,441	-	-	-	7,680,649	-	(1,248,833)	9,481,257
Net change in fund balance	(838,337)	(15,278)	1,186	-	7,349,840	-	(1,857,221)	4,640,190
Fund balances - beginning, as previously presented	22,297,446	124,042	-	2,345,152	-	4,390,494	16,602,346	45,759,480
Error correction	-	-	-	-	-	-	(57,685)	(57,685)
Change within financial reporting entity (major to major fund)	-	-	-	-	4,519,794	(4,519,794)	-	-
Change within financial reporting entity (nonmajor to major fund)	-	-	(1,186)	-	703,174	-	(701,988)	-
Change within financial reporting entity (major to nonmajor fund)	-	-	-	(2,345,152)	-	129,300	2,215,852	-
Fund balances - beginning (restated)	22,297,446	124,042	(1,186)	-	5,222,968	-	18,058,525	45,701,795
Fund balances - ending	\$ 21,459,109	\$ 108,764	\$ -	\$ -	\$ 12,572,808	\$ -	\$ 16,201,304	\$ 50,341,985

The notes to the basic financial statements are an integral part of this statement.

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balances to the Government-Wide Statement of Activities

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

Net change in fund balance -- total governmental funds	\$	4,640,190
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.		4,054,150
Repayment of bond, leases and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Lease issued	(356,818)	
Debt issued	(7,421,355)	
Principal paid on leases	203,984	
Principal paid on subscription	60,846	
Principal paid on long-term debt	<u>660,746</u>	(6,852,597)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		238,472
Compensated absences expense reported in the statement of activities does not require the use of current financial resources; therefore, it is not reported as an expenditure in the governmental funds.		(263,940)
Accrued interest on long-term debt obligations is reported in the governmental activities but is not reported in the governmental fund statements.		176,004
Changes to net pension liability and pension related deferred outflows and inflows of resources do not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds.		(2,405,559)
Changes to net OPEB liability and OPEB-related deferred outflows and inflows of resources do not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds.		(72,732)
The net revenue (expense) of internal service funds is reported with governmental activities.		<u>166,148</u>
Change in net position of governmental activities - statement of activities	\$	<u>(319,864)</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF SELMA | JUNE 30, 2024
Proprietary Funds
Statement of Net Position

	Business-type Activities - Enterprise Funds					Governmental Activities
	Ambulance	Garbage	Transit	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS						
Current assets:						
Cash and investments	\$ 2,242,437	\$ 159,809	\$ 373,213	\$ -	\$ 2,775,459	\$ 3,493,060
Accounts receivable, net	2,455,339	-	-	2,080	2,457,419	446
Interest receivable	15,241	-	-	-	15,241	20,773
Intergovernmental receivable	-	-	279,115	-	279,115	-
Lease receivable	-	-	-	192,479	192,479	-
Prepaid expenses	96,879	-	-	-	96,879	69,491
Deposits	-	-	-	-	-	382,182
Total current assets	<u>4,809,896</u>	<u>159,809</u>	<u>652,328</u>	<u>194,559</u>	<u>5,816,592</u>	<u>3,965,952</u>
Noncurrent assets:						
Capital assets:						
Land	554,025	-	-	-	554,025	-
Construction in progress	-	-	-	-	-	356,518
Buildings and improvements	111,315	-	-	284,182	395,497	6,079
Machinery and equipment	1,030,570	-	-	-	1,030,570	447,832
Right-to-use leased buildings	68,203	-	-	-	68,203	-
Right-to-use leased equipment	-	-	-	-	-	120,993
Less accumulated depreciation and amortization	(392,308)	-	-	(270,736)	(663,044)	(244,323)
Total noncurrent assets	<u>1,371,805</u>	<u>-</u>	<u>-</u>	<u>13,446</u>	<u>1,385,251</u>	<u>687,099</u>
Total assets	<u>6,181,701</u>	<u>159,809</u>	<u>652,328</u>	<u>208,005</u>	<u>7,201,843</u>	<u>4,653,051</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension related	2,021,210	-	322,671	36,868	2,380,749	337,560
OPEB related	95,158	-	13,294	1,522	109,974	14,045
Total deferred outflows of resources	<u>2,116,368</u>	<u>-</u>	<u>335,965</u>	<u>38,390</u>	<u>2,490,723</u>	<u>351,605</u>
LIABILITIES						
Current liabilities:						
Accounts payable	83,353	307,599	-	17,944	408,896	480,400
Retainage payable	-	-	-	-	-	15,346
Accrued wages and benefits	154,269	-	19,953	2,411	176,633	27,584
Interfund payables	-	-	-	169,271	169,271	141,298
Claims payable	-	-	-	-	-	176,377
Current portion of compensated absences	91,274	-	12,848	473	104,595	4,194
Current portion of leases payable	-	-	-	-	-	15,339
Total current liabilities	<u>328,896</u>	<u>307,599</u>	<u>32,801</u>	<u>190,099</u>	<u>859,395</u>	<u>860,538</u>
Noncurrent liabilities:						
Compensated absences	86,266	-	13,462	10,553	110,281	2,916
Leases payable	-	-	-	-	-	46,623
Net pension liability	833,921	-	129,678	14,859	978,458	136,882
Net OPEB liability	626,666	-	87,551	10,020	724,237	92,498
Total noncurrent liabilities	<u>1,546,853</u>	<u>-</u>	<u>230,691</u>	<u>35,432</u>	<u>1,812,976</u>	<u>278,919</u>
Total liabilities	<u>1,875,749</u>	<u>307,599</u>	<u>263,492</u>	<u>225,531</u>	<u>2,672,371</u>	<u>1,139,457</u>
DEFERRED INFLOWS OF RESOURCES						
Pension related	1,304,331	-	237,737	26,540	1,568,608	219,019
OPEB related	456,097	-	63,721	7,292	527,110	67,320
Lease related	-	-	-	122,068	122,068	-
Total deferred inflows of resources	<u>1,760,428</u>	<u>-</u>	<u>301,458</u>	<u>155,900</u>	<u>2,217,786</u>	<u>286,339</u>
NET POSITION (DEFICIT)						
Net investment in capital assets	1,371,805	-	-	13,446	1,385,251	625,137
Unrestricted	<u>3,290,087</u>	<u>(147,790)</u>	<u>423,343</u>	<u>(148,482)</u>	<u>3,417,158</u>	<u>2,953,723</u>
Total net position (deficit)	<u>\$ 4,661,892</u>	<u>\$ (147,790)</u>	<u>\$ 423,343</u>	<u>\$ (135,036)</u>	<u>4,802,409</u>	<u>\$ 3,578,860</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time					100,175	
Net position of business-type activities					<u>\$ 4,902,584</u>	

The notes to the basic financial statements are an integral part of this statement.

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position

	Business-type Activities - Enterprise Funds					Governmental Activities
	Ambulance	Garbage	Transit	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues:						
Charges for services	\$ 6,207,619	\$ 1,555,229	\$ 1,176,397	\$ 119,956	\$ 9,059,201	\$ 4,738,338
Rents	-	-	-	48,356	48,356	-
Miscellaneous	-	-	-	11,358	11,358	29,548
Total revenues	<u>6,207,619</u>	<u>1,555,229</u>	<u>1,176,397</u>	<u>179,670</u>	<u>9,118,915</u>	<u>4,767,886</u>
Operating expenses:						
Personnel services	3,446,074	-	511,068	61,759	4,018,901	1,707,292
Services and supplies	1,448,865	1,785,659	389,532	263,358	3,887,414	1,264,825
Other internal services	-	-	-	-	-	1,564,246
Depreciation and amortization	130,743	-	-	1,149	131,892	58,853
Total operating expenses	<u>5,025,682</u>	<u>1,785,659</u>	<u>900,600</u>	<u>326,266</u>	<u>8,038,207</u>	<u>4,595,216</u>
Operating Income (loss)	<u>1,181,937</u>	<u>(230,430)</u>	<u>275,797</u>	<u>(146,596)</u>	<u>1,080,708</u>	<u>172,670</u>
Nonoperating revenues (expenses)						
Interest income	30,243	-	2,910	13,684	46,837	74,559
Interest expense	(930)	-	-	-	(930)	(29,725)
Total nonoperating revenues (expenses)	<u>29,313</u>	<u>-</u>	<u>2,910</u>	<u>13,684</u>	<u>45,907</u>	<u>44,834</u>
Income (loss) before transfers	1,211,250	(230,430)	278,707	(132,912)	1,126,615	217,504
Transfers in	-	-	-	66,600	66,600	-
Transfers out	<u>(1,406,771)</u>	<u>-</u>	<u>(314,859)</u>	<u>(6,165)</u>	<u>(1,727,795)</u>	<u>(41,889)</u>
Changes in net position	(195,521)	(230,430)	(36,152)	(72,477)	(534,580)	175,615
Net position (deficit) - beginning	<u>4,857,413</u>	<u>82,640</u>	<u>459,495</u>	<u>(62,559)</u>	<u>5,336,989</u>	<u>3,403,245</u>
Net position (deficit) - ending	<u>\$ 4,661,892</u>	<u>\$ (147,790)</u>	<u>\$ 423,343</u>	<u>\$ (135,036)</u>	<u>\$ 4,802,409</u>	<u>\$ 3,578,860</u>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds.					<u>9,467</u>	
Changes in the net position of business-type activities					<u>\$ (525,113)</u>	

The notes to the basic financial statements are an integral part of this statement.

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Proprietary Funds

Statement of Cash Flows

	Business-type Activities -- Enterprise Funds					Governmental Activities
	Ambulance	Garbage	Transit	Nonmajor Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received for current services	\$ 6,624,921	\$ 1,555,229	\$ 1,156,353	\$ 119,379	\$ 9,455,882	\$ 4,515,543
Cash received for rents	-	-	-	46,829	46,829	-
Cash paid for services and supplies	(1,589,267)	(1,746,682)	(397,156)	(267,919)	(4,001,024)	(2,538,661)
Cash paid for salaries and benefits	(3,274,290)	-	(483,573)	(60,772)	(3,818,635)	(1,460,428)
Cash received for other operating revenues	-	-	-	11,358	11,358	29,548
Net cash provided by (used for) operating activities	<u>1,761,364</u>	<u>(191,453)</u>	<u>275,624</u>	<u>(151,125)</u>	<u>1,694,410</u>	<u>546,002</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Loans from (to) other funds	-	-	-	77,006	77,006	141,298
Transfers (to) from other funds	(1,406,771)	-	(314,859)	60,435	(1,661,195)	(41,889)
Net cash provided by (used for) noncapital financing activities	<u>(1,406,771)</u>	<u>-</u>	<u>(314,859)</u>	<u>137,441</u>	<u>(1,584,189)</u>	<u>99,409</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Principal paid on leases	(35,322)	-	-	-	(35,322)	(13,713)
Interest paid on long-term liabilities	(930)	-	-	-	(930)	(29,725)
Acquisition of capital assets	(250,616)	-	-	-	(250,616)	(468,707)
Net cash provided by (used for) capital and related financing activities	<u>(286,868)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(286,868)</u>	<u>(512,145)</u>
CASH FLOW FROM INVESTING ACTIVITIES						
Interest received	<u>24,210</u>	<u>-</u>	<u>2,910</u>	<u>13,684</u>	<u>40,804</u>	<u>66,548</u>
Net cash provided by (used for) investing activities	<u>24,210</u>	<u>-</u>	<u>2,910</u>	<u>13,684</u>	<u>40,804</u>	<u>66,548</u>
Net increase (decrease) in cash and investments	91,935	(191,453)	(36,325)	-	(135,843)	199,814
Cash and investments - beginning	<u>2,150,502</u>	<u>351,262</u>	<u>409,538</u>	<u>-</u>	<u>2,911,302</u>	<u>3,293,246</u>
Cash and investments - ending	<u>\$ 2,242,437</u>	<u>\$ 159,809</u>	<u>\$ 373,213</u>	<u>\$ -</u>	<u>\$ 2,775,459</u>	<u>\$ 3,493,060</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Proprietary Funds

Statement of Cash Flows

(Continued)

	Business-type Activities -- Enterprise Funds					Governmental Activities
	Ambulance	Garbage	Transit	Nonmajor Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income to net cash provided by (used for) operating activities:						
Operating income (loss)	\$ 1,181,937	\$ (230,430)	\$ 275,797	\$ (146,596)	\$ 1,080,708	\$ 172,670
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:						
Depreciation/amortization	130,743	-	-	1,149	131,892	58,853
Changes in the balance sheet:						
(Increase) decrease in:						
Accounts receivable, net	417,302	-	(20,044)	(577)	396,681	56,138
Leases receivable	-	-	-	5,515	5,515	-
Deposits	-	-	-	-	-	(278,933)
Prepaid expenses	(96,879)	-	-	-	(96,879)	(69,491)
Deferred outflows of resources from pensions	1,131,623	-	389,434	35,562	1,556,619	(57,141)
Deferred outflows of resources from OPEB	29,218	-	4,363	540	34,121	(7,723)
Increase (decrease) in:						
Accounts payable	(43,523)	38,977	(7,624)	(4,561)	(16,731)	296,055
Accrued wages and benefits	30,749	-	806	(606)	30,949	21,750
Claims payable	-	-	-	-	-	176,377
Compensated absences	(74,770)	-	(16,510)	(2,291)	(93,571)	(557)
Net pension liability	(1,845,868)	-	(473,109)	(46,500)	(2,365,477)	(98,952)
Net OPEB liability	(33,361)	-	(6,149)	(919)	(40,429)	58,946
Deferred inflow of resources from pensions	1,045,710	-	145,520	17,316	1,208,546	179,544
Deferred inflow of resources from OPEB	(111,517)	-	(16,860)	(2,115)	(130,492)	38,466
Deferred inflow of resources from leases	-	-	-	(7,042)	(7,042)	-
Total adjustments	579,427	38,977	(173)	(4,529)	613,702	373,332
Net cash provided by (used for) operating activities	\$ 1,761,364	\$ (191,453)	\$ 275,624	\$ (151,125)	\$ 1,694,410	\$ 546,002

The notes to the basic financial statements are an integral part of this statement.

CITY OF SELMA | JUNE 30, 2024
Fiduciary Funds
Statement of Fiduciary Net Position

	Redevelopment Successor Agency Private-Purpose Trust Fund
ASSETS	
Cash and investments	\$ 593,086
Restricted cash with fiscal agent	360,033
Interest receivable	3,787
Notes receivable	<u>13,305</u>
Total assets	<u>970,211</u>
LIABILITIES	
Due to the City of Selma Housing Authority	1,180,364
Interest payable	56,471
Long-term liabilities:	
Due within one year	480,000
Due in more than one year	<u>2,315,000</u>
Total liabilities	<u>4,031,835</u>
NET POSITION (DEFICIT)	
Held in trust for retirement of obligations of the former Selma Redevelopment Agency	<u>(3,061,624)</u>
Total net position (deficit)	<u>\$ (3,061,624)</u>

The notes to the basic financial statements are an integral part of this statement.

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Fiduciary Funds

Statement of Changes in Fiduciary Net Position

	Redevelopment Successor Agency Private-Purpose Trust Fund
ADDITIONS	
Property taxes	\$ 881,692
Investment earnings	<u>15,770</u>
Total additions	<u>897,462</u>
DEDUCTIONS	
Community development	2,585
Interest and fiscal charges	<u>213,602</u>
Total deductions	<u>216,187</u>
Change in net position	681,275
Net position (deficit) - beginning	<u>(3,742,899)</u>
Net position (deficit) - ending	<u><u>\$ (3,061,624)</u></u>

The notes to the basic financial statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The combined financial statements of the City of Selma, California (the City) have been prepared in conformity with accounting principles applicable to governmental units which are generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The City of Selma is a general law city incorporated on March 15, 1893 and as such draws its authority from the constitution and laws of the State of California. The City has a council/manager form of government and is governed by a five-member elected council. The City Manager is appointed by the City Council. The City provides the following services: police and fire protection, ambulance, transit, street construction and maintenance, planning and zoning, and general administrative services.

The City's financial statements include the operations of all organizations for which the City Council exercises oversight responsibility. Oversight responsibility is demonstrated by financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

B. Blended Component Units

Based on the aforementioned oversight criteria, the operations of the Selma Public Finance Authority (the Authority) have been blended into the accompanying financial statements. Members of the City Council, as well as City administrative personnel make up a significant portion of the governing bodies.

The Authority's specific and primary purpose is to provide financial assistance to the City of Selma and other agencies by acquiring qualified obligations that were issued for the acquisition, construction, and improvement of public facilities and property.

Separate financial statements for the Authority can be obtained from the Finance Director, City of Selma, 1710 Tucker Street, Selma, CA 93662.

C. Basis of Presentation

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

Government-Wide Statements

The Statement of Net Position and the Statement of Activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation (Continued)

Government-Wide Statements (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The City does not allocate indirect expenses in the Statement of Activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

Fund Financial Statements

The fund financial statements provide information about the City's funds. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. An accompanying schedule is presented to reconcile and explain the differences in funds and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

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

Major Funds

Major funds are defined as funds that have either assets, and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. Major governmental and business-type funds are identified and presented separately in the fund financial statements. All other funds, called nonmajor funds, are combined and reported in a single column, regardless of their fund-type. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation (Continued)

Major Funds (Continued)

The City reports the following major governmental funds:

General Fund – 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 another fund.

Local Transportation Fund Special Revenue Fund – This fund accounts for the activities of the City’s local transportation fund allocation for various transit projects.

AB74 Storm Drain Apportionment Fund – This fund accounts the appropriation of Department of Water Resources for the City’s Storm Drain project.

Capital Projects Fund – This fund accounts for capital projects including construction, renovation, and major infrastructure improvements.

The City reports on the following major enterprise funds:

Ambulance Fund – This fund accounts for the operations of the ambulance service provided by the City.

Garbage Fund – This fund accounts for the transactions relating to the commercial and residential garbage collection for the City.

Transit Fund – This fund accounts for the transactions between the City and the Fresno County Rural Transit Agency (FCRTA). The City performs repair and maintenance services necessary to maintain FCRTA’s vehicle fleet.

In addition, the City reports the following fund types:

Internal Service Funds – These funds are used to account for revenues and expenses related to services provided to parties inside the City. These funds facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. Because the principal users of the internal services are the City’s governmental activities, this fund type is included in the “Governmental Activities” column of the government-wide financial statements.

Private Purpose Trust Fund – This fund is used to account for the assets of the former City of Selma Redevelopment Agency during the wind down period.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements

These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified basis of accounting. Revenues, except for grants, 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 or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal year. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirement, and the amount is received during the period or within the availability period for this revenue resource (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenues items are considered to be measurable and available only when cash is received by the City.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

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 City's proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Financial Statement Amounts

Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

Deposits and Investments

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

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

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

Restricted Assets

Cash with fiscal agents is used to report resources set aside for potential deficiencies in the repayment ability of the enterprise funds, and for payment of construction projects undertaken by the City.

Interfund Transactions

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

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

Receivables

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Financial Statement Amounts (Continued)

Property Taxes

Taxes are payable in two installments on November 1 and March 1. They become delinquent on December 10 and April 10 respectively. The lien date is January 1st each year. Unsecured property taxes are payable in one installment on or before August 31. The County of Fresno bills and collects the taxes for the City.

On October 12, 1993, the Fresno County Board of Supervisors voted to adopt an alternate method of property tax apportionment known as the Teeter Plan. The method applies to current secured and supplemental, but not to unsecured. The basic concept of the Teeter Plan is that the County will apportion taxing agencies 100% of their levy (adjusted for roll changes) with the County owning the delinquent receivables. The County will apportion the current secured and unitary taxes into a revenue account in three installments. The first 50% was apportioned on December 15, the balance will be apportioned by April 15, and June 15 at 45% and 5%, respectively.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the end of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used for machinery and equipment, and \$10,000 is used for buildings and building improvement.

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

Asset Class	Estimated Useful Lives
Roads and Infrastructure	30-50 years
Buildings	50 years
Building Improvement	20 years
Vehicles	2-15 years
Office Equipment	3-15 years
Computer Equipment	3-15 years
Right-to-use leased buildings	3-15 years
Right-to-use leased equipment	3-15 years
Right-to-use IT subscriptions	3-15 years

Right-to-Use Lease Assets

Right-to-use lease assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payment made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Financial Statement Amounts (Continued)

Leases

Lessee: The City is a lessee for non-cancellable leases of equipment and vehicles. The lessee recognizes a lease liability and an intangible right-to-use leased asset in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases, which it has determined is the prime rate at the inception of the lease.
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

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

Lessor: The City is a lessor for non-cancellable leases of land. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental and enterprise fund financial statements.

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Financial Statement Amounts (Continued)

Subscription Based Information Technology Arrangements (SBITAs)

Lessee: The City entered into non-cancellable subscription-based information technology arrangements (SBITAs) for the acquisition of various information technology services. SBITAs are accounted for in accordance with GASB Statement No. 96.

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

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

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

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

This disclosure provides information on the accounting policies related to Subscription-Based Information Technology Arrangements (SBITAs) in accordance with GASB Statement No. 96 and should be read in conjunction with the accompanying financial statements.

Risk Management

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

Interest Payable

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Financial Statement Amounts (Continued)

Compensated Absences Payable

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

Unearned Revenue

Unearned revenue is a cash receipt for which asset recognition criteria have been met, but asset revenue recognition criteria have not been met. The City typically records intergovernmental revenues (primary grants and subventions) received but not earned (qualifying expenditures not yet incurred) as unearned revenue.

Unavailable Revenue

In the fund financial statements, unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unavailable revenue for transactions for which revenues have been earned, but for which funds are not available to meet current financial obligations.

Long-Term Debt

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Financial Statement Amounts (Continued)

Pensions

In the government-wide financial statements, pensions are recognized and disclosed using the accrual basis of accounting (see Note 10 and the RSI section immediately following the notes to financial statements), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The City recognizes a net pension liability of the qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, measured as of the City's fiscal year-end or the City's proportionate share thereof in the case of a cost-sharing multiple-employer plan. Changes in the net pension liability during the period are recorded as pension expense, or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants including retirees, in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they arose. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

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

Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed – represents amounts that can only be used for specific purposes because of a formal action by the City Council. Committed amounts cannot be used for any other purpose unless the City Council removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the City Council. Commitments are typically made through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned – represents amounts which the City intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the City Council or by an official or body to which the City Council delegates authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the City itself.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Financial Statement Amounts (Continued)

Fund Balances – Governmental Funds (Continued)

Unassigned – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Net Position

In the government-wide financial statements and proprietary fund financial statements, net position is classified as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City's policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial Position reports 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 resource (expense/expenditure) until then. The City has two items that qualify for reporting in this category, deferred outflows related to pensions and deferred outflows related to OPEB.

In addition to liabilities, the Statement of Financial Position reports a separate section for deferred inflows of resources. The separate financial 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. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City has three types of deferred inflows which arise only under a full accrual basis of accounting, deferred inflows related to pensions, deferred inflows related to OPEB, and deferred inflows related to leases.

Unavailable revenues arise only under the modified accrual basis of accounting and are reported only on the governmental funds balance sheet.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Financial Statement Amounts (Continued)

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

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

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	June 30, 2022 to June 30, 2023

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 – COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Balance or Fund Net Position of Individual Funds

The following are funds having deficit fund balances or fund net position at year-end:

<u>Fund Name</u>	<u>Deficit Amount</u>
Nonmajor Special Revenue Funds	
CMAQ Grant Fund	\$ 40,018
CDBG Grant Fund	280,658
ABC Grant Fund	72
DOJ Bynes Grant Fund	2,476
High Speed Rail CVTC Fund	233,247
Transit Oriented Development Fund	6,000
SB2 Planning Grant Program Fund	47,938
FEMA Fire Grant	8,895
Prop 68 Park Grant Special Revenue Fund	320,874
Tactical Urbanism Grant	1,831
Major Enterprise Funds	
Garbage Fund	147,790
Nonmajor Enterprise Funds	
Cultural Arts Fund	137,768
Nonmajor Internal Service Funds	
Employee Benefit Fund	285,047

NOTE 3 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2024 were classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and investments	\$ 46,902,109
Restricted cash and investments with fiscal agent	7,779,196
Fiduciary funds:	
Cash and investments	593,086
Restricted cash and investments with fiscal agent	<u>360,033</u>
Total cash and investments	<u>\$ 55,634,424</u>

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

Cash on hand	\$ 1,675
Deposits with financial institutions	22,494,638
Investments	<u>33,138,111</u>
Total cash and investments	<u>\$ 55,634,424</u>

NOTE 3 – CASH AND INVESTMENTS (Continued)

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

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's 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 the concentration of credit risk. This table does not address investment of debt proceeds held by bond trustees 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	None
US Treasury Obligations	N/A	None	None
US Government Agency Issues	N/A	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	None
Certificate of Deposits	5 years	None	None
Bankers Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Mutual Funds (must be comprised of eligible securities permitted under this policy)	N/A	20%	10%
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	20%	10%

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.

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. Investment Authorized by Debt Agreement

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 trustees. 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
US Treasury Obligations	N/A	None	None
US Government Agency Issues	N/A	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	None
Certificate of Deposits	1 year	None	None
Bankers Acceptances	1 year	None	None
Commercial Paper	N/A	None	None
Mutual Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Investment Agreements	N/A	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. Interest Rate Risk

Interest rate risk is the risk that the 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 short-term and longer-term investments and by timing cash flows from maturity 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.

Information about the sensitivity of the fair value of the City's investments (including investments held by the 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	Amount	12 Months or Less
State Investment Pool	\$ 24,998,882	\$ 24,998,882
PARS Section 115 Pension Trust	655,146	655,146
Held by Bond Trustee:		
Money Market Funds	<u>7,484,083</u>	<u>7,484,083</u>
Total investments	<u>\$ 33,138,111</u>	<u>\$ 33,138,111</u>

NOTE 3 – CASH AND INVESTMENTS (Continued)

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 Standard and Poor's rating as of fiscal year end for each investment type.

Investment Type	Amount	Ratings as of Fiscal Year End		
		Minimum Legal Rating	Not Rated	AAAm
State Investment Pool	\$ 24,998,882	N/A	\$ 24,998,882	\$ -
PARS Section 115 Investment Trust	655,146	N/A	655,146	-
Held by Bond Trustee:				
Money Market Funds	7,484,083	N/A	-	7,484,083
Total investments	<u>\$ 33,138,111</u>		<u>\$ 25,654,028</u>	<u>\$ 7,484,083</u>

F. Concentration of Credit Risk

The investment policy of the City of Selma contains no limitations on the amount that can be invested with any one issuer beyond that stipulated by the California Government Code. There were no investments in any one issuer that represented 5% or more of the total investments.

G. 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 (example: 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, other than the following provision for deposits: 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 laws (unless so waived by the governmental unit). The fair value of the pledged securities and 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, 2024, the carrying amount of the City's bank deposits was \$22,494,640, and the respective bank balances totaled \$22,811,007, the total amount of which was collateralized with pooled securities held by the financial institution's trust department. These securities are held in the name of the financial institution and not in the name of the City.

As of June 30, 2024, none of the City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. In addition, as of June 30, 2024, no investments were held by the same broker-dealer (counterparty) that was used by the City to purchase the securities.

NOTE 3 – CASH AND INVESTMENTS (Continued)

H. 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 value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

I. Fair Value Measurements

The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the relative inputs used to measure the fair value of the investments. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the City has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the City's own assumptions about the inputs market participants would use in pricing the asset (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The determination of what constitutes observable requires judgment by the City's management. City management considers observable data to be the market data, which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant markets.

The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City Management's perceived risk of that investment. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. When quoted prices in active markets are not available, fair values are based on evaluated prices received by the City's asset manager from a third-party service provider.

NOTE 3 – CASH AND INVESTMENTS (Continued)

I. Fair Value Measurements (Continued)

The City has no investments subject to categorization.

Investments not subject to fair value hierarchy:

State Investment Pool	\$ 24,998,882
PARS Section 115 Investment Trust	655,146
Held with Fiscal Agent:	
Money Market Funds	<u>7,484,083</u>
Total investment portfolio	<u>\$ 33,138,111</u>

NOTE 4 – ACCOUNTS RECEIVABLE

The following is a list of accounts receivable with related allowance for bad debt at June 30, 2024:

<u>Fund Name</u>	<u>Accounts Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Accounts Receivable, Net</u>
Major Governmental Funds:			
General Fund	\$ 359,414	\$ (81,334)	\$ 278,080
Nonmajor Special Revenue Funds:			
Sidewalk Repair Fund	397	(397)	-
Foreclosed Home Project	11,453	(6,085)	5,368
Impact Fees Fund	3,798	(3,798)	-
Street Maintenance Special Revenue Fund	1,214	(164)	1,050
Major Enterprise Funds:			
Ambulance Fund	4,185,147	(1,729,808)	2,455,339
Nonmajor Enterprise Funds:			
Pioneer Village Fund	2,080	-	2,080
Cultural Arts Fund	3,960	(3,960)	-
Internal Service Funds:			
Information Processing Fund	<u>446</u>	<u>-</u>	<u>446</u>
Total Accounts Receivable, Net	<u>\$ 4,567,909</u>	<u>\$ (1,825,546)</u>	<u>\$ 2,742,363</u>

NOTE 5 – CAPITAL ASSETS

A. Governmental Activities

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

	Beginning Balances	Additions	Retirements/ Adjustments	Ending Balances
Governmental activities:				
Capital assets not being depreciated/amortized:				
Land	\$ 7,990,302	\$ -	\$ -	\$ 7,990,302
Land improvements	597,080	-	-	597,080
Construction in progress	2,686,652	7,226,222	(5,361,056)	4,551,818
Total capital assets not being depreciated/amortized	11,274,034	7,226,222	(5,361,056)	13,139,200
Capital assets being depreciated/amortized:				
Roads and other infrastructure	112,123,219	5,105,862	-	117,229,081
Buildings and improvements	18,307,723	295,859	-	18,603,582
Machinery and equipment	9,777,804	873,904	(525,676)	10,126,032
Intangible assets				
Right-to-use leased buildings	379,674	-	-	379,674
Right-to-use leased equipment	63,748	414,062	-	477,810
Right-to-use IT subscriptions	524,476	-	-	524,476
Total capital assets being depreciated/amortized	141,176,644	6,689,687	(525,676)	147,340,655
Less accumulated depreciation/amortization for:				
Roads and other infrastructure	(77,998,433)	(2,522,916)	-	(80,521,349)
Buildings and improvements	(4,866,643)	(521,484)	-	(5,388,127)
Machinery and equipment	(5,760,439)	(678,933)	525,676	(5,913,696)
Intangible assets				
Right-to-use leased buildings	(261,027)	(94,919)	-	(355,946)
Right-to-use leased equipment	(46,665)	(46,419)	-	(93,084)
Right-to-use IT subscriptions	(50,195)	(153,588)	-	(203,783)
Total accumulated depreciation/amortization	(88,983,402)	(4,018,259)	525,676	(92,475,985)
Total capital assets being depreciated/amortized, net	52,193,242	2,671,428	-	54,864,670
Governmental activities capital assets, net	\$ 63,467,276	\$ 9,897,650	\$ (5,361,056)	\$ 68,003,870

Depreciation/amortization was charged to the functions as follows for the year ended June 30, 2024:

General government	\$ 248,986
Public safety	893,334
Public works	2,626,829
Parks and recreation	150,357
Community development	39,900
Internal Service Funds	58,853
Total governmental activities depreciation/amortization expense	\$ 4,018,259

NOTE 5 – CAPITAL ASSETS (Continued)

B. Business-type Activities

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

	Beginning Balances	Additions	Retirements/ Adjustments	Ending Balances
Business-type activities				
Capital assets not being depreciated/amortized:				
Land	\$ -	\$ 554,025	\$ -	\$ 554,025
Construction in progress	625,000	-	(625,000)	-
Total capital assets not being depreciated/amortized	625,000	554,025	(625,000)	554,025
Capital assets being depreciated/amortized:				
Buildings and improvements	284,182	111,315	-	395,497
Machinery and equipment	823,809	210,276	-	1,034,085
Intangible assets				
Right-to-use leased buildings	68,203	-	-	68,203
Total capital assets being depreciated/amortized	1,176,194	321,591	-	1,497,785
Less accumulated depreciation/amortization for:				
Buildings and improvements	(269,587)	(4,752)	-	(274,339)
Machinery and equipment	(245,028)	(113,499)	-	(358,527)
Intangible assets				
Right-to-use leased buildings	(20,052)	(13,641)	-	(33,693)
Total accumulated depreciation/amortization	(534,667)	(131,892)	-	(666,559)
Total capital assets being depreciated/amortized, net	641,527	189,699	-	831,226
Business-type activities capital assets, net	<u>\$ 1,266,527</u>	<u>\$ 743,724</u>	<u>\$ (625,000)</u>	<u>\$ 1,385,251</u>

Depreciation/amortization was charged to the funds as follows for the year ended June 30, 2024:

Ambulance	\$ 130,743
Pioneer Village	<u>1,149</u>
Total business-type activities depreciation/amortization expense	<u>\$ 131,892</u>

NOTE 6 – INTERFUND BALANCES AND ACTIVITY

A. Interfund Payables and Interfund Receivables

Balances due to and due from other funds at June 30, 2024, consisted of the following, each of which consist of short-term cash deficits expected to be recouped through grant reimbursements, additional program revenue exceeding expenditures, or through a subsidy from the General Fund.

<u>Fund Name</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Governmental Funds:		
General Fund	\$ 1,553,269	\$ -
Nonmajor Special Revenue Funds:		
CMAQ Grant Fund	-	72,075
CDBG Grant Fund	-	305,100
ABC Grant Fund	-	12,231
DOJ Byres Grant Fund	-	2,476
ACT Program Fund	-	75,071
High Speed Rail CVTC Fund	-	499,357
Transit Oriented Development Fund	-	6,000
USDA RBDG Fund	-	5,800
SB2 Planning Grant Program Fund	-	47,938
Housing Authority Fund	1,180,364	-
FEMA Fire Grant Fund	-	87,352
Prop 68 Park Grant Fund	-	129,300
Nonmajor Enterprise Funds:		
Pioneer Village Fund	-	40,194
Cultural Arts Fund	-	129,077
Internal Service Funds		
Employee Benefits Fund	-	141,298
Fiduciary Funds:		
Redevelopment Successor Agency Private-Purpose Trust Fund	-	1,180,364
Total Interfund Balances	<u>\$ 2,733,633</u>	<u>\$ 2,733,633</u>

All amounts due are scheduled to be repaid within one year.

NOTE 6 – INTERFUND BALANCES AND ACTIVITY (Continued)

B. Transfers To and From Other Funds

The purpose of the majority of transfers is to reimburse a fund that has made an expenditure on behalf of another fund. The total transfers are as follows:

<u>Fund Name</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund	\$ 5,087,619	\$ 2,394,996
Capital Projects Fund	7,680,649	-
Nonmajor Special Revenue Funds:		
Citizens' Tax Initiative - Measure S Fund	-	1,873,962
Public Safety Fund	-	70,000
AB 1913 Grant Fund	-	12,140
Street Gas Tax Fund	-	4,652
Street Measure C Fund	-	509,130
Landscape and Lighting Assessment Fund	-	8,440
CDBG Grant Fund	23,974	-
ACT Program Fund	-	14,229
FEMA Disaster Grant	-	13,955
Street Maintenance Special Revenue Fund	-	63,720
Nonmajor Debt Service Funds:		
Debt Service Fund	917,488	7,041,422
Major Enterprise Funds:		
Ambulance Fund	-	1,406,771
Transit Fund	-	314,859
Nonmajor Enterprise Funds:		
Pioneer Village Fund	15,000	927
Cultural Arts Fund	51,600	5,238
Internal Service Funds:		
Fleet Maintenance Fund	-	20,976
Building and Utility Fund	-	20,913
Total Transfers	<u>\$ 13,776,330</u>	<u>\$ 13,776,330</u>

NOTE 6 – INTERFUND BALANCES AND ACTIVITY (Continued)

C. Internal Balances

Internal balances are presented in the government-wide financial statements only. They represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental and business-type activities.

NOTE 7 – LONG-TERM LIABILITIES

The following is a summary of changes in the City's long-term liabilities for the fiscal year ended June 30, 2024:

	Balance at July 1, 2023 (Restated)	Increases	Decreases	Balance at June 30, 2024	Due Within One Year
Governmental activities:					
1994 Revenue Bonds	\$ 90,000	\$ -	\$ (90,000)	\$ -	\$ -
2017 General Obligations Bonds	3,575,000	-	(185,000)	3,390,000	-
2017 General Obligations Bonds - Premium	105,475	-	(4,395)	101,080	-
Subtotal	<u>3,770,475</u>	<u>-</u>	<u>(279,395)</u>	<u>3,491,080</u>	<u>-</u>
<i>Direct placements and borrowings:</i>					
2015 Lease Revenue Bonds	<u>2,622,578</u>	<u>-</u>	<u>(257,205)</u>	<u>2,365,373</u>	<u>265,153</u>
2022 Pension Obligation Bond	<u>14,583,000</u>	<u>-</u>	<u>(28,000)</u>	<u>14,555,000</u>	<u>298,000</u>
2024A Lease Revenue Bond	<u>-</u>	<u>7,282,000</u>	<u>-</u>	<u>7,282,000</u>	<u>137,000</u>
Financed Purchases:					
2016 Fire Truck	168,753	-	(54,656)	114,097	56,236
Danko Wildland Vehicle	84,651	-	(41,490)	43,161	43,161
PD MDT Equipment	-	139,355	-	139,355	55,793
Total Financed Purchases	<u>253,404</u>	<u>139,355</u>	<u>(96,146)</u>	<u>296,613</u>	<u>155,190</u>
<i>Total direct placement and borrowings and financed purchases</i>	<u>17,458,982</u>	<u>7,421,355</u>	<u>(381,351)</u>	<u>24,498,986</u>	<u>855,343</u>
Leases payable	147,629	414,063	(189,963)	371,729	122,876
Subscriptions payable	197,288	-	(29,333)	167,955	123,765
Compensated absences	<u>1,044,338</u>	<u>1,079,484</u>	<u>(816,101)</u>	<u>1,307,721</u>	<u>413,585</u>
Total governmental activities	<u>\$ 22,618,712</u>	<u>\$ 8,914,902</u>	<u>\$ (1,696,143)</u>	<u>\$ 29,837,471</u>	<u>\$ 1,515,569</u>
Business-type activities:					
Leases payable	\$ 35,322	\$ -	\$ (35,322)	\$ -	\$ -
Compensated absences	<u>308,447</u>	<u>100,431</u>	<u>(194,002)</u>	<u>214,876</u>	<u>104,595</u>
Total business-type activities	<u>\$ 343,769</u>	<u>\$ 100,431</u>	<u>\$ (229,324)</u>	<u>\$ 214,876</u>	<u>\$ 104,595</u>

NOTE 7 – LONG-TERM LIABILITIES (Continued)

A. 1994 Revenue Bonds

On December 23, 2015, the City of Selma issued \$4,344,619 Lease Obligation Refunding Bonds with an average interest rate of 3.09% to advance refund \$3,940,000 of outstanding 2010 Lease Revenue Refunding Bonds with an average interest rate of 7.00% and partial refunding of 1994 Revenue Bonds of \$450,000 with an average interest rate of 6.0%. The interest is payable semi-annually on February 1st and August 1st, commencing February 1, 2016. The bonds mature annually at various amounts through February 1, 2030. The bond program continues to be in default of its debt service reserve requirement, but the trustee believes there are sufficient assets remaining in Trust to service the remaining Bonds Outstanding. The bonds are payable from revenues and all other money deposited in any fund or account pursuant to this indenture. The 1994 revenue bonds were paid off during fiscal year 2024.

The Bonds were issued to partially refinance the City of Selma Financing Authority's previously issued 1994 Revenue Bonds in the principal amount of \$450,000, of which \$380,000 remained outstanding at June 30, 2016. As a result, the \$450,000 is considered defeased and the liability for this issue has been removed from the Long-Term Liabilities of the Governmental Activities Debt.

B. Series 2017 General Obligation Bonds

On July 6, 2017, the City of Selma issued \$4,000,000 Series 2017 General Obligation Bonds, bearing interest rates varying from 2.0% to 4.0% payable semi-annually on February 1, and August 1, commencing February 1, 2018. The bonds mature annually at various amounts through August 1, 2047. The bonds are general obligations of the City. Payable solely from property taxes levied by the City and collected by the County of Fresno. The principal balance on Series 2017 General Obligation Bonds at June 30, 2024 was \$3,390,000.

The Bonds are being issued to finance the costs of acquiring and constructing a new police station and associated improvements, and to pay the costs of issuing the Bonds. The bonds were authorized at an election of the registered voters of the City held on November 6, 2016 at which more than two-thirds of the persons voting on the proposition voted to authorize the issuance and sale of the bonds.

There is a provision in the loan whereby in the event of default, the unpaid aggregate principal components of the loan and the interest accrued thereon, will become immediately due and payable.

NOTE 7 – LONG-TERM LIABILITIES (Continued)

B. Series 2017 General Obligation Bonds (Continued)

The annual debt service requirements for the Series 2017 General Obligation Bonds are as follows:

<u>Fiscal Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ 64,106	\$ 64,106
2026	95,000	126,788	221,788
2027	100,000	123,363	223,363
2028	100,000	119,363	219,363
2029	105,000	115,263	220,263
2030-2034	600,000	511,838	1,111,838
2035-2039	725,000	388,969	1,113,969
2040-2044	855,000	248,263	1,103,263
2045-2048	810,000	66,400	876,400
Total	<u>\$ 3,390,000</u>	<u>\$ 1,764,353</u>	<u>\$ 5,154,353</u>

C. Series 2015 Refunding Lease Obligations

On December 23, 2015, the City of Selma issued \$4,344,619 Series 2015 Refunding Lease Obligations Bonds, bearing interest of 3.09% payable semi-annually on February 1st and August 1st, commencing February 1, 2016. The bonds mature annually at various amounts through February 1, 2032. The bonds are payable from revenues and all other monies on deposit in any fund or account pursuant to this indenture. The principal balance on the Series 2015 Refunding Lease Obligation Bond at June 30, 2024 was \$2,365,373.

The Bonds were issued to refinance the City of Selma Financing Authority's previously issued 2010 Lease Revenue Refunding Bonds outstanding of \$3,940,000 and partial refinance of their 1994 Revenue Bonds of \$450,000. As a result, the 2010 Lease Revenue Refunding Bonds and the \$450,000 1994 Revenue Bonds are considered defeased and the liability for these issues have been removed from the Long-Term Liabilities of the Governmental Activities.

There is a provision in the loan whereby in the event of default, the unpaid aggregate principal components of the loan and the interest accrued thereon, will become immediately due and payable.

The annual debt service requirements for the Series 2015 Refunding Lease Obligations are as follows:

<u>Fiscal Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 265,153	\$ 73,090	\$ 338,243
2026	273,346	64,897	338,243
2027	281,793	56,450	338,243
2028	290,500	47,743	338,243
2029	299,476	38,767	338,243
2030-2032	955,105	59,624	1,014,729
Total	<u>\$ 2,365,373</u>	<u>\$ 340,571</u>	<u>\$ 2,705,944</u>

NOTE 7 – LONG-TERM LIABILITIES (Continued)

D. Series 2022 Taxable Pension Obligation Bonds

On August 30, 2022, the City of Selma issued \$14,583,000 Series 2022 Taxable Pension Obligation Bonds, bearing interest of 4.30% payable semi-annually on February 1st and August 1st, commencing August 1, 2024. The bonds mature annually at various amounts through August 1, 2043. The bonds are payable from revenues and all other monies on deposit in any fund or account pursuant to this indenture. The principal balance on the Series 2022 Taxable Obligation Bonds at June 30, 2024 was \$14,555,000.

The Bonds were issued to refund a portion of the City's pension obligations to the California Public Employees' Retirement System (CalPERS).

There is a provision in the loan whereby in the event of default, the unpaid aggregate principal components of the loan and the interest accrued thereon, will become immediately due and payable.

The annual debt service requirements for the Series 2022 Taxable Pension Obligation Bonds are as follows:

<u>Fiscal Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 298,000	\$ 619,458	\$ 917,458
2026	311,000	606,365	917,365
2027	325,000	592,691	917,691
2028	339,000	578,415	917,415
2029	354,000	563,515	917,515
2030-2034	2,722,000	2,540,225	5,262,225
2035-2039	4,557,000	1,721,226	6,278,226
2040-2044	<u>5,649,000</u>	<u>628,123</u>	<u>6,277,123</u>
Total	<u>\$ 14,555,000</u>	<u>\$ 7,850,018</u>	<u>\$ 22,405,018</u>

E. Series 2024A Lease Revenue Bond

On March 15, 2024, the City of Selma issued \$7,282,000 Series 2024A Lease Revenue Bonds, bearing interest of 4.93% payable semi-annually on February 1st and August 1st, commencing August 1, 2024. The bonds mature annually at various amounts through February 1, 2049. The bonds are payable from revenues and all other monies on deposit in any fund or account pursuant to this indenture. The principal balance on the Series 2024A Lease Revenue Bonds at June 30, 2024 was \$7,282,000.

The Bonds were issued to finance the acquisition, construction, and improvement of wastewater collection infrastructure projects in the City for the purpose of future development.

There is a provision in the loan whereby in the event of default, the unpaid aggregate principal components of the loan and the interest accrued thereon, will become immediately due and payable.

NOTE 7 – LONG-TERM LIABILITIES (Continued)

E. Series 2024A Lease Revenue Bond (Continued)

The annual debt service requirements for the Series 2024A Lease Revenue Bonds are as follows:

<u>Fiscal Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 137,000	\$ 315,125	\$ 452,125
2026	162,000	352,249	514,249
2027	170,000	344,262	514,262
2028	179,000	335,881	514,881
2029	187,000	327,056	514,056
2030-2034	1,084,000	1,487,381	2,571,381
2035-2039	1,379,000	1,192,567	2,571,567
2040-2044	1,754,000	817,345	2,571,345
2045-2049	2,230,000	340,417	2,570,417
Total	<u>\$ 7,282,000</u>	<u>\$ 5,512,283</u>	<u>\$ 12,794,283</u>

F. Financed Purchases

The City has entered into multiple lease agreements for financing the acquisition of police vehicles, fire trucks, police and fire equipment, and computer equipment. The titles to the assets are transferred to the City after the last payment and, accordingly, are not considered leases in accordance with GASB 87 – *Leases*. Rather, each of these agreements are considered financed purchases for accounting purposes. These financed purchases have interest rates varying from 2.4% to 3.68%, with the final payment on these leases due in 2028.

There is a provision in the financed purchase agreement whereby in the event of default, the City could be required to return the financed assets to the seller. The City's financed purchases are as follows:

2016 Financed Purchase for Fire Truck

In March 2016 the City entered into a financed purchase agreement with Santander Leasing for a fire truck with a purchase price of \$510,694. Annual payments of \$59,533 for 10 years. The effective interest rate is 3.42% per annum. The balance outstanding at June 30, 2024, was \$114,097.

The annual debt service requirements for the 2016 financed purchase for the fire truck at June 30, 2024 are as follows:

<u>Fiscal Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 56,236	\$ 3,297	\$ 59,533
2026	<u>57,861</u>	<u>1,672</u>	<u>59,533</u>
Total	<u>\$ 114,097</u>	<u>\$ 4,969</u>	<u>\$ 119,066</u>

NOTE 7 – LONG-TERM LIABILITIES (Continued)

F. Financed Purchases (Continued)

2020 Financed Purchase for Danko Wildland Vehicle

In March 2020, the City entered into a financed purchase agreement with Umpqua Bank for the acquisition of a Danko emergency vehicle with a purchase price of \$201,019. The agreement calls for semi-annual payments of \$21,922 for five years. The effective interest rate is 3.16%. The balance outstanding at June 30, 2024 is \$43,161.

The annual debt service requirements for the emergency vehicle at June 30, 2024 are as follows:

<u>Fiscal Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 43,161	\$ 684	\$ 43,845
Total	<u>\$ 43,161</u>	<u>\$ 684</u>	<u>\$ 43,845</u>

2024 Financed Purchase for Police Equipment

In May 2024, the City entered into a financed purchase agreement with NCL Government Capital for police equipment with a purchase price of \$139,355. The agreement calls for annual payments of \$31,667. The effective interest rate is 6.70%. The balance outstanding at June 30, 2024 is \$139,355.

The annual debt service requirements for the police equipment at June 30, 2024 are as follows:

<u>Fiscal Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 55,793	\$ 6,763	\$ 62,556
2026	26,068	5,599	31,667
2027	27,815	3,852	31,667
2028	<u>29,679</u>	<u>1,988</u>	<u>31,667</u>
Total	<u>\$ 139,355</u>	<u>\$ 18,202</u>	<u>\$ 157,557</u>

NOTE 7 – LONG-TERM LIABILITIES (Continued)

G. Compensated Absences

The liability for vested leave (vacation, compensated time off, holiday) earned but not used in governmental funds is expensed and established as a liability and is reported in the government-wide Statement of Net Position in the governmental activities column. Vested leave of proprietary funds (ambulance fund) is recorded as an expense and liability of that fund as the benefits accrue. No liability is recorded for non-vesting leave such as sick leave.

H. Fiduciary Long-Term Debt

The following is a summary of changes in the Redevelopment Successor Agency's long-term liabilities for the fiscal year ended June 30, 2024:

	Balance at June 30, 2023	Increases	Decreases	Balance at June 30, 2024	Due Within One Year
2010A Tax Allocation Bonds	\$ 760,000	\$ -	\$ (370,000)	\$ 390,000	\$ 390,000
<i>Direct placements and borrowings:</i>					
2001 Industrial Park Limited Obligation Improvement Bonds	2,490,000	-	(85,000)	2,405,000	90,000
<i>Total direct placement and borrowings</i>	<u>2,490,000</u>	<u>-</u>	<u>(85,000)</u>	<u>2,405,000</u>	<u>90,000</u>
Total long-term liabilities	<u>\$ 3,250,000</u>	<u>\$ -</u>	<u>\$ (455,000)</u>	<u>\$ 2,795,000</u>	<u>\$ 480,000</u>

2010A Tax Allocation Bonds

The former Selma Redevelopment Agency issued \$3,600,000 tax allocation bonds, with the rate of 2.875-5.750% to refund previous refunding bonds 2001A and 2004A. The bonds mature in September 2024. Bonds outstanding at June 30, 2024 were \$390,000 and are held in the City's Redevelopment Successor Agency Private-Purchase Trust Funds. There is a provision in the loan whereby in the event of default, the unpaid aggregate principal components of the loan and the interest accrued thereon, will become immediately due and payable.

The annual debt service requirements for the 2010A Tax Allocation Bonds June 30, 2024 were as follows:

Fiscal Years Ending June 30	Principal	Interest	Total
2025	\$ 390,000	\$ 11,213	\$ 401,213
Totals	<u>\$ 390,000</u>	<u>\$ 11,213</u>	<u>\$ 401,213</u>

NOTE 7 – LONG-TERM LIABILITIES (Continued)

H. Fiduciary Long-Term Debt (Continued)

2001 Industrial Park Limited Obligation Improvement Bonds

The former Selma Redevelopment Agency issued limited obligation bonds in the amount of \$3,561,890. The interest rate was 5% and the final payment is scheduled for September 2040. Bonds outstanding at January, 2012 were transferred to the Successor Agency on February 1, 2012 due to the dissolution of the Redevelopment Agency. The balance outstanding at June 30, 2024 was \$2,405,000 and is held in the City's Redevelopment Successor Agency Private-Purpose Trust Funds. There is a provision in the loan whereby in the event of default, the unpaid aggregate principal components of the loan and the interest accrued thereon, will become immediately due and payable.

The annual debt service requirements for the 2001 Industrial Park Limited Obligation Bonds June 30, 2024 are as follows:

<u>Fiscal Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 90,000	\$ 118,000	\$ 208,000
2026	95,000	113,375	208,375
2027	100,000	108,500	208,500
2028	105,000	103,375	208,375
2029	110,000	98,000	208,000
2030-2034	630,000	400,500	1,030,500
2035-2039	810,000	221,750	1,031,750
2040-2044	<u>465,000</u>	<u>25,625</u>	<u>490,625</u>
Totals	<u>\$ 2,405,000</u>	<u>\$ 1,189,125</u>	<u>\$ 3,594,125</u>

NOTE 8 – LEASES

A. Leases as Lessor

In January 2014, the City leased two parcels of land to a third party. The lease, which is recorded in the General Fund, has an initial lease term of five years with four five-year extensions, all of which the City anticipates exercising. The City receives an average monthly payment of \$1,743 for the lease. The City recognized \$14,342 in lease revenue and \$8,076 in interest revenue during the current fiscal year related to this lease. As of June 30, 2024, the City's receivable for lease payments was \$241,517. Also, the City has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2024, the balance of the deferred inflow of resources was \$207,955.

In November 2005, the City leased 14,000 square feet of real property to a third party. The lease, which is split 50% to the Pioneer Village Fund and 50% to the Cultural Arts Fund, has an initial lease term of 26 years with two five-year extensions. The City received payments of \$1,600 per month. The City recognized \$7,042 in lease revenue and \$13,685 in interest revenue during the current fiscal year related to this lease. As of June 30, 2024, the City's receivable for lease payments was \$192,479. Also, the City has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2024, the balance of the deferred inflow of resources was \$122,068.

NOTE 8 – LEASES (Continued)

B. Leases as Lessee

In November 2019, the City entered into a five-year lease agreement as lessee for copy machines, which is recorded in the General Overhead Fund. An initial lease liability was recorded in the amount of \$63,748 during fiscal year 2020. As of June 30, 2024, the value of the lease liability was \$4,717. The City is required to make monthly principal and interest payments of \$1,119. The lease has an interest rate of 4.75%. The copy machines have an estimated useful life of five-years. The value of the right-to-use asset as of the end of the current fiscal year was \$4,333 and had accumulated amortization of \$59,415.

In October 2020, the City entered into a one-year lease agreement with three one-year extensions that the City anticipates exercising, as lessee for the CVTC building lease. This lease is recorded as a governmental activity and had an initial lease liability in the amount of \$379,674. As of June 30, 2024, the value of the lease liability was \$24,653. The City is required to make monthly principal and interest payments averaging \$8,262. The lease has an interest rate of 3.25%. The building has an estimated useful life of four years. The value of the right-to-use asset as of the end of the current fiscal year was \$23,728 and had accumulated amortization of \$355,946.

In January 2022, the City entered into a three-year lease agreement as lessee for an ambulance storage facility. This lease is recorded in the Ambulance Fund and had an initial lease liability in the amount of \$55,895. As of June 30, 2024, the City prepaid its lease through December 2024. The City is required to make monthly principal and interest payments averaging \$1,931. The lease had an interest rate of 3.25%. The storage facility has an estimated useful life of three years. The value of the right-to-use asset as of the end of the current fiscal year was \$34,510 and had accumulated amortization of \$33,693.

In December 2023, the City entered into a five-year lease agreement as lessee for police body worn cameras. This lease is recorded in the Measure S Fund and had an initial lease liability in the amount of \$298,967. As of June 30, 2024, the value of the lease liability was \$227,264. The City is required to make annual principal and interest payments of \$69,381. The lease has an interest rate of 8.50%. The body worn cameras have an estimated useful life of five years. The value of the right-to-use asset as of the end of the current fiscal year was \$266,679 and had accumulated amortization of \$32,288.

In June 2024, the City entered into a five-year lease agreement as the lessee for two vehicles. This lease is recorded in the General Fund and the Building and Utility Internal Service Fund, with initial lease liabilities of \$57,851 and \$57,245, respectively. As of June 30, 2024, the lease liabilities were at \$57,850 and \$57,245, respectively. The City is required to make monthly principal and interest payments of \$617 and \$1,149. The lease carries an interest rate of 8.50%. The vehicles have an estimated useful life of five years. As of June 30, 2024 the value of the right-to-use assets were \$57,157 and \$56,558, with accumulated amortization of \$694 and \$687, respectively.

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

Fiscal Years Ending June 30	Governmental Activities		
	Principal	Interest	Total
2025	\$ 122,876	\$ 26,133	\$ 149,009
2026	70,024	20,550	90,574
2027	76,030	14,545	90,575
2028	82,551	8,024	90,575
2029	20,248	944	21,192
Totals	<u>\$ 371,729</u>	<u>\$ 70,196</u>	<u>\$ 441,925</u>

NOTE 9 – SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

A. SBITAs as Lessee

In fiscal year 2023, the City entered into a two-year SBITA as lessee for management software, which has been recorded in the General Fund. An initial SBITA liability was recorded in the amount of \$21,607 during fiscal year 2023. As of June 30, 2024, the value of the SBITA liability was \$9,331. The City is required to make monthly principal and interest payments of \$960. The SBITA has an interest rate of 6.25%. The software has a two-year subscription term. The value of the right-to-use software as of the end of the current fiscal year was \$9,074 and had accumulated amortization of \$12,533. In accordance with GASB 96, certain variable and other payments are not included in the measurement of the subscription liability. There were no variable or other payments in the current year.

In fiscal year 2023, the City entered into a three-year SBITA as lessee for human resources software, which has been recorded in the General Fund. An initial SBITA liability was recorded in the amount of \$204,795 during fiscal year 2023. As of June 30, 2024, the value of the SBITA liability was \$95,537. The City is required to make annual principal and interest payments ranging from \$61,124 through \$110,562, in fiscal years 2023 through 2025. The SBITA has an interest rate of 7.50%. The software has a three-year subscription term. The value of the right-to-use software as of the end of the current fiscal year was \$105,811 and had accumulated amortization of \$94,387. In accordance with GASB 96, certain variable and other payments are not included in the measurement of the subscription liability. There were no variable or other payments in the current year.

In fiscal year 2023, the City entered into a five-year SBITA as lessee for budget software, which has been recorded in the General Fund. An initial SBITA liability was recorded in the amount of \$81,844 during fiscal year 2023. As of June 30, 2024, the value of the SBITA liability was \$63,087. The City is required to make annual principal and interest payments of approximately \$21,000 each year. The SBITA has an interest rate of 5.00%. The software has a four and a half-year subscription term. The value of the right-to-use software as of the end of the current fiscal year was \$103,855 and had accumulated amortization of \$34,619. In accordance with GASB 96, certain variable and other payments are not included in the measurement of the subscription liability. There were no variable or other payments in the current year.

In fiscal year 2023, the City entered into a five-year SBITA as lessee for permitting software, which has been paid in advance and is recorded in the General Fund. The software has a four-year subscription term. The value of the right-to-use software as of the end of the current fiscal year was \$97,356 and had accumulated amortization of \$62,244. In accordance with GASB 96, certain variable and other payments are not included in the measurement of the subscription liability. There were no variable or other payments in the current year.

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

Fiscal Years Ending June 30	Governmental Activities		
	Principal	Interest	Total
2025	\$ 123,765	\$ 14,906	\$ 138,671
2026	20,944	2,210	23,154
2027	23,246	1,162	24,408
Totals	<u>\$ 167,955</u>	<u>\$ 18,278</u>	<u>\$ 186,233</u>

NOTE 10 – PENSION PLAN

A. General Information

Plan Description

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

Benefits Provided

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

	Miscellaneous		
	1st Tier	PEPRA	
	Prior to	Prior to	
Hire date	January 1, 2013	January 1, 2013	
Benefit formula	2.7% @ 55	2% @ 62	
Benefit vesting schedule	5 years service	5 years service	
Benefit payments	monthly for life	monthly for life	
Retirement age	50 - 63	52 - 67	
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%	
Required employee contribution rates	8.000%	7.750%	
Required employer contribution rates	15.170%	7.680%	

	Safety		
	1st Tier	PEPRA Police	PEPRA Fire
	Prior to	Prior to	Prior to
Hire date	January 1, 2013	January 1, 2013	January 1, 2013
Benefit formula	2% @ 50	2.7% @ 57	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57	50 - 57
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	9.000%	13.750%	13.750%
Required employer contribution rates	19.950%	13.540%	13.540%

NOTE 10 – PENSION PLAN (Continued)

A. General Information (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability.

The dollar amounts are billed on a monthly basis. The City did not require a contribution for the unfunded liability for the fiscal year ended June 30, 2024.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of the employees.

The City's contributions to the plan recognized as pension expense for the year ended June 30, 2024 were \$17,101,672.

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

As of June 30, 2024 the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$5,633,183.

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2023, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2022 and 2023 was as follows:

Proportion - June 30, 2022	0.1670%
Proportion - June 30, 2023	0.0452%
Change - Increase (Decrease)	(0.1218%)

For the year ended June 30, 2024 the City recognized pension expense of \$4,157,380. At June 30, 2024 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,328,682	\$ -
Changes of assumptions	333,293	-
Differences between actual and expected experience	363,300	39,097
Net differences between projected and actual earnings on plan investments	827,319	-
Change in employer's proportion	37,636	7,775,769
Differences between the employer's actual contributions and the employer's proportionate share of contributions	10,672,629	351,534
Total	<u>\$ 13,562,859</u>	<u>\$ 8,166,400</u>

NOTE 10 – PENSION PLAN (Continued)

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

\$1,328,682 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2025	\$ 1,268,860
2026	1,246,165
2027	1,529,371
2028	23,381
2029	-
Thereafter	-

C. Actuarial Assumptions

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

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

⁽¹⁾ Net of pension plan investment expenses, including inflation

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

NOTE 10 – PENSION PLAN (Continued)

D. Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset Allocation	Real Return Years 1-10 (1,2)
Global equity – cap-weighted	30.0%	4.54%
Global equity non-cap-weighted	12.0%	3.84
Private Equity	13.0%	7.28
Treasury	5.0%	0.27
Mortgage-backed Securities	5.0%	0.50
Investment Grade Corporates	10.0%	1.56
High Yield	5.0%	2.27
Emerging Market Debt	5.0%	2.48
Private Debt	5.0%	3.57
Real Assets	15.0%	3.21
Leverage	-5.0%	-0.59
Total	100.0%	

⁽¹⁾ An expected inflation of 2.30% used for this period.

⁽²⁾ Figures are based on the 2021-22 Asset Liability Management study.

NOTE 10 – PENSION PLAN (Continued)

D. Discount Rate (Continued)

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

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

Discount Rate -1%	Current Discount	Discount Rate +1%
5.90%	Rate 6.90%	7.90%
\$ 15,264,340	\$ 5,633,183	\$ (2,260,272)

E. Pension Plan Fiduciary Net Position

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

F. Payable to the Pension Plan

The City had \$485,791 of contributions payable to the pension plan as of June 30, 2024.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The City participates in the CalPERS medical program under the Public Employees’ Medical and Hospital and Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS, which requires (1) attainment of age 50 (age 52, if a new miscellaneous member to CalPERS on or after January 1, 2013) with 5 years of State or public agency service or (2) an approved disability retirement.

The City offers medical, dental, and vision coverage to qualifying retirees. The City is obligated to contribute toward the cost of retiree medical coverage for the retiree’s lifetime or until coverage is discontinued. The City has an “unequal contribution” resolution with CalPERS, executed in 2001. This resolution defines the City’s contribution toward active employee medical premiums to be the PEMHCA minimum employer contribution (MEC). The MEC was \$157 per month in 2024.

The City’s contribution toward retiree medical benefits is determined by multiplying together the following three items:

- 5% times
- The number of prior years the employer has been contracted with PEMHCA times.
- The contribution the employer provides for active employees (i.e., the MEC).

The amount payable by the City for retirees is \$157 per month for 2024.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

B. Employees Covered

As of June 30, 2022 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

Active employees	114
Inactive employees, spouses, or beneficiaries currently receiving benefit payments	32
Inactive employees entitled to, but not yet receiving benefits	<u>-</u>
Total	<u>146</u>

C. Net OPEB Liability

The City’s net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022.

Actuarial Assumptions

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial methods of assumptions:

Measurement Date	June 30, 2023
Valuation Date	June 30, 2022
Funding Method	Entry Age Normal Cost, level percentage of pay
Asset Valuation Method	N/A; the plan is not being funded through a trust
Municipal Bond Index	Fidelity Municipal Bond AA 20 Year Maturity Yield
Discount Rate	3.86% as of June 30, 2023 3.69% as of June 30, 2022
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this evaluation.
Salary Increase	3.0% per year, since benefits do not depend on salary, this is used only to allocate the cost of benefits between service years.
General Inflation Rate	2.5% per year
Healthcare Cost Trend Rates	6.50% as of January 1, 2025, decreasing .10% per year to 4.90% for years 2076 and thereafter.
Mortality Improvements	MacLeod Watts Scale 2022 generationally from 2017.
Medicare Eligibility	Absent contrary data, all individuals are assumed to be eligible for Medicare Part A and Part B at age 65.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

D. Discount Rate

The City is currently financing its OPEB liability on a pay-as-you-go basis. The discount rate used in this valuation is based on the Fidelity Muni Bond AA 20 Year maturity yield. As of the beginning and end of the Measurement Period, use of this index results in discount rates of 3.69% as of June 30, 2023 and 3.89% as of June 30, 2024.

Changes in the OPEB Liability

The changes in the net OPEB liability for the Plan were as follows:

	Increase (Decrease)		
	Total OPEB Liability	OPEB Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2023 (Measurement Date June 30, 2022)	<u>\$ 4,380,406</u>	<u>\$ -</u>	<u>\$ 4,380,406</u>
Changes recognized for the measurement period:			
Service cost	359,265	-	359,265
Interest on total OPEB liability	172,355	-	172,355
Changes of assumptions	(112,126)	-	(112,126)
Contributions:			
Employer - City's contribution	-	67,143	(67,143)
Employer - Implicit subsidy	-	70,438	(70,438)
Benefit payments, including refunds of employee contributions	(67,143)	(67,143)	-
Implicit rate subsidy fulfilled	(70,438)	(70,438)	-
Net changes	<u>281,913</u>	<u>-</u>	<u>281,913</u>
Balance at June 30, 2024 (Measurement Date June 30, 2023)	<u><u>\$ 4,662,319</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,662,319</u></u>

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

The discount rate used for the fiscal year end 2024 is 3.86%. The following presents the net 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, 2023:

Discount Rate -1%	Current Discount Rate	Discount Rate +1%
2.86%	3.86%	4.86%
<u>\$ 5,383,929</u>	<u>\$ 4,662,319</u>	<u>\$ 4,077,400</u>

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

D. Discount Rate (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The healthcare cost trend was assumed to start at 6.5% (effective January 1, 2025) and grade down to 3.9% in the year 2076 and thereafter. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
\$ 3,966,153	\$ 4,662,319	\$ 5,551,522

Payable to the OPEB Plan

The City did not have any contributions payable to the OPEB plan June 30, 2024.

OPEB Expense and Deferred Outflows/Inflows Related to OPEB

For the fiscal year ended June 30, 2024, the City recognized OPEB expense of \$158,507. As of fiscal the year ended June 30, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 132,884	\$ -
Changes of assumptions	575,081	1,368,593
Differences between actual and expected experience	-	2,024,710
Total	<u>\$ 707,965</u>	<u>\$ 3,393,303</u>

The \$132,884 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2023 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Year Ended June 30	
2025	\$ (373,113)
2026	(328,464)
2027	(303,301)
2028	(339,409)
2029	(357,315)
Thereafter	(1,116,620)

NOTE 12 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The City has pension and OPEB-related items that qualify to be reported in deferred outflows of resources. The pension and OPEB-related deferred outflows of resources are described in detail in Notes 10 and 11, respectively.

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

The City has pension-related items that qualify to be reported in deferred inflows of resources. The pension-related deferred inflows of resources are described in detail in Note 10.

The City has OPEB-related items that qualify to be reported in deferred inflows of resources. The OPEB-related deferred inflows of resources are described in detail in Note 11.

The City has lease-related items that qualify to be reported in deferred inflows of resources. The lease-related deferred inflows of resources are described in detail in Note 8.

Unavailable revenues arise only under a modified accrual basis of accounting and are reported only in the governmental funds balance sheet. Deferred inflows of resources reported in the governmental funds for unavailable revenues were as follows on June 30, 2024:

<u>Fund Name</u>	<u>Unavailable Revenues</u>
Major Governmental Funds:	
Local Transportation Special Revenue Fund	\$ 1,865,977
Nonmajor Special Revenue Funds:	
AB 1913 Grant Fund	<u>94,663</u>
Total Unavailable Revenue	<u>\$ 1,960,640</u>

NOTE 13 – RISK MANAGEMENT

The City participates with other public entities in a joint venture under a joint powers agreement that established 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 workers' compensation claim through the CSJVRMA. The City has the right to receive dividends or the obligation to pay assessments based on a formula that, among other expenses, charges the City's account for liability losses under \$50,000 and workers' compensation losses under \$50,000. The CSJVRMA participates in an excess pool that provides general liability coverage from \$1,000,000 to \$29,000,000. The CSJVRMA participates in an excess pool that provides workers' compensation coverage from \$500,000 to \$5,000,000 and purchases excess reinsurance above \$5,000,000 to the statutory limit.

The CSJVRMA is a consortium of fifty-four (54) cities in the San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500 et seq. The 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.

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.

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

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

NOTE 14 – EMPLOYEE BENEFITS

Effective January 1, 2024, the City began operating a self-insured health benefits program for eligible employees and their dependents, covering both medical and pharmacy claims. The City contracts with third-party administrators to process and pay claims on its behalf.

The City records a liability for claims incurred but not reported (IBNR) to ensure the full cost of services rendered during the fiscal year is reflected in the financial statements. The IBNR estimate includes the expected cost of medical and pharmacy claims incurred prior to June 30, 2024, but paid after that date.

As of June 30, 2024, the City recorded an IBNR liability of \$176,377 in its Employee Benefits internal service fund. This estimate was developed by a qualified independent actuary using industry-standard completion factor methodologies and data provided by the City and its third-party administrators. Because the City's self-insured plan was newly implemented in 2024, the actuary relied on a combination of the City's limited claims data and external benchmarks to develop the liability. A margin for credibility was applied to account for the uncertainty inherent in a first-year program.

The City expects its IBNR estimates to become more accurate in future years as additional claims history is accumulated.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

A. Contingencies

The City participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

B. Litigation

The City is currently a party to various pending lawsuits and claims. These legal matters encompass a range of issues and are associated with expected losses that, individually, fall within the range of \$0 to \$400,000. The outcome of these legal proceedings remains uncertain, and the ultimate financial impact on the City will depend on their resolution.

Furthermore, the City participates in the CSJVRMA for general liability and workers' compensation coverages. In the event of any adverse financial outcomes resulting from these cases, the City has corresponding coverage in these insurance policies, which will help mitigate the financial impact.

For additional information regarding the City's risk management strategy and insurance coverage, please refer to Note 13 in the financial statements.

C. Federal Grant Programs

The City participates in a number of federally assisted grant programs. Receipts from these grant programs are subject to audit to determine if the monies were expended in accordance with the appropriate statutes, grant terms, and regulations. The City believes no significant liabilities would result from any such audits.

NOTE 16 – RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE

A. Error Correction

During the fiscal year ended 2024, the City identified an error in the prior-year financial statements related to an overstatement of grant receivables in the CMAQ Grant Fund, a nonmajor special revenue fund. A cash receipt totaling \$57,685 was received in prior fiscal years but was not properly recognized against the grant receivable at the time of receipt. As a result, the beginning fund balance of the CMAQ Grant Fund and the beginning net position of governmental activities have been restated accordingly.

Additionally, the City identified an error in the prior-year financial statements related to an overstatement of its subscription liability in governmental activities. The overstatement, totaling \$109,257, was recorded in the prior fiscal year but was erroneously recognized as a subscription liability in the accrual basis of accounting. As a result, the beginning net position of governmental activities have been restated accordingly.

NOTE 16 – RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE (Continued)

B. Fund Reclassifications – Major and Nonmajor Funds

During the fiscal year ended 2024, the City conducted an annual review of its fund structure. As part of this review and in compliance with GASB Statement No. 100, *Accounting Changes and Error Corrections*, the City identified necessary reclassifications to enhance transparency, improve financial reporting accuracy, and ensure consistency with updated accounting standards. As a result, the following funds were reclassified:

Fund Name	Previous Classification	New Classification	Reason for Reclassification
State-Funded Capital Projects	Major	Major and nonmajor	Merged into existing Capital Projects Fund, and segregated the Prop 68 Grant Fund as a nonmajor fund, as part of a fund simplification initiative.
Street Maintenance Fund	Major	Nonmajor	The decrease in overall activity caused the fund to no longer meet the criteria for a major fund, resulting in its reclassification as nonmajor.
AB74 Storm Drain Appropriation	Nonmajor	Major	The increase in activity in the current year met the criteria for a major fund designation.
Capital Projects Fund	Nonmajor	Major	The increase in activity, along with the consolidation of other funds in the current year, met the criteria for a major fund designation.

These reclassifications have been applied retrospectively to prior-period financial statements for comparability. The following table summarizes the impact of these reclassifications on beginning fund balances and net position:

Description	Fund Financial Statements					
	AB74 Storm Drain Appropriation	Street Maintenance	Capital Projects Fund	State-Funded Capital Projects	Nonmajor Governmental Funds	Government-Wide Activities
Fund balance, as previously reported, June 30, 2023	\$ -	\$ 2,345,152	\$ -	\$ 4,390,494	\$ 16,602,346	\$ 87,163,401
Error correction	-	-	-	-	(57,685)	51,572
Change from major to major fund	-	-	4,519,794	(4,519,794)	-	-
Change from nonmajor to major fund	(1,186)	-	703,174	-	(701,988)	-
Change from major to nonmajor fund	-	(2,345,152)	-	129,300	2,215,852	-
Fund balance, as restated, June 30, 2023	<u>\$ (1,186)</u>	<u>\$ -</u>	<u>\$ 5,222,968</u>	<u>\$ -</u>	<u>\$ 18,058,525</u>	<u>\$ 87,214,973</u>

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULES

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Budgetary Comparison Schedule

General Fund

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 14,224,500	\$ 14,224,500	\$ 13,990,263	\$ (234,237)
Licenses and permits	552,300	552,300	647,033	94,733
Intergovernmental	108,638	258,638	185,200	(73,438)
Charges for services	1,008,575	1,043,575	1,285,494	241,919
Fines	32,000	32,000	99,347	67,347
Franchise fees	1,118,100	1,118,100	1,171,830	53,730
Use of money and property	55,000	55,000	578,352	523,352
Miscellaneous	63,275	63,275	184,809	121,534
Total revenues	17,162,388	17,347,388	18,142,328	794,940
EXPENDITURES				
Current:				
General government	2,949,145	2,995,727	3,342,309	(346,582)
Public safety	12,358,021	12,396,643	12,964,123	(567,480)
Public works	1,568,625	1,586,838	1,738,822	(151,984)
Community development	1,930,034	1,973,599	1,383,954	589,645
Recreation	959,064	970,824	985,787	(14,963)
Capital outlay	2,834,678	2,882,273	995,689	1,886,584
Debt service:				
Principal	344,738	344,738	493,065	(148,327)
Interest and fiscal charges	970,525	970,525	126,357	844,168
Total expenditures	23,914,830	24,121,167	22,030,106	2,091,061
Excess (deficiency) of revenues over (under) expenditures	(6,752,442)	(6,773,779)	(3,887,778)	2,886,001
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt	-	-	356,818	356,818
Operating transfers in	5,073,664	5,129,664	5,087,619	(42,045)
Operating transfers out	(1,694,732)	(1,750,732)	(2,394,996)	(644,264)
Total other financing sources (uses)	3,378,932	3,378,932	3,049,441	(329,491)
Net change in fund balance	\$ (3,373,510)	\$ (3,394,847)	(838,337)	\$ 2,556,510
Fund balance - beginning			22,297,446	
Fund balance - ending			\$ 21,459,109	

The notes to the budgetary comparison schedules are an integral part of this statement.

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024
 Budgetary Comparison Schedule
 Local Transportation Fund

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Current:				
Capital outlay	469,000	469,000	15,278	453,722
Total expenditures	469,000	469,000	15,278	453,722
Net change in fund balance	<u>\$ (469,000)</u>	<u>\$ (469,000)</u>	(15,278)	<u>\$ 453,722</u>
Fund balance - beginning			<u>124,042</u>	
Fund balance - ending			<u>\$ 108,764</u>	

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Budgetary Comparison Schedule

AB74 Storm Drain Appropriation Fund

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	\$ 2,215,100	\$ 2,215,100	\$ 1,471,002	\$ (744,098)
Total revenues	<u>2,215,100</u>	<u>2,215,100</u>	<u>1,471,002</u>	<u>(744,098)</u>
EXPENDITURES				
Current:				
Capital outlay	<u>2,215,100</u>	<u>2,215,100</u>	<u>1,469,816</u>	<u>745,284</u>
Total expenditures	<u>2,215,100</u>	<u>2,215,100</u>	<u>1,469,816</u>	<u>745,284</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>1,186</u>	<u>1,186</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,186	<u>\$ 1,186</u>
Fund balance (deficit) - beginning, as previously presented			-	
Change within financial reporting entity (nonmajor to major fund)			(1,186)	
Fund balance (deficit) - beginning (restated)			<u>(1,186)</u>	
Fund balance (deficit) - ending			<u>\$ -</u>	

The notes to the budgetary comparison schedules are an integral part of this statement.

NOTE 1 – BUDGETARY INFORMATION

The City follows the following procedures, annually, in establishing the budgetary data reflected in the budgetary comparison schedules:

1. The City Manager submits to the City Council a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
2. The City Council reviews the proposed budget at specially scheduled sessions, which are open to the public. The Council also conducts a public hearing on the proposed budget to obtain comments from interested persons.
3. Prior to July 1, the budget is legally adopted through passage of an ordinance. This budget is reported as Original Budget in the budgetary comparison schedule.
4. During the fiscal year, changes to the adopted budget may be authorized, as follows:
 - a. Items requiring City Council action – appropriation of fund balance reserves; transfers of appropriations between funds; appropriation of any non-departmental revenue; new interfund loans or advances; and creation of new capital projects or increases to existing capital projects.
 - b. Items delegated to the City Manager – transfers between departments within funds; appropriation of unbudgeted departmental revenues; and approval of transfers which increase salary and benefit appropriations.
 - c. Items delegated to the department head – allocation of departmental appropriations to line-item level.
5. Formal budgetary integration is employed as a management tool for all funds. Annual budgets are legally adopted and amended as required for the general, special revenue, and enterprise funds. Project length budgets are adopted for the capital projects funds. All budgets are prepared on a basis consistent with generally accepted accounting principles (GAAP), and budgetary comparisons for the general and major special revenue funds are presented on that basis in the Required Supplementary Information. A debt service payment schedule for the debt service funds is also approved as part of the budget process.
6. Budget amounts are reflected after all authorized amendments and revisions. This budget is reported as the Final Budget in the budgetary comparison schedules.
7. For each legally adopted operating budget, expenditures may not exceed budgeted appropriations at the activity level. The legal appropriation basis is at the level called “department”. A “department” for legal appropriation purposes may be a single organization or an entire department having multiple organizations within the same fund, or an entire fund.

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

General Fund

Current:

General government	\$	346,582
Public safety		567,480
Public works		151,984
Recreation		14,963
Debt service:		
Principal		148,327

The expenditures in excess of appropriations were covered by available fund balance.

PENSION PLANS

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Cost-Sharing Multiple-Employer Defined Benefit Plan

Schedule of Proportionate Share of Net Pension Liability and Related Ratios as of the Measurement Date

Last 10 Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Proportion of the net pension liability	0.1561%	0.1545%	0.1541%	0.1516%	0.1552%	0.1566%	0.1553%	0.1932%	0.1670%	0.0452%
Proportionate share of the net pension liability	\$ 9,807,862	\$ 10,605,845	\$ 13,333,370	\$ 15,039,456	\$ 14,960,228	\$ 16,045,851	\$ 16,896,802	\$ 10,448,324	\$ 19,292,622	\$ 5,633,183
Covered payroll	\$ 4,971,474	\$ 5,067,196	\$ 5,180,244	\$ 5,245,257	\$ 5,221,695	\$ 5,772,652	\$ 6,508,727	\$ 6,797,007	\$ 7,056,196	\$ 8,773,824
Proportionate share of the net pension liability as a percentage of covered payroll	197.28%	209.30%	257.39%	286.72%	286.50%	277.96%	259.60%	153.72%	273.41%	64.20%
Plan fiduciary net position as a percentage of the plan's total pension liability	0.00%	76.44%	71.54%	70.65%	72.04%	71.43%	71.47%	83.25%	71.11%	92.02%

NOTES TO THE SCHEDULE

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

Changes of Assumptions -None

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Cost-Sharing Multiple-Employer Defined Benefit Plan

Schedule of Contributions

Last 10 Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially determined contribution	\$ 1,043,044	\$ 1,218,507	\$ 1,346,519	\$ 1,429,014	\$ 1,661,317	\$ 2,331,764	\$ 2,137,645	\$ 2,324,210	\$ 2,481,998	\$ 1,328,682
Contributions in relation to the actuarially determined contributions	<u>(1,043,044)</u>	<u>(1,218,507)</u>	<u>(1,346,519)</u>	<u>(1,429,014)</u>	<u>(1,661,317)</u>	<u>(2,331,764)</u>	<u>(2,137,645)</u>	<u>(2,324,210)</u>	<u>(17,101,672)</u>	<u>(1,328,682)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$(14,619,674)</u>	<u>\$ -</u>
Covered payroll	<u>\$ 5,067,196</u>	<u>\$ 5,180,244</u>	<u>\$ 5,245,257</u>	<u>\$ 5,221,695</u>	<u>\$ 5,772,652</u>	<u>\$ 6,508,727</u>	<u>\$ 6,797,007</u>	<u>\$ 7,056,196</u>	<u>\$ 8,773,824</u>	<u>\$ 8,663,587</u>
Contributions as a percentage of covered payroll	20.58%	23.52%	25.67%	27.37%	28.78%	35.83%	31.45%	32.94%	28.29%	15.34%

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024
OPEB Single-Employer Defined Benefit Plan
Schedule of Changes in Net OPEB Liability and Related Ratios
Last 10 Years*

	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability:							
Service cost	\$ 375,557	\$ 329,996	\$ 335,680	\$ 391,898	\$ 499,348	\$ 584,855	\$ 359,265
Interest on total OPEB liability	164,777	196,593	213,125	213,638	154,782	143,138	172,355
Differences between expected and actual experience	-	-	-	(1,087,910)	-	(1,695,504)	-
Changes in assumption	(546,300)	(50,785)	465,642	10,962	549,896	(1,435,149)	(112,126)
Benefit payments	(34,854)	(103,626)	(129,028)	(147,078)	(129,794)	(174,366)	(137,581)
Net change in total OPEB liability	(40,820)	372,178	885,419	(618,490)	1,074,232	(2,577,026)	281,913
Total OPEB liability - beginning	5,284,913	5,244,093	5,616,271	6,501,690	5,883,200	6,957,432	4,380,406
Total OPEB liability - ending (a)	5,244,093	5,616,271	6,501,690	5,883,200	6,957,432	4,380,406	4,662,319
Fiduciary Net Position:							
Employer contributions	34,854	103,626	129,028	147,078	129,794	174,366	137,581
Benefit payments	(34,854)	(103,626)	(129,028)	(147,078)	(129,794)	(174,366)	(137,581)
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Fiduciary net position - beginning	-	-	-	-	-	-	-
Fiduciary net position - ending (b)	-	-	-	-	-	-	-
Net OPEB (asset) liability - ending (a)-(b)	\$ 5,244,093	\$ 5,616,271	\$ 6,501,690	\$ 5,883,200	\$ 6,957,432	\$ 4,380,406	\$ 4,662,319
Covered-employee payroll	\$ 6,169,019	\$ 6,330,599	\$ 6,913,761	\$ 7,816,318	\$ 8,535,199	\$ 9,571,745	\$ 11,506,302
Net OPEB liability as a percentage of covered-employee payroll	85.01%	88.72%	94.04%	75.27%	81.51%	45.76%	40.52%

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

NOTES TO THE SCHEDULE

Changes of Assumptions - Discount rate increased from 3.69% as of June 30, 2023 to 3.86% as of June 30, 2024.

COMBINING FUND FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes.

Debt service funds are used to account for and report financial resources that are restricted, committed and/or assigned to expenditures for principal and interest.

Capital projects funds are used to account for all financial resources that are restricted, committed or assigned to expenditure for capital outlays.

CITY OF SELMA | JUNE 30, 2024

Nonmajor Governmental Funds

Combining Balance Sheet

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 15,045,976	\$ 675,607	\$ 212,233	\$ 15,933,816
Cash with fiscal agents	-	8,869	-	8,869
Accounts receivable, net	6,418	-	-	6,418
Interest receivable	75,510	-	-	75,510
Intergovernmental receivables	1,664,570	-	-	1,664,570
Due from the Successor Agency	1,180,364	-	-	1,180,364
Prepaid expenses	8,799	-	-	8,799
Total assets	<u>\$ 17,981,637</u>	<u>\$ 684,476</u>	<u>\$ 212,233</u>	<u>\$ 18,878,346</u>
LIABILITIES				
Accounts payable	\$ 1,272,230	\$ -	\$ -	\$ 1,272,230
Accrued wages/benefits	62,449	-	-	62,449
Deposits	5,000	-	-	5,000
Interfund payables	1,242,700	-	-	1,242,700
Total liabilities	<u>2,582,379</u>	<u>-</u>	<u>-</u>	<u>2,582,379</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	94,663	-	-	94,663
Total deferred inflows of resources	<u>94,663</u>	<u>-</u>	<u>-</u>	<u>94,663</u>
FUND BALANCES				
Restricted for:				
Streets and roads	7,834,161	-	-	7,834,161
Public safety	452,023	-	-	452,023
Community development	2,989,245	-	-	2,989,245
Debt service	-	684,476	-	684,476
Capital projects	4,550,861	-	212,233	4,763,094
Committed for:				
Streets and roads	35,759	-	-	35,759
Community development	381,204	-	-	381,204
Recreation	3,351	-	-	3,351
Unassigned	(942,009)	-	-	(942,009)
Total fund balances	<u>15,304,595</u>	<u>684,476</u>	<u>212,233</u>	<u>16,201,304</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 17,981,637</u>	<u>\$ 684,476</u>	<u>\$ 212,233</u>	<u>\$ 18,878,346</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 637,848	\$ -	\$ -	\$ 637,848
Intergovernmental	6,860,546	-	-	6,860,546
Charges for services	835,828	-	-	835,828
Fines	13,771	-	-	13,771
Use of money and property	310,401	5,323	-	315,724
Assessments	282,759	214,484	-	497,243
Loan repayments	1,170	-	-	1,170
Miscellaneous	315,330	-	-	315,330
Total revenues	<u>9,257,653</u>	<u>219,807</u>	<u>-</u>	<u>9,477,460</u>
EXPENDITURES				
Current:				
General government	546,547	-	-	546,547
Public safety	675,518	-	-	675,518
Public works	1,950,130	-	-	1,950,130
Community development	106,381	-	-	106,381
Capital outlay	5,068,946	-	-	5,068,946
Debt Service:				
Principal	104,546	275,000	-	379,546
Interest and fiscal charges	2,861	1,355,919	-	1,358,780
Total expenditures	<u>8,454,929</u>	<u>1,630,919</u>	<u>-</u>	<u>10,085,848</u>
Excess (deficiency) of revenues over (under) expenditures	<u>802,724</u>	<u>(1,411,112)</u>	<u>-</u>	<u>(608,388)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from long-term debt	139,355	7,282,000	-	7,421,355
Operating transfers in	23,974	917,488	-	941,462
Operating transfers out	<u>(2,570,228)</u>	<u>(7,041,422)</u>	<u>-</u>	<u>(9,611,650)</u>
Total other financing sources (uses)	<u>(2,406,899)</u>	<u>1,158,066</u>	<u>-</u>	<u>(1,248,833)</u>
Net change in fund balance	<u>(1,604,175)</u>	<u>(253,046)</u>	<u>-</u>	<u>(1,857,221)</u>
Fund balances - beginning, as previously presented	14,749,417	937,522	915,407	16,602,346
Error correction	(57,685)	-	-	(57,685)
Change within financial reporting entity (nonmajor to major fund)	1,186	-	(703,174)	(701,988)
Change within financial reporting entity (major to nonmajor fund)	<u>2,215,852</u>	<u>-</u>	<u>-</u>	<u>2,215,852</u>
Fund balances - beginning (restated)	<u>16,908,770</u>	<u>937,522</u>	<u>212,233</u>	<u>18,058,525</u>
Fund balances - ending	<u>\$ 15,304,595</u>	<u>\$ 684,476</u>	<u>\$ 212,233</u>	<u>\$ 16,201,304</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

 Nonmajor Special Revenue Funds
 Combining Balance Sheet

		Citizens' Tax						Road
		Initiative	CMAQ		Sidewalk			Maintenance and
	Traffic Safety	Measure S	Grant	Public Safety	Repair	AB 1913 Grant	Street Gas Tax	Rehabilitation
ASSETS								
Cash and investments	\$ 42,433	\$ 3,191,370	\$ -	\$ 169,304	\$ 24,006	\$ 254,597	\$ 1,817,429	\$ 315,304
Accounts receivable, net	-	-	-	-	-	-	-	-
Interest receivable	-	20,511	-	-	-	-	11,633	-
Intergovernmental receivables	776	418,754	34,711	6,247	-	94,663	57,408	111,163
Due from the Successor Agency	-	-	-	-	-	-	-	-
Prepaid expenses	-	8,799	-	-	-	-	-	-
Total assets	<u>\$ 43,209</u>	<u>\$ 3,639,434</u>	<u>\$ 34,711</u>	<u>\$ 175,551</u>	<u>\$ 24,006</u>	<u>\$ 349,260</u>	<u>\$ 1,886,470</u>	<u>\$ 426,467</u>
LIABILITIES								
Accounts payable	\$ -	\$ 8,043	\$ 2,654	\$ -	\$ -	\$ -	\$ 49,551	\$ -
Accrued wages and benefits	-	30,025	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Interfund payables	-	-	72,075	-	-	-	-	-
Total liabilities	<u>-</u>	<u>38,068</u>	<u>74,729</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,551</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	-	-	-	-	94,663	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,663</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Restricted for:								
Streets and roads	43,209	3,601,366	-	-	-	-	1,836,919	426,467
Public safety	-	-	-	175,551	-	254,597	-	-
Community development	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Committed for:								
Streets and roads	-	-	-	-	24,006	-	-	-
Community development	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-
Unassigned	-	-	(40,018)	-	-	-	-	-
Total fund balances	<u>43,209</u>	<u>3,601,366</u>	<u>(40,018)</u>	<u>175,551</u>	<u>24,006</u>	<u>254,597</u>	<u>1,836,919</u>	<u>426,467</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 43,209</u>	<u>\$ 3,639,434</u>	<u>\$ 34,711</u>	<u>\$ 175,551</u>	<u>\$ 24,006</u>	<u>\$ 349,260</u>	<u>\$ 1,886,470</u>	<u>\$ 426,467</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 (Continued)

	Street Measure C	CID Groundwater Surcharge	CFD 2006-1 Vineyard Estates	Landscape and Lighting Assessment	Property Cleanup and Demo	Abandoned Vehicle Abatement	CBDG Grant	Recycling Grant
ASSETS								
Cash and investments	\$ 1,957,591	\$ 1,601,930	\$ 355,599	\$ 141,176	\$ 25,000	\$ 195	\$ -	\$ 7,200
Accounts receivable, net	-	-	-	-	-	-	-	-
Interest receivable	12,534	10,228	-	-	-	-	-	-
Intergovernmental receivables	63,375	-	-	-	-	-	39,939	-
Due from the Successor Agency	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	<u>\$ 2,033,500</u>	<u>\$ 1,612,158</u>	<u>\$ 355,599</u>	<u>\$ 141,176</u>	<u>\$ 25,000</u>	<u>\$ 195</u>	<u>\$ 39,939</u>	<u>\$ 7,200</u>
LIABILITIES								
Accounts payable	\$ 270,426	\$ -	\$ -	\$ 24,160	\$ -	\$ -	\$ 15,497	\$ 400
Accrued wages and benefits	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Interfund payables	-	-	-	-	-	-	305,100	-
Total liabilities	<u>270,426</u>	<u>-</u>	<u>-</u>	<u>24,160</u>	<u>-</u>	<u>-</u>	<u>320,597</u>	<u>400</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Restricted for:								
Streets and roads	1,763,074	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	195	-	-
Community development	-	1,612,158	-	117,016	-	-	-	6,800
Capital projects	-	-	-	-	-	-	-	-
Committed for:								
Streets and roads	-	-	-	-	-	-	-	-
Community development	-	-	355,599	-	25,000	-	-	-
Recreation	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(280,658)	-
Total fund balances	<u>1,763,074</u>	<u>1,612,158</u>	<u>355,599</u>	<u>117,016</u>	<u>25,000</u>	<u>195</u>	<u>(280,658)</u>	<u>6,800</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,033,500</u>	<u>\$ 1,612,158</u>	<u>\$ 355,599</u>	<u>\$ 141,176</u>	<u>\$ 25,000</u>	<u>\$ 195</u>	<u>\$ 39,939</u>	<u>\$ 7,200</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 (Continued)

	ABC Grant	Small Business Support Center	DOJ Byrnes Grant	Foreclosed Home Project	Sports Hall of Fame	ACT Program	High Speed Rail CVTC	Impact Fees
ASSETS								
Cash and investments	\$ -	\$ 605	\$ -	\$ 10,784	\$ 3,351	\$ -	\$ -	\$ 4,742,542
Accounts receivable, net	-	-	-	5,368	-	-	-	-
Interest receivable	-	-	-	-	-	-	-	20,604
Intergovernmental receivables	12,159	-	-	-	-	102,092	366,516	-
Due from the Successor Agency	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	<u>\$ 12,159</u>	<u>\$ 605</u>	<u>\$ -</u>	<u>\$ 16,152</u>	<u>\$ 3,351</u>	<u>\$ 102,092</u>	<u>\$ 366,516</u>	<u>\$ 4,763,146</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,534	\$ 100,406	\$ 212,285
Accrued wages and benefits	-	-	-	-	-	6,734	-	-
Deposits	-	-	-	-	-	-	-	-
Interfund payables	12,231	-	2,476	-	-	75,071	499,357	-
Total liabilities	<u>12,231</u>	<u>-</u>	<u>2,476</u>	<u>-</u>	<u>-</u>	<u>90,339</u>	<u>599,763</u>	<u>212,285</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Restricted for:								
Streets and roads	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Community development	-	-	-	16,152	-	-	-	-
Capital projects	-	-	-	-	-	-	-	4,550,861
Committed for:								
Streets and roads	-	-	-	-	-	11,753	-	-
Community development	-	605	-	-	-	-	-	-
Recreation	-	-	-	-	3,351	-	-	-
Unassigned	(72)	-	(2,476)	-	-	-	(233,247)	-
Total fund balances	<u>(72)</u>	<u>605</u>	<u>(2,476)</u>	<u>16,152</u>	<u>3,351</u>	<u>11,753</u>	<u>(233,247)</u>	<u>4,550,861</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,159</u>	<u>\$ 605</u>	<u>\$ -</u>	<u>\$ 16,152</u>	<u>\$ 3,351</u>	<u>\$ 102,092</u>	<u>\$ 366,516</u>	<u>\$ 4,763,146</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 (Continued)

	Transit Oriented Development	USDA RBDG	Community Power Resiliency	SB2 Planning Grant Program	Local Early Action Plan	Housing Authority	PD Wellness Grant	FEMA Fire Grant
ASSETS								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,300	\$ 21,680	\$ -
Accounts receivable, net	-	-	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-	-	-
Intergovernmental receivables	-	5,800	-	-	-	-	-	80,057
Due from the Successor Agency	-	-	-	-	-	1,180,364	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 5,800</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,225,664</u>	<u>\$ 21,680</u>	<u>\$ 80,057</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,600
Accrued wages and benefits	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Interfund payables	<u>6,000</u>	<u>5,800</u>	<u>-</u>	<u>47,938</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,352</u>
Total liabilities	<u>6,000</u>	<u>5,800</u>	<u>-</u>	<u>47,938</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,952</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Restricted for:								
Streets and roads	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	21,680	-
Community development	-	-	-	-	-	1,225,664	-	-
Capital projects	-	-	-	-	-	-	-	-
Committed for:								
Streets and roads	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-
Unassigned	<u>(6,000)</u>	<u>-</u>	<u>-</u>	<u>(47,938)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,895)</u>
Total fund balances	<u>(6,000)</u>	<u>-</u>	<u>-</u>	<u>(47,938)</u>	<u>-</u>	<u>1,225,664</u>	<u>21,680</u>	<u>(8,895)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 5,800</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,225,664</u>	<u>\$ 21,680</u>	<u>\$ 80,057</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Special Revenue Funds

Combining Balance Sheet

(Continued)

						Formerly Major Fund	Total Nonmajor Special Revenue Funds
	FEMA Disaster Grant	Prop 68 Park Grant	Business Improvement District	Tactical Urbanism Grant	Clean California Grant	Street Maintenance	
ASSETS							
Cash and investments	\$ -	\$ -	\$ 12,850	\$ -	\$ -	\$ 305,730	\$ 15,045,976
Accounts receivable, net	-	-	-	-	-	1,050	6,418
Interest receivable	-	-	-	-	-	-	75,510
Intergovernmental receivables	279	158,927	-	14,129	97,575	-	1,664,570
Due from the Successor Agency	-	-	-	-	-	-	1,180,364
Prepaid expenses	-	-	-	-	-	-	8,799
Total assets	<u>\$ 279</u>	<u>\$ 158,927</u>	<u>\$ 12,850</u>	<u>\$ 14,129</u>	<u>\$ 97,575</u>	<u>\$ 306,780</u>	<u>\$ 17,981,637</u>
LIABILITIES							
Accounts payable	\$ -	\$ 350,501	\$ 1,674	\$ 15,960	\$ 97,575	\$ 112,964	\$ 1,272,230
Accrued wages and benefits	-	-	-	-	-	25,690	62,449
Deposits	-	-	-	-	-	5,000	5,000
Interfund payables	-	129,300	-	-	-	-	1,242,700
Total liabilities	<u>-</u>	<u>479,801</u>	<u>1,674</u>	<u>15,960</u>	<u>97,575</u>	<u>143,654</u>	<u>2,582,379</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	-	-	-	-	-	-	94,663
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,663</u>
FUND BALANCES							
Restricted for:							
Streets and roads	-	-	-	-	-	163,126	7,834,161
Public safety	-	-	-	-	-	-	452,023
Community development	279	-	11,176	-	-	-	2,989,245
Capital projects	-	-	-	-	-	-	4,550,861
Committed for:							
Streets and roads	-	-	-	-	-	-	35,759
Community development	-	-	-	-	-	-	381,204
Recreation	-	-	-	-	-	-	3,351
Unassigned	-	(320,874)	-	(1,831)	-	-	(942,009)
Total fund balances	<u>279</u>	<u>(320,874)</u>	<u>11,176</u>	<u>(1,831)</u>	<u>-</u>	<u>163,126</u>	<u>15,304,595</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 279</u>	<u>\$ 158,927</u>	<u>\$ 12,850</u>	<u>\$ 14,129</u>	<u>\$ 97,575</u>	<u>\$ 306,780</u>	<u>\$ 17,981,637</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

	Traffic Safety	Citizens' Tax Initiative Measure S	CMAQ Grant	Public Safety	Sidewalk Repair Funds	AB 1913 Grant	Street Gas Tax	Road Maintenance and Rehabilitation
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 637,848
Intergovernmental	-	2,688,747	73,109	81,879	-	271,430	666,116	-
Charges for services	-	-	-	-	-	-	-	-
Fines	13,771	-	-	-	-	-	-	-
Use of money and property	-	77,584	-	-	-	-	41,227	6,502
Assessments	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>13,771</u>	<u>2,766,331</u>	<u>73,109</u>	<u>81,879</u>	<u>-</u>	<u>271,430</u>	<u>707,343</u>	<u>644,350</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	441,637	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Capital outlay	-	242,120	73,127	-	-	-	341,793	1,985,021
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>683,757</u>	<u>73,127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>341,793</u>	<u>1,985,021</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,771</u>	<u>2,082,574</u>	<u>(18)</u>	<u>81,879</u>	<u>-</u>	<u>271,430</u>	<u>365,550</u>	<u>(1,340,671)</u>
OTHER FINANCING SOURCES (USES)								
Proceeds from long-term debt	-	139,355	-	-	-	-	-	-
Operating transfers in	-	-	-	-	-	-	-	-
Operating transfers out	-	(1,873,962)	-	(70,000)	-	(12,140)	(4,652)	-
Total other financing sources (uses)	<u>-</u>	<u>(1,734,607)</u>	<u>-</u>	<u>(70,000)</u>	<u>-</u>	<u>(12,140)</u>	<u>(4,652)</u>	<u>-</u>
Net change in fund balance	<u>13,771</u>	<u>347,967</u>	<u>(18)</u>	<u>11,879</u>	<u>-</u>	<u>259,290</u>	<u>360,898</u>	<u>(1,340,671)</u>
Fund balances - beginning, as previously presented	29,438	3,253,399	17,685	163,672	24,006	(4,693)	1,476,021	1,767,138
Error correction	-	-	(57,685)	-	-	-	-	-
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-	-	-	-	-
Change within financial reporting entity (major to nonmajor fund)	-	-	-	-	-	-	-	-
Fund balances (deficits) - beginning (restated)	<u>29,438</u>	<u>3,253,399</u>	<u>(40,000)</u>	<u>163,672</u>	<u>24,006</u>	<u>(4,693)</u>	<u>1,476,021</u>	<u>1,767,138</u>
Fund balances (deficits) - ending	<u>\$ 43,209</u>	<u>\$ 3,601,366</u>	<u>\$ (40,018)</u>	<u>\$ 175,551</u>	<u>\$ 24,006</u>	<u>\$ 254,597</u>	<u>\$ 1,836,919</u>	<u>\$ 426,467</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

(Continued)

	Street Measure C	CID Groundwater Surcharge	CFD 2006-1 Vineyard Estates	Landscape and Lighting Assessment	Property Cleanup and Demo	Abandoned Vehicle Abatement	CDBG Grant	Recycling Grant
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	880,123	345,050	-	-	-	-	632,525	1,701
Charges for services	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-
Use of money and property	40,868	36,682	-	-	-	-	-	-
Assessments	-	-	76,344	206,415	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	<u>920,991</u>	<u>381,732</u>	<u>76,344</u>	<u>206,415</u>	<u>-</u>	<u>-</u>	<u>632,525</u>	<u>1,701</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	1,000
Public safety	-	-	-	-	-	-	-	-
Public works	43,019	-	-	102,300	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	100	-	-	728,111	-
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total expenditures	<u>43,019</u>	<u>-</u>	<u>-</u>	<u>102,400</u>	<u>-</u>	<u>-</u>	<u>728,111</u>	<u>1,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>877,972</u>	<u>381,732</u>	<u>76,344</u>	<u>104,015</u>	<u>-</u>	<u>-</u>	<u>(95,586)</u>	<u>701</u>
OTHER FINANCING SOURCES (USES)								
Proceeds from long-term debt	-	-	-	-	-	-	-	-
Operating transfers in	-	-	-	-	-	-	23,974	-
Operating transfers out	<u>(509,130)</u>	<u>-</u>	<u>-</u>	<u>(8,440)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(509,130)</u>	<u>-</u>	<u>-</u>	<u>(8,440)</u>	<u>-</u>	<u>-</u>	<u>23,974</u>	<u>-</u>
Net change in fund balance	<u>368,842</u>	<u>381,732</u>	<u>76,344</u>	<u>95,575</u>	<u>-</u>	<u>-</u>	<u>(71,612)</u>	<u>701</u>
Fund balances - beginning, as previously presented	1,394,232	1,230,426	279,255	21,441	25,000	195	(209,046)	6,099
Error correction	-	-	-	-	-	-	-	-
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-	-	-	-	-
Change within financial reporting entity (major to nonmajor fund)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits) - beginning (restated)	<u>1,394,232</u>	<u>1,230,426</u>	<u>279,255</u>	<u>21,441</u>	<u>25,000</u>	<u>195</u>	<u>(209,046)</u>	<u>6,099</u>
Fund balances (deficits) - ending	<u>\$ 1,763,074</u>	<u>\$ 1,612,158</u>	<u>\$ 355,599</u>	<u>\$ 117,016</u>	<u>\$ 25,000</u>	<u>\$ 195</u>	<u>\$ (280,658)</u>	<u>\$ 6,800</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

(Continued)

	ABC Grant	Small Business Support Center	DOJ Bynes Grant	Foreclosed Home Project	Sports Hall of Fame	ACT Program	High Speed Rail CVTC	Impact Fees
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	2,971	-	-	256,149	570,824	-
Charges for services	-	-	-	200	-	-	-	640,830
Fines	-	-	-	-	-	-	-	-
Use of money and property	-	-	-	-	-	-	-	80,145
Assessments	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	(800)	-	-	-	-
Total revenues	-	-	2,971	(600)	-	256,149	570,824	720,975
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	545,547	-
Public safety	-	-	-	-	-	223,691	-	-
Public works	-	-	-	-	-	-	-	199,824
Community development	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	215,603
Debt Service:								
Principal	-	-	-	-	-	-	104,546	-
Interest and fiscal charges	-	-	-	-	-	-	2,861	-
Total expenditures	-	-	-	-	-	223,691	652,954	415,427
Excess (deficiency) of revenues over (under) expenditures	-	-	2,971	(600)	-	32,458	(82,130)	305,548
OTHER FINANCING SOURCES (USES)								
Proceeds from long-term debt	-	-	-	-	-	-	-	-
Operating transfers in	-	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	(14,229)	-	-
Total other financing sources (uses)	-	-	-	-	-	(14,229)	-	-
Net change in fund balance	-	-	2,971	(600)	-	18,229	(82,130)	305,548
Fund balances - beginning, as previously presented	(72)	605	(5,447)	16,752	3,351	(6,476)	(151,117)	4,245,313
Error correction	-	-	-	-	-	-	-	-
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-	-	-	-	-
Change within financial reporting entity (major to nonmajor fund)	-	-	-	-	-	-	-	-
Fund balances (deficits) - beginning (restated)	(72)	605	(5,447)	16,752	3,351	(6,476)	(151,117)	4,245,313
Fund balances (deficits) - ending	<u>\$ (72)</u>	<u>\$ 605</u>	<u>\$ (2,476)</u>	<u>\$ 16,152</u>	<u>\$ 3,351</u>	<u>\$ 11,753</u>	<u>\$ (233,247)</u>	<u>\$ 4,550,861</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

(Continued)

	Transit Oriented Development	USDA RBDG	Community Power Resiliency	SB2 Planning Grant Program	Local Early Action Plan	Housing Authority	PD Wellness Grant	FEMA Fire Grant
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	25,000	-	-	-	80,057
Charges for services	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-
Use of money and property	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	1,170	-	-
Miscellaneous	-	-	-	-	-	130	-	-
Total revenues	-	-	-	25,000	-	1,300	-	80,057
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	6,320	3,870
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	85,082
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	6,320	88,952
Excess (deficiency) of revenues over (under) expenditures	-	-	-	25,000	-	1,300	(6,320)	(8,895)
OTHER FINANCING SOURCES (USES)								
Proceeds from long-term debt	-	-	-	-	-	-	-	-
Operating transfers in	-	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	25,000	-	1,300	(6,320)	(8,895)
Fund balances - beginning, as previously presented	(6,000)	-	-	(72,938)	-	1,224,364	28,000	-
Error correction	-	-	-	-	-	-	-	-
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-	-	-	-	-
Change within financial reporting entity (major to nonmajor fund)	-	-	-	-	-	-	-	-
Fund balances (deficits) - beginning (restated)	(6,000)	-	-	(72,938)	-	1,224,364	28,000	-
Fund balances (deficits) - ending	<u>\$ (6,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (47,938)</u>	<u>\$ -</u>	<u>\$ 1,225,664</u>	<u>\$ 21,680</u>	<u>\$ (8,895)</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

(Continued)

						Formerly Major Fund	Formerly Nonmajor Fund	Total Nonmajor Special Revenue Funds
	FEMA Disaster Grant	Prop 68 Park Grant	Business Improvement District	Tactical Urbanism Grant	Clean California Grant	Street Maintenance	AB74 Storm Drain Appropriation	
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 637,848
Intergovernmental	14,234	158,927	-	14,129	97,575	-	-	6,860,546
Charges for services	-	-	19,982	-	-	174,816	-	835,828
Fines	-	-	-	-	-	-	-	13,771
Use of money and property	-	-	-	-	-	27,393	-	310,401
Assessments	-	-	-	-	-	-	-	282,759
Loan repayments	-	-	-	-	-	-	-	1,170
Miscellaneous	-	-	-	-	-	316,000	-	315,330
Total revenues	<u>14,234</u>	<u>158,927</u>	<u>19,982</u>	<u>14,129</u>	<u>97,575</u>	<u>518,209</u>	<u>-</u>	<u>9,257,653</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	546,547
Public safety	-	-	-	-	-	-	-	675,518
Public works	-	-	-	15,960	-	1,589,027	-	1,950,130
Community development	-	-	8,806	-	97,575	-	-	106,381
Capital outlay	-	350,501	-	-	-	1,047,488	-	5,068,946
Debt Service:								
Principal	-	-	-	-	-	-	-	104,546
Interest and fiscal charges	-	-	-	-	-	-	-	2,861
Total expenditures	<u>-</u>	<u>350,501</u>	<u>8,806</u>	<u>15,960</u>	<u>97,575</u>	<u>2,636,515</u>	<u>-</u>	<u>8,454,929</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,234</u>	<u>(191,574)</u>	<u>11,176</u>	<u>(1,831)</u>	<u>-</u>	<u>(2,118,306)</u>	<u>-</u>	<u>802,724</u>
OTHER FINANCING SOURCES (USES)								
Proceeds from long-term debt	-	-	-	-	-	-	-	139,355
Operating transfers in	-	-	-	-	-	-	-	23,974
Operating transfers out	<u>(13,955)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(63,720)</u>	<u>-</u>	<u>(2,570,228)</u>
Total other financing sources (uses)	<u>(13,955)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(63,720)</u>	<u>-</u>	<u>(2,406,899)</u>
Net change in fund balance	<u>279</u>	<u>(191,574)</u>	<u>11,176</u>	<u>(1,831)</u>	<u>-</u>	<u>(2,182,026)</u>	<u>-</u>	<u>(1,604,175)</u>
Fund balances - beginning, as previously presented	-	-	-	-	-	-	(1,186)	14,749,417
Error correction	-	-	-	-	-	-	-	(57,685)
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-	-	-	1,186	1,186
Change within financial reporting entity (major to nonmajor fund)	<u>-</u>	<u>(129,300)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,345,152</u>	<u>-</u>	<u>2,215,852</u>
Fund balances (deficits) - beginning (restated)	<u>-</u>	<u>(129,300)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,345,152</u>	<u>-</u>	<u>16,908,770</u>
Fund balances (deficits) - ending	<u>\$ 279</u>	<u>\$ (320,874)</u>	<u>\$ 11,176</u>	<u>\$ (1,831)</u>	<u>\$ -</u>	<u>\$ 163,126</u>	<u>\$ -</u>	<u>\$ 15,304,595</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Debt Service Funds

Combining Balance Sheet

	<u>Debt Service</u>
ASSETS	
Cash and investments	\$ 675,607
Cash with fiscal agents	<u>8,869</u>
Total assets	<u><u>\$ 684,476</u></u>
 LIABILITIES	
Accounts payable	<u>\$ -</u>
Total liabilities	<u>-</u>
 FUND BALANCES	
Restricted for:	
Debt service	<u>684,476</u>
Total fund balances	<u><u>684,476</u></u>
 Total liabilities and fund balance	<u><u>\$ 684,476</u></u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

	<u>Debt Service</u>
REVENUES	
Use of money and property	\$ 5,323
Assessments	<u>214,484</u>
Total revenues	<u>219,807</u>
 EXPENDITURES	
Debt Service:	
Principal	275,000
Interest and fiscal charges	<u>1,355,919</u>
Total expenditures	<u>1,630,919</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(1,411,112)</u>
 OTHER FINANCING SOURCES (USES)	
Proceeds from long-term debt	7,282,000
Operating transfers in	917,488
Operating transfers out	<u>(7,041,422)</u>
Total other financing sources (uses)	<u>1,158,066</u>
 Net change in fund balance	 (253,046)
 Fund balances - beginning	 <u>937,522</u>
 Fund balances - ending	 <u>\$ 684,476</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Capital Projects Funds

Combining Balance Sheet

	CalTrans Mitigation
ASSETS	
Cash and investments	\$ 212,233
Total assets	<u>\$ 212,233</u>
LIABILITIES	
Accounts payable	\$ -
Total liabilities	<u>-</u>
FUND BALANCES	
Restricted for:	
Capital projects	<u>212,233</u>
Total fund balances	<u>212,233</u>
Total liabilities and fund balances	<u>\$ 212,233</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

	Formerly Nonmajor Fund		Total Nonmajor Capital Projects Funds
	Capital Projects Fund	CalTrans Mitigation	
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES			
Public works	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Net change in fund balance	-	-	-
Fund balances - beginning, as previously presented	703,174	212,233	915,407
Change within financial reporting entity (nonmajor to major fund)	(703,174)	-	(703,174)
Fund balances - beginning (restated)	-	212,233	212,233
Fund balances - ending	\$ -	\$ 212,233	\$ 212,233

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that the costs of providing good or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City of Selma has decided that periodic determination of net income is appropriate for accountability purposes.

CITY OF SELMA | JUNE 30, 2024
Nonmajor Enterprise Funds
Combining Statement of Net Position

	Pioneer Village	Cultural Arts	Total Nonmajor Enterprise Funds
ASSETS			
Current assets:			
Accounts receivable, net	\$ 2,080	\$ -	\$ 2,080
Lease receivable	96,240	96,239	192,479
Total current assets	98,320	96,239	194,559
Noncurrent assets:			
Capital assets:			
Buildings and improvements	284,182	-	284,182
Less accumulated depreciation/amortization	(270,736)	-	(270,736)
Total noncurrent assets	13,446	-	13,446
Total assets	111,766	96,239	208,005
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	5,632	31,236	36,868
OPEB related	234	1,288	1,522
Total deferred outflows of resources	5,866	32,524	38,390
LIABILITIES			
Current liabilities:			
Accounts payable	4,069	13,875	17,944
Accrued wages and benefits	449	1,962	2,411
Interfund payables	40,194	129,077	169,271
Current portion of compensated absences	64	409	473
Total current liabilities	44,776	145,323	190,099
Noncurrent liabilities:			
Compensated absences	1	10,552	10,553
Net pension liability	2,251	12,608	14,859
Net OPEB liability	1,541	8,479	10,020
Total noncurrent liabilities	3,793	31,639	35,432
Total liabilities	48,569	176,962	225,531
DEFERRED INFLOWS OF RESOURCES			
Pension related	4,176	22,364	26,540
OPEB related	1,121	6,171	7,292
Lease related	61,034	61,034	122,068
Total deferred inflows of resources	66,331	89,569	155,900
NET POSITION (DEFICIT)			
Net investment in capital assets	13,446	-	13,446
Unrestricted	(10,714)	(137,768)	(148,482)
Total net position (deficit)	\$ 2,732	\$ (137,768)	\$ (135,036)

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Enterprise Funds

Combining Statement of Revenues, Expenses and Changes in Net Position

	Pioneer Village	Cultural Arts	Total Nonmajor Enterprise Funds
Operating revenues:			
Charges for services	\$ -	\$ 119,956	\$ 119,956
Rents	29,167	19,189	48,356
Miscellaneous	11,358	-	11,358
Total revenues	<u>40,525</u>	<u>139,145</u>	<u>179,670</u>
Operating expenses:			
Personnel services	10,036	51,723	61,759
Services and supplies	72,102	191,256	263,358
Depreciation/amortization	1,149	-	1,149
Total operating expenses	<u>83,287</u>	<u>242,979</u>	<u>326,266</u>
Operating income (loss)	<u>(42,762)</u>	<u>(103,834)</u>	<u>(146,596)</u>
Nonoperating revenues (expenses):			
Interest income	6,842	6,842	13,684
Total nonoperating revenues (expenses)	<u>6,842</u>	<u>6,842</u>	<u>13,684</u>
Income (loss) before transfers	(35,920)	(96,992)	(132,912)
Transfers in	15,000	51,600	66,600
Transfers out	<u>(927)</u>	<u>(5,238)</u>	<u>(6,165)</u>
Changes in net position	(21,847)	(50,630)	(72,477)
Net position (deficit) - beginning	<u>24,579</u>	<u>(87,138)</u>	<u>(62,559)</u>
Net position (deficit) - ending	<u>\$ 2,732</u>	<u>\$ (137,768)</u>	<u>\$ (135,036)</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Enterprise Funds

Combining Statement of Cash Flows

	Pioneer Village	Cultural Arts	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received for current services	\$ (1,627)	\$ 121,006	\$ 119,379
Cash received for rents	28,404	18,425	46,829
Cash paid for services and supplies	(71,382)	(196,537)	(267,919)
Cash paid for salaries and benefits	(14,446)	(46,326)	(60,772)
Cash received for other operating revenues	11,358	-	11,358
Net cash provided by (used for) operating activities	<u>(47,693)</u>	<u>(103,432)</u>	<u>(151,125)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Loans from (to) other funds	26,778	50,228	77,006
Transfers (to) from other funds	14,073	46,362	60,435
Net cash provided by (used for) noncapital financing activities	<u>40,851</u>	<u>96,590</u>	<u>137,441</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Interest received	6,842	6,842	13,684
Net cash provided by (used for) investing activities	<u>6,842</u>	<u>6,842</u>	<u>13,684</u>
Net increase (decrease) in cash and investments	-	-	-
Cash and investments - beginning	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of operating income to net cash provided by (used for) operating activities:			
Operating income (loss)	<u>\$ (42,762)</u>	<u>\$ (103,834)</u>	<u>\$ (146,596)</u>
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation	1,149	-	1,149
Changes in the balance sheet:			
(Increase) decrease in:			
Accounts receivable, net	(1,627)	1,050	(577)
Leases receivable	2,758	2,757	5,515
Deferred outflows of resources from pensions	5,900	29,662	35,562
Deferred outflows of resources from OPEB	162	378	540
Increase (decrease) in:			
Accounts payable	720	(5,281)	(4,561)
Accrued wages and benefits	(749)	143	(606)
Compensated absences	(3,480)	1,189	(2,291)
Net pension liability	(7,398)	(39,102)	(46,500)
Net OPEB liability	(559)	(360)	(919)
Deferred inflow of resources from pensions	2,399	14,917	17,316
Deferred inflow of resources from OPEB	(685)	(1,430)	(2,115)
Deferred inflow of resources from leases	<u>(3,521)</u>	<u>(3,521)</u>	<u>(7,042)</u>
Total adjustments	<u>(4,931)</u>	<u>402</u>	<u>(4,529)</u>
Net cash provided by (used for) operating activities	<u>\$ (47,693)</u>	<u>\$ (103,432)</u>	<u>\$ (151,125)</u>

INTERNAL SERVICE FUNDS

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

Insurance Funds – These funds are used to account for workers' compensation, liability, and medical malpractice insurance expense.

Fleet Management Fund – This fund is used to account for the rental of motor vehicles to other departments and related costs.

Building and Utility Fund – This fund is used to account for the accumulation and allocation of general building and utility costs.

General Overhead Fund – This fund is used to account for the accumulation and allocation of costs associated with office supplies.

Information Processing Fund – This fund is used to account for the accumulation and allocation of costs associated with all information technology equipment and related services.

Employee Benefits Fund – This fund is used to account for the City's self-insured employee health benefits.

CITY OF SELMA | JUNE 30, 2024
Internal Service Funds
Combining Statement of Net Position

	Insurance	Fleet Management	Building and Utility	General Overhead	Information Processing	Employee Benefits	Total Internal Service Funds
ASSETS							
Current assets:							
Cash and investments	\$ 1,435,313	\$ 178,328	\$ 1,150,921	\$ 63,459	\$ 665,039	\$ -	\$ 3,493,060
Accounts receivable, net	-	-	-	-	446	-	446
Interest receivable	9,168	-	7,359	-	4,246	-	20,773
Prepaid expenses	-	-	-	-	5,645	63,846	69,491
Deposits	382,182	-	-	-	-	-	382,182
Total current assets	1,826,663	178,328	1,158,280	63,459	675,376	63,846	3,965,952
Noncurrent assets:							
Capital assets:							
Construction in progress	-	-	356,518	-	-	-	356,518
Buildings and improvements	-	-	6,079	-	-	-	6,079
Machinery and equipment	-	79,384	103,753	-	264,695	-	447,832
Right-to-use leased equipment	-	-	57,245	63,748	-	-	120,993
Less accumulated depreciation/amortization	-	(19,851)	(50,925)	(59,415)	(114,132)	-	(244,323)
Total noncurrent assets	-	59,533	472,670	4,333	150,563	-	687,099
Total assets	1,826,663	237,861	1,630,950	67,792	825,939	63,846	4,653,051
DEFERRED OUTFLOWS OF RESOURCES							
Pension related	-	131,803	159,461	-	46,296	-	337,560
OPEB related	-	5,478	6,634	-	1,933	-	14,045
Total deferred outflows of resources	-	137,281	166,095	-	48,229	-	351,605
LIABILITIES							
Current liabilities:							
Accounts payable	188	105,586	322,435	320	20,749	31,122	480,400
Retainage payable	-	-	15,346	-	-	-	15,346
Accrued wages and benefits	-	8,621	14,911	-	3,956	96	27,584
Interfund payables	-	-	-	-	-	141,298	141,298
Claims payable	-	-	-	-	-	176,377	176,377
Current portion of compensated absences	-	4,194	-	-	-	-	4,194
Current portion of leases payable	-	-	10,622	4,717	-	-	15,339
Total current liabilities	188	118,401	363,314	5,037	24,705	348,893	860,538
Noncurrent liabilities:							
Compensated absences	-	2,916	-	-	-	-	2,916
Leases payable	-	-	46,623	-	-	-	46,623
Net pension liability	-	53,357	64,614	-	18,911	-	136,882
Net OPEB liability	-	36,079	43,689	-	12,730	-	92,498
Total noncurrent liabilities	-	92,352	154,926	-	31,641	-	278,919
Total liabilities	188	210,753	518,240	5,037	56,346	348,893	1,139,457
DEFERRED INFLOWS OF RESOURCES							
Pension related	-	90,476	101,132	-	27,411	-	219,019
OPEB related	-	26,258	31,797	-	9,265	-	67,320
Total deferred inflows of resources	-	116,734	132,929	-	36,676	-	286,339
NET POSITION (DEFICIT)							
Net investment in capital assets	-	59,533	415,425	(384)	150,563	-	625,137
Unrestricted	1,826,475	(11,878)	730,451	63,139	630,583	(285,047)	2,953,723
Total net position (deficit)	\$ 1,826,475	\$ 47,655	\$ 1,145,876	\$ 62,755	\$ 781,146	\$ (285,047)	\$ 3,578,860

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Net Position

	Insurance	Fleet Management	Building and Utility	General Overhead	Information Processing	Employee Benefits	Total Internal Service Funds
Operating revenues:							
Charges for services	\$ 1,955,869	\$ 800,089	\$ 616,684	\$ 44,861	\$ 472,087	\$ 848,748	\$ 4,738,338
Miscellaneous	-	17,713	11,706	129	-	-	29,548
Total revenues	<u>1,955,869</u>	<u>817,802</u>	<u>628,390</u>	<u>44,990</u>	<u>472,087</u>	<u>848,748</u>	<u>4,767,886</u>
Operating expenses:							
Personnel services	-	218,648	280,583	-	74,266	1,133,795	1,707,292
Services and supplies	-	675,785	290,683	-	298,357	-	1,264,825
Other internal services	1,564,246	-	-	-	-	-	1,564,246
Depreciation/amortization	-	7,922	11,968	12,750	26,213	-	58,853
Total operating expenses	<u>1,564,246</u>	<u>902,355</u>	<u>583,234</u>	<u>12,750</u>	<u>398,836</u>	<u>1,133,795</u>	<u>4,595,216</u>
Operating income (loss)	<u>391,623</u>	<u>(84,553)</u>	<u>45,156</u>	<u>32,240</u>	<u>73,251</u>	<u>(285,047)</u>	<u>172,670</u>
Nonoperating revenues (expenses)							
Interest income	29,655	-	27,853	-	17,051	-	74,559
Interest expense	-	-	-	(29,725)	-	-	(29,725)
Total nonoperating revenues (expenses)	<u>29,655</u>	<u>-</u>	<u>27,853</u>	<u>(29,725)</u>	<u>17,051</u>	<u>-</u>	<u>44,834</u>
Income (loss) before transfers	421,278	(84,553)	73,009	2,515	90,302	(285,047)	217,504
Transfers out	<u>-</u>	<u>(20,976)</u>	<u>(20,913)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(41,889)</u>
Changes in net position	421,278	(105,529)	52,096	2,515	90,302	(285,047)	175,615
Net position (deficit) - beginning	<u>1,405,197</u>	<u>153,184</u>	<u>1,093,780</u>	<u>60,240</u>	<u>690,844</u>	<u>-</u>	<u>3,403,245</u>
Net position (deficit) - ending	<u>\$ 1,826,475</u>	<u>\$ 47,655</u>	<u>\$ 1,145,876</u>	<u>\$ 62,755</u>	<u>\$ 781,146</u>	<u>\$ (285,047)</u>	<u>\$ 3,578,860</u>

CITY OF SELMA | FOR THE YEAR ENDED JUNE 30, 2024

Internal Service Funds

Combining Statement of Cash Flows

	Insurance	Fleet Management	Building and Utility	General Overhead	Information Processing	Employee Benefits	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received for current services	\$ 1,676,936	\$ 856,227	\$ 616,684	\$ 44,861	\$ 472,087	\$ 848,748	\$ 4,515,543
Cash paid for services and supplies	(1,576,203)	(689,113)	(3,486)	197	(301,178)	31,122	(2,538,661)
Cash paid for salaries and benefits	-	(181,493)	(206,918)	(627)	(50,222)	(1,021,168)	(1,460,428)
Cash received for other operating revenues	-	17,713	11,706	129	-	-	29,548
Net cash provided by (used for) operating activities	<u>100,733</u>	<u>3,334</u>	<u>417,986</u>	<u>44,560</u>	<u>120,687</u>	<u>(141,298)</u>	<u>546,002</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Loans from (to) other funds	-	-	-	-	-	141,298	141,298
Transfers (to) from other funds	-	(20,976)	(20,913)	-	-	-	(41,889)
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>(20,976)</u>	<u>(20,913)</u>	<u>-</u>	<u>-</u>	<u>141,298</u>	<u>99,409</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Principal paid on leases	-	-	-	(13,713)	-	-	(13,713)
Interest paid on long-term liabilities	-	-	-	(29,725)	-	-	(29,725)
Acquisition of capital assets	-	(47,483)	(341,172)	-	(80,052)	-	(468,707)
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>(47,483)</u>	<u>(341,172)</u>	<u>(43,438)</u>	<u>(80,052)</u>	<u>-</u>	<u>(512,145)</u>
CASH FLOW FROM INVESTING ACTIVITIES							
Interest received	26,046	-	25,107	-	15,395	-	66,548
Net cash provided by (used for) investing activities	<u>26,046</u>	<u>-</u>	<u>25,107</u>	<u>-</u>	<u>15,395</u>	<u>-</u>	<u>66,548</u>
Net increase (decrease) in cash and investments	126,779	(65,125)	81,008	1,122	56,030	-	199,814
Cash and investments - beginning	1,308,534	243,453	1,069,913	62,337	609,009	-	3,293,246
Cash and investments - ending	<u>\$ 1,435,313</u>	<u>\$ 178,328</u>	<u>\$ 1,150,921</u>	<u>\$ 63,459</u>	<u>\$ 665,039</u>	<u>\$ -</u>	<u>\$ 3,493,060</u>
Reconciliation of operating income to net cash provided by (used for) operating activities:							
Operating income (loss)	\$ 391,623	\$ (84,553)	\$ 45,156	\$ 32,240	\$ 73,251	\$ (285,047)	\$ 172,670
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:							
Depreciation	-	7,922	11,968	12,750	26,213	-	58,853
Changes in the balance sheet:							
(Increase) decrease in:							
Accounts receivable, net	-	56,138	-	-	-	-	56,138
Deposits	(278,933)	-	-	-	-	-	(278,933)
Prepaid expenses	-	-	-	-	(5,645)	(63,846)	(69,491)
Deferred outflows of resources from pensions	-	65,918	(76,763)	-	(46,296)	-	(57,141)
Deferred outflows of resources from OPEB	-	(511)	(5,279)	-	(1,933)	-	(7,723)
Increase (decrease) in:							
Accounts payable	(11,957)	(13,328)	287,197	197	2,824	31,122	296,055
Accrued wages and benefits	-	3,505	14,193	-	3,956	96	21,750
Compensated absences	-	2,950	(2,880)	(627)	-	-	(557)
Claims payable	-	-	-	-	-	176,377	176,377
Net pension liability	-	(114,595)	(3,268)	-	18,911	-	(98,952)
Net OPEB liability	-	9,720	36,496	-	12,730	-	58,946
Deferred inflow of resources from pensions	-	66,579	85,554	-	27,411	-	179,544
Deferred inflow of resources from OPEB	-	3,589	25,612	-	9,265	-	38,466
Total adjustments	<u>(290,890)</u>	<u>87,887</u>	<u>372,830</u>	<u>12,320</u>	<u>47,436</u>	<u>143,749</u>	<u>373,332</u>
Net cash provided by (used for) operating activities	<u>\$ 100,733</u>	<u>\$ 3,334</u>	<u>\$ 417,986</u>	<u>\$ 44,560</u>	<u>\$ 120,687</u>	<u>\$ (141,298)</u>	<u>\$ 546,002</u>

CITY OF SELMA
MANAGEMENT REPORT
FOR THE YEAR ENDED JUNE 30, 2024

**CITY OF SELMA
MANAGEMENT REPORT
FOR THE YEAR ENDED JUNE 30, 2024**

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BRYANT L. JOLLEY

CERTIFIED PUBLIC ACCOUNTANTS

Bryant L. Jolley C.P.A.
Ryan P. Jolley C.P.A.
Darryl L. Smith C.P.A.
Luis A. Perez C.P.A.
Lan T. Kimoto

To the City Council of the
City of Selma
Selma, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Selma (the “City”), for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, if applicable, *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated October 9, 2023. Professional standards require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. The City adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*, and the application of other existing policies was not changed during 2024. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Accounting estimates are used in determining the depreciable lives and methods used for capital assets, compensated absences, funding progress of CalPERS pension liability, other post-employment benefit obligation, and certain lease terms not explicitly present in lease agreement(s). We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the disclosures about the employee retirement plan disclosed in Note 9 to the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. We did not identify any significant audit adjustments.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 31, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings and Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

A handwritten signature in black ink, appearing to be "Michael J. [unclear]", written in a cursive style.

March 31, 2025

Item 4-6

Information Item – Update on Existing
and Upcoming Capital Improvement
Projects

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Update on Existing and Upcoming Capital Improvement Projects

SUBMITTED: David Horn, City Engineer

APPROVED: Jerome Keene, Acting City Manager

BACKGROUND:

In March 2024, the City Manager presented the proposed 10-Year Capital Improvement Program (“CIP”), which included significant investments in public safety, parks, and infrastructure. These projects were selected based on community needs, safety considerations, and infrastructure assessments.

The CIP is a statement of the City of Selma's policy regarding long-range infrastructure improvement and development. The CIP is vital to aid in supporting orderly urban growth with an appropriate level of service within all infrastructure sectors. This program strategically focuses on projects for a ten-year period and updated annually to adjust to meet priorities of the City.

By providing a planned schedule, cost estimates, and location of public sector improvements, the CIP provides the public with valuable information regarding current construction zones, but also areas upon which to base future investment decisions for future development. It also provides local elected officials and the public with valuable information concerning proposed public facilities and the associated costs. Ultimately, this coordination of orderly and efficient programs of private and public investment will benefit the City.

The City has also prioritized street improvements as an element of its Infrastructure, as evidenced by the adoption of the Pavement Management Plan. Projects such as the Alphabet Streets Improvement Project (\$2,219,152) and the various Street Rehabilitation and Reconstruction Projects were approved to address deteriorating road conditions and improve accessibility.

EXISTING PROJECTS:

Projects underway during the 2025 Fiscal Year include some under construction and some beginning in the Design phase. The following projects were under construction during this current Fiscal Year:

1. Transit Oriented Design ADA Sidewalk Project
2. Dennis Drive Reconstruction
3. Aspen Avenue Reconstruction
4. Mulberry Street Reconstruction
5. E Street & F Street Reconstruction
6. Amberwood Sewer Trunk Line
7. Valley View Storm Drain Project – Phase 2
8. Grove Street Rehabilitation Project

9. Clarkson Sewer Lift Station

Projects in design during this current Fiscal Year are slated to be designed and ready for bidding and construction during upcoming Fiscal Years. All projects are planned to begin construction in Fiscal Year 2026, unless noted in parenthesis below. These projects include:

1. Park Street Rehabilitation and Reconstruction
2. Orange Avenue Basin Fence Project
3. Dinuba Avenue Sewer Trunk Line (Funding Availability)
4. Mill & Orange Park and Ride Parking Lot
5. Dinuba Avenue between McCall and Dockery Reconstruction
6. Dinuba Avenue between McCall and Thompson Reconstruction
7. Dinuba Avenue and McCall Avenue Traffic Signal Project (R/W Phase Pending)
8. Merced-Stillman-Tulare Alley Reconstruction Project (Env Doc Pending)
9. Floral Avenue Median Modifications West of Highland Avenue
10. Valley View ATP Trail Project (2027)
11. Downtown Lights on High Street
12. Thompson Avenue Cape Seal
13. Second Street Reconstruction
14. Thompson and Floral Alley Reconstruction

UPCOMING PROJECTS:

Projects planned to begin the design phase during the 2026 Fiscal Year include:

1. Huntsman Street Reconstruction (2027)
2. Nebraska Avenue Overlay (2027)
3. Ditch Street Overlay (2027)
4. Goldridge Street Overlay (2027)
5. Mitchell Avenue Cape Seal (2027)
6. Rose Avenue Reconstruction (2028)
7. Various Alley Reconstruction Projects (2027)

Years for planned construction are included in parenthesis.

DISCUSSION:

Staff has developed an online GIS Dashboard for the Public and Council to get updates on Capital Projects. The Dashboard will be updated periodically as changes to funding and project timelines change. Other City Departments will be able to add Capital Improvement Projects to the Dashboard as well to coincide with the Adopted 10-Year CIP.




Attachments:

- ☐ Resolution
 - ☐ Ordinance
 - ☒ Map Existing Projects
 Upcoming Projects
 - ☐ Agreement
 - ☐ Other
- List:




Active CIP Projects City of Selma

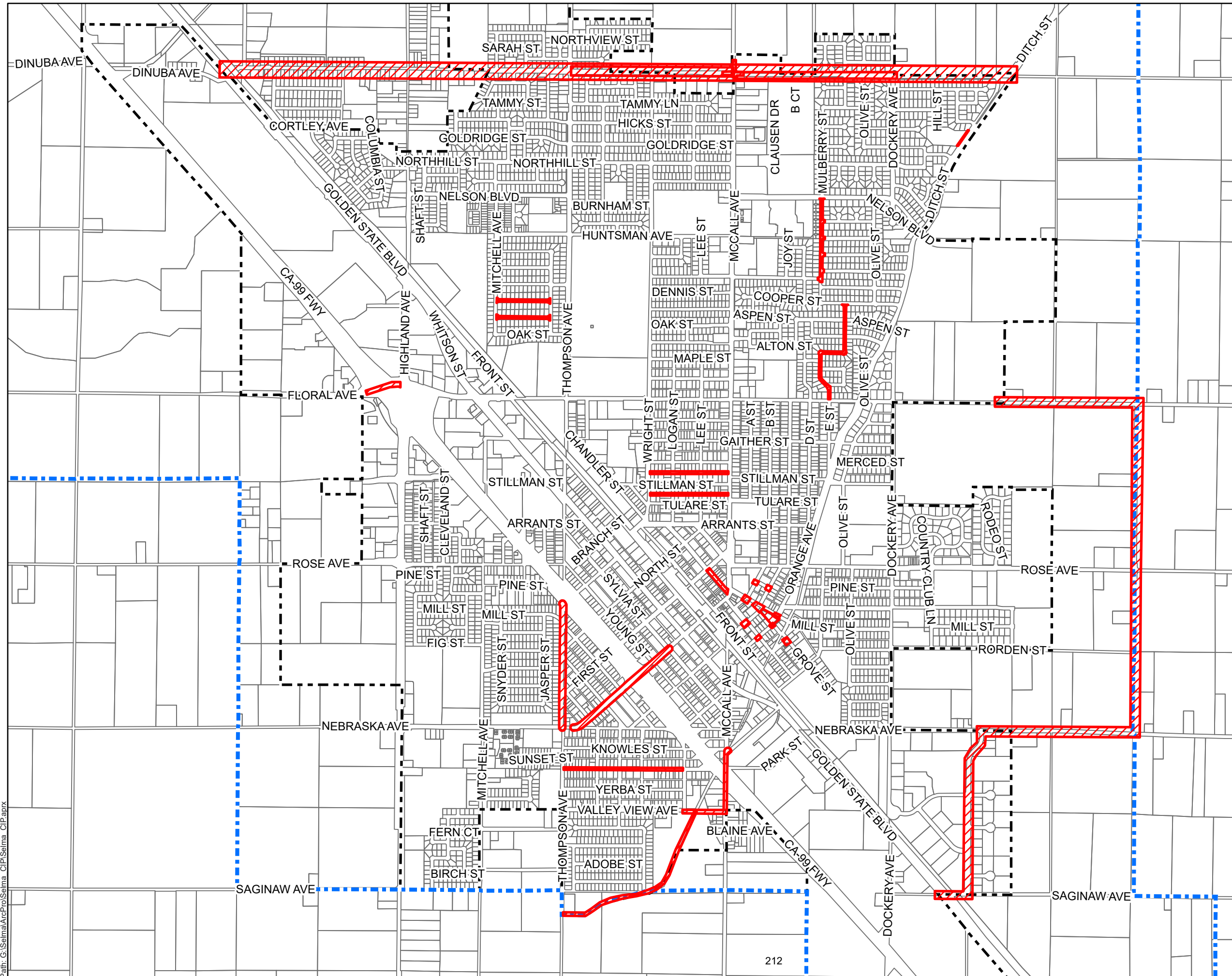
Legend

-  Projects
-  Sphere of Influence
-  City Limits



0 750 1,500
Feet

 **Yamabe & Horn
Engineering, Inc.**
CIVIL ENGINEERS • LAND SURVEYORS





Upcoming CIP Projects City of Selma

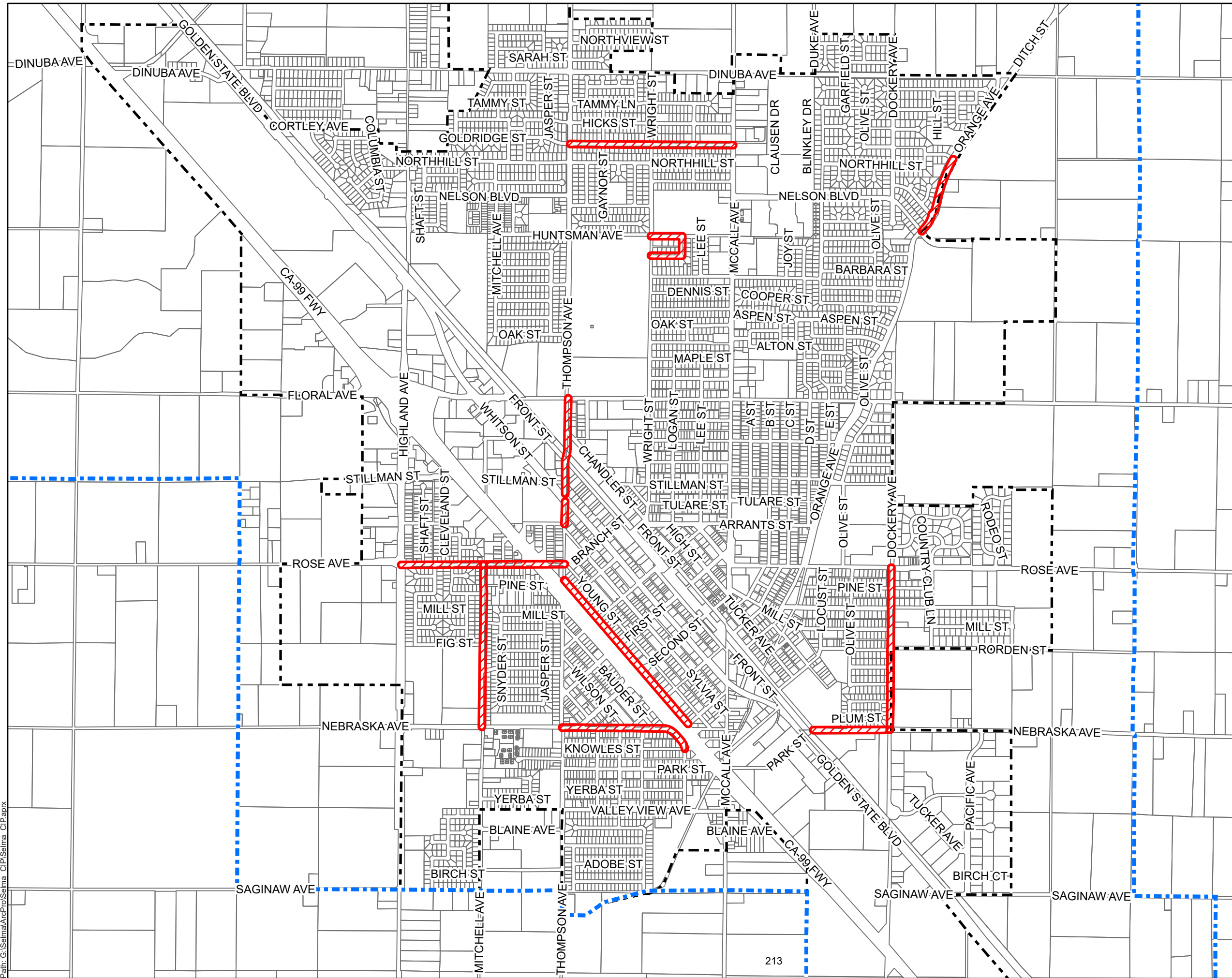
Legend

- Projects
- Sphere of Influence
- City Limits



0 750 1,500
Feet

**Yamabe & Horn
Engineering, Inc.**
CIVIL ENGINEERS • LAND SURVEYORS



Item 4-7

Information Item – Fire Station Campus
Update and Aesthetic Preference

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Fire Station Campus Update and Aesthetic Preference

SUBMITTED: Jordan Webster, Fire Chief

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Council to receive information regarding the schematic and conceptual design progress of the Fire Station Campus located at Thompson and Huntsman and provide feedback as to the aesthetic preferences of exterior finishes and elevations to help steer the design team towards a final conceptual design.

DISCUSSION:

A presentation will be provided to the Council to show design progress of the project, including a conceptual site plan, a conceptual floor plan, and 3D renderings of the conceptual design for council consideration.

FISCAL IMPACT:

None.

Attachments:

- ☐ Resolution
- ☐ Ordinance
- ☐ Map
- ☐ Agreement
- ☐ Other

List:

Item 4-8

Action Item – Introduction and First
Reading of Ordinance 2025-05 of the City
Council of the City of Selma Amending
Selma Municipal Code (SMC) 1-8-1
Relating to Creation of the
Office of City Clerk

CITY COUNCIL STAFF REPORT

Meeting Date: May 6, 2025

SUBJECT: Introduction and First Reading of Ordinance 2025-05 of the City Council of the City of Selma Amending Selma Municipal Code (SMC) 1-8-1 Relating to Creation of the Office of City Clerk.

SUBMITTED: Neal E. Costanzo, City Attorney

APPROVED: Jerome Keene, Acting City Manager

RECOMMENDATION:

Introduce and Waive First Reading of Ordinance 2025-05; Set Public Hearing and Direct Publication of Notice of Public Hearing on Adoption of Ordinance.

BACKGROUND:

Generally, the City Council appoints all officers of the City and the City Clerk is an officer of the City (Government Code §36505). However, when the City Council has adopted the City Manager form of Government, as the City of Selma has, appointment of a City Clerk, can be delegated to the City Manager by ordinance under Government Code §34856 which reads as follows:

“The city manager may appoint and dismiss the chief of police and other subordinate officers and employees except the city attorney. When the offices of city clerk and city treasurer are made appointive, appointments to such offices shall be made by the city council unless the city council vests as such appointing power in the city manager by ordinance.”

Here, the City of Selma has vested that authority in the City Manager since 2000, with the adoption of Ordinance 2000-4. City Clerk’s duties, as essentially the historian of City business and activities, relate to the conduct and record-keeping relating to actions taken by the City Council. (SMC 1-8-2).

DISCUSSION:

The City Clerk plays a vital role in supporting the operations of the City Council, particularly through the coordination and facilitation of City Council meetings. In addition to this central function, the City Clerk is responsible for a range of administrative duties, including maintaining official City records, responding to Public Records Act (PRA) requests, and managing filings with the Fair Political Practices Commission (FPPC) related to local elections and disclosures.

The position of City Clerk is intended to be neutral and nonpartisan, with an emphasis on accountability and fairness in service to the public and all elected officials. To support these principles, the City Council determined in 2000 that the position would be administered through the City Manager’s office. This structure has provided continuity and consistency in the Clerk’s operations, helping ensure that City records and documentation are handled impartially and efficiently. The role has only recently become vacant, and the City has since completed a recruitment process that resulted in the selection of a qualified candidate.

The proposed change to the appointment structure raises several important organizational and legal considerations. Under the City’s Council-Manager form of government, the City Manager is designated as the administrative head, with responsibility for appointing and managing department heads, including the City Clerk. Shifting the appointment authority to the City Council would create a dual-reporting structure in which the Clerk may receive direction from both the City Manager and the Council, potentially leading to confusion, operational inefficiencies, and conflicting priorities.

Under current policies and the revised Council Handbook, the City Clerk’s role in preparing Council agendas is carried out in accordance with established procedures, and while the City Manager oversees the administrative process—including the format and presentation of staff reports—the Council and City Attorney retain full authority to influence agenda content in compliance with the Brown Act. This framework already provides Council with the necessary tools to guide the agenda-setting process, without requiring a change in the appointment structure.

Furthermore, since a qualified individual has recently been hired under the existing ordinance, a structural change at this time could introduce legal risks. The current appointee may have rights based on the conditions under which they were hired, including provisions of the Municipal Code and Personnel Rules. Altering the Clerk’s reporting structure or employment terms without a clear and lawful process could raise concerns related to contractual obligations, perceived political motivations, or employment protections.

While the Council retains the authority to amend SMC Section 1-8-1 to designate the City Clerk as a Council appointee, any potential advantages of doing so must be weighed against the possible disruptions to administrative operations, the legal implications for the current employee, and the impact on the City Manager’s ability to effectively manage day-to-day functions. For these reasons, staff recommends that any changes to the appointment process be considered prospectively—applying only to future vacancies—to maintain organizational stability and minimize legal and operational risk.

FISCAL IMPACT:

None.

Attachments:

- ☐ Resolution
- ☒ Ordinance 2025-05
- ☐ Map
- ☐ Agreement
- ☐ Other

List:

ORDINANCE 2025 - 05

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SELMA AMENDING SECTION 1-8-1 OF THE SELMA MUNICIPAL CODE CREATING THE OFFICE OF CITY CLERK

WHEREAS, Selma Municipal Code (SMC) Section 1-8-1 currently provides that the City Clerk shall be appointed by the City Manager and shall, under the direction of the City Manager plan, organize, direct and supervise the activities and staff of the City Clerk's office; and

WHEREAS, by title 1, Chapter 18 of the SMC, the City Council adopted the City Manager-City Council form of City Government pursuant to applicable law and subdivision (c) SMC Section 1-18-5 provides that the City Manager shall appoint, remove, promote, or demote, any and all officers and employees of the city, except those employees appointed by the Mayor or City Council; and

WHEREAS, the City Clerk's function is integral to the City Council's maintenance of control over the setting and conduct of meetings of the City Council so that the City Council has determined that it is more appropriate to adjust the provisions of SMC 1-8-1 so that the City Clerk shall be appointed by the City Council and shall under the direction and supervision of the City Council plan, organize, direct and supervise the activities and staff of the City Clerk's office so that the City Council rather than the City Manager is in control over the primary functions of the City Clerk which are to keep an accurate record of the proceedings of the City Council and maintain the official records of the City Council and of the City, including but not limited to ordinances, resolutions, motions, contracts, memorandum of understandings and all official actions of the City.

NOW THEREFORE, the City of Selma does hereby ordain as follows:

SECTION 1.

AMENDMENT:

Title 1, Chapter 8 Section 1 of the Selma Municipal Code (SMC) Section 1-8-1 entitled "Office Created" is hereby amended to read as follows:

"1-8-1: OFFICE CREATED

The office of the City Clerk is hereby created. The City Clerk shall be the head of the office of the City Clerk. The City Clerk shall be appointed by the City Council and shall, under the direction and supervision of the City Council, plan, organize, direct and supervise the activities and staff of the City Clerk's office. The City Clerk shall be a regular employee of the City subject to existing rules and regulations applicable to all employees subject to the personnel system rules and regulations referred to in Title 2 of Chapter 2 of this Code, except that any adverse employment action or appointment must be initiated by the City Council."

SECTION 2. Effect. This Ordinance shall take effect and be in force and effect 30 days from and after the date of its final passage.

SECTION 3. Publication of Summary. The City Clerk is authorized and directed to cause this Ordinance or a summary of this ordinance to be published once in a newspaper of general circulation published and circulated in the County of Fresno within 15 days after its adoption. The City Clerk shall cause a summary of the proposed ordinance to be published and a certified copy of the full text of the proposed ordinance to be on file in the office of the City Clerk. The summary shall be approved by the City Attorney.

SECTION 4. No Preemption. It is the intent of the City Council of the City of Selma to supplement applicable state and federal law and not to duplicate or contradict such laws and this ordinance shall be construed consistently with that intention.

SECTION 5. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held to be invalid or unenforceable by a court of competent jurisdiction, the remaining portions of this Ordinance shall nonetheless remain in full force and effect. The Council of the City of Selma hereby declares that it would have adopted each section, subsection, sentence, clause, phrase, or portion of this Ordinance, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions of this Ordinance be declared invalid or unenforceable.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Selma held on May 6, 2025, and was thereafter duly adopted at a regular meeting of said City Council held on _____, 2025, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

Scott Robertson
Mayor

ATTEST:

Mary J. Venegas, CMC
Deputy City Clerk